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L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité

Luxembourg, le 2025-02-05

Commission de Surveillance du Secteur Financier

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## **ATHENEE FCP**

A LUXEMBOURG COMMON INVESTMENT FUND  
(*FONDS COMMUN DE PLACEMENT*)

**PROSPECTUS  
AND  
MANAGEMENT REGULATIONS**

**JANUARY 2025**

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## GLOSSARY OF TERMS

“ADRs/GDRs”	<p>ADRs (American Depositary Receipts) are a form of equity securities that were created specifically to offer investors access to individual non-US Companies. An ADR is issued by an American bank or broker. It represents one or more shares of foreign-company stock held by that bank in the home stock market of the foreign company.</p> <p>GDRs (Global Depositary Receipt) are similar to ADRs, the only difference is that ADRs are only issued by U.S banks or brokers and traded on a U.S Stock exchange, while GDRs are issued in a number of countries and offered to investors in 2 or more markets.</p>
“Commitment Approach”	a method of calculation of global exposure as detailed in the applicable laws and regulations including but not limited to the CSSF Circular 11/512 as amended by the CSSF Circular 18/698.
“Controlling Person”	the natural persons who exercise control over an entity. In the case of a trust, the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.
“ETF”	ETF means exchange traded fund. ETFs are baskets of stocks or bonds that trade like regular stocks.
“ETP”	ETP means Exchange-traded products (ETP) are instruments that track underlying security, index, or financial products.
"EU"	European Union.
"Group of Companies"	companies which are included in the same group for the purposes of consolidated accounts, in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts or in accordance with recognized international accounting rules.
"Law of 17 December 2010"	the Luxembourg law of 17 December 2010 concerning undertakings for collective investment, as may be amended from time to time.
“Master Fund”	a fund or a sub-fund into which a Feeder Fund invests at least 85 % of its assets and which: (a) has among its unitholders, at least one Feeder Fund; (b) is not itself a Feeder Fund; and (c) does not hold units of a Feeder Fund as defined in article 77 of the Law of 17 December 2010.
"Member State"	a Member State of the EU.

"Money Market Instruments"	instruments normally dealt in on the money market which are liquid and have a value which can be accurately determined at any time.
"Other Regulated Market"	market which is regulated, operates regularly and is recognized and open to the public, namely a market (i) that meets the following cumulative criteria: liquidity; multilateral order matching (general matching of bid and ask prices in order to establish a single price); transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are dealt in at a certain fixed frequency; (iii) which is recognized by a State or by a public authority which has been delegated by that State or by another entity which is recognized by that State or by that public authority such as a professional association and (iv) on which the securities dealt are accessible to the public.
"Other State"	any State of Europe which is not a Member State, any State of America, Africa, Asia, Australia and Oceania.
"Ordinary or Preferred Shares"	an Ordinary Share is a form of corporate equity ownership, a Preferred Share is a component of share capital which may have any combination of features not possessed by common stock including properties of both an equity and a debt instrument, and is generally considered a hybrid instrument and may have priority over Ordinary shares in the payment of dividends and upon liquidation
"PAI"	Principal adverse impacts as defined by the SFDR
"Regulated Market"	a regulated market as defined in item 14 of Article 4 of the Parliament and Council Directive 2004/39/EC of 21 April 2004 on markets in financial instruments as amended ("Directive 2004/39/EC") namely a multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with the provisions of Title III of Directive 2004/39/EC. An updated list of Regulated Markets is available at: <a href="http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2008:057:0021:0027:EN:PDF">http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2008:057:0021:0027:EN:PDF</a>
"Regulatory Authority"	the Luxembourg authority or its successor in charge of the supervision of the UCIs in the Grand Duchy of Luxembourg.
SFDR	Regulation (EU) No 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

"SFDR Level II"	Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council, as subsequently updated and amended, with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of 'do no significant harm', specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports
"Sustainable Risks"	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 investments made by the Sub-Fund(s)
"Transferable Securities"	<ul style="list-style-type: none"> <li>- shares and other securities equivalent to shares in companies;</li> <li>- bonds and other forms of securitised debt instruments;</li> <li>- any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange with the exclusion of techniques and instruments.</li> </ul>
"UCI"	undertaking for collective investment.
"UCITS"	undertaking for collective investment in transferable securities and/or other permitted financial assets governed by the UCITS Directive.
"UCITS Directive"	Council Directive 2009/65/EC, as may be amended from time to time.
"U.S.A., U.S. or United States of America"	the United States of America.

## **PROSPECTUS IMPORTANT NOTICE**

*This prospectus (the "Prospectus") contains information about ATHENEE FCP (the "Fund") that a prospective investor should consider before investing in the Fund and should be retained for future reference.*

*Neither delivery of the Prospectus nor anything stated herein should be taken to imply that any information contained herein is correct as of any time subsequent to the date hereof. The Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any units of the Fund (the "Units") in any jurisdiction in which such offer, solicitation or sale would be unlawful or to any person to whom it is unlawful to make such offer in such jurisdiction.*

*The Units represent undivided interests solely in the assets of the Fund. They do not represent interests in or obligations of, and are not guaranteed by any government, the Depositary, the Management Company (as defined hereinafter) or any other person or entity.*

### **INVESTING IN THE FUND INVOLVES RISK INCLUDING THE POSSIBLE LOSS OF CAPITAL**

*No distributor, agent, salesman or other person has been authorised to give any information or to make any representation other than those contained in the Prospectus and in the documents referred to herein in connection with the offer contained herein, and, if given or made, such information or representation must not be relied upon as having been authorised.*

*The distribution of the Prospectus and/or the offer and sale of the Units in certain jurisdictions or to certain investors, may be restricted or prohibited by law.*

*The Units have not been registered under the United States Securities Act of 1933, as amended (the "1933 Act"); they may therefore not be publicly offered, sold, transferred or delivered, directly or indirectly, in the USA, or in any of its territories subject to its jurisdiction or to or for the benefit of a US Person as such expression is defined by Article 5.5 of the Management Regulations and hereinafter. The Units are not being offered in the USA, and may be so offered only pursuant to an exemption from registration under the 1933 Act and with the consent of the Management Company, and have not been registered with the Securities and Exchange Commission or any state securities commission nor has the Fund been registered under the Investment Company Act of 1940, as amended (the "1940 Act"). No transfer or sale of the Units shall be made unless, among other things, such transfer or sale is exempt from the registration requirement of the 1933 Act and any applicable state securities laws or is made pursuant to an effective registration statement under the 1933 Act and such state securities laws and would not result in the Fund becoming subject to registration or regulation under the 1940 Act. Units may furthermore not be sold or held either directly or indirectly by nor to the benefit of, among others, a citizen or resident of the USA, a partnership organized or existing in any state, territory or possession of the USA or other areas subject to its jurisdiction, an estate or trust the income of which is subject to United States federal income tax regardless of its source, or any corporation or other entity organized under the laws of or existing in the USA or any state, territory or possession thereof or other areas subject to its jurisdiction (a "US Person"). The sale and transfer of Units to US Persons is restricted and the Fund may redeem Units held by a US Person or refuse to register any transfer to a US Person as it deems appropriate to assure compliance with the 1933 Act and furthermore with the Foreign Account Tax Compliance Act ("FATCA"). For the purpose of compliance with FATCA, the restriction on investors is to be understood as a restriction on (i) specified US Persons, (ii) Non-participating Foreign Financial Institutions, (iii) Passive Non-Financial Foreign Entities with one or more substantial US owners (collectively the "ineligible investors"). All purchasers must certify that the beneficial owner of such Units is not a US Person respectively an ineligible*



*investor and is purchasing such Units for its own account, for investment purposes only and not with a view towards resale thereof.*

*The Prospectus may not be delivered to “US Persons”, “ineligible investors” or to any person who may not legally be able to receive it or in respect of whom a sales solicitation is unlawful (collectively the “unauthorised persons”).*

*The Management Company will demand the immediate refunding of the Units bought or held by an unauthorised person, including by investors who would have become unauthorised persons after the acquisition of the Units.*

*Unitholders shall notify the Fund and/or the UCI Administrator i) if they become unauthorised persons or ii) if they hold Units in the Fund in breach of the applicable laws and regulations, the Prospectus or the Management Regulations, or iii) in any circumstances which may affect the taxation of and/or have legal and/or regulatory consequences for the Fund or the Unitholders or which may otherwise have a negative impact on the Fund or the other Unitholders.*

*The Management Company, in its sole discretion and in accordance with the applicable provisions of the Prospectus, the Management Regulations as may be amended from time to time and any applicable legal provision, may refuse to register any transfer in the register of Unitholders or compulsorily redeem any Units acquired in contravention of the provisions of the Prospectus, the Management Regulations hereto attached or any applicable law.*

*Prospective investors should inform themselves as to the legal requirements and tax consequences within the countries of their residence and domicile for the acquisition, holding or disposal of Units and any foreign exchange restrictions that may be relevant to them.*

*The board of directors of the Management Company (the “Board of Directors”) has taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no material facts the omission of which would make misleading any statement herein, whether of fact or opinion. The Board of Directors accepts responsibility accordingly.*

*The Fund is registered pursuant to Part I of the Law of 17 December 2010. However, such registration does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of the Prospectus. Any representations to the contrary are unauthorised and unlawful.*

*The Fund is a UCITS for the purposes of the UCITS Directive and the Board of Directors proposes to market the Units in accordance with the UCITS Directive in certain Member States.*

*Pursuant to the laws and regulations of Luxembourg with respect to money laundering and in particular pursuant to the law of 12 November 2004 against money laundering and financing of terrorism as amended, as well as all the relevant IML/CSSF Circulars as they may be amended or revised from time to time, obligations have been imposed on financial sector individuals to prevent the use of UCITS for money laundering purposes. Within this context, a procedure for the identification of subscribers has been imposed. That is, the application form of a subscriber must be accompanied in the case of individuals, by a copy of the passport or identification card and/or in the case of legal entities, a copy of the statutes and an extract from the commercial register (any such copy must be certified to be a true copy by one of the following authorities: embassy, consulate, notary, local police or other authorities determined on a case by case basis by the Management Company). Such identification procedure may be waived by the Management Company in the following circumstances:*

- a) *in the case of a subscription through a professional of the financial sector resident in a country which imposes an identification obligation equivalent to that required by Luxembourg law for the prevention of money laundering;*
- b) *in the case of a subscription through a professional of the financial sector whose parent is subject to an identification obligation equivalent to that required by Luxembourg law and where the law applicable to the parent - or a statutory or professional obligation pursuant to a group policy - impose an equivalent obligation on its subsidiaries or branches.*

*It is generally accepted that financial professionals resident in a country which has ratified the conclusions of the financial action task force (FATF) are deemed to have an identification requirement identical to that required by Luxembourg law.*

### **Luxembourg Register of beneficial owners**

*The Luxembourg Law of 13 January 2019 creating a Register of Beneficial Owners (the "Law of 13 January 2019") entered into force on 1 March 2019. The Law of 13 January 2019 requires all companies registered with the Luxembourg Company Register, including the Fund, to obtain and hold information on their beneficial owners ("Beneficial Owners") at their registered office. The Fund must register certain Beneficial Owner-related information with the Luxembourg Register of Beneficial Owners, which is established under the authority of the Luxembourg Ministry of Justice.*

*The Law of 13 January 2019 broadly defines a Beneficial Owner, in the case of corporate entities such as the Fund, as any natural person(s) who ultimately owns or controls the Fund through direct or indirect ownership of a sufficient percentage of the shares or voting rights or ownership interest in the Fund, including through bearer shareholders, or through control via other means, other than a company listed on a regulated market that is subject to disclosure requirements consistent with European Union law or subject to equivalent international standards which ensure adequate transparency of ownership information.*

*A shareholding or ownership interest of more than 25 % in the Fund held by a natural person shall be an indication of direct ownership. A shareholding or ownership interest of more than 25% in the Fund held by a corporate entity, which is under the control of a natural person(s), or by multiple corporate entities, which are under the control of the same natural person(s), shall be an indication of indirect ownership.*

*In case the aforementioned Beneficial Owner criteria are fulfilled by an investor with regard to the Fund, this investor is obliged by law to inform the Fund in due course and to provide the required supporting documentation and information which is necessary for the Fund to fulfil its obligation under the Law of 13 January 2019. Failure by the Fund and the relevant Beneficial Owners to comply with their respective obligations deriving from the Law of 13 January 2019 will be subject to criminal fines. Should an investor be unable to verify whether they qualify as a Beneficial Owner, the investor may approach the Fund for clarification.*

*For both purposes the following e-mail address may be used: [compliance@aaml.lu](mailto:compliance@aaml.lu)*

### ***Enquiries or Complaints***

*Any investor enquiries or complaints should be submitted to the Management Company at the following address: [compliance@aaml.lu](mailto:compliance@aaml.lu) and any response will be made in writing. The complaints handling policy established by the Management Company may be requested, free of charge, by contacting the Management Company at the email address [compliance@aaml.lu](mailto:compliance@aaml.lu) or through the following website: [www.andbank.com](http://www.andbank.com).*

*The Prospectus and any supplements thereto may also be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Prospectus and supplements. To the extent that there is any inconsistency between the English language Prospectus/supplements and the prospectus/supplements in another language, the English language Prospectus/supplements will prevail, except to the extent (but only to the extent) required by law of any jurisdiction where the Units are sold, that in an action based upon disclosure in a prospectus in a language other than English, the language of the prospectus/supplement on which such action is based shall prevail.*

***Units of the various Sub-Funds must be subscribed solely on the basis of the information contained in the Prospectus and the relevant Key Information Document (“KID”). The KID is a pre-contractual document that contains key information for investors. It includes appropriate information about the essential characteristics of each Class of a particular Sub-Fund. As per Directive 2021/65/EC, the “key information document” subject to Regulation (EU) No 1286/2014 of the European Parliament and of the Council, which requires manufacturers of packaged retail and insurance-based investment products (PRIIPs), before making a PRIIP available to retail investors, to draw up and publish a key information document (‘KID’) for that product in order to enable such retail investors to understand and compare the key features and risks of the PRIIP, is to be considered to satisfy the requirements applicable to the KIID. In addition, for investors other than retail investors, the Fund should continue to draw up key investor information in accordance with Directive 2009/65/EC, unless they decide to draw up a KID as set out in Regulation (EU) No 1286/2014. In such cases, the Fund should not be required by competent authorities to provide a KIID.***

***If you are considering subscribing for Units, you should first read the relevant KIID carefully together with the Prospectus and more particularly its Appendix I which includes in particular information on the various Sub-Funds’ investment policies, and you should also consult the Fund’s latest published annual and semi-annual reports, copies of which are available from the following website: <https://www.andbank.com/luxembourg/gestion-dactifs/nos-fonds/>; from local agents, if any, or from the entities marketing the Units, and may be obtained upon request, free of charge, at the Fund’s registered office.***

## **SPECIAL RISK CONSIDERATIONS**

Investment in certain securities involves a greater degree of risk than is usually associated with investment in the securities of other major securities markets. Potential investors should consider the following risks (not exhaustive) before investing in any of the sub-funds (the “Sub-Funds”).

### **1) Emerging Markets risks**

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

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

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

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

There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or

to be transferred to the Sub-Funds. Furthermore, compensation schemes may be non-existent or limited or inadequate to meet the Fund's claims in any of these events.

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

## **2) Foreign exchange/currency risk**

Although Units within the relevant Sub-Funds are denominated in a designated base currency, the assets related to a Class of Units of the relevant Sub-Fund may be invested in securities denominated in other currencies.

The net asset value (the "Net Asset Value") of the Sub-Fund as expressed in Euro will fluctuate in accordance with the changes in the foreign exchange rates between Euro and the currencies in which the Sub-Fund's investments are denominated. The Sub-Fund may therefore be exposed to a foreign exchange/currency risk. It may not be possible or practicable to hedge against the consequent foreign exchange/currency risk exposure.

## **3) Investment in currencies**

Sub-Funds that invest in currencies as a primary objective will seek to exploit the fluctuations in international currencies, through the use of foreign currency and interest rate derivatives. This means that a greater than normal currency risk may arise. In the short-term this may take the form of large, unpredictable fluctuations in the Unit price and in the long-term of a negative performance due to the possibility that the Sub-Fund's management could misread foreign currencies' trends.

## **4) Market risk**

Some of the stock exchanges, Regulated Markets and Other Regulated Markets on which a Sub-Fund may invest may prove to be illiquid, insufficiently liquid or highly volatile from time to time. This may affect the timing and price at which a Sub-Fund may liquidate positions to meet redemption requests or other funding requirements.

## **5) Structured products**

Some Sub-Funds may invest in structured products. These include interests in entities organized solely for the purpose of restructuring the investment characteristics of certain other investments. These investments are purchased by the entities, which then issue Transferable Securities (the structured products) backed by, or representing interests in, the underlying investments. The cash flow on the underlying investments may be apportioned among the newly issued structured products to create Transferable Securities with different investment characteristics such as varying maturities, payment priorities or interest rate provisions, and the extent of the payments made with respect to structured investments depends on the amount of the cash flow on the underlying investments.

Some Sub-Funds may also acquire, when it is in the best interests of the Unitholders, credit-linked notes issued by first class financial institutions.

The use of credit-linked notes can overcome problems and mitigate certain risks associated with direct investment in the underlying assets.

Credit-linked notes referenced to underlying securities, instruments, baskets or indices, which the relevant Sub-Fund may hold, are subject to both counterparty risk and the risk inherent in the underlying investment.

When such credit-linked notes will be traded on Regulated Markets, the Sub-Fund will comply with the investment limits described under Article 15.1.C of the Management Regulations.

Should such credit-linked notes be not traded on Regulated Markets, they would be treated as equivalent to Transferable Securities as further described in Article 15.1.B of the Management Regulations.

The investment limits will equally apply to the issuer of such instrument and to the underlying asset.

The Sub-Funds may furthermore invest in indexed securities which are Transferable Securities linked to the performance of certain securities, indices, interest rates or currency exchange rates. The terms of such securities may provide that their principal amounts or just their coupon interest rates are adjusted upwards or downwards at maturity or on established coupon payment dates to reflect movements in various measures of underlying market or security while the obligation is outstanding.

Structured products are subject to the risks associated with the underlying market or security and may be subject to greater volatility than direct investments in the underlying market or security. Structured products may entail the risk of loss of principal and/or interest payments as a result of movements in the underlying market or security.

## **6) Special risks of hedging and income enhancement strategies**

Each Sub-Fund may engage in various portfolio strategies to attempt to reduce certain risks of its investments and to attempt to enhance return. These strategies include the use of options, forward foreign exchange contracts, swaps (credit default swaps (hereinafter "Credit Default Swaps" as defined in Article 15.2 of the Management Regulations), interest rate swaps, equity swaps, swaptions, currency swaps and inflation-linked swaps) and futures contracts and options thereon, including international equity and bond indices, as described in the Management Regulations. The use of derivatives and other techniques and instruments involves far higher risks than standard investment instruments.

There can therefore be no assurance that the relevant Sub-Fund's investment objectives will be achieved.

In addition, the use of techniques and instruments involves particular risk, mainly associated with their leverage, whereby large liabilities can be incurred using relatively small financial means. This is the risk associated with the use of relatively small financial resources to obtain a large number of commitments.

## **7) Special risk considerations for investors in the Equity Sub-Funds, investing primarily in equities and equity-linked instruments**

The buying and selling of equities carries a number of risks, the most important being the volatility of the capital markets on which those securities are traded and the general insolvency risk associated with the issuers of equities, including index and basket certificates. Index and basket certificates rarely carry any entitlement to repayment of invested capital or to interest or dividend payments; the calculation of the reference index or basket usually takes account of cost and/or fees; and the repayment of invested capital is usually entirely dependent on the performance of the reference index or basket. Although index and basket certificates are

debentures, the risk they carry is inter alia an equity risk since the certificate performance depends on that of an index or basket which is itself dependent on the performance of its own components (e.g. securities). The value of certificates that inversely reflect the performance of their components may fall when markets rise. The risk that the relevant Sub-Fund may lose all or part of its value cannot be excluded.

Potential investors should be aware of the additional risks as well as of the general price risks when investing in shares. By picking stock on the basis of its earning potential rather than on its country or origin or industry, performance will not depend on general trends, as these are represented in broad market indices, for example.

Equity-linked instruments may comprise warrants, which confer on the investor the right to subscribe a fixed number of Ordinary Shares in the relevant company at a pre-determined price for a fixed period.

The cost of this right will be substantially less than the cost of the share itself. Consequently the price movements in the share will be multiplied in the price movements of the warrant. This multiplier is the leverage or gearing factor. The higher the leverage is the more attractive the warrant is. By comparing, for a selection of warrants, the premium paid for this right and the leverage involved, their relative worth can be assessed. The levels of the premium and gearing can increase or decrease with investor sentiment. Warrants are therefore more volatile and speculative than Ordinary Shares. Investors should be warned that prices of warrants are extremely volatile and that furthermore, it may not always be possible to dispose of them. The leverage associated with warrants may lead to loss of the entire price or premium of the warrants involved.

## **8) Depositary Receipts**

Investment in a given country may be made via direct investments into that market or by depositary receipts traded on other international exchanges in order to benefit from increased liquidity in a particular security and other advantages. A depositary receipt traded on an eligible market is deemed an eligible transferable security regardless of the eligibility of the market in which the security it relates to locally trades.

## **9) Investments in specific countries, sectors, regions or markets**

Investments in specific sectors, such as the telecoms, technology and media sectors, can lead to adverse consequences when such sectors become less valued.

Investments in specific countries may mean that diversification in country and economic area terms is slight. The performance can also differ significantly from the general trend of the global equity markets.

In addition, for investments in companies producing environmentally friendly products and technologies or that contribute to the creation of a cleaner and healthier environment, performance might not depend on general market trends.

## **10) Investment in units of UCIs or UCITS**

When investing in Units of some Sub-Funds of the Fund which in turn may invest in other UCIs or UCITS, the investors are subject to the risk of duplication of fees and commissions except that if a Sub-Fund invests in other UCIs or UCITS managed by the Management Company or sponsored by the promoter of the Fund, the Sub-Fund will not be charged any subscription and redemption fees with respect to such investment.

### **11) Risk related to Foreign Account Tax Compliance Act (FATCA)**

The withholding tax regime of FATCA became effective in phases since 1 July 2014. Although the Fund will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax as a result of the FATCA regime, the value of the Units held by the Unitholders concerned may be adversely impacted to a significant extent.

### **12) Risk related to Common Reporting Standard**

For exchange of information purpose, Unitholders are informed that their personal and account information (the Information as described in the Common Reporting Section) may be reported to the relevant tax authorities.

Any Unitholder that fails to comply with the Fund's Information or documentation requests may be held liable for penalties imposed on the Fund and attributable to such Unitholders' failure to provide the Information or subject to disclosure of the Information by the Fund to the LTA. In addition, as the case may be, the Fund may redeem Units held such Unitholders.

### **13) Global risk exposure**

The Fund must employ a risk-management process which enables it to monitor and measure at any time the risk of the positions in its portfolios and their contribution to the overall risk profile of its portfolios.

The method retained by the Management Company in order to determine the global risk exposure of each Sub-Fund is set out for each Sub-Fund in Appendix I of the Prospectus.

In relation to financial derivative instruments the Fund must employ a process for accurate and independent assessment of the value of over-the-counter ("OTC") derivatives as referred to in Article 15 of the Management Regulations and the Fund shall ensure for each Sub-Fund that its global risk exposure relating to financial derivative instruments does not exceed the total net value of its portfolio.

Global exposure is a measure designed to limit the leverage generated by each Sub-Fund through the use of financial derivative instruments. The global risk exposure is calculated in accordance with regulatory practice.

Each Sub-Fund may invest, according to its investment policy and within the limits laid down in Articles 15.1 and 15.2 of the Management Regulations in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in Article 15.1 of the Management Regulations.

When a Sub-Fund invests in index-based financial derivative instruments, these investments do not necessarily have to be combined to the limits laid down in Article 15.1 item C. (a) (1)-(5), (8), (9), (13) and (14) of the Management Regulations.

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

### **14) Sustainability Risk**

The Management Company reviews and assesses potential sustainability risks within the meaning of the EU Regulation 2019/2088 dated March 10, 2021 on the sustainability related



disclosures in the financial services sector and related technical standards (the “SFDR Regulation”) as part of its decision-making processes with respect to the investments made and/or to be made by the Management Company and when applicable the Investment Managers of the Sub-Fund(s) and will integrate such review within its internal procedures and policies. Such review will be performed by the risk management team of the Management Company. Thereafter, during the ex-ante risk assessment process the Management Company and when applicable the Investment Managers will consider those risks and assess if those will have a relevant impact on the investment. If those risks are relevant, the risk management team also performs a regular (ex-post) review of those risks as part of the discharge of its duties.

More information regarding the sustainability risks management approach can be found under the sustainability risk policy available on the website of the Management Company on [https://www.andbank.com/luxembourg/wp-content/uploads/sites/24/2017/04/AAML\\_Sustainability-risk-Policy\\_V1-.pdf](https://www.andbank.com/luxembourg/wp-content/uploads/sites/24/2017/04/AAML_Sustainability-risk-Policy_V1-.pdf).

As part of the delegation of the portfolio management to the Investment Manager when applicable, the Management Company and when applicable the Investment Manager is responsible for the consideration of the principal adverse impact of the investment decision on the sustainability factors as disclosed in Appendix I of this Prospectus describing the particularities of the Sub-Funds.

Further to the entry into force of SFDR Level II, Unitholders are informed about the environmental or social characteristics available in the “Appendix III” of this Prospectus.

#### **15) Risks related to ADRs/GDRs**

The main specific risks related to investment in ADR’ and GDRs are:

Currency or exchange rate risk: the risk that the currency in the issuing company’s country will drop relative to the US dollar.

Inflation risk: Inflation risk shall be considered in extension of the exchange rate risk. The currency in a country with a high inflation could be less valuable.

Political risk: The countries are often characterized by unstable governments and institutions that might create sudden crises effecting a share, rights or ADRs/GDRs.

#### **16) Risks related to indirect Investments in China**

The Fund may have indirect exposure to Chinese markets by investing in ADRs/GDRs, UCITS & UCIs, such investment is subject to emerging markets risks. The value and performance of investments made in Chinese markets may be affected by uncertainties and sensitivity arising from the major change in economic, social and political policy in the People's Republic of China (“PRC”).

In addition the Chinese government’s policies on exchange control, repatriation restrictions and taxation legislation are subject to change, and the value of the relevant investments may be adversely affected.

The stock markets in China are emerging markets exposed to rapid growth and changes this may lead to high volatility, lower level of regulation, and difficulties in settlement. Moreover Chinese accounting standards and practices may deviate significantly from international accounting standards.

## **17) Distressed securities**

Securities of government or a company experiencing financial distress or going through bankruptcy, specifically, a company that sees its bond rating downgraded by rating agencies to speculative grade (CCC).

## **18) Risks related to investments in convertible securities**

Convertible bonds are corporate bonds with an option that allows an investor to convert the bond into shares at a given price at specified times during the life of the convertible bond. This exposure to equity movements can lead to more volatility than could be expected from a comparable conventional corporate bond.

Investments in convertible bonds are subject to the same interest rate, credit and prepayment risks associated with comparable conventional corporate bonds. Price changes in fixed-interest securities are influenced significantly by interest rate developments in the capital markets, which in turn are influenced by macro-economic factors. The values of convertible securities also may be affected by changes in the credit rating, liquidity or financial condition of the issuer. A Sub-Fund may also be exposed to the credit and insolvency risks of the issuers of the securities.

## **19) Risk related to Investments in Contingent Convertible Bonds (CoCos)**

The investments in CoCos may entail the following potential risks, therefore, investors should fully understand and consider the risks of CoCos as a complex product and correctly factor those risks into their valuation:

Trigger level risk: trigger levels differ and determine exposure to a conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the Investment Manager to anticipate the triggering events that would require the debt to convert into equity.

Coupon cancellation: for some CoCos, coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time.

Write-down Risk: While all CoCos (AT1 and T2) are subject to conversion or write down when the issuing bank reaches the trigger level, for AT1s there is an additional source of risk for the investor in the form of coupon cancellation in a going concern situation. Coupon payments on AT1 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 AT1 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 of AT1 instruments and may lead to mispricing of risk. Perhaps most challenging to investors, given the required absence of dividend stoppers/pushers, the AT1 holders may see their coupons cancelled while the issuer continues to pay dividends on its common equity and variable compensation to its workforce.

Capital structure inversion risk: contrary to classical capital hierarchy, CoCos' investors may 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 Tier 2 CoCos may suffer losses not at the point of gone concern but conceivably in advance of lower trigger AT1s and equity.

Call extension risk: some CoCos are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority. It cannot be assumed that the perpetual CoCos will be called on call date. AT1 CoCos are a form of permanent capital. The investor may not receive return of principal if expected on call date or indeed at any date.

Unknown risk: the structure of CoCos is innovative yet untested.

Higher yields: investors have been drawn to the instruments as a result of the CoCos often attractive yield which may be viewed as a complexity premium.

Industry concentration risk: investment in CoCos may lead to an increased industry concentration risk and thus counterparty risk as such securities are issued by a limited number of banks.

Valuation risk: the value of CoCos may need to be reduced due to a higher risk of overvaluation of such asset class on the relevant eligible markets. Therefore, a Fund may lose its entire investment or may be required to accept cash or securities with a value less than its original investment.

Conversion risk: it might be difficult for the Investment Manager to assess how the securities will behave upon conversion. A forced sale may itself lead to liquidity issue for these shares.

Liquidity risk: in certain circumstances finding a ready buyer for CoCos may be difficult and the seller may have to accept a significant discount to the expected value of the CoCos in order to sell it.

## **20) Risks related to investments in commodities (including commodities indices)**

Commodities, to which some of the Sub-Funds may be exposed, are assets that have tangible properties, such as oil, metals, and agricultural products. An exposure to commodities may not be suitable for all investors. Commodities and commodity-linked securities and derivatives may be subject to heightened risks and may be affected by overall market movements, changes in interest rates, and other factors such as weather, disease, embargoes, and international economic, regulatory and political developments, as well as the trading activity of speculators and arbitrageurs in the underlying. The commodity markets (including the markets for commodity-linked securities and derivatives) may be subject to a degree of volatility that may prove higher than in equity or bond markets due to their sensitivity to the development of commodity prices and their substantial exposure to emerging markets.

## **21) Risks related to investments in Real Estate Investment Trusts ("REITs")**

A REIT is a company that owns, operates, or finances income-generating real estate. Modeled after mutual funds, REITs pool the capital of numerous investors. This makes it possible for individual investors to earn dividends from real estate investments—without having to buy, manage, or finance any properties themselves.

A fund may be subject to risks similar to those associated with the direct ownership of real property (in addition to securities market risks) through its investment in REITs. Real estate investments are relatively illiquid and may affect the ability of a REIT to vary its investment portfolio or liquidate part of its assets in response to changes in economic conditions, international securities markets, foreign exchange rates, interest rates, real estate markets or other conditions. Adverse global economic conditions could adversely affect the business, financial condition and results of operations of REITs. REITs may trade less frequently and in

a limited volume and may be subject to more abrupt or erratic price movements than other securities.

The prices of REITs are affected by changes in the value of the underlying property owned by the REITs. Investment in REITs may therefore subject a fund to risks similar to those from direct ownership of real property. The prices of mortgage REITs are affected by the quality of any credit they extend, the creditworthiness of the mortgages they hold, as well as by the value of the property that secures the mortgages.

Further, REITs are dependent upon management skills in managing the underlying properties and generally may not be diversified. In addition, certain "special purpose" REITs in which a fund may invest may have their assets in specific real property sectors, such as hotel REITs, nursing home REITs or warehouse REITs, and are therefore subject to the risks associated with adverse developments in these sectors.

REITs are also subject to heavy cash flow dependency, defaults by borrowers and self-liquidation. There is also the risk that borrowers under mortgages held by a REIT or lessees of a property that a REIT owns may be unable to meet their obligations to the REIT. In the event of a default by a borrower or lessee, the REIT may experience delays in enforcing its rights as a mortgagee or lessor and may incur substantial costs associated with protecting its investments. On the other hand, if the key tenants experience a downturn in their businesses or their financial condition, they may fail to make timely rental payments or default under their leases. Tenants in a particular industry might also be affected by any adverse downturn in that industry and this may result in their failure to make timely rental payments or to default under the leases. The REITs may suffer losses as a result.

REITs may have limited financial resources and may be subject to borrowing limits. Consequently, REITs may need to rely on external sources of funding to expand their portfolios, which may not be available on commercially acceptable terms or at all. If a REIT cannot obtain capital from external sources, it may not be able to acquire properties when strategic opportunities exist.

Any due diligence exercise conducted by REITs on buildings and equipment may not have identified all material defects, breaches of laws and regulations and other deficiencies. Losses or liabilities from latent building or equipment defects may adversely affect earnings and cash flow of the REITs.

These factors may have an adverse impact on the value of the relevant fund investing in REITs.

## **22) High-yield debt securities risk**

High-yield debt may carry a greater risk of default than higher rated debt securities. In addition, non-investment grade securities tend to be more volatile than higher rated debt securities, so that adverse economic events may have a greater impact on the prices of non-investment grade debt securities than on higher rated debt securities. Further, an issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, for example, an economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity.

## **23) Financial Derivative Instruments Risks:**

The risks associated with using financial derivative instruments (whether for hedging, efficient portfolio management and investment purposes) are set out in the paragraphs titled "Risks Related to Investments in Equity Related Securities", "Options", "Financial Futures Contracts", "Swaps", "Portfolio swaps and Participation Notes" and "Possible Losses in Securities Option

Transactions, Financial Futures Contracts, Option Transactions on Financial Futures Contracts and Securities Index Options” below.

Investment funds using financial derivative instruments for investment purposes are generally associated with greater risk than funds which use financial derivative instruments only for efficient portfolio management or hedging purposes. These significant additional risks include, for example, market counterparty risk, leverage risk, liquidity risk and operational risk. Losses incurred as a consequence of the use of financial derivative instruments for investment purposes may be substantial and could lead to total capital loss for investors in the Sub-Fund(s) concerned. There is a risk of total / significant loss resulting from the use of financial derivative instruments for investment purposes.

Where a Sub-Fund enters into OTC derivative contracts, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. Further, there is risk with such investments, that the more bespoke they become and the more complex they become the harder it is to unwind the positions at market prices.

Basis risk is the risk of loss due to a divergence in the difference between two rates or prices. There will be occasions where a Sub-Fund will use financial derivative instruments to hedge out existing market exposure to a particular basket of stocks. Although the underlying constituents of the financial derivative instrument used may be similar to the basket of stocks being hedged against, it is likely that there will be differences in the composition. The hedging arrangement may therefore not fully offset the price change in the basket of stocks being hedged against.

There is also a risk that the portfolio manager will have insufficient cash in a Sub-Fund to meet the margin calls necessary to sustain its position in a derivative contract in which case the counterparty will require the investor to place a margin payment with them at the outset of the contract, and this margin payment will be subject to additional top-ups if and when the market moves against the investor. In such circumstances the portfolio manager will either have to close out the position, thus realizing a loss, or dispose of other assets in such Sub-Fund to raise the required margin call, thus potentially adversely affecting the investment composition of such Sub-Fund.

#### **24) Credit and counterparty risks**

Even when the securities to be acquired are selected carefully, the credit risk, i.e. the risk of loss through the inability of issuers to pay (issuer risk), cannot be excluded. The value of a compartment may be adversely affected if any of the institutions with whom the assets of the compartment are invested or deposited suffers insolvency or other financial difficulties. Such deposits may include margin payments to derivative counterparties and cash held on deposit at bank.

The compartments may invest in financial derivative instruments, comprising options, futures, index futures and currency forward contracts for hedging and efficient portfolio management, as more fully described in the investment policy of each compartment. There is a risk that the use of such instruments will not achieve the goals aimed at. Also, the use of swaps and other derivative contracts entered into by private agreements may create a counterparty risk for the compartment concerned.

In certain circumstances, there may be a credit risk with regard to parties with whom a compartment trades and a compartment may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions which generally are backed by clearing organisation guarantees, daily mark-to-market and settlement, and

segregation and minimum capital requirements applicable to intermediaries. It may not always be possible for the securities and other assets deposited with depositaries or brokers to be clearly identified as being assets of a compartment and such compartment may be exposed to a credit risk in those situations. In addition, there may be practical or time problems associated with enforcing a compartment's rights to its assets in the case of an insolvency of any such party. In such circumstances it is possible that a compartment will not be able to recover any debt in full, or at all.

These risks are mitigated by the fact that the counterparties must be institutions subject to prudential supervision and that the counterparty risk on a single entity must be limited in accordance with the investment restrictions. The secondary market price of such financial derivative instruments will vary in accordance with the market's perception of the credit worthiness of the issuer.

In the event of failure of the counterparty the Fund may only rank as an unsecured creditor in respect of sums due from the issuer or broker in question, meaning that the Fund may be unable to recover part or all of the assets exposed to that counterparty and any such recovery may be significantly delayed. Such delay or loss would be to the detriment of the net asset value of Units in the relevant compartment.

Additionally, some compartments may be exposed to the risk that one or more of the issuers of debt securities in the compartment portfolio may default in paying principal or interest. Portion of the obligations and preferred stock in which the compartment invests may be less than investment grade. As a result, the compartment may lose part of their investment in any particular instance. Lower rated and unrated securities in which the compartment may invest have large uncertainties or major risk exposures to adverse conditions.

## **25) Sector and/or geographical concentration**

Compartments which specialise in investing in a particular market sector or geographical region are likely to be more volatile than funds with a broader range of investments. This risk is greater in relation to investment in emerging market countries which may experience political and economic changes.

## **26) Feeder Fund**

For the purposes of compliance with Article 42(3) of the Law of 17 December 2010, the Feeder Fund shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent under (b) with either:

- the Master Fund actual exposure to financial derivative instruments in proportion to the Feeder Fund investment into the Master Fund; or
- the Master Fund potential maximum global exposure to financial derivative instruments provided for in the Master Fund management regulations or instruments of incorporation in proportion to the Feeder Fund investment into the Master Fund.

## **27) Master-feeder structure Risk**

The Sub-Funds may invest through a "master-feeder" structure. The "master-feeder" fund structure presents certain unique risks to investors. For example, a smaller feeder fund investing in a Master Fund may be materially affected by the actions of a larger Feeder Fund investing in the Master Fund. If a larger Feeder Fund withdraws from the Master Fund, the

remaining Feeder Fund may experience higher pro rata operating expenses, thereby producing lower returns. The Master Fund may become less diverse due to redemption by a larger Feeder Fund, resulting in increased portfolio risk. The Master Fund is a single entity and creditors of the Master Fund may enforce claims against all assets of the Master Fund. The Feeder Fund will not have an active role in the day-to-day management of the Master Fund in which it invests. Moreover, each Sub-Fund will generally not have the opportunity to evaluate the specific investments made by the Master Fund before they are made. Accordingly, the returns of the Feeder Fund will primarily depend on the performance of the investment manager of the Master Fund and could be substantially adversely affected by the unfavourable performance of the investment manager. In addition, the Feeder Fund will rely on the calculation and publication of the net asset value of the Master Fund in the calculation of the Net Asset Value of the Sub-Fund. Accordingly, any delay, suspension or inaccuracy in the calculation of the net asset value of the Master Fund will directly impact on the calculation of the Net Asset Value of the Sub-Fund.

Investors should consult the Prospectus of the relevant Master Fund which can be obtained upon request and free of charge from the registered office of the Management Company.

## **28) Specific risks linked to investment in Environmental, Social and Governance ("ESG")**

The Sub-Funds aiming to pursue an ESG policy will incorporate certain ESG criteria in their investment strategies, as determined by their respective ESG analysis and as outlined in their respective investment policies. The use of ESG criteria may affect a Sub-Fund's investment performance, resulting in potential performance differences compared to non-ESG Sub-Funds. The ESG-based exclusionary criteria within an ESG Sub-Fund's investment policy may lead to missed investment opportunities in certain securities when it could be advantageous to invest, or to sell securities due to their ESG characteristics when it may not be advantageous. In the event the ESG characteristics of a security held by an ESG Sub-Fund change, necessitating its sale, neither the ESG Sub-Fund, the Investment Manager nor the Management Company accept liability in relation to such change.

The relevant exclusions might not align directly with investors own subjective ethical views. In evaluating a security or issuer based on ESG criteria, the Management Company relies on information and data from third party ESG advisers, which may be incomplete, inaccurate or unavailable. As a result, there is a risk that the Management Company may incorrectly assess a security or an issuer. There is also a risk that the Management Company may not apply the relevant ESG criteria correctly or that, due to incorrect assessments, an ESG Sub-Fund could have an indirect exposure to issuers who do not meet the relevant ESG criteria used by such ESG Sub-Fund. Neither the ESG Sub-Funds nor the Management Company nor the Investment Manager make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of such ESG assessment.

## **29) Interest Rate Risk**

As nominal interest rates rise, the value of fixed income securities held by a Sub-Fund is likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Inflation-indexed securities decline in value when real interest rates rise. In certain interest rate environments, such as when real interest rates are rising faster than nominal interest rates, inflation-indexed securities may experience greater losses than other fixed income securities with similar durations.

## **MANAGEMENT AND ADMINISTRATION**

### **MANAGEMENT COMPANY AND DISTRIBUTOR**

Andbank Asset Management Luxembourg  
4, rue Jean Monnet  
L-2180 Luxembourg  
Grand Duchy of Luxembourg

### **BOARD OF DIRECTORS**

#### Members:

Mr. César Valcárcel  
Chairman  
Andbank Asset Management Luxembourg

Mr. Ricardo Rodriguez Fernandez  
Managing Director  
Andbank Luxembourg

Mr. Ivan Baile Santolaria  
Financial Risk Control  
Andbank Group, Andorra

Mr. Alain Léonard  
Director  
Andbank Asset Management Luxembourg

Mr. Philippe Esser  
Director  
Andbank Asset Management Luxembourg

### **CONDUCTING PERSONS**

Mr. Severino Pons  
Conducting Officer, Andbank Asset Management Luxembourg  
residing in Spain

Mr. Oriol Panisello  
Conducting Officer, Andbank Asset Management Luxembourg  
residing in the Grand Duchy of Luxembourg

Mr Alexandre Trinel  
Conducting Officer, Andbank Asset Management Luxembourg  
residing in the Grand Duchy of Luxembourg

Mrs. Ana Casanovas  
Conducting Officer, Andbank Asset Management Luxembourg  
residing in the Grand Duchy of Luxembourg



## **DEPOSITARY AND PAYING AGENT**

Quintet Private Bank (Europe) S.A.  
43, Boulevard Royal  
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Grand Duchy of Luxembourg

## **UCI ADMINISTRATOR**

UI efa S.A.  
2, Rue d'Alsace  
L-1122 Luxembourg  
Grand Duchy of Luxembourg

## **INVESTMENT MANAGER**

For the Sub-Funds Birdie and Global Equity Fund

- Andbank Asset Management Luxembourg  
4, rue Jean Monnet  
L-2180 Luxembourg  
Grand Duchy of Luxembourg

For the Sub-Funds Butterfly, Magnet Finance and Global Strategy

- Andbank Wealth Management, SGIIC S.A.U.  
Calle de Serrano 37, 28001  
Madrid, Spain

For the Sub-Fund Acacia Renta Dinamica

- ACACIA INVERSION, SGIIC, S. A.  
Gran Vía 40 bis, Planta 3º  
48009 Bilbao  
Spain

## **INVESTMENT ADVISOR**

For the Sub-Fund Global Equity Fund

- Thalesia Capital EAF SL  
Calle Orense 69 - Apt. 635, 28020  
Madrid, Spain

## **AUDITORS OF THE FUND**

Deloitte Audit S.à r.l.  
20 Boulevard de KockelscheuerL-1821 Luxembourg  
Grand Duchy of Luxembourg

## **AUDITORS OF THE MANAGEMENT COMPANY**

Deloitte Audit S.à r.l.  
20 Boulevard de Kockelscheuer  
L-1821 Luxembourg  
Grand Duchy of Luxembourg

## LIST OF SUB-FUNDS

- Birdie
- Butterfly
- Global Equity Fund
- Magnet Finance
- Acacia Renta Dinamica
- Global Strategy

Unless otherwise provided for a specific Sub-Fund in Appendix I of the Prospectus, the Fund and all Sub-Funds are denominated in Euro (the "Base Currency") and all assets and liabilities of each Sub-Fund are valued in the relevant Base Currency of each Sub-Fund.

## STRUCTURE OF THE FUND

**ATHENEE FCP** is a common fund ("*fonds commun de placement*") ("FCP") with several separate sub-funds (individually a "Sub-Fund" and collectively the "Sub-Funds"). The Fund is established under Part I of the Law of 17 December 2010 and is governed by the Management Regulations as lastly modified on January 14, 2022; the modifications have been lodged with the Registry of the District Court and a publication of such deposit has been made in the Luxembourg *Recueil des Sociétés et Associations* (the "RESA"). Investors may inspect the Management Regulations on the Registry of the District Court of Luxembourg website at [www.rcsl.lu](http://www.rcsl.lu).

The Fund is managed by Andbank Asset Management Luxembourg (the "Management Company"), a public limited company ("*société anonyme*"), organised under chapter 15 of the Law of 17 December 2010. Its share capital amounts to Euro 3,000,000.- and its shares are fully owned by Andbank Luxembourg.

The Management Company was incorporated on 13 July 2009 for an unlimited period of time. The latest restated Articles of Incorporation as at 30 July 2014 have been lodged with the Registry of the District Court and a publication of such deposit has been made in the Mémorial n° 2851 of 10 October 2014. This document may be inspected on the Registry of the District Court of Luxembourg website at [www.rcsl.lu](http://www.rcsl.lu).

In accordance with the Management Regulations, the Management Company may issue Units of different classes of Units (individually a "Class" and collectively the "Classes") in some of the Sub-Funds. A separate pool of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective applicable to the relevant Sub-Fund. As a result, the Fund is an "umbrella fund" enabling investors to choose between one or more investment objective(s) by investing in one or more Sub-Fund(s). Investors may choose which one or more Sub-Fund(s) may be most appropriate for their specific risk and return expectations as well as their diversification needs. Within each relevant Sub-Fund, investors may choose the alternative Class features which are most suitable to their individual circumstances, given the amount subscribed and the length of time they expect to hold their Units, among other personal investment criteria, in order to opt for one type of Class or another.

Units of the different Classes within the different Sub-Funds may be issued, redeemed and converted at prices computed on the basis of the Net Asset Value per Unit of the relevant Class within the relevant Sub-Fund, as defined in the Management Regulations.

The Management Company may authorise the issuance of Classes in some Sub-Funds of the Fund, as further detailed for each Sub-Fund in Appendix I of the Prospectus.

In each Class, Units are made available in Euro or such other freely convertible currency upon a decision of the Management Company. For Sub-Funds which do not offer Classes, Units will be available in the Base Currency of the Sub-Fund. Units are, unless otherwise provided for a specific Sub-Fund, Non-Distributing Units.

Information as to the availability of Classes in each country where the Units of the Fund will be sold will be detailed in the country specific information referred to in the Prospectus.

The Management Company may, at any time, create additional Classes whose features may differ from the existing Classes and additional Sub-Funds whose investment objectives may differ from those of the Sub-Funds then existing. Upon creation of new Sub-Funds or Classes, the Prospectus will be updated or supplemented accordingly. A Key Information Document ("KIID") for each available Class of each Sub-Fund shall be made available to investors free of

charge prior to their subscription for Units. Prospective investors must consult the KIID for the relevant Class and Sub-Fund in which they intend to invest.

Investors should note however that some Sub-Funds and/or Classes may not be available to all investors. The Management Company retains the right to offer only one or more Classes or Sub-Funds for subscription by investors in any particular jurisdiction in order to conform to local law, custom or business practice or for any other reason. In addition, the Fund and the Agent(s) may adopt standards applicable to classes of investors or transactions which permit or limit the subscription of a particular Class or Sub-Fund by an investor. Their financial advisor can give them information about which Sub-Funds and/or Classes are offered in their country of residence.

Further copies of the Prospectus and the KID may be obtained from:

- the Management Company: Andbank Asset Management Luxembourg;
- the local information agents in each jurisdiction where the Fund is marketed; and
- the following website: <https://www.andbank.com/luxembourg/gestion-dactifs/nos-fonds/>.

The Management Company has established a remuneration policy for those categories of staff, including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profiles of the Management Company or the Fund, that are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles or the Fund's Management Regulations.

The remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the Fund and of its unitholders, and includes measures to avoid conflicts of interest.

The variable remuneration is granted on the basis of the results of the performance assessment process. It shall be based on relevant, pre-determined and measurable criteria linked to the Management Company's corporate values, business strategy goals, long-term interests of its unitholders and clients, and risk management.

The remuneration policy also ensures that fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

This remuneration policy takes into account the principle of proportionality, which allows procedures, mechanisms and organizational structure to be calibrated to the nature, scale and complexity of the Management Company business and to the nature and range of activities carried out in the course of its business.

**Disclosure in the Annual Report:**

Information relating to the remuneration policy shall be available in the Annual Report of the Management Company, as well as the Annual Report of the Fund.

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, are available at [www.andbank.com](http://www.andbank.com) and a paper copy will be made available free of charge upon request at the Management Company's registered office.

## INVESTMENT OBJECTIVES AND POLICIES

### Investment Objective of the Sub-Funds

The Investment Objective of each Sub-Fund is set forth in Appendix I.

### Investment Policies of the Sub-Funds

The Investment policy of each Sub-Fund is set forth in Appendix I.

## UNITS

The Sub-Funds may offer several Classes as set forth for each Sub-Fund in Appendix I of the Prospectus.

Each Class whilst participating in the assets of the same Sub-Fund (i) has a different fee structure, (ii) may be targeted to different types of investors, (iii) may not be available in all jurisdictions where the Units are sold, (iv) may be sold through different distribution channels, (v) may have different distribution policies, (vi) may be quoted in a different currency as defined in the Management Regulations as compared to the Base Currency of the relevant Sub-Fund in which it is issued and (vii) may aim to offer protection against certain currency fluctuations.

Units in any Sub-Fund are issued in registered form only and are, unless otherwise provided for a specific Sub-Fund in Appendix I of the Prospectus, Non-Distributing.

The inscription of the Unitholder's name in the Unitholders' register evidences his or her right of ownership of such Units. Unitholders will receive a written confirmation that their names have been recorded in the Unitholders' register. They will not receive a certificate unless they have expressly requested that a certificate evidencing their Units be issued to them.

Fractions of registered Units may be issued up to three decimals, whether resulting from subscription or conversion of Units.

## PROCEDURES FOR SUBSCRIPTION, CONVERSION AND REDEMPTION

***Unless otherwise provided for a specific Sub-Fund in Appendix I of the Prospectus, the following provisions shall apply.***

### Dealing Price

The dealing price for the subscription of Units will be equal to the applicable Net Asset Value per Unit, increased by any applicable sales charge (as the case may be) and as then provided for a specific Sub-Fund in Appendix I of the Prospectus.

The dealing price for the conversion and redemption of Units will be equal to the applicable Net Asset Value per Unit, decreased by any applicable redemption or conversion charge as the case may be and as then provided for a specific Sub-Fund in Appendix I of the Prospectus.

Unless otherwise provided for a specific Sub-Fund in Appendix I of the Prospectus, for each Business Day (a "Valuation Day"), there is a corresponding Net Asset Value which is dated that Valuation Day and calculated and published on the next Business Day following that

Valuation Day (a "NAV Calculation Day"). The underlying assets of the relevant Class within the relevant Sub-Fund are valued at the last available prices. Whenever used herein, the term "Business Day" shall mean a full day on which banks and the stock exchanges are open for business in Luxembourg. If a Valuation Day and a NAV Calculation Day are not a Business Day in Luxembourg, the Valuation Day and the NAV Calculation Day will be the next following Business Day.

### **Dealing Time**

The Management Company does not permit market-timing or other excessive trading practices. Excessive, short-term (market-timing) trading practices may disrupt portfolio management strategies and harm the Fund's performance. To minimise harm to the Fund and the Unitholders, the Management Company has the right to reject any subscription or conversion order, or levy a fee of up to 2% of the value of the order for the benefit of the relevant Class, if any, within the relevant Sub-Fund of the Fund from any investor who is engaging in excessive trading or has history of excessive trading or if an investor's trading, in the opinion of the Management Company, has been or may be disruptive to the Fund or any of the Sub-Funds. In making this judgment, the Management Company may consider trading done in multiple accounts under common ownership or control. The Management Company also has the power to redeem all Units held by a Unitholder who is or has been engaged in excessive trading. The Management Company will not be held liable for any loss resulting from rejecting orders or mandatory redemptions.

Unless otherwise provided for a specific Sub-Fund in Appendix I of the Prospectus, the application for subscription, conversion or redemption must be received by the UCI Administrator (on behalf of the Management Company, from the Agents (if any) or directly from the subscriber) prior to 16.00 hours at the latest on the last Business Day before the relevant Valuation Day (the "cut-off time").

All subscriptions, conversions or redemptions will be handled on the basis of an unknown Net Asset Value.

Applications for all Sub-Funds received after the relevant cut-off time shall be deemed to have been received in respect of the next following Valuation Day.

In addition, different time limits may apply if subscriptions, redemptions or conversions of Units are made through an Agent, provided that the principle of equal treatment of Unitholders be complied with and subject to compliance with the foregoing cut-off time. In such cases, the Agent will inform the relevant investor of the procedure relevant to such investor. Applications for subscription, redemption or conversion through the Distributor or its Agent(s) may not be made on days where the Distributor or its Agent(s), if any, are not open for business. In case subscriptions, redemptions or conversions of Units are made through a Distributor or an Agent, such Agent will only forward those applications which were received prior to the cut-off time mentioned above.

### **Dilution Levy**

Under certain circumstances (for example, large volumes of deals) investment and/or disinvestment costs may have an adverse effect on the Unitholders' interest in the Fund. In order to prevent this effect, called "dilution", the Management Company has the power to charge a "dilution levy" on the subscription, redemption and/or conversion of Units. If charged, the dilution levy will be paid into the relevant Sub-Fund and will become part of the relevant Sub-Fund.

The dilution levy for each Sub-Fund will be calculated by reference to the costs of dealing in the underlying investments of that Sub-Fund, including any dealing spreads, commission and transfer taxes.

The need to charge a dilution levy will depend on the volume of subscriptions, redemptions or conversions. The Board of Directors may charge a discretionary dilution levy on the subscription, redemption and/or conversion of Units, if in its opinion, the existing Unitholders (for subscriptions) or remaining Unitholders (for redemptions) might otherwise be adversely affected. In particular, the dilution levy may be charged in the following circumstances:

1. where a Sub-Fund is in constant decline (large volume of redemption requests);
2. on a Sub-Fund experiencing substantial subscriptions in relation to its size;
3. in the case of "large volumes" of redemptions, subscriptions and/or conversions where "large volumes" refers to net redemptions or subscriptions exceeding 5% of the Sub-Fund's entire assets;
4. in all other cases where the Management Company considers the interests of Unitholders require the imposition of a dilution levy.

In any case the dilution levy shall not exceed 2% of the relevant Net Asset Value per Unit.

### **Subscription**

A completed application form is required for the initial subscription. For subsequent subscriptions, instructions may be given by swift or fax.

Payment for subscriptions must be received at the latest three (3) Business Days after the relevant Valuation Day.

Payment of the dealing price in cash is to be made in the Base Currency of the Sub-Fund or the Class.

The Management Company may agree to issue Units as consideration for a contribution in kind of securities, in accordance with applicable laws and regulations and in compliance with the conditions set forth by the Management Company, in particular the obligation to deliver a valuation report from the independent auditors of the Fund ("*réviseur d'entreprises agréé*") which shall be available for inspection, and provided that such securities comply with the investment objectives and policy of the relevant Sub-Fund described in Appendix I of the Prospectus. Any costs incurred in connection with a contribution in kind of securities shall be borne by the relevant investors.

### **How to pay**

Payment in cash should be made by money transfer net of all bank charges (*i.e.* at the investor's expenses). Further settlement details are available at the registered office of the Management Company and on the application form.

### **Conversion**

In accordance with the rules set forth in Article 7 of the Management Regulations, a Unitholder may convert all or part of the Units he holds in a Sub-Fund into Units of another Sub-Fund but within the same Class (if any). Instructions for the conversion of Units may be made by swift or fax.



Unitholders must specify the relevant Sub-Fund(s) and Class(es) as well as the number of Units or monetary amount they wish to convert and the newly selected Sub-Fund(s) to which their Units are to be converted.

The value at which Units of any Class in any Sub-Fund shall be converted will be determined by reference to the respective Net Asset Value of the relevant Units, calculated on the same NAV Calculation Day, decreased, if appropriate, by a conversion fee, as provided hereinafter.

A converting Unitholder may realise a taxable gain or loss in connection with the conversion under the laws of the country of the Unitholder's citizenship, residence or domicile.

All terms and notices regarding the redemption of Units shall equally apply to the conversion of Units.

If on any given date dealing with conversion requests representing more than 10% of the Units in issue in any Sub-Fund, may not be effected without affecting the relevant Sub-Fund's assets, the Management Company may, upon consent of the Depositary, defer conversions exceeding such percentage for such period as is considered necessary to sell part of the relevant Sub-Fund's assets in order to be able to meet the substantial conversion requests.

## **Redemption**

In accordance with the rules set forth in Article 6.2 of the Management Regulations, Unitholders may request redemption of their Units at any time on any Valuation Day. Instructions for the redemption of Units may be made by swift or fax.

Upon instruction received from the UCI Administrator, payment of the redemption price will be made by money transfer with a value date at the latest three (3) Business Days following the relevant Valuation Day.

If on any given date payment on redemption requests representing more than 10% of the Units in issue in any Sub-Fund may not be effected out of the relevant Sub-Fund's assets or authorised borrowing, the Management Company may, upon consent of the Depositary, defer redemptions exceeding such percentage for such period as is considered necessary to sell part of the relevant Sub-Fund's assets in order to be able to meet the substantial redemption requests.

Payment of the redemption price in cash is to be made in the Base Currency of the Sub-Fund or the Class.

The Management Company may, at the request of a Unitholder who wishes to redeem Units, agree to make, in whole or in part, a distribution in kind of securities of any Class to that Unitholder in lieu of paying to that Unitholder redemption proceeds in cash. The Management Company will agree to do so if it determines that such transaction would not be detrimental to the best interests of the remaining Unitholders of the relevant Class. The assets to be transferred to such Unitholder shall be determined by the Depositary, with regard to the practicality of transferring the assets, to the interests of the relevant Class and continuing participants therein and to the Unitholder. Such a Unitholder may incur charges, including but not limited to brokerage and/or local tax charges on any transfer or sale of securities so received in satisfaction of a redemption. The net proceeds from this sale by the redeeming Unitholder of such securities may be more or less than the corresponding redemption price of Units in the relevant Class due to market conditions and/or differences in the prices used for the purposes of such sale or transfer and the calculation of the Net Asset Value of that Class. As per applicable regulations, the selection, valuation and transfer of assets are subject to a valuation report from the independent auditors of the Fund.

## **PREVENTION OF MARKET TIMING AND LATE TRADING RISKS**

"Late Trading" is understood to be the acceptance of a subscription (or conversion or redemption) order after the applicable cut-off time on the relevant Valuation Day and the execution of such order at a price based on the Net Asset Value applicable for such same day. Late Trading is strictly forbidden.

"Market Timing" is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts Units within a short time period, by taking advantage of time differences and/or imperfections of deficiencies in the method of determination of the Net Asset Value of a given Sub-Fund. Market

Timing practices may disrupt the investment management of the Sub-Fund and harm the performance of the relevant Sub-Fund.

In order to avoid such practices, Units are issued, redeemed and converted at an unknown price and neither the Fund/the Management Company will accept orders received after the relevant cut-off time.

The Fund/the Management Company reserves the right to refuse dealing orders with respect to a Sub-Fund by any person who is suspected of Market Timing activities and to take appropriate measures to protect other investors of the Fund.

The UCI Administrator of the Fund shall put in place adequate procedures in order to ensure that subscription, redemption and conversion applications are received before the deadline for accepting orders in relation to the applicable Valuation Day. Subscription, redemption and conversion instructions are executed at an unknown Net Asset Value.

In order to avoid market timing in their units, and prevent arbitrage opportunities, where the Sub-Fund is a Feeder Fund, the Calculation Day shall be the same day as the Calculation Day of the Master Fund, and the Valuation Day shall be calculated and published the same day as the one of the Master Fund.

Please see also article 16.2 Calculation of the Management Regulations.

## **DISTRIBUTION POLICY**

The distribution policy of each Sub-Fund will be described in Appendix I of the Prospectus.

However, the Board of Directors may at any time and at its own discretion decide to create within a Sub-Fund or within a Class two Categories, one Category entitling the holders thereof to receive a distribution (a "Distribution Category") and another Category capitalizing its entire earnings (a "Capitalization Category"). These Categories will be indicated in the specific information contained in Appendix I of the Prospectus.

### **A. Principle for Distribution Categories**

The Board of Directors shall decide after closing the annual accounts, whether and to what extent distributions are to be paid out of investment income, realised gains and potentially net assets in the relevant Sub-Fund(s). The payment of distributions shall not result in the Net Asset Value of the Fund falling below the minimum capital amount prescribed by law.

The Board of Directors may, at its discretion, pay interim dividends.

### **B. Payment**

Unitholders shall be paid by bank transfer in accordance with their instructions.

Payment will be made in the currency of the relevant Class/Category or in the currency of the relevant Sub-Fund.

Entitlements to distributions and allocations not claimed within five years of the due date shall be forfeited and the corresponding assets returned to the relevant Sub-Fund(s). If the Sub-Fund in question has already been liquidated, the distributions and allocations will accrue to the remaining Sub-Funds of the Fund in proportion to their respective net assets.

## **CHARGES AND EXPENSES**

### **1) Dealing charges**

#### **Subscriptions**

A sales charge may be levied as a percentage of the applicable Net Asset Value of the relevant Class within a Sub-Fund, as further described for each Sub-Fund in Appendix I of the Prospectus.

The Management Company reserves the right to increase the sales charge mentioned in Appendix I of the Prospectus if and when appropriate. In such event, the Prospectus and the relevant KID will be amended accordingly.

The sales charge, and any applicable conversion fee shall be paid as further described for each Sub-Fund in Appendix I of the Prospectus.

Other charges are listed in the Management Regulations (see Article 8 "Charges of the Fund").

#### **Redemptions**

Units will be redeemed at a price based on the Net Asset Value per Unit in the relevant Sub-Fund.

Unless otherwise provided for a specific Sub-Fund in Appendix I of the Prospectus, no redemption fee will be levied for the time being.

#### **Other costs**

Any currency conversion costs as well as any costs incurred on cash transfers will be charged to the Unitholder.

### **2) Additional charges**

#### **Management Fee**

The Management Company is entitled to receive from the Fund a management fee calculated as a percentage of the Net Asset Value of the relevant Class (if any) within a Sub-Fund as summarised in Appendix II of the Prospectus.

Such fee is calculated and accrued in respect of each Valuation Day and is payable quarterly or monthly in arrears on the basis of the average Net Asset Value of the relevant Class (if any) within the relevant Sub-Fund(s).

## **Investment Management Fee**

In consideration of its services to the Sub-Fund(s), the relevant Investment Manager is entitled to receive a remuneration from the Sub-Fund(s) as further described in Appendix II of the Prospectus.

In consideration of its services to the Master Fund, the Investment Manager is entitled to receive a remuneration from the Master Fund only as further described in Appendix II of the Prospectus.

## **Fees of the Depositary, Paying Agent, UCI Administrator**

In consideration for their services, the Depositary, Paying Agent, UCI Administrator are entitled to receive a remuneration out of the assets of the relevant Sub-Fund (or the relevant Class, if applicable), pursuant to the relevant agreements with the Management Company, and in accordance with usual market practice. In addition reasonable disbursements and out-of-pocket expenses incurred by the Depositary, Paying Agent, UCI Administrator are charged to the Fund.

## **Distribution Fee**

The Management Company, in its capacity as Distributor, may furthermore receive a distribution fee, as further described for each Sub-Fund in Appendix II of the Prospectus, as the case may be.

Such Distribution Fee is payable quarterly in arrears. The Management Company may pass on a portion of or all of such fees, as a case may be, to its Agents (if any), as defined in the Section "Distributor" hereinafter, as well as to professional advisers (if any) as remuneration for their services.

## **Performance Fee**

The Management Company may earn a performance fee for a Sub-Fund as further described for each such Sub-Fund in Appendix II of the Prospectus, as the case may be.

## **DEPOSITARY AND PAYING AGENT**

The Management Company has appointed Quintet Private Bank (Europe) S.A. as depositary of the Fund's assets (the "Depositary").

Quintet Private Bank (Europe) S.A. is a credit institution which was incorporated on 23 May 1949 as a public limited liability company (société anonyme) under Luxembourg law, having its registered office at 43, Boulevard Royal, L-2449 Luxembourg and being registered with the RCS under number B 6395. On 31 December 2023, the capital and reserves of Quintet Private Bank (Europe) S.A. amounted to EUR 1 154 116 843 EUR.

Pursuant to a depositary agreement dated March 18, 2016 and amended on September 1<sup>st</sup>, 2022 (the "Depositary Agreement"), Quintet Private Bank (Europe) S.A. will carry out its functions and responsibilities in accordance with the provisions of the UCITS Directive and the Law of 17 December 2010.

The Depositary will further, in accordance with the UCITS Directive:

- (a) ensure that the sale, issue, redemption, conversion and cancellation of Units effected on behalf of the Fund or by the Management Company are carried out in accordance with applicable law and the Management Regulations;
- (b) ensure that the value of the Units is calculated in accordance with applicable law and the Management Regulations;
- (c) carry out the instructions of the Management Company or the Fund, unless they conflict with applicable law or the Management Regulations;
- (d) ensure that in transactions involving the assets of the Fund, any consideration is remitted to it within the usual time limits; and
- (e) ensure that the income attributable to the Fund is applied in accordance with the Management Regulations.

The Depositary shall ensure that the cash flows of the Fund are properly monitored, and, in particular, that all payments made by, or on behalf of, investors upon the subscription of units of the Fund have been received, and that all cash of the Fund has been booked in cash accounts that are:

- a) opened in the name of the Fund or the Management Company on behalf of the Fund or of the Depositary acting on behalf of the Fund;
- b) opened at an entity referred to in points (a), (b) and (c) of Article 18(1) of Commission Directive 2006/73/EC ; and
- c) maintained in accordance with the principles set out in Article 16 of Directive 2006/73/EC.

The assets of the Fund shall be entrusted to the Depositary for safekeeping as follows:

- a) for financial instruments that may be held in custody, the Depositary shall:
  - (i) hold in custody all financial instruments that may be registered in a financial instruments account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary;
  - (ii) ensure that all financial instruments that can be registered in a financial instruments account opened in the Depositary's books are registered in the Depositary's books within segregated accounts in accordance with the principles set out in Article 16 of Directive 2006/73/EC, opened in the name of the Fund, so that they can be clearly identified as belonging to the Fund in accordance with the applicable law at all times;
- b) for other assets, the Depositary shall:
  - (i) verify the ownership by the Fund of such assets by assessing whether the Fund holds the ownership based on information or documents provided by the Fund and, where available, on external evidence;
  - (ii) maintain a record of those assets for which it is satisfied that the Fund holds the ownership and keep that record up to date.

The assets held in custody by the Depositary may be reused only under certain circumstances, as provided for in the UCITS Directive.

In accordance with the provisions of the Depositary Agreement and the Law of 17 December 2010, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate to third parties the safekeeping functions as referred to in the above paragraph, provided that the conditions set out in the UCITS Directive are fulfilled. When selecting and appointing a delegate, the Depositary shall exercise all due skill, care and diligence as required by the UCITS Directive and with the relevant CSSF regulations, to ensure

that it entrusts the Fund's assets only to a delegate who may provide an adequate standard of protection.

The list of such delegates is available on <https://www.quintet.com/en-LU/Pages/Regulatory-affairs> and is made available to investors free of charge upon request.

Conflicts of interests:

In carrying out its duties and obligations as depositary of the Fund, the Depositary shall act honestly, fairly, professionally, independently and solely in the interest of the Fund and the investors of the Fund.

As a multi-service bank, the Depositary may provide the Fund, directly or indirectly, through parties related or unrelated to the Depositary, with a wide range of banking services in addition to the depositary services.

The provision of additional banking services and/or the links between the Depositary and key service providers to the Fund, may lead to potential conflicts of interests with the Depositary's duties and obligations to the Fund.

In order to identify different types of conflict of interest and the main sources of potential conflicts of interests, the Depositary shall take into account, at the very least, situations in which the Depositary, one of its employees or an individual associated with it is involved and any entity and employee over which it has direct or indirect control.

The Depositary is responsible for taking all reasonable steps to avoid those conflicts of interest, or if not possible, to mitigate them. Where, despite the aforementioned circumstances, a conflict of interest arises at the level of the Depositary, the Depositary will at all times have regard to its duties and obligations under the depositary agreement with the Fund and act accordingly. If, despite all measures taken, a conflict of interest that bears the risk to significantly and adversely affect the Fund or the investors of the Fund, may not be solved by the Depositary having regard to its duties and obligations under the depositary agreement with the Fund (represented by its Management Company), the Depositary will notify the conflicts of interests and/or its source to the Fund (represented by its Management Company) which shall take appropriate action. Furthermore the Depositary shall maintain and operate effective organizational and administrative arrangements with a view to take all reasonable steps designed to properly (i) avoid them prejudicing the interests of its clients, (ii) manage and resolve such conflicts according to the Fund decision and (iii) monitor them.

As the financial landscape and the organizational scheme of the Fund may evolve over time, the nature and scope of possible conflicts of interests as well as the circumstances under which conflicts of interests may arise at the level of the Depositary may also evolve.

In case the organizational scheme of the Fund or the scope of Depositary's services to the Fund is subject to a material change, such change will be submitted to the Depositary's internal acceptance committee for assessment and approval. The Depositary's internal acceptance committee will assess, among others, the impact of such change on the nature and scope of possible conflicts of interests with the Depositary's duties and obligations to the Fund and assess appropriate mitigation actions.

Situations which could cause a conflict of interest have been identified as at the date of this Prospectus as follows (in case new conflicts of interests are identified, the list will be updated accordingly):

- Conflicts of interests between the Depositary and the Sub-Custodian:

The selection and monitoring process of Sub-Custodians is handled in accordance with the Law of 17 December 2010 and is functionally and hierarchically separated from possible other business relationships that exceed the subcustody of the Fund's financial instruments and that might bias the performance of the Depositary's selection and monitoring process. The risk of occurrence and the impact of conflicts of interests are further mitigated by the fact that none of the Sub-Custodians used by the Depositary for the custody of the Fund's financial instruments is part of the Quintet Group.

- The Depositary may act as depositary to other UCITS funds and may provide additional banking services beyond the depositary services and/or act as counterparty of the Fund for over-the-counter derivative transactions (maybe over services within Quintet).

The Depositary will do its utmost to perform its services with objectivity and to treat all its clients fairly, in accordance with its best execution policy.

The Depositary shall be liable to the Fund and its investors for the loss by the Depositary or a third party to whom the custody of financial instruments held in custody in accordance with the UCITS Directive. The depositary shall not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

For other assets, the Depositary shall be liable only in case of negligence or intentional failure to properly fulfil its obligations.

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

In consideration of its services and in accordance with usual practice in Luxembourg, the Depositary will be entitled to a fee calculated on the basis on the average net assets of the month of the Sub-Funds and payable monthly of maximum 0.065% p.a. of the net assets, with a monthly minimum of EUR 1.058 per Sub-Fund except for:

- the Sub-Fund Acacia Renta Dinamica for which the Depositary will be entitled to a fee calculated on the basis on the average net assets of the month of the Sub-Fund and payable monthly of maximum 0.04% p.a. of the net assets, with a monthly minimum of EUR 1.058.
- the Sub-Funds Butterfly and Magnet Finance for which the Depositary will be entitled to a fee calculated on the basis on the average net assets of the month of the Sub-Funds and payable monthly of maximum:
  - 0.05% p.a. of the net assets up to EUR 250 million, with a monthly minimum of EUR 1,058 per Sub-Fund.
  - 0.035% p.a. of the net assets above EUR 250 million, with a monthly minimum of EUR 1,058 per Sub-Fund.

The rights and duties of the Depositary are governed by the Depositary Agreement entered into for an unlimited period of time from the date of its signature. The Fund and the Depositary may terminate the Depositary Agreement on ninety (90) calendar days' prior written notice; provided, inter alia, that a new depositary assumes the responsibilities and functions of the Depositary and that the prior approval of the home regulator of the Fund has been obtained,

being understood that such appointment shall happen within two months. The Depositary shall, if terminated by the Fund, however continue thereafter for such period as may be necessary for the complete delivery or transfer of all assets held by it.

The rights and duties of Quintet Private Bank (Europe) S.A. as Paying Agent are governed by the Paying Agency Agreement entered into for an unlimited period of time from the date of its signature. As principal paying agent Quintet Private Bank (Europe) S.A. will be responsible for distributing income and dividends, if applicable, to the Unitholders.

## **UCI ADMINISTRATOR**

The Management Company has appointed UI efa S.A. as the Fund's administrator (the "Administrator"). In such capacity, it will be responsible for all general administrative duties required by Luxembourg law, and in particular for maintenance of accounting records.

The Management Company has further appointed UI efa S.A. as the Fund's UCI Administrator which will be responsible for all administrative duties required by Luxembourg law, and in particular the registrar function, the Net Asset Value calculation and accounting function, and the client communication function.

The registrar function encompasses all tasks necessary to the maintenance of the Fund register. The reception and execution of orders relating to shares subscriptions and redemptions, and the distribution of income (including the liquidation proceeds) and the safekeeping of the register of Unit holders of the Fund are part of the registrar function.

The registrar function includes performance of registrations, alterations, or deletions necessary to ensure its regular update and maintenance.

The Net Asset Value calculation and accounting function is responsible for the correct and complete recording of transactions to adequately keep the Fund's books and records in compliance with applicable legal, regulatory and contractual requirements as well as corresponding accounting principles. It is also responsible for the calculation and production of the Net Asset Value of the Fund in accordance with the applicable regulation in force.

The client communication function is comprised of the production and delivery of the confidential documents intended for investors.

The appointment of the UCI Administrator was made pursuant to an UCI Administrator agreement between the Management Company acting as management company of the Fund and the UCI Administrator, for an unlimited period of time from the date of its signature. It may be terminated at any time by either party hereto upon three (3) months notice thereof delivered by one to the other party as further described therein.

## **INVESTMENT MANAGER AND INVESTMENT ADVISOR**

The Management Company is responsible for the management of the Sub-Funds. In order to carry out the investment policy of any Sub-Fund, the Management Company may, if and when it deems it opportune, appoint one or several investment managers for each Sub-Fund (individually the "Investment Manager" and collectively the "Investment Managers") who may, subject to the prior approval of the Management Company, sub-delegate their powers, in which case the Prospectus shall be updated accordingly.

In addition, the Management Company and/or the Investment Manager(s) may be assisted by one or several investment advisors for each Sub-Fund (individually the "Investment Advisor" and collectively the "Investment Advisors"). An Investment Advisor may so be designated to provide investment advice on any particular category of assets of any Sub-Fund when it is



considered that such an investment advisor has specific knowledge and skills in the contemplated assets. The Management Company nor the Investment Manager as the case may be, will never be bound by the advice provided by the Investment Advisor as the case may be.

The appointment of an Investment Manager and/or of an Investment Advisor will be indicated in the specific information concerning the relevant Sub-Fund(s) contained in Appendix 1 of the Prospectus.

## **DISTRIBUTOR**

The Management Company is acting as distributor (the "Distributor") to market and promote the Units of each Sub-Fund.

The Distributor may conclude contractual arrangements with other distributors, placement agents or other processing agents as its agents (individually referred to as an "Agent" and collectively referred to as the "Agents") to market and place Units of any of the Sub-Funds in various countries throughout the world, except in the United States of America or any of its territories or possessions subject to its jurisdiction as well as for connected processing services.

The Distributor and its Agent(s), if any, may be involved in the collection of subscription, redemption and conversion orders on behalf of the Fund and may, subject to local law in countries where Units are offered and with the agreement of the respective Unitholders, provide an intermediary service to investors purchasing Units through them. The Distributor and its Agent(s), if any, may only provide such an intermediary service to investors if they are (i) professionals of the financial sector and are located in a country belonging to the FATF or having adopted money laundering rules equivalent to those imposed by Luxembourg law in order to prevent the use of financial system for the purpose of money laundering and terrorist financing or (ii) professionals of the financial sector being a branch or qualifying subsidiary of an eligible intermediary referred to under (i), provided that such eligible intermediary is, pursuant to its national legislation or by virtue of a statutory or professional obligation pursuant to a group policy, obliged to impose the same identification duties on its branches and subsidiaries situated abroad.

In this capacity, the Distributor and its Agent(s) (if any) shall, in their name but as intermediary for the investor, purchase or sell Units for the investor and request registration of such operations in the Fund's register of Unitholders. However, the investor may invest directly in the Fund without using the intermediary service and if the investor does invest through an intermediary, he has at any time the right to terminate the intermediary agreement and retain a direct claim to his Units subscribed through the financial intermediary.

However, the provisions above are not applicable for Unitholders solicited in countries where the use of the services of an intermediary is necessary or compulsory for legal, regulatory or compelling practical reasons.

The Distributor and, if appropriate, the Agent(s), shall, to the extent required by the UCI Administrator in Luxembourg, forward application forms to the UCI Administrator.

## **LISTING**

The Units of the Fund are not listed. The Management Company may however decide to list the Units of each Sub-Fund of the Fund in the future in which case, the Prospectus will be amended accordingly.

## **SPECIAL CONSIDERATIONS**

### **General Legal Considerations**

Luxembourg law governs the Fund and the Management Company.

Investors should note that all the regulatory protections provided by their local regulatory authority may not apply. Investors should consult their personal financial adviser for further information in this regard.

Investment in the Fund may involve legal requirements, foreign exchange restrictions and tax considerations unique to each investor. The Management Company makes no representations with respect to whether any Unitholder is permitted to hold such Units. Prospective investors should consult their own legal and tax advisers regarding such considerations prior to making an investment decision.

The Management Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund if the investor is registered himself and in his own name in the Unitholders' register. In cases where an investor invests in the Fund through an intermediary (such as the Distributor or an Agent) investing in the Fund in its own name but on behalf of the investor, it may not always be possible for the investor to exercise certain unitholder rights directly against the Fund. Investors are advised to take advice on their rights.

### **Luxembourg Tax Considerations**

Under the laws of Luxembourg as currently in force, the Fund is not liable to any Luxembourg tax on profits or income, nor are distributions (if any) paid by the Fund liable to any Luxembourg withholding tax.

A Sub-Fund is, however, liable in Luxembourg to a tax of (in principle) 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the Net Asset Value of the Fund at the end of the relevant quarter. No stamp duty or other tax is payable in Luxembourg on the issue of Units. No Luxembourg tax is payable on the realised or unrealised capital appreciation of the assets of the Fund.

Unitholders are not subject to any capital gains, income or withholding tax in Luxembourg to the extent that they are not domiciled, resident or do not have a permanent establishment in Luxembourg.

Luxembourg-resident corporate Investors will be subject to corporate taxation at the rate of 23.87% as from fiscal year 2025 (in 2016 for entities having their registered office in Luxembourg City) on capital gains realised upon disposal of Units and on the distributions received from the Fund.

On 3 June 2003, the Council of the European Union adopted Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the "Directive"). The Directive imposes withholding or reporting requirements on the "paying agent" (as defined by the

Directive) resident within the European Union (or one of the non-European Union states or territories having agreed to apply similar measures) where that paying agent makes payments of interest (including distributions and redemptions) cross-border to an individual or certain entities resident in another EU Member State (or in a territory that has opted for reciprocity, i.e. has agreed to adopt the same measures). If such a payment is subject to withholding tax, the beneficiary can avoid such withholding tax by submitting a certificate of exemption or an authorisation to exchange information, depending on the options proposed by the paying agent and the country of establishment.

In respect of interest distributed by investment funds, the Directive provides that “interest payment” includes income deriving from interest payments either directly or through a residual entity, distributed by (i) a UCITS; (ii) entities which have opted to be treated as a UCITS; and (iii) undertakings for collective investment established outside the territory of the European Union, or income realised upon the sale, refund or redemption of units of such undertakings and entities.

The transitional tax scheme foreseen by the Directive which was implemented into Luxembourg law by the amended law of 21 June 2005 came to an end on 31 December 2014.

From 1 January 2015, in the event of redemption of Units in a Sub-Fund or dividend payments made by a Sub-Fund, the savings income will be automatically reported to the tax authorities of the country of residence of the beneficiary, and as a matter of consequence will no longer be subject to withholding tax.

The exchange of information will occur on an annual basis, the first occurrence being in the first quarter of 2016, and to cover interest income received during the previous year. The exchange of information will include information related to interest income on savings and investments.

***The foregoing is only a summary of the implications of the Directive, 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.***

In addition, Unitholders should be aware that income or dividends received or profits realized may lead to an additional taxation in their country of citizenship, residence, domicile and/or incorporation.

#### Feeder Funds

The investment into a Master Fund has no specific Luxembourg tax impact.

A Unitholder should consult his tax adviser to determine, if any, to what extent his jurisdiction of domicile or any other applicable jurisdiction will subject such Unitholder to tax.

#### **Common Reporting Standard**

On 9 December 2014, the Council of the EU adopted the Directive 2014/107/EU amending the Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation. The adoption of the aforementioned directive, and of the Luxembourg bill of law for transposition of such directive (the “CRS Law”), together with the signature of the Multilateral Competent Authority Agreement on the Automatic exchange of Financial Account Information (“MCAA”) on 29 October 2014 implement the OECD Common Reporting Standard (the “CRS”) from 1st January 2016.

Under the terms of the CRS Law the Fund is likely to be considered as a Luxembourg Reporting Financial Institution (“FI”).

As such, as of 30 June 2017 and without prejudice to other applicable data protection provisions as set out in the Fund documentation, the Fund will be required to annually report to the Luxembourg tax authority (the “LTA”) personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) certain Unitholders as per the CRS Law (the “Reportable Persons”) and (ii) Controlling Persons of certain non-financial entities (“NFEs”) which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS Law (the “Information”), will include personal data related to the Reportable Persons.

The Fund’s ability to satisfy its reporting obligations under the CRS Law will depend on each prospective investor and each Unitholders providing the Fund with the Information, along with the required supporting documentary evidence. In this context, Unitholders are hereby informed that, as data controller, the Fund will process the Information for the purposes as set out in the CRS Law. Unitholders also undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Fund.

Unitholders are further informed that the Information related to Reportable Persons within the meaning of the CRS Law will be disclosed to the LTA annually for the purposes set out in the CRS Law. In particular, Reportable Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the LTA.

Similarly, Unitholders undertake to inform the Fund within thirty (30) days of receipt of these statements should any included personal data be not accurate. Unitholders further undertake to immediately inform the Fund of, and provide the Fund with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

### **Information for the Unitholders**

Audited annual reports and unaudited semi-annual reports will be mailed free of charge by the Management Company to the Unitholders at their request. In addition, such reports will be available at the registered office of the Management Company or its Agent(s) (if any) and the Depositary as well as at the offices of the local information agents of the Fund in any jurisdiction where the Fund is marketed.

The accounting year of the Fund shall start on the 1<sup>st</sup> of January of each year and shall end on the 31<sup>st</sup> of December of the same year.

The combined accounts of the Fund are maintained in the Base Currency. The financial statements relating to the various separate Sub-Funds shall also be expressed in the Base Currency.

Any other financial information concerning the Fund or the Management Company, including the periodic calculation of the Net Asset Value per Unit, the issue, conversion and the redemption prices will be made available at the registered office of the Management Company or its Agent(s) (if any) and the Depositary and the local information agents in each jurisdiction where the Fund is marketed. Any other substantial information concerning the Fund may be published in such newspaper(s) and notified to Unitholders in such manner as may be specified from time to time by the Management Company.

Information as to (i) the availability of Classes in each country where the Units of the Fund will be sold, (ii) the availability of Non-Distributing Units, (iii) the entities through which the Classes, if any, and the Units of each Sub-Fund will be available and (iv) the local tax considerations will be made available at the registered office of the Management Company or its Agent(s) (if any). The Management Company may, at any time, offer existing Classes, if any, through different distribution channels in different countries. The Management Company shall update the relevant country specific information with the addition of any relevant information concerning the Units available in such country in order to conform to local law, custom, business practice or any other reason.

The Management Company may, at any time, create additional Classes whose features may differ from the existing Classes and additional Sub-Funds whose investment objectives may differ from those of the Sub-Funds then existing. Upon creation of new Sub-Funds or Classes, the Prospectus will be updated or supplemented accordingly and particular Key Information Documents shall be made available.

Investors should note however that some Sub-Funds and/or Classes may not be available to all investors. The Classes and their particular fee levels are set by market practices that vary from channel to channel and from country to country. The Classes with the Class fee levels are distributed in countries and through individual channels depending on market practices and distribution requirements in those countries and channels.

Their financial advisor can give investors information about which Sub-Funds are available and offered in their country of residence.

The Fund retains the right to offer only one or more Class(es) for subscription by investors in any particular jurisdiction in order to conform to local law, custom or business practice or for any other reason. In addition, the Fund and the Agents may adopt standards applicable to classes of investors or transactions which permit or limit the subscription of a particular Class by an investor.

The suitability of any particular Class depends on many factors specific to each individual investor. A Unitholder should consult his advisors to determine the implications and factors involved in any investment in a particular Class.

## **Data Protection**

Any information concerning Unitholders (the “Personal Data”) and other related natural persons (together “the Data Subjects”), provided to, or collected by or on behalf of the Fund and the Management Company (directly from Data Subjects or from publicly available sources) will be processed by the latter as controller (the “Controller” – contact details available at the registered office of the Fund in compliance with applicable data protection laws, in particular Regulation (EU) 2016/679 of 27 April 2016, the “General Data Protection Regulation” (together the “Data Protection Legislation”).

Failure to provide certain requested Personal Data may result in the impossibility to invest or maintain Units in the Fund.

Personal Data will be processed by the Controller and disclosed to, and processed by, services providers acting as processors on behalf of the Controller such as the UCI Administrator, the Paying Agent, the Auditor, legal and financial advisers and when applicable the Distributor and its appointed sub-distributors if any. (the “Processors”) for the purposes of (i) offering and managing investments and performing the related services (ii) developing and processing the business relationship with the Processors, and (iii) if applicable direct or indirect marketing activities (the “Purposes”).

Personal Data will also be processed by the Controller and Processors to comply with legal or regulatory obligations applicable to them such as cooperation with, or reporting to, public authorities including but not limited to legal obligations under applicable fund and company law, anti-money laundering and counter terrorist financing (“AML-CTF”) legislation, prevention and detection of crime, tax law such as reporting to the tax authorities under FATCA, the CRS or any other tax identification legislation to prevent tax evasion and fraud as applicable (the “Compliance Obligations”). The Controller and/or the Processors may be required to report information (including name and address, date of birth and tax identification number (“TIN”), account number, balance on account, the “Tax Data”) to the Luxembourg tax authorities (Administration des contributions directes) which will exchange this information with the competent authorities in permitted jurisdictions (including outside the European Economic Area) for the purposes provided for in FATCA and CRS or equivalent Luxembourg legislation. It is mandatory to answer questions and requests with respect to the Data Subjects’ identification and Units held in the Fund and, as applicable, FATCA and/or CRS and failure to provide relevant Personal Data requested by the Controller or the Processors in the course of their relationship with the Fund may result in incorrect or double reporting, prevent them from acquiring or maintaining their Units of the Fund and may be reported to the relevant Luxembourg authorities.

In certain circumstances, the Processors may also process Personal Data of Data Subjects as controllers, in particular for compliance with their legal obligations in accordance with laws and regulations applicable to them (such as anti-money laundering identification) and/or order of any competent jurisdiction, court, governmental, supervisory or regulatory bodies, including tax authorities.

Communications (including telephone conversations and e-mails) may be recorded by the Controller and Processors including for record keeping as proof of a transaction or related communication in the event of a disagreement and to enforce or defend the Controllers’ and Processors’ interests or rights in compliance with any legal obligation to which they are subject. Such recordings may be produced in court or other legal proceedings and permitted as evidence with the same value as a written document and will be retained for a period of 10 years starting from the date of the recording. The absence of recordings may not in any way be used against the Controller and Processors.

Personal Data of Data Subjects may be transferred outside of the European Union (including to Processors), in countries which are not subject to an adequacy decision of the European Commission and which legislation does not ensure an adequate level of protection as regards the processing of personal data.

Insofar as Personal Data is not provided by the Data Subjects themselves the Unitholders represent that they have authority to provide such Personal Data of other Data Subjects. If the Unitholders are not natural persons, they undertake and warrant to (i) adequately inform any such other Data Subject about the processing of their Personal Data and their related rights as described in the Prospectus and (ii) where necessary and appropriate, obtain in advance any consent that may be required for the processing of the Personal Data.

Personal Data of Data Subjects will not be retained for longer than necessary with regard to the Purposes and Compliance Obligations, in accordance with applicable laws and regulations, subject always to applicable legal minimum retention periods.

Detailed data protection information is contained in the information notice, in particular in relation to the nature of the Personal Data processed by the controllers and Processors, the legal basis for processing, recipients, safeguards applicable for transfers of Personal Data outside of the European Union and the rights of Data Subjects (including the rights to access to or have Personal Data about them rectified or deleted, ask for a restriction of processing or

object thereto, right to portability, right to lodge a complaint with the relevant data protection supervisory authority and right to withdraw consent after it was given, etc.) and how to exercise them.

The full information notice is also available on demand at the registered office of the Management Company at 4 rue Jean Monnet, L-2180 Luxembourg.

The Unitholders' attention is drawn to the fact that the data protection information contained herein and in the Prospectus is subject to change at the sole discretion of the Controller.

## APPENDIX I: SUB-FUNDS

### A) Birdie

#### Investment Objective and Policy of the Sub-Fund

##### Investment Objective

The investment objective of the Sub-Fund is to seek to generate the highest possible return to the investors through a flexible and active management of the portfolio.

##### Investment Policy

The Sub-Fund aims at capital appreciation over the long-term while controlling the risk related to the assets classes by investing mainly in a selected portfolio of international assets, such as but not limited to equity and fixed income instruments of all types and money market instruments.

The Sub-Fund will invest in any securities without any constraint in term of rating, duration, market capitalization or geographical allocation. However, the Sub-Fund will invest primarily in the OECD countries but it may additionally invest in emerging markets.

The investments can be done directly or indirectly, through financial derivative instruments or other UCITS/UCIs (including ETFs).

The Sub-Fund will invest generally in equities and equity-linked instruments (including but not limited to Ordinary or Preferred Shares, ETP's, closed-ended REITs, and equity-related derivatives). Moreover, depending on the Investment Manager's expectations, the proportion in equity and equity-linked instruments could be substantially decreased, but will not fall below 10% of its assets.

The remaining part will be invested in fixed income-related instruments (including but not limited to fixed or floating-rate, zero-coupon and convertible securities) and money market instruments issued by corporate and sovereign issuers. The investment manager does not intend to invest in securities such as Asset Backed Securities (ABS), mortgage backed securities (MBS) or distressed securities.

The Sub-Fund may use financial derivative instruments for hedging purposes. The types of derivatives may include, but are not limited to, single stock and equity index futures and options, currency futures and forwards, over-the-counter (OTC) derivatives, single stock contracts for differences (CFD), basket CFDs and index CFDs.

The Sub-Fund may hold on an ancillary basis up to 20% of its assets in bank deposits at sight, such as cash held in current accounts with bank accessible at any time, in accordance with the provisions of Article 41(2) of the Law of 17 December 2010. Notwithstanding the above provision, the above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavorable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors.

If justified by exceptional market conditions, the Sub-Fund may temporarily invest exclusively its net assets in term deposits, debt securities and money market instruments dealt in on a Regulated Market and whose maturity does not exceed 12 months, monetary UCITS and UCIs.



## **Risk Profile**

The value of the investors' investments in the Sub-Fund may fall as well as rise and investors may get back less than the amount originally invested.

The value of debt securities may change significantly depending on economic and interest rates conditions as well as the credit worthiness of the issuers. Issuers of debt securities may fail to meet payments obligations or the credit rating of debt securities may be downgraded.

The value of equity securities may go down as well as up in response to the performance of individual companies and general market conditions.

Emerging markets may be subject to increased political, regulatory and economic instability, less developed custody and settlement practices, poor transparency and greater financial risks. Emerging markets securities may also be subject to higher volatility and lower liquidity than non-emerging markets securities.

Movements in currency exchange rates can adversely affect the return of the investors' investment. The currency hedging that may be used to minimize the effect of currency fluctuations may not always be successful.

The value of financial derivative instruments can be volatile. This is because a small movement in the value of the underlying asset can cause a large movement in the value of the financial derivative instrument and therefore, investments in such instruments may result in losses in excess of the amount invested by the Sub-Fund.

The Sub-Fund may invest indirectly via UCITS and Depositary Receipts, also in specific countries such as China and Russia, which are subject to the risks of investing in emerging markets (see "Emerging markets risk" section).

Investment in Real estate related securities, including closed-ended REITs, may be affected by any changes in the value of the properties owned by the companies related, due to any factor that makes an area or individual property less valuable. Specifically, real estate values may rise and fall in response to a variety of factors, including local, regional and national economic conditions, defaults on mortgages, interest rates, increases in property taxes and operating expenses, natural disasters, overbuilding, environmental contamination and regulation, defaults on mortgages or changes in zoning laws.

## **SFDR**

The Management Company of the Sub-Fund decides not to currently consider the adverse effects of investment decisions on sustainability factors for the Fund as defined in Article 7 (2) of the SFDR Regulation.

As per the current investment strategy and the composition of the portfolio, the Management Company assesses that such impact deems not to be relevant.

## **Risk Management**

The method retained by the Management Company for the determination of the global risk exposure of the Sub-Fund is the commitment approach.

## **Base Currency**

Euro

## **Classes of Units**

Class A Accumulation denominated in Euro and intended for institutional investors only.

## **Net Asset Value**

By reference/derogation of the provisions under “Procedures for Subscription, Conversion and Redemption” above:

- the Valuation Day of the Sub-Fund is every two weeks on each Monday, if such day is not a Business Day in Luxembourg, then the Valuation Day will be the following Business Day. As of such Valuation Day, the Net Asset Value per Unit is determined by reference to the last available prices of the underlying assets of the relevant Class within the Sub-Fund;
- in respect of each Valuation Day, the Net Asset Value per Unit will be dated that Valuation Day and calculated and published two Business Days after that Valuation Day;
- any application for subscription, conversion or redemption must be received by the UCI Administrator (on behalf of the Management Company from the Agents (if any) or directly from the subscriber) prior to 5.35. p.m. Luxembourg time at the latest on the Business Day preceding the relevant Valuation Day (being the cut-off time for the Sub-Fund).

All subscriptions, conversions or redemptions will be handled on the basis of an unknown Net Asset Value.

Applications for the Sub-Fund received after the relevant cut-off time shall be deemed to have been received in respect of the next following Valuation Day.

Payments for subscriptions and redemptions shall be made no later than 3 Business Days following the relevant Valuation Day.

## **Minimum Initial Investment**

There is no minimum initial investment required in Class A Accumulation.

## **Sales Charge**

No sales charge will be levied.

## **Redemption fee**

No redemption fee will be levied.

## **Luxembourg Tax Considerations**

The Sub-Fund is liable in Luxembourg to a tax of (in principle) 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the Net Asset Value of the Sub-Fund at the end of the relevant quarter. This tax is reduced to 0.01% per annum of its Net Asset Value allocated to the Class A Accumulation intended for institutional investors only. The portion of assets which are invested in units of UCITS and UCIs shall be exempt from such tax as far as those UCITS and UCIs are already submitted to this tax in Luxembourg.

## **B) Butterfly**

### **Investment Objective and Policy of the Sub-Fund**

#### **Investment Objective**

The Sub-Fund intends to achieve its objective by the active management of a portfolio of eligible financial assets.

#### **Investment Policy**

The investment strategy of the Sub-Fund is to invest in a broad range of asset classes such as but not limited to fixed income, money market instruments, equities, including ETFs and other UCIs and cash and cash equivalents.

Generally the Sub-Fund will invest a part of its assets in fixed income and it may also invest in equities and equity-related securities.

The Sub-Fund will invest primarily in the OECD countries but it may however take exposure to the emerging markets funds for a residual portion of its assets.

The Sub-Fund will invest in any securities without any constraint in term of rating, duration, market capitalization or geographical allocation. The investments can be done directly or indirectly, through financial derivative instruments or other UCITS/UCIs.

The Sub-Fund may invest in CoCos up to 10% of its assets.

The Sub-Fund may use financial derivative instruments for both hedging and/or investment purposes. The types of derivatives may include, but are not limited to, single stock and equity index futures and options, currency futures and forwards, OTC derivatives, single stock CFDs, basket CFDs and index CFDs.

The Sub-Fund may hold on an ancillary basis up to 20% of its assets in bank deposits at sight, such as cash held in current accounts with bank accessible at any time, in accordance with the provisions of Article 41(2) of the Law of 17 December 2010. Notwithstanding the above provision, the above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavorable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors.

If justified by exceptional market conditions, the Sub-Fund may temporarily invest exclusively its net assets in term deposits, debt securities and money market instruments dealt in on a Regulated Market and whose maturity does not exceed 12 months, monetary UCITS and UCIs.

#### **Risk Profile**

The value of the investors' investments in the Sub-Fund may fall as well as rise and investors may get back less than the amount originally invested.

The value of debt securities may change significantly depending on economic and interest rates conditions as well as the credit worthiness of the issuers. Issuers of debt securities may fail to meet payments obligations or the credit rating of debt securities may be downgraded.

The value of equity securities may go down as well as up in response to the performance of individual companies and general market conditions.

Emerging markets may be subject to increased political, regulatory and economic instability, less developed custody and settlement practices, poor transparency and greater financial risks. Emerging markets securities may also be subject to higher volatility and lower liquidity than non-emerging markets securities.

Movements in currency exchange rates can adversely affect the return of the investors' investment. The currency hedging that may be used to minimize the effect of currency fluctuations may not always be successful.

The value of financial derivative instruments can be volatile. This is because a small movement in the value of the underlying asset can cause a large movement in the value of the financial derivative instrument and therefore, investments in such instruments may result in losses in excess of the amount invested by the Sub-Fund.

Additionally, the investments in CoCos may also entail the following potential risks, therefore, investors should fully understand and consider the risks of CoCos as a complex product and correctly factor those risks into their valuation:

Trigger level risk: trigger levels differ and determine exposure to a conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the Investment Manager to anticipate the triggering events that would require the debt to convert into equity.

Coupon cancellation: for some CoCos, coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time.

Capital structure inversion risk: contrary to classical capital hierarchy, CoCos' investors may suffer a loss of capital when equity holders do not.

Call extension risk: some CoCos are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority.

Unknown risk: the structure of CoCos is innovative yet untested.

Higher yields: investors have been drawn to the instruments as a result of the CoCos often attractive yield which may be viewed as a complexity premium.

Valuation risk: the value of CoCos may need to be reduced due to a higher risk of overvaluation of such asset class on the relevant eligible markets. Therefore, a Fund may lose its entire investment or may be required to accept cash or securities with a value less than its original investment.

Conversion risk: it might be difficult for the Investment Manager to assess how the securities will behave upon conversion. A forced sale may itself lead to liquidity issue for these shares.

Liquidity risk: in certain circumstances finding a ready buyer for CoCos may be difficult and the seller may have to accept a significant discount to the expected value of the CoCos in order to sell it.

## **SFDR**

The Investment Manager of the Sub-Fund decides not to currently consider the adverse effects of investment decisions on sustainability factors for the Fund as defined in Article 7 (2) of the SFDR Regulation.

As per the current investment strategy and the composition of the portfolio, the Investment Manager assesses that such impact deems not to be relevant.

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

### **Risk Management**

The method retained by the Management Company for the determination of the global risk exposure of the Sub-Fund is the commitment approach.

### **Base Currency**

Euro

### **Classes of Units**

Class A denominated in Euro (distributing), may distribute the bulk of the income received, subject to the Board's approval.

### **Net Asset Value**

By reference/derogation of the provisions under "Procedures for Subscription, Conversion and Redemption" above:

- the Valuation Day of the Sub-Fund is every two weeks on each Monday, if such day is not a Business Day in Luxembourg, then the Valuation Day will be the following Business Day. As of such Valuation Day, the Net Asset Value per Unit is determined by reference to the last available prices of the underlying assets of the relevant Class within the Sub-Fund;
- in respect of each Valuation Day, the Net Asset Value per Unit will be dated that Valuation Day and calculated and published two Business Days after that Valuation Day;
- any application for subscription, conversion or redemption must be received by the UCI Administrator (on behalf of the Management Company from the Agents (if any) or directly from the subscriber) prior to 3.00. p.m. Luxembourg time at the latest on the Business Day preceding the relevant Valuation Day (being the cut-off time for the Sub-Fund).

All subscriptions, conversions or redemptions will be handled on the basis of an unknown Net Asset Value.

Applications for the Sub-Fund received after the relevant cut-off time shall be deemed to have been received in respect of the next following Valuation Day.

Payments for subscriptions and redemptions shall be made no later than 3 Business Days following the relevant Valuation Day.

### **Distribution Policy**

The distribution of dividends may be proposed by the Board of Directors at its discretion.

### **Minimum Initial Investment**

The minimum initial investment required in Class A (Distributing) is Euro 100.000

### **Sales Charge**

No sales charge will be levied.

**Redemption fee**

No redemption fee will be levied.

**Luxembourg Tax Considerations**

The Sub-Fund is liable in Luxembourg to a tax of 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the Net Asset Value of the Sub-Fund at the end of the relevant quarter. The portion of assets which are invested in units of UCITS and UCIs shall be exempt from such tax as far as those UCITS and UCIs are already submitted to this tax in Luxembourg.

## **C) Global Equity Fund**

### **Investment Objective and Policy of the Sub-Fund**

#### **Investment Objective**

The Sub-Fund aims to achieve long-term capital appreciation by investing in a global equity portfolio.

#### **Investment Policy**

The Sub-Fund seeks to achieve its objective by investing across a wide range of industries in a global diversified portfolio of equity instruments.

The Investment Manager follows a screening methodology which uses a combination of a top-down and stock picking analysis from a non-constrained universe of stocks and portfolios that outperformed its own peers in terms of fundamental metrics, and selects an optimal stock combination, in terms of quantitative and qualitative data such as volumes, market correlation, industry sector, geographical allocation and business model, generating a balanced portfolio in terms of weight, risk, volatility and return with a low dependence on the economic cycles.

Essentially the Sub-Fund will invest in companies domiciled in, listed in, or the main business of which is, in OECD countries with no predetermination as to the selection of the market capitalization of the companies. Investments in Emerging Countries will not exceed the 20% of the portfolio.

The Sub-Fund might also invest up to 10% indirectly through ADRs/GDRs, in companies domiciled in, or with main activities, within the Peoples Republic of China, Hong Kong and Macao. For more information refer to the section "Risks related to indirect Investments in China" in the "Special Risk Considerations" chapter of this Prospectus.

Depending on the investment manager expectations resulting from the methodology applied, the Sub-Fund may punctually be primarily invested in a single country or in a specific geographical area.

The Sub-Fund will not invest more than 10% of its assets in UCITS or other UCIs.

The Sub-Fund may hold on an ancillary basis up to 20% of its assets in bank deposits at sight, such as cash held in current accounts with bank accessible at any time, in accordance with the provisions of Article 41(2) of the Law of 17 December 2010. Notwithstanding the above provision, the above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavorable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors.

#### **Risk Profile**

The value of equity securities is subject to strong price fluctuations in response to the performance of individual companies and general market conditions.

Emerging markets may be subject to increased political, regulatory and economic instability, less developed custody and settlement practices, poor transparency and greater financial risks. Emerging markets securities may also be subject to higher volatility and lower liquidity than non-emerging markets securities.

The Sub-Fund's ability to invest in and to liquidate its assets may, from time to time, be restricted by the liquidity of the market for those assets. Regulated markets may undergo temporary or prolonged closures and may impose a suspension or limitation on trading in a security traded on the relevant exchange or market.

The net asset value of the Sub-Fund as expressed in USD will fluctuate in accordance with the changes in the foreign exchange rates between USD and the currencies in which the Sub-Fund's investments are denominated. The Sub-Fund may therefore be exposed to a foreign exchange/currency risk.

Risk related to ADRs/GDRs as defined in the section Special Risk Consideration.

Risk related to investments in China in the section Special Risk Consideration.

## **SFDR**

The Investment Manager of the Sub-Fund decides not to currently consider the adverse effects of investment decisions on sustainability factors for the Fund as defined in Article 7 (2) of the SFDR Regulation.

As per the current investment strategy and the composition of the portfolio, the Investment Manager assesses that such impact deems not to be relevant.

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

## **Risk Management**

The method retained by the Management Company for the determination of the global risk exposure of the Sub-Fund is the commitment approach.

## **Base Currency**

USD

## **Classes of Units**

Class A (accumulation) denominated in USD and intended for retail and institutional investors

Class B (accumulation) denominated in Euro and intended for retail and institutional investors

## **Net Asset Value**

By reference/derogation of the provisions under "Procedures for Subscription, Conversion and Redemption" above:

- the Valuation Day of the Sub-Fund is each Business Day, if such day is not a Business Day in Luxembourg, then the Valuation Day will be the following Business Day. As of such Valuation Day, the Net Asset Value per Unit is determined by reference to the last available prices of the underlying assets of the relevant Class within the Sub-Fund;
- in respect of each Valuation Day, the Net Asset Value per Unit will be dated that Valuation Day and calculated and published two Business Days after that Valuation Day;
- any application for subscription, conversion or redemption must be received by the UCI Administrator (on behalf of the Management Company from the Agents (if any) or directly from the subscriber) prior to 12.00. a.m. (noon) Luxembourg time at the latest on the Business Day preceding the relevant Valuation Day (being the cut-off time for the Sub-Fund).



All subscriptions, conversions or redemptions will be handled on the basis of an unknown Net Asset Value.

Applications for the Sub-Fund received after the relevant cut-off time shall be deemed to have been received in respect of the next following Valuation Day.

Payments for subscriptions and redemptions shall be made no later than 2 Business Days following the relevant Valuation Day.

### **Minimum Initial Investment**

There is no minimum initial investment required in Classes A and B.

### **Sales Charge**

No sales charge will be levied.

### **Redemption fee**

No redemption fee will be levied.

### **Investment Advisor**

The Management Company has appointed, at the expenses of the Sub-Fund, Thalesia Capital EAF SL having its registered office at Calle Orense 69 - Apt. 635, 28020, Madrid, Spain as investment advisor of the Sub-Fund (the "Investment Advisor").

Thalesia Capital EAF SL is a Spanish company authorized by the *Comision Nacional del Mercado de Valores* (the "CNMV") incorporated on October 26, 2021 and has been appointed by the Management Company for his specific knowledge and skills, in the best interest of the Sub-Fund.

The function of Thalesia Capital EAF SL will be strictly limited to the provision of investment advice on any particular category of assets in the Sub-Fund.

Thalesia Capital EAF SL will keep the investments of the Sub-Fund under constant review and address recommendations to the Management Company in connection with the investment and reinvestment of the Sub-Fund's portfolio.

Thalesia Capital EAF SL has developed an equity selection model. The Management Company has reviewed and validated the model methodology after the presentation made by Thalesia Capital EAF SL.

Thalesia Capital EAF SL will be submitting the template with the justification containing the output of the model (the selection) in addition to another file with the list of trades to rebalance and adjust the portfolio to the Management Company.

The Management Company will check that the justification and the trades and place them in case they are approved or reject them otherwise.

The Management Company will never be bound by the advice provided by the Investment Advisor.

### **Methodology used by the Investment Advisor**

The methodology used by the Investment Advisor is an internally developed screening methodology, using big data technology of public financial information:

- which performs the stock picking from a non-constrained universe of stocks and Funds portfolios that outperformed its own peers in terms of fundamental metrics,
- and selects an optimal stock combination, in terms of quantitative and qualitative data such as volumes, market correlation, industry sector, geographical allocation and business model,
- generating a proposed balanced portfolio in terms of weight, risk, volatility and return with a low dependence on the economic cycles.

### **Luxembourg Tax Considerations**

The Sub-Fund is liable in Luxembourg to a tax of 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the Net Asset Value of the Sub-Fund at the end of the relevant quarter. The portion of assets which are invested in units of UCITS and UCIs shall be exempt from such tax as far as those UCITS and UCIs are already submitted to this tax in Luxembourg.

## **D) Magnet Finance**

### **Investment Objective and Policy of the Sub-Fund**

#### **Investment Objective**

The investment objective of the Sub-Fund is to achieve a combination of income and long-term capital appreciation through a global diversified portfolio.

The companies and target funds will be selected through a disciplined, consistent and thorough process composed by an asset class assessment defining the universe based on a proven track record, a quantitative screening based on statistical analysis of return, risk parameters, plus a scoring system based on the performance in the case the target funds, and a qualitative screening based on the philosophy, style, risk and business model.

#### **Investment Policy**

The Sub-Fund will seek to achieve its investment objective by investing in a combination of maximum 49% of its net assets, directly or indirectly through underlying UCITS/UCIs, in equity and equity-linked instruments (including but not limited to Ordinary or Preferred Shares closed-ended REITs and ADRs/GDRs) and minimum 51% of fixed income instruments, directly or indirectly through underlying UCITS/UCIs.

The asset allocation of the Sub-Fund will consider the specific macroeconomic environment of the investments, including not only the global macroeconomic data, but considering as well leading and lagging economic indicators, research and estimates of the main international organizations. The companies will be evaluated then following a top down analysis and prioritizing the quality of the company. To determine its quality, historical and projected fundamental ratios will be considered including a discounted cash flow analysis in order to obtain the company intrinsic value and its ability to generate profit. Those companies whose market value is lower than its intrinsic value, with debt ratios below the sector the company operates, and profitability ratios above them will be selected.

The Sub-Fund will not invest more than 10% in closed-ended REITs.

The Sub-Fund may also invest at least 20% of its net assets in debt securities (including but not limited to fixed or floating-rate and zero-coupon bonds and money market instruments) rated as investment grade by one or more of the main rating agencies (Moody's, Standard & Poors & Fitch), or in its absence, by a professional recognized rating agency registered and/or regulated by the ESMA, issued by corporate and sovereign issuers with no predetermination as to the selection of the companies by market capitalization. Should a security be downgraded to below investment grade, the Sub-Fund will sell them unless such security may fall within the ratio of debt securities rated as high yield, as further described in the following section.

The Sub-Fund will not invest more than 20% of its net assets in debt securities rated as high yield by one or more of the main rating agencies (Moody's, Standard & Poors & Fitch), or in its absence, by a professional recognized rating agency registered and/or regulated by the ESMA. These debt securities investments correspond to the ratings assigned by the rating agencies for borrowers rated between BB+ and CCC on the Standard & Poor's or Fitch rating scale and Ba1 and Caa2 on the Moody's rating scale. Such high-yield debt securities are loans that generally take the form of bonds with a 5-, 7- or 10-year maturity. High yield securities are subject to greater market fluctuations and to greater risk of loss of income and principal, due to default by the issuer, than are higher rated fixed income securities. The return on the securities and their level of risk would be described by the rating agencies as "predominantly speculative" with respect to the capacity to pay interest and repay principal in accordance with

the terms of the obligation. Should a security be downgraded to distressed or default, the Sub-Fund will sell them, unless the valuation about the recovery rate justifies otherwise, in which case the Sub-Fund will hold these securities in portfolio. Securities downgraded to distressed or default and kept in portfolio will not exceed 10% of the net assets of the Sub-Fund.

The Sub-Fund will not invest in distressed securities.

Issuers of the underlying investments may be located in any country, including emerging markets.

The Sub-Fund may invest in emerging markets (excluding Russia), directly or indirectly through the underlying UCITS or UCIs, up to 20% of the Sub-Fund's net assets.

The Sub-Fund might also invest up to 10% of its net assets indirectly through ADRs/GDRs, in companies domiciled in, or with main activities, within the Peoples Republic of China, Hong Kong and Macao while no direct investments are possible. For more information, refer to the section "Risks related to indirect Investments in China" in the "Special Risk Considerations" chapter of this Prospectus.

It should be noted that the investment in other UCITS and/or other UCIs may entail to consider the fees and expenses of the Sub-Fund and the ones of the target Funds. The aggregate management fees charged both to the Sub-Fund and to the target UCITS and/or UCIs may not exceed 2.5%.

If the 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 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 investments in the units of such other UCITS and/or other UCIs.

The Sub-Fund may use financial derivative instruments for hedging purposes. The types of derivatives may include, but are not limited to interest rate and credit derivatives, single stock and equity index futures comprised by a basket of securities listed within a specific stock market such as but not limited to Standard & Poor's 500 Index, Dow Jones Industrial Average Index or the DAX Stock Index (including its respective E-Mini's (E-Mini's are electronically traded futures contracts which are a fraction of the value of corresponding standard futures contracts)), options, currency futures and forwards.

The Sub-Fund may hold on an ancillary basis up to 20% of its assets in bank deposits at sight, such as cash held in current accounts with bank accessible at any time, in accordance with the provisions of Article 41(2) of the Law of 17 December 2010. Notwithstanding the above provision, the above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavorable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors.

## **Risk Profile**

The Sub-Fund will be subject to fluctuations in the stock markets.

The objective of this Sub-Fund corresponds to a high level of risk in relation to the stock markets.

The value of the investors' investments in the Sub-Fund may fall as well as rise and investors may get back less than the amount originally invested.

The investors' attention is drawn to the risks faced by the target UCITS and/or UCIs corresponding to their particular management styles. Their management styles may lead to losses for these UCITS and/or UCIs with consequences for the valuation of the portfolio's Sub-Fund.

Emerging markets may be subject to increased political, regulatory and economic instability, less developed custody and settlement practices, poor transparency and greater financial risks.

Emerging markets securities may also be subject to higher volatility and lower liquidity than non-emerging markets securities.

The value of debt securities may change significantly depending on economic and interest rates conditions as well as the credit worthiness of the issuers. Issuers of debt securities may fail to meet payments obligations or the credit rating of debt securities may be downgraded. These risks are typically increased for emerging markets, High Yield debt securities and below investment grade debt securities.

Convertible bonds are subject to the credit, interest rates and market risks stated above associated with both debt and equity securities and may also be subject to lower liquidity than the underlying equity securities. Investments in small capitalization companies may be subject to increased liquidity risk, especially in stressed market conditions.

The Sub-Fund may hold units of UCITS and UCIs that use financial derivative instruments or may invest in financial derivatives as part of the investment strategy.

The value of financial derivative instruments can be volatile, as a small movement in the value of the underlying asset can cause a large movement in the value of the financial derivative instrument and therefore, investments in such instruments may result in losses in excess of the amount invested.

Investments in securities denominated in currencies other than the Base Currency may be subject to adverse fluctuation in currency exchange rates. The currency hedging that may be used to minimize the effect of currency fluctuations may not always be successful.

## **SFDR**

The Investment Manager of the Sub-Fund decides not to currently consider the adverse effects of investment decisions on sustainability factors for the Fund as defined in Article 7 (2) of the SFDR Regulation.

As per the current investment strategy and the composition of the portfolio, the Investment Manager assesses that such impact deems not to be relevant.

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

## **Risk Management**

The method retained by the Management Company for the determination of the global risk exposure of the Sub-Fund is the commitment approach.

**Base Currency**

EUR

**Classes of Units**

Class A (accumulation) denominated in Euro and intended for retail and institutional investors.

**Net Asset Value**

By reference/derogation of the provisions under "Procedures for Subscription, Conversion and Redemption" above:

- the Valuation Day of the Sub-Fund is every two weeks on each Monday, if such day is not a Business Day in Luxembourg, then the Valuation Day will be the following Business Day. As of such Valuation Day, the Net Asset Value per Unit is determined by reference to the last available prices of the underlying assets of the relevant Class within the Sub-Fund;
- in respect of each Valuation Day, the Net Asset Value per Unit will be dated that Valuation Day and calculated and published two Business Days after that Valuation Day;
- any application for subscription, conversion or redemption must be received by the UCI Administrator (on behalf of the Management Company from the Agents (if any) or directly from the subscriber) prior to 3.00. p.m. Luxembourg time at the latest on the Business Day preceding the relevant Valuation Day (being the cut-off time for the Sub-Fund).

All subscriptions, conversions or redemptions will be handled on the basis of an unknown Net Asset Value.

Applications for the Sub-Fund received after the relevant cut-off time shall be deemed to have been received in respect of the next following Valuation Day.

Payments for subscriptions and redemptions shall be made no later than 3 Business Days following the relevant Valuation Day.

**Minimum Initial Investment**

There is no minimum initial investment required in Class A.

**Sales Charge**

No sales charge will be levied.

**Redemption fee**

No redemption fee will be levied.

**Luxembourg Tax Considerations**

The Sub-Fund is liable in Luxembourg to a tax of 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the Net Asset Value of the Sub-Fund at the end of the relevant quarter. The portion of assets which are invested in units of UCITS and UCIs shall be exempt from such tax as far as those UCITS and UCIs are already submitted to this tax in Luxembourg.

## **E) Acacia Renta Dinamica**

**The attention of the unitholders is drawn to the fact that this Sub-Fund is a Feeder Fund of ACACIA RENTA DINAMICA, FI.**

**This Sub-Fund being a Feeder Fund, invests at least 85% of its total net assets in ACACIA RENTA DINAMICA, FI, (the “Master Fund”).**

**Unitholders should note that the Sub-Fund will invest minimum 85% of the investments made by the Master Fund.**

**If the Master Fund invests 50% in a given asset, the Sub-Fund will invest at least 85% of the 50% (i.e. 42.5% minimum).**

### **Investment Objective and Policy of the Sub-Fund**

This Sub-Fund is a Feeder Fund of ACACIA RENTA DINAMICA, FI (the “Master Fund”), created under the form of an open-ended common fund governed by the provisions of the UCITS Directive, incorporated in Spain and authorized by the CNMV.

#### **Investment Objective**

The Investment Objective of the Sub-Fund is to invest into the Master Fund according to the provisions and limits defined below while at the same time promoting certain ESG characteristics and integrating sustainability risks in the investment process.

#### **Investment Policy**

In compliance with the relevant provisions of the Law of 17 December 2010, the Sub-Fund will at all times invest at least 85% of its total net assets in the Master Fund. The Sub-Fund may hold its remaining assets (i.e. up to 15% of its total net assets) in ancillary liquid assets, such as sight bank deposits in accordance with the provisions of Article 41(2) of the Law of 17 December 2010.

**This Sub-Fund promotes environmental and/or social characteristics within the meaning of Article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector.**

#### **Master Fund**

The Master Fund has been authorized by the CNMV as a "master UCITS" in the meaning of the relevant provisions of the Spanish Law and the UCITS Directive. As a consequence, the Master Fund must, at all times,

- (i) have at least one feeder UCITS among its unitholders,
- (ii) not itself become a feeder UCITS, and
- (iii) not hold shares or units of a feeder UCITS.

### **Investment Objective and Policy of the Master Fund**

#### **Investment Objective**

The Master Fund's management objective is to seek a non-guaranteed return of around 3% per annum above the 1-year Spanish treasury bills, diminished by falls of more than 20% of the index targeted by the strategy.

## **Investment Policy**

In order to achieve the objective, the Master Fund will periodically invest in a combination of a fixed income strategy with sales of exchange-traded equity derivatives in a 6-12 month horizon. The main derivatives strategy will involve the sale of index puts, mainly on the IBEX 35 and Eurostoxx 50, which entails, in exchange for a premium, the obligation to buy the underlying index for each strategy on the maturity date at the strike price.

At maturity of each strategy, the Master Fund will accumulate the target return minus the possible loss in the event of stock market declines of more than approximately 20%. In the event of very adverse market conditions, due to index declines in excess of the spread established in each strategy, the Master Fund would behave like a fund invested in fixed income and in the stock market index or indexes selected in each strategy. Therefore, in the event of a very unfavorable stock market performance, significant losses could be incurred.

The portfolio of the Master Fund will be mainly invested in EU public and private issuers (occasionally in OECD issuers/countries), including deposits at sight and money market instruments, listed or not, liquid and short-term investments, in issues with high credit quality (minimum A3 Moody's) or medium credit quality (Baa1, Baa2 and Baa3). The ratings mentioned refer to those granted by Moody's or equivalent agencies. If an issue does not have a rating, the issuer's rating will be taken into account.

The average duration of the Master Fund portfolio will be less than 1 year.

It will be possible to invest in stocks and stock options/index futures on EU issuers/markets.

The exposure to both equity and fixed income will range from 0-100%, depending on interest rates and market conditions at any given time without currency risk.

More than 35% of the assets may be invested in securities issues or guaranteed by an EU Member State, a regional or local authority, international organisations of which Spain is a member and States with a creditworthiness equal to or higher than that of Spain;

In the best interest of the Master Fund, efficient portfolio management techniques may be used, specifically, temporary acquisition of assets (Spanish public debt and other EU member states), mainly for a term of less than 7 days and exceptionally a maximum of 180 days, which will normally be contracted with the depositary, and from time to time, with other entities.

The Master Fund may use financial derivative instruments for investment and hedging purposes, traded or not in an organized derivatives market. This operation involves risks due to the possibility that the hedging may not be perfect, due to the leverage involved and due to the lack of a clearing house. The maximum degree of exposure to market risk through derivative financial instruments is the net asset value.

## **Additional Information**

The Prospectus, KIIDs, Management Regulations and the most recent audited annual reports and unaudited semi-annual reports of the Master Fund are available upon request at the registered office of the Management Company.

The Management Company and the Master Fund have entered into an agreement to coordinate the actions between the Sub-Fund and the Master Fund, in accordance with the relevant provisions of the Law of 17 December 2010 describing, inter alia, the access to information between the Sub-Fund and the Master Fund, the basis of investment and disinvestment by the Sub-Fund, standard dealing arrangements, events affecting dealing arrangements, standard arrangements for the audit annual report and the choice of the



applicable law and the changes to key provisions of constitutive documents and/or the prospectus of the Master Fund.

The Management Company and the Master Fund as well as their Depositaries have entered into an information sharing agreement.

A summary of these agreements as well as further information on the Master Fund can be obtained free of charge upon request made to the Management Company. The performance and the investment policy of the Sub-Fund and the Master Fund are identical, except for the impacts caused by the expenses at the level of the Sub-Fund and the maximum exposure up to 15% in ancillary liquid assets.

The auditor of the Sub-Fund is Deloitte Audit Sàrl, whereas the auditor of the Master Fund is Deloitte S.L. Spain. Both auditors have entered into an info-sharing agreement.

The Sub-Fund will be subject to a management fee and a distribution fee, as further described in Appendix II.

The Sub-Fund will not be subject to a subscription or redemption fee on its investment into the Master Fund.

An investment management fee may be levied at Master Fund level only, as further described in Appendix II.

Neither investment management fee nor performance fee is levied at Sub-Fund level.

## **Risk Profile**

The risks listed below are the main specific risks of the Sub-Fund. Investors should be aware that other risks may also be relevant to this Sub-Fund from time to time. Please refer to section “Special Risk Considerations” in the general part of the Prospectus for a full description of these risks:

Risk Factors of the Master Fund:

- Market Risk
- Sector and/or Geographical concentration
- Credit and counterparty Risk
- Financial Derivative Instruments Risks
- ESG risk

In addition to the Risk Factors of the Master Fund, the Sub-Fund will have these additional Risk Factors:

- Market risk
- Financial Derivative Instruments Risks
- Credit and counterparty risks
- High-yield debt securities risk
- Interest Rate Risk
- ESG risk
- Foreign exchange/currency risk
- Special risk considerations for investors in the Equity Sub-Funds, investing primarily in equities and equity-linked instruments
- Sector and/or geographical concentration
- Master-feeder structure Risk

## **Risk Management**

The global exposure related to financial derivative instruments of both the Master Fund and the Sub-Fund is calculated using the Commitment Approach.

The Sub-Fund will calculate its global exposure related to financial derivative instruments by combining its own direct exposure with the Master Fund's potential maximum global exposure to financial derivative instruments (as provided for in the Master Fund Management Regulations) and in proportion to the Feeder Fund's investment into the Master Fund.

## **Base Currency**

EUR

## **Classes of Units**

Class I (accumulation) denominated in Euro will be offered only to:

Investors and financial intermediaries or distribution agents which, according to regulatory requirements are not allowed to accept and keep trail commissions (in the European Union this will include financial intermediaries providing discretionary portfolio management or investment advice on an independent basis).

Class R (accumulation) denominated in Euro will be offered only to:

Investors and financial intermediaries or distribution agents which, according to regulatory requirements are allowed to accept and keep trail commissions.

## **Net Asset Value**

By reference/derogation of the provisions under "Procedures for Subscription, Conversion and Redemption" above:

- the Valuation Day of the Sub-Fund is each Business Day, if such day is not a Business Day in Luxembourg, then the Valuation Day will be the following Business Day. As of such Valuation Day, the Net Asset Value per Unit is determined by reference to the last available prices of the underlying assets of the relevant Class within the Sub-Fund;
- in respect of each Valuation Day, the Net Asset Value per Unit will be dated that Valuation Day and calculated and published two Business Days after that Valuation Day;
- any application for subscription, conversion or redemption must be received by the UCI Administrator (on behalf of the Management Company from the Agents (if any) or directly from the subscriber) prior to 14.00. p.m. Luxembourg time at the latest on the Business Day preceding the relevant Valuation Day (being the cut-off time for the Sub-Fund).

All subscriptions, conversions or redemptions will be handled on the basis of an unknown Net Asset Value.

Applications for the Sub-Fund received after the relevant cut-off time shall be deemed to have been received in respect of the next following Valuation Day.

Payments for subscriptions and redemptions shall be made no later than 2 Business Days following the relevant Valuation Day.

## **Minimum Initial Investment**

There is no minimum initial investment required in Class I and in Class R.

**Sales Charge**

No sales charge will be levied for the Sub-Fund.  
The sales charge for the Master Fund is: None  
The total aggregated sales charge for the Sub-Fund is: None.

**Redemption fee**

No redemption fee will be levied for the Sub-Fund.  
The redemption fee for the Master Fund is: None.  
The total aggregated redemption fee for the Sub-Fund is: None.

**Luxembourg Tax Considerations**

The Sub-Fund is liable in Luxembourg to a tax of 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the Net Asset Value of the Sub-Fund at the end of the relevant quarter. The portion of assets which are invested in units of UCITS and UCIs shall be exempt from such tax as far as those UCITS and UCIs are already submitted to this tax in Luxembourg.

## **F) Global Strategy**

### **Investment Objective and Policy of the Sub-Fund**

#### **Investment Objective**

The fund will follow a fund of fund strategy in order to gain exposure to both equity and fixed income, with a global approach and without focusing in any sector in particular.

#### **Investment Policy**

The Sub-fund will seek to achieve its investment objective by investing mainly in a portfolio of eligible UCITS, other UCIs and Exchanged Traded Products (“ETPs”), including but not limited to Exchanged Traded Funds (“ETFs”) and Exchanged Traded Commodities (“ETCs”) that will have exposure to a range of asset classes including, but not limited to, equity securities, debt securities, money market instruments and commodities.

The Sub-Fund will invest mainly in UCITS, other UCIs and ETPs that will have exposure to equity, however, depending on the Investment Manager’s expectations, the Sub-Fund’s global equity exposure could be substantially decreased, but will not fall below 10% of its assets. Issuers of the underlying investments may be located in any country, including emerging markets.

The methodology followed by the investment manager involves a top-down strategical approach. Therefore, the selection of eligible UCITS, UCIs and ETPs is performed after the analysis of market opportunities and potential risks based in economic trends or indicators (inflation, interest rates, GDP...). ETFs will be used to facilitate the exposure of the Sub-Fund to a broader coverage of assets classes with low correlation, or to obtain access to specific markets (including emerging markets ex-Russia) and to niche innovative sectors. Thus, there is not a prefixed ponderation of these types of assets as are part of the core strategy.

The Sub-Fund may indirectly invest up to 40% of its assets in companies domiciled in, or with main activities in emerging markets.

The Sub-Fund may indirectly invest up to 10% of its assets in companies domiciled in, or with main activities within the Peoples Republic of China, Hong Kong and Macao.

The Sub-Fund may also invest in debt securities (such as money market instruments), treasury bills, bank deposits listed under article 41(1) of the law of 2010 for treasury purposes and in case of unfavourable market conditions.

The Sub-Fund may use financial derivative instruments for both hedging and/or investment purposes. The types of derivatives may include, but are not limited to, single stock and equity index futures comprised by a basket of securities listed within an specific stock market such as but not limited to Standard & Poor's 500 Index, Dow Jones Industrial Average Index or the DAX Stock Index (including its respective E-Mini's), options, currency futures and forwards.

The Sub-Fund may hold on an ancillary basis up to 20% of its assets in bank deposits at sight, such as cash held in current accounts with bank accessible at any time, in accordance with the provisions of Article 41(2) of the Law of 2010. Notwithstanding the above provision, the above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors.

It should be noted that investment in other UCITS and/or other UCIs may entail a duplication of certain fees and expenses. The investment management fees of other UCITS and/or other UCIs may not exceed 1.50% of the Sub-Fund's net asset value.

## **SFDR**

The Investment Manager of the Sub-Fund decides not to currently consider the adverse effects of investment decisions on sustainability factors for the Fund as defined in Article 7 (2) of the SFDR Regulation.

As per the current investment strategy and the composition of the portfolio, the Investment Manager assesses that such impact deems not to be relevant.

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

## **Risk Profile**

The value of equity securities is subject to strong price fluctuations in response to the performance of individual companies and general market conditions.

The investors' attention is drawn to the risks faced by the target UCITS and/or UCIs corresponding to their particular management styles. Their management styles may lead to losses for these UCITS and/or UCIs with consequences for the valuation of the portfolio's Sub-Fund.

Emerging markets may be subject to increased political, regulatory and economic instability, less developed custody and settlement practices, poor transparency and greater financial risks.

Emerging markets securities may also be subject to higher volatility and lower liquidity than non-emerging markets securities.

The Sub-Fund may hold units of UCITS and UCIs that use financial derivative instruments or may invest in financial derivatives as part of the investment strategy.

The value of financial derivative instruments can be volatile, as a small movement in the value of the underlying asset can cause a large movement in the value of the financial derivative instrument and therefore, investments in such instruments may result in losses in excess of the amount invested.

Investments in securities denominated in currencies other than the Base Currency may be subject to adverse fluctuation in currency exchange rates. The currency hedging that may be used to minimize the effect of currency fluctuations may not always be successful.

## **Risk Management**

The method retained by the Management Company for the determination of the global risk exposure of the Sub-Fund is the commitment approach.

## **Base Currency**

EUR

## **Classes of Units**

Class Founder (accumulation) denominated in Euro and intended for founder investors.

Class R (accumulation) denominated in Euro and intended for retail investors.

Class I (accumulation) denominated in Euro and intended for institutional investors.

## **Net Asset Value**

By reference/derogation of the provisions under “Procedures for Subscription, Conversion and Redemption” above:

- the Valuation Day of the Sub-Fund is each Business Day, if such day is not a Business Day in Luxembourg, then the Valuation Day will be the following Business Day. As of such Valuation Day, the Net Asset Value per Unit is determined by reference to the last available prices of the underlying assets of the relevant Class within the Sub-Fund;
- in respect of each Valuation Day, the Net Asset Value per Unit will be dated that Valuation Day and calculated and published two Business Days after that Valuation Day;
- any application for subscription, conversion or redemption must be received by the UCI Administrator (on behalf of the Management Company from the Agents (if any) or directly from the subscriber) prior to 14.00. p.m. Luxembourg time at the latest on the Business Day preceding the relevant Valuation Day (being the cut-off time for the Sub-Fund).

All subscriptions, conversions or redemptions will be handled on the basis of an unknown Net Asset Value.

Applications for the Sub-Fund received after the relevant cut-off time shall be deemed to have been received in respect of the next following Valuation Day.

Payments for subscriptions and redemptions shall be made no later than 2 Business Days following the relevant Valuation Day.

## **Minimum Initial Investment**

There is no minimum initial investment required in the Classes Founder, R and I.

## **Sales Charge**

No sales charge will be levied.

## **Redemption fee**

No redemption fee will be levied.

## **Luxembourg Tax Considerations**

The Sub-Fund is liable in Luxembourg to a tax of 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the Net Asset Value of the Sub-Fund at the end of the relevant quarter. This tax is reduced to 0.01% per annum of its Net Asset Value allocated to the Class I intended for institutional investors only. The portion of assets which are invested in units of UCITS and UCIs shall be exempt from such tax as far as those UCITS and UCIs are already submitted to this tax in Luxembourg.

## **APPENDIX II: MANAGEMENT FEE, INVESTMENT ADVISORY FEE, INVESTMENT MANAGEMENT FEE, PERFORMANCE FEE AND DISTRIBUTION FEE**

The Management Company or the Investment Manager where applicable, in consideration for the services rendered to the Sub-Funds or to the Master Fund is entitled to receive out of the assets of each Sub-Fund (or the relevant Class, if applicable), and out of the assets of the Master Fund when applicable, a management fee, an investment management fee, a performance fee and a distribution fee, as the case may be.

### **Management Fee**

The management fee payable to the Management Company is calculated and accrued in respect of each Valuation Day and is payable quarterly, in arrears on the basis of the average Net Asset Value of the relevant Class within the relevant Sub-Funds, as follows:

- 0.35% p.a. on the average net assets for Birdie with a minimum of Euro 10.000 – p.a. this minimum is applicable as from the first Net Asset Value calculation;
- 0.072% p.a. for Butterfly on the average net assets with a minimum of Euro 25,000. p.a., this minimum is applicable as from the first Net Asset Value calculation;
- 0.40% p.a. on the average net assets between 0 and 30 million; 0.30% p.a. on the average net assets above 30 million with a minimum of Euro 19,000. p.a. for Global Equity Fund;
- 0.072% p.a. on the average net assets for Magnet Finance;
- 0,08% p.a. on the average net assets between 0 and 20 million; 0,07% on the average net assets between 20 and 50 million; 0,05% p.a on the average net assets above 50 million with a minimum of EUR 12 000 for Acacia Renta Dinamica; and
- 0,25% p.a. on the average net assets between 0 and 20 million; 0.20% above 20 million with a minimum of EUR 19 000 for Global Strategy.
- In consideration of the services rendered to the Master Fund into which the Feeder Fund is investing, a management fee at Master Fund level only and payable to the Investment Manager may be levied. The management fee is calculated and accrued in respect of each Valuation Day and is payable monthly in arrears on the basis of the Net Asset Value of the Master Fund, as follows:
  - 0,30% p.a. between 0 and 20 million for the Master Fund (dedicated to Classes I and R investors of the Feeder Fund)
  - 0,50% p.a. above 20 million for the Master Fund (dedicated to Classes I and R investors of the Feeder Fund)

This management fee will be payable whether or not the management of the relevant Sub-Fund is profitable.

### **Investment Management Fee**

Andbank Wealth Management, SGIIC S.A.U as Investment Manager of the Sub-Funds Butterfly, Magnet Finance and Global Strategy, in consideration of the services rendered to

this Sub-Fund, is entitled to receive out of the assets of this Sub-Fund an investment management fee.

The investment management fee is calculated and accrued in respect of each Valuation Day and is payable monthly in arrears on the basis of the average Net Asset Value of the Sub-Fund, as follows:

- 0.08% p.a. for Class A of Butterfly
- 0.08% p.a. for Class A of Magnet Finance
- 0.25% p.a. for Class Founder of Global Strategy
- 0.45% p.a. for Class R of Global Strategy
- 0.45% p.a. for Class I of Global Strategy

In consideration of the services rendered to the Master Fund into which the Feeder Fund is investing; an investment management fee at Master Fund level only and payable to the Investment Manager may be levied.

No investment management fee is levied at Sub-Fund level.

The investment management fee of the Master is included in the management fee of the Master as detailed in the above section Management Fee.

### **Warning**

When a Sub-Fund invests a substantial proportion of its assets in UCITS and other UCIs, the management fee that may be charged both to the Sub-Fund itself and to the other UCITS and/or other UCIs in which it intends to invest, shall not exceed 5.80% of the relevant net assets under management.

Part of the management fee may be retroceded to the Investment Advisor(s) for the relevant Sub-Fund(s), as the case may be.

### **Investment Advisory Fee**

The Investment Advisor of the Sub-Fund ATHENEE FCP – Global Equity Fund, in consideration of the services rendered to this Sub-Fund, is entitled to receive out of the assets of this Sub-Fund an investment advisory fee.

The investment advisory fee is calculated and accrued in respect of each Valuation Day and is payable monthly in arrears on the basis of the average Net Asset Value of the Sub-Fund, as follows:

- 0.30% p.a for Class A
- 0.30% p.a for Class B

### **Performance Fee**

*ATHENEE FCP - Birdie*

No performance fee for Birdie

*ATHENEE FCP - Butterfly*

No performance fee for Butterfly



*ATHENEE FCP – Magnet Finance*

No performance fee for Magnet Finance

*ATHENEE FCP – Global Equity Fund*

No performance fee for Global Equity Fund

*ATHENEE FCP – Acacia Renta Dinamica*

No performance fee for Acacia Renta Dinámica and Global Strategy

**Distribution Fee**

The distribution fee is calculated and accrued in respect of each Valuation Day and is payable quarterly in arrears on the basis of the average Net Asset Value of the relevant Sub-Fund, as follows:

No Distribution Fee for Birdie

No Distribution Fee for Butterfly

No Distribution Fee for Magnet Finance

For the Sub-Fund Global Equity Fund:

- 1,20% for Class A
- 1,20% for Class B

For the Sub-Fund Acacia Renta Dinamica:

- 0,40% for Class R

for the Sub-Fund Global Strategy:

- 0.80% for Class R

The Management Company may pass on a portion of or all of such fees, as the case may be, to its Agents (if any) as remuneration for their services.

**Summary of total aggregated charges:**

*Acacia Renta Dinamica – Classes I and R and Master Fund Class*

	<b>Feeder Class I</b>	<b>Master Class</b>	<b>Total aggregated charges</b>
<i>Management Fee</i>	0-20 M EUR: 0,08% p.a. 20-50 M EUR: 0,07% p.a. >50 M EUR: 0,05% p.a	0-20 M EUR: 0,3% >20 M EUR: 0,5%	0-20 M EUR: 0,38% p.a. 20-50 M EUR: 0,57% p.a. >50 M EUR: 0,55% p.a

	Minimum: 12,000 EUR p.a		Minimum: 12,000 EUR p.a
<i>Investment Management Fee</i>	0.00%	Included in Management Fee	0.00%
<i>UCI Administrator Fee</i>	0-50 M EUR: 0,016%; 50-100 M EUR: 0,014%; 100-250 M EUR: 0,010%; >250 M EUR: 0,0025%  Flat fee: 13,500 EUR p.a.	Included in Management Fee	0-50 M EUR: 0,016%; 50-100 M EUR: 0,014%; 100-250 M EUR: 0,010%; >250 M EUR: 0,0025% Flat fee: 13,500 EUR
<i>Performance Fee</i>	0.00%	0.00%	0.00%
<i>Depositary and Paying Agent Fee</i>	0.04%  Minimum: 1.058 EUR	0.08%	0.12%  Minimum: 1.058 EUR
<i>Sales Charge</i>	0.00%	0.00%	0.00%
<i>Redemption fee</i>	0.00%	0.00%	0.00%
<i>Distribution fee</i>	0.00%	0.00%	0.00%
<i>Legal taxes</i>	0.05%	0.00%	0.05%
<i>Others (audit, legal taxes..)</i>	0.12%	0.12%	0.24%

	<b>Feeder Class R</b>	<b>Master Class</b>	<b>Total aggregated charges</b>
<i>Management Fee</i>	0-20 M EUR: 0,08% p.a. 20-50 M EUR: 0,07% p.a. >50 M EUR: 0,05% p.a.  Minimum: 12,000 EUR p.a	0-20 M EUR: 0,3% >20 M EUR: 0,5%	0-20 M EUR: 0,38% p.a. 20-50 M EUR: 0,57% p.a. >50 M EUR: 0,55% p.a. Minimum: 12,000 EUR p.a
<i>Investment Management Fee</i>	0.00%	Included in Management Fee	0.00%
<i>UCI Administrator Fee</i>	0-50 M EUR: 0,016%; 50-100 M EUR: 0,014%; 100-250 M EUR: 0,010%; >250 M EUR: 0,0025%  Flat fee: 13,500 EUR p.a.	Included in Management Fee	- 0-50 M EUR: 0,016%; - 50-100 M EUR: 0,014%; - 100-250 M EUR: 0,010%; - >250 M EUR: 0,0025% Flat fee: 13,500 EUR
<i>Performance Fee</i>	0.00%	0.00%	0.00%
	0.04%	0.08%	0.12%

<i>Depository and Paying Agent Fee</i>	Minimum: 1.058 EUR		Minimum: 1.058 EUR
<i>Sales Charge</i>	0.00%	0.00%	0.00%
<i>Redemption fee</i>	0.00%	0.00%	0.00%
<i>Distribution fee</i>	0.40%	0.00%	0.40%
<i>Legal taxes</i>	0.01%	0.00%	0.01%
<i>Others (audit, legal taxes..)</i>	0.12%	0.12%	0.24%

TEMPLATE PRE-CONTRACTUAL DISCLOSURE FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8, Paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

ACACIA RENTA DINAMICA, FI  
 LEI code: 959800ZKJ58LB2JQCJ76  
 ISIN: ES0157935000

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

**Yes**    **No**

<p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b>: ___%</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<p><input type="checkbox"/> <b>It promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b>: ___%</p>	<p><input checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b></p>



**What environmental and/or social characteristics are promoted by this financial product?**

This Sub-Fund is a Feeder Fund of ACACIA RENTA DINAMICA, FI. The following information related to the environmental and/or social characteristics is aligned with the information for the Master Fund.

This financial product does not have a sustainable investment objective, but promotes the following environmental and social characteristics:

- Environmental: adaptation to climate change, pollution prevention and control, and sustainable use and protection of resources. The aim is for investments to be aligned with the objectives of the Paris Agreement on climate change.
- Social: respect for human and labour rights, through the support and protection of universally recognised fundamental human rights, avoiding direct or indirect involvement in breaches thereof.

At least 50% of the assets of the financial product will promote these characteristics.

The Master Fund has not established a reference benchmark to determine whether it attains the environmental or social characteristics it promotes.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The attainment of environmental and/or social characteristics is measured by monitoring:

- Percentage of assets held in stocks that, according to the criteria set out in the ESG policy, are considered as leading and promising stocks.
- Average ESG ranking of the fixed income portfolio.
- Percentage of assets held in funds which themselves promote environmental and/or social characteristics (article 8 of the SFDR) and which have a sustainable investment objective (article 9 of the SFDR).
- Percentage of assets that does not have information available for performing the ESG analysis.
- Percentage of the portfolio meeting the exclusion criteria described below.
- Environmental indicators: carbon footprint of the portfolio, share of non-renewable energy production and consumption.
- Social indicators: violations and lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

The information for these indicators will be obtained from data from external ESG providers.

***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

N/A

**PAI** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti - corruption and anti - bribery matters.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

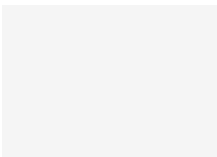
N/A

**How have the indicators for adverse impacts on sustainability factors been taken into account?**

N/A

**How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

N/A



The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments made by the Sub-Fund must also not significantly harm any environmental or social objectives.*



#### Does this financial product consider the PAI on sustainability factors?

**Yes**

The PAI on sustainability factors are measured by monitoring all indicators in Section Four (1) and other indicators relevant to the financial product in tables 2 and 3 of Annex I of the Regulatory Technical Standards (RTS) of Delegated Regulation (EU) 2022/1288.

These indicators are measured on the basis of information from external suppliers. In addition, the percentage of coverage of the portfolio for each of the indicators measured is monitored.

The most relevant indicators for the financial product will be compared between periods in order to identify those investments that have an adverse impact on the objectives of the financial product.

More information on the PAI on sustainability factors can be found in the periodic reports in accordance with Article 11(2) of the SFDR.

**No**



#### What investment strategy does this financial product follow?

This Sub-Fund is a Feeder Fund that invests at least 85% of its total net assets in ACACIA RENTA DINAMICA, FI, (the “Master Fund”)

ACACIA INVERSIÓN SGIIC, S.A. is a signatory to the UN Principles for Responsible Investment (PRI). To achieve ESG integration, ESG analysis is included in the financial analysis in order to obtain a more complete and comprehensive view of the risks and opportunities of potential investments in relation to their sustainability.

The Sustainability Committee, which is part of the Investment Committee, is responsible for this integration and carries out this task by using quantitative and qualitative criteria and indicators.

To perform the ESG analysis, the management company of the Master Fund relies primarily on studies by specialised external providers, but also combines it with its own analysis. During this process, tools such as ESG risk scoring and assessment by rating companies, indicators provided by reputable analysts and specialised external providers, as well as internally developed methodologies are used. During the ESG integration process, different investment strategies are applied depending on the asset class.

In the case of fixed income, positive selection criteria, also known as “Best in Class”, are applied.

For **corporate bonds**, four aspects are taken into account:

- Universal treaties of organisations such as the UN, WHO or ILO;
- Activities that do not cause extreme environmental damage or that have remediation measures in place;

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- Issuers with good governance practices, in accordance with the UN Global Compact initiative;
- Issuers not linked to a tax haven.

The following factors are considered for **government bonds**:

- Environmental: share of renewable energy and CO<sub>2</sub> emissions per GDP and/or the Yale University EPI index;
- Social: level of human development (UN index) and the Freedom House Index;
- Governance: World Bank index;
- Attainment of the UN Development Goals.

For **equities**, the management company of the Master Fund applies an ESG Momentum strategy. An investment screening methodology is applied which aims to detect, on the basis of an internal system, the improvement over time of issuers' ESG scores. This methodology is supported by assessments from external ESG providers.

In the case of investment in **other UCIs**, the management company of the Master Fund will take information from external providers to identify those UCI management companies with good SRI management processes and methodologies, as well as to monitor their ESG performance. In addition, wherever possible, look-through valuations and monitoring reviews will be conducted in accordance with the principles of the Brunel Asset Management Accord.

Furthermore, criteria based on thematic impact are applied to reinforce the above assessment criteria. Some of the themes in which it is aimed to make an impact are: blue economy, circular economy, diversity, green bonds, impact investments, etc.

***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The following information on binding elements is aligned with those as followed by the Master Fund.

The strategy described above aims to create a comprehensive analysis of each company and, depending on the strategy followed for each asset class, a number of binding elements have been defined which limit the investment universe of the financial product:

- **Corporate bonds**: consideration will be given to whether these are in conventional or controversial sectors, with a higher score being required for the latter (exclusion of the 25% worst rated in conventional sectors versus exclusion of the 50% worst rated in controversial sectors).
- **Government bonds**: the fund will not invest in assets scoring within the exclusion ranges from the internal rankings obtained after taking into account the above criteria, excluding issuers in the bottom quartile (the 25% worst rated).
- **Equities**: companies that show progress in their ESG practices or have the potential to do so will be positively assessed.
- **Other UCIs**: the average ESG score of investments in UCIs will be monitored to ensure that it never falls below 3 out of 5 (or equivalent scales), in accordance with information from the external ESG provider.

The management company believes that certain sectors that are still needed cannot be ignored, so they are opting for a gradual change, investing only in the best and in those that are showing improvement.

Any controversies that may arise will be considered on a case-by-case basis by the Sustainability Committee, as the management company considers that controversies relate to the past and therefore do not have a significant bearing on the process.

***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy.

***What is the policy to assess good governance practices of the investee companies?***

The management company takes into account the good practices of the companies, positively assessing aspects such as: respect for the rights of shareholders (including minority

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

shareholders), the existence of remuneration systems aligned with long-term objectives and compliance with national laws and codes, etc.

In addition, tax practices will be analysed, looking for companies that apply responsible corporate tax policies.

The investment universe will be restricted for companies with dubious practices or that have been excluded from the UN Global Compact initiative. Consequently, only companies committed to respecting human rights and labour standards, preserving the environment and acting transparently in their business activities and operations are included.



**Asset allocation** describes the share of investments in specific assets.

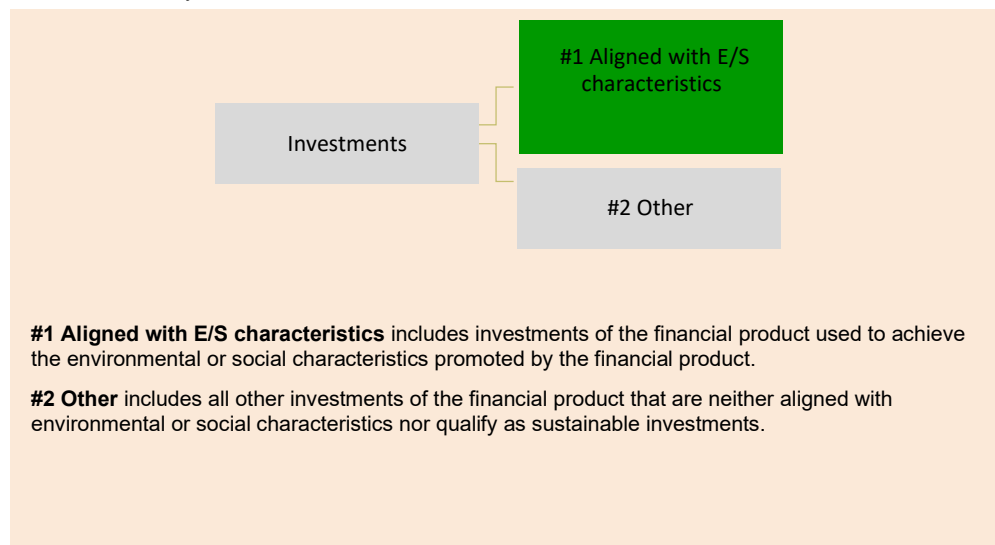
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

### What is the asset allocation planned for this financial product?

It is planned for the Master Fund that it will allocate its assets according to the following table. At least 50% of the assets will be invested in investments aligned with environmental or social characteristics. There is no minimum sustainable investment. Acacia Renta Dinamica being a Feeder Fund of the Master Fund will invest at least 85% of its total net assets in the Master Fund. In that case, the Feeder Fund will invest at least 85% of the 50% in investment aligned with environmental or social characteristics.

In view of the investment strategy of this product, which permits investment in options, it is possible that in extreme market situations the minimum percentage of holdings promoting environmental and social characteristics may be lower than 50%.



### How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The financial product does not use derivatives to attain the environmental or social characteristics that it promotes.





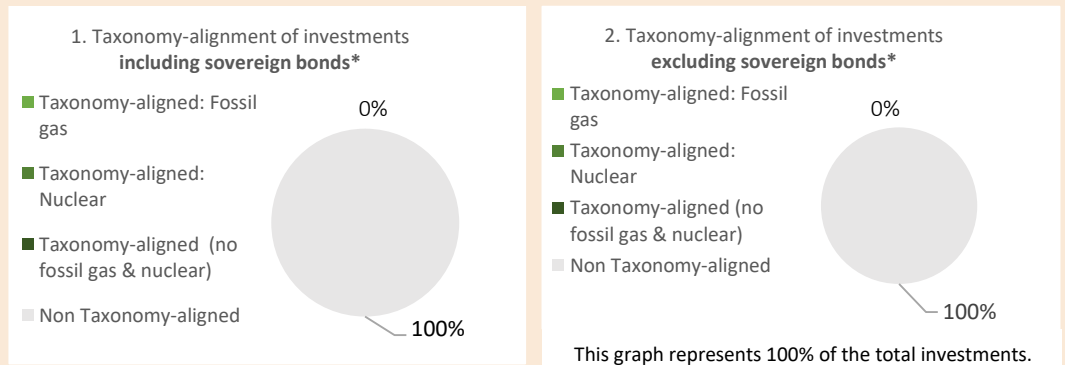
**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The financial product does not commit to a minimum percentage of investment in sustainable investments under the EU Taxonomy.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>**

- Yes**
- in fossil gas**       **in nuclear energy**
- No**

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**What is the minimum share of investments in transitional and enabling activities?**

The financial product does not commit to a minimum percentage of investment in transitional and enabling activities under the EU taxonomy.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The financial product does not commit to a minimum share of sustainable investments with a sustainable objective that are not aligned with the EU Taxonomy.



**What is the minimum share of socially sustainable investments?**

The financial product has not established a minimum share of socially sustainable investments.

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What investments are included under “#2 Other”, what is their share, and are there any minimum environmental or social safeguards?**

“#2 Other” for the Master Fund includes mainly cash (and equivalent assets), derivatives collateral, deposits, as well as any assets that promote environmental and/or social characteristics. There are no minimum environmental or social safeguards.

Acacia Renta Dinamica being a Feeder Fund of the Master Fund will invest at least 85% of the above-mentioned assets.

As mentioned in the investment policy of Acacia Renta Dinamica, the Feeder Fund may invest its remaining assets (i.e. up to 15% of its total net assets) in ancillary liquid assets such as sight bank deposits in accordance with the provisions of Article 41(2) of the Law of 17 December 2010.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

N/A

● **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**  
N/A

● **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**  
N/A

● **How does the designated index differ from a relevant broad market index?**  
N/A

● **Where can the methodology used for the calculation of the designated index be found?**  
N/A



**Where can I find more product specific information online?**

More product-specific information can be found on the website:

<https://acacia-inversion.com/acacia-renta-dinamica-fi/>

## **MANAGEMENT REGULATIONS**

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## 1) THE FUND

ATHENEE FCP (the "Fund") was created on 16 December 2014 as an undertaking for collective investment governed by the laws of the Grand Duchy of Luxembourg. The Fund is organised under Part I of the law of 17 December 2010 concerning undertakings for collective investment, as may be amended from time to time (the "Law of 17 December 2010"), in the form of an open-ended common fund ("*fonds commun de placement*"), as an unincorporated co-ownership of Transferable Securities and other assets permitted by law.

The Fund shall consist of different sub-funds (the "Sub-Funds") to be created pursuant to Article 4 hereof.

The assets of each Sub-Fund are solely and exclusively managed in the interest of the co-owners of the relevant Sub-Fund (the "Unitholders") by Andbank Asset Management Luxembourg, the Management Company, a company incorporated under the laws of the Grand Duchy of Luxembourg, belonging to Andbank Luxembourg and having its registered office in Luxembourg.

The assets of the Fund are held in custody by Quintet Private Bank (Europe) S.A. (the "Depository"). The assets of the Fund are segregated from those of the Management Company.

By purchasing units (the "Units") of one or more Sub-Funds any Unitholder fully approves and accepts these management regulations (the "Management Regulations") which determine the contractual relationship between the Unitholders, the Management Company and the Depository. The Management Regulations and any future amendments thereto shall be lodged with the Registry of the District Court and a publication of such deposit will be made in the Luxembourg "*Recueil Electronique des Sociétés et Associations*" (the "RESA"). These documents may be inspected on the Registry of the District Court of Luxembourg website at [www.rcsl.lu](http://www.rcsl.lu).

## 2) THE MANAGEMENT COMPANY

Andbank Asset Management Luxembourg is the Management Company of the Fund. The Management Company is organised in the form of a public limited company ("*société anonyme*") under chapter 15 of the Law of 17 December 2010 and has its registered office in Luxembourg.

The Management Company manages the assets of the Fund in compliance with the Management Regulations in its own name, but for the sole benefit of the Unitholders of the Fund.

The Management Company shall determine the investment policy of the Sub-Funds within the objectives set forth in Article 3 and the restrictions set forth in Article 15 hereof.

The Management Company shall have the broadest powers to administer and manage each Sub-Fund within the restrictions set forth in Article 15 hereof, including but not limited to the purchase, sale, subscription, exchange and receipt of securities and other assets permitted by law and the exercise of all rights attached directly or indirectly to the assets of the Fund.

## 3) INVESTMENT OBJECTIVES AND POLICIES

The objective of the Fund is to provide investors with a broad participation in several specific capital markets of the world through a set of Sub-Funds as provided for in the prospectus of the Fund (the "Prospectus").

Each Sub-Fund's objective is to aim at a performance superior to that of the market as a whole in which it invests, while containing volatility of performance and while respecting the principle of risk diversification.

Investors are given the opportunity to invest in one or more Sub-Funds and thus determine their own preferred exposure on a region by region and/or asset class by asset class basis.

The specific investment policies and restrictions applicable to any particular Sub-Fund shall be determined by the Management Company and disclosed in the Prospectus.

The objective of the Fund is also to invest in securities and other assets permitted by the Law of 17 December 2010 through a set of Sub-Funds as provided for in the prospectus of the Fund (the "Prospectus") with the aim of spreading investment risks and affording its unitholders the results of the management of its assets. The objective will be reached by investing at least 85% of its assets in the units/shares of another Master Fund.

The Fund may take any measures and carry out any transaction which it may deem useful for the fulfilment and development of its purpose to the largest extent permitted under the Law of 2010.

Each Sub-Fund's objective, as disclosed into the Prospectus, will vary according to the strategy applied such as but not limited to: outperforming the market as a whole in which it invests or tracking the performance of a determined UCI (e.g. feeder Sub-Fund). There can be no assurance that the investment objective for any Sub-Fund will be attained.

#### **4) SUB-FUNDS AND CLASSES OF UNITS**

For each Sub-Fund, a separate portfolio of investments and assets will be maintained. The different portfolios will be separately invested in accordance with the investment objectives and policies as described in Article 3 hereof.

Within a Sub-Fund, classes of Units ("Classes") may be defined from time to time by the Management Company so as to correspond to (i) a specific distribution policy, such as entitling to distributions or not entitling to distributions and/or (ii) a specific sales and redemption charge structure and/or (iii) a specific management or advisory fee structure and/or (iv) different distribution, Unitholder servicing or other fees, and/or (v) the currency or currency unit in which the Class may be quoted (the "Pricing Currency") and based on the rate of exchange of the same valuation day (the "Valuation Day") between such currency or currency unit and the Base Currency of the relevant Sub-Fund and/or (vi) the use of different hedging techniques in order to protect in the Base Currency of the relevant Sub-Fund the assets and return quoted in the currency of the relevant Class against long-term movements of their currency and/or (vii) specific jurisdictions where the Units are sold and/or (viii) specific distributions channels and/or (ix) different types of targeted investors and/or (x) specific protection against certain currency fluctuations and/or (xi) such other features as may be determined by the Management Company from time to time in compliance with applicable laws and regulations.

Within a Sub-Fund, all Units of the same Class have equal rights and privileges.

The Management Company may at its discretion, resolve to divide or consolidate any Class.

Details regarding the rights and other characteristics attributable to the relevant Classes, if any, shall be disclosed in the Prospectus.



## **5) THE UNITS**

### **5.1. The Unitholders**

Except as set forth in Article 5.5 hereinafter, any natural or legal person may be a Unitholder and own one or more Units of any Class, if any, within each Sub-Fund on payment of the applicable subscription or acquisition price.

Each Unit is indivisible with respect of the rights conferred to it. In their dealings with the Management Company or the Depositary, the co-owners or disputants of Units, as well as the bare owners and the usufructuaries of Units, may either choose (i) that each of them may individually give instructions in relation to their Units provided that no orders will be processed in respect of any Valuation Day when contradictory instructions are given or (ii) that each of them must jointly give all instructions in relation to the Units provided however that no orders will be processed unless all co-owners, disputants, bare owners and usufructuaries have confirmed the order (all owners must sign instructions). The UCI Administrator will be responsible for ensuring that the exercise of rights attached to the Units is suspended when contradictory individual instructions are given or when all co-owners have not signed instructions.

Neither the Unitholders nor their heirs or successors may request the liquidation or the sharing-out of the Fund and shall have no rights with respect to the representation and management of the Fund and their death, incapacity, failure or insolvency shall have no effect on the existence of the Fund.

No general meetings of Unitholders shall be held and no voting rights shall be attached to the Units.

### **5.2. Base Currency**

The Units in any Sub-Fund shall be issued without par value in such currency as determined by the Management Company and disclosed in the Prospectus (the "Base Currency").

The assets and liabilities of each Sub-Fund are valued in its Base Currency.

The combined accounts of the Fund will be maintained in Euro.

If and to the extent Classes are issued in any Sub-Fund, such Units will consequently be issued without par value in such currency as determined by the Management Company and which will then be disclosed in the Prospectus.

### **5.3. Form, Ownership and Transfer of Units**

Units in any Sub-Fund are issued in registered form only.

The inscription of the Unitholder's name in the Unitholders' register evidences his or her right of ownership of such Units. Unitholders will receive a written confirmation that their names have been recorded in the Unitholders' register. They will not receive a certificate unless they have expressly requested that a certificate evidencing their Units be issued to them.

Fractions of registered Units may be issued up to three decimals, whether resulting from subscription or conversion of Units.

Title to Units is transferred by the inscription of the name of the transferee in the register of Unitholders upon delivery to the Management Company of a transfer document, duly completed and executed by the transferor and the transferee, where applicable.

#### **5.4. Exercise of Unitholders' rights**

The investors' attention is drawn to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund if the investor is registered himself and in his own name in the Unitholders' register. In cases where an investor invests in the Fund through an intermediary (such as the Distributor or an Agent) investing in the Fund in its own name but on behalf of the investor, it may not always be possible for the investor to exercise certain unitholders rights directly against the Fund. Investors are advised to take advice on their rights.

#### **5.5. Restrictions on Subscription and Ownership**

The Management Company may, at any time and at its discretion, temporarily discontinue, terminate or limit the issue of Units to persons or corporate bodies resident or established in certain countries or territories.

The Management Company may also restrict or prevent the ownership of Units in the Fund by any person, firm or corporate body,

- a) if in the opinion of the Management Company such holding may be detrimental to the Fund,
- b) if it may result in a breach of any law or regulation, whether Luxembourg or foreign, or
- c) if as a result thereof the Fund may be exposed to tax disadvantages (including but not limited to any tax liability deriving from FATCA (Foreign Account Tax Compliance Act)) or other financial disadvantages that it would not have otherwise incurred (such person, firm or corporate body are defined herein as Restricted Persons).

Restricted Persons as defined in the Management Regulations are neither persons who subscribe Units for the duration of their unitholding in connection with the formation of the Fund nor securities dealers who subscribe Units in the Fund for distribution.

The Management Company may further decline to register a transfer of Units:

- (a) if in the opinion of the Management Company, the transfer may be unlawful or may result or be likely to result in any adverse regulatory, tax or fiscal consequences to the Fund or its Unitholders; or
- (b) if the transferee is a US Person (as defined in the Prospectus) or is acting for or on behalf of a US Person; or
- (c) if the transferee is an ineligible investor or an unauthorised person (as defined in the Prospectus) or is acting for or on behalf of an ineligible investor or an unauthorised person; or
- (d) if the transferee is a Restricted Person or is acting for or on behalf of a Restricted Person; or
- (e) in relation to Classes reserved for subscription by institutional investors, if the transferee is not an institutional investor; or
- (f) in circumstances where an investor engages in market trading or late trading activities.

In addition, the Management Company may direct the UCI Administrator of the Fund to:

- (a) reject any application for Units;
- (b) redeem at any time Units held by Unitholders who are excluded from purchasing or holding such Units.

In the event that the Management Company gives notice of a compulsory redemption for any of the reasons set forth above to a Unitholder, such Unitholder shall cease to be entitled to the

Units specified in the redemption notice immediately after the close of business on the date specified therein.

## **6) ISSUE AND REDEMPTION OF UNITS**

### **6.1. Issue of Units**

After the initial offering date or period of the Units in a particular Sub-Fund, Units may be issued by the Management Company on a continuous basis in such Sub-Fund.

The Management Company will act as Distributor and may in such capacity appoint one or several local placement agents or other processing agents as its agents (individually referred to as an "Agent" and collectively referred to as the "Agents") for the placement of the Units and for connected processing services and foresee different operational procedures (for subscriptions, conversions and redemptions) depending on the Agent appointed. The Management Company will entrust them with such duties and pay them such fees as shall be disclosed in the Prospectus.

The Management Company may impose restrictions on the frequency at which Units shall be issued in any Class, if any, of any relevant Sub-Fund; the Management Company may, in particular, decide that Units of any Class in any relevant Sub-Fund shall only be issued during one or more offering periods or at such other periodicity as provided for in the Prospectus.

In each Sub-Fund, Units shall be issued as of such business days (each a "Business Day") designated by the Management Company to be a Valuation Day for the relevant Sub-Fund, subject to the right of the Management Company to discontinue temporarily such issue as provided in Article 16.3 hereof. Whenever used herein, the term "Business Day" shall mean a full day on which banks and the stock exchanges are open for business in Luxembourg.

The dealing price per Unit will be the Net Asset Value per Unit of the relevant Class (if any) within the relevant Sub-Fund as determined in accordance with the provisions of Article 16 hereof as of the Valuation Day in respect of which the application for subscription of Units is received by the UCI Administrator, increased by a sales charge (if applicable) representing a percentage of such Net Asset Value and as further described for each Sub-Fund in the Prospectus, subject to the laws, regulations, stock exchange rules or banking practices in a country where a subscription is made, taxes or costs may be charged additionally.

Under certain circumstances (for example, large volumes of deals) investment costs may have an adverse effect on the Unitholders' interest in the Fund. In order to prevent this effect, called "dilution", the Management Company has the power to charge a "dilution levy" on the subscription of Units, as further detailed in the Prospectus. If charged, the dilution levy will be paid into the relevant Sub-Fund and will become part of the relevant Sub-Fund.

Investors may be required to complete a purchase application for Units or other documentation satisfactory to the Fund, the Distributor or its Agent(s) (if any) specifying the amount of the contemplated investment. Application forms are available from the UCI Administrator, the Distributor or its Agent(s). For subsequent subscriptions, instructions may be given by swift or fax.

Payments shall in principle be made not later than three (3) Business Days after the relevant Valuation Day respectively after the day in which the relevant orders are received by the UCI Administrator, in the currency of the relevant Class, if any, within the relevant Sub-Fund or in the Base Currency of the relevant Sub-Fund. Failing this payment, applications will be considered as cancelled, except for subscriptions made through an Agent for which the payments may have to be received within a different timeframe, in which case the Agent will

inform the relevant investor of the procedure relevant to that investor. A shorter timeframe could be applicable to some Sub-Funds as more fully described in the Prospectus.

Payment should be made by money transfer net of all bank charges (*i.e.* at the investor's expenses).

The Management Company will not issue Units as of a particular Valuation Day unless the application for subscription of such Units has been received by the UCI Administrator (on behalf of the Management Company from the Agent(s) (if any) or directly from the subscriber) at any time before the applicable cut-off time for the relevant Valuation Day, otherwise such application shall be deemed to have been received in respect of the next following Business Day.

However different time limits may apply if subscriptions of Units are made through an Agent, provided that the principle of equal treatment of Unitholders be complied with. In such cases, the Agent will inform the relevant investor of the procedure relevant to such investor.

Applications for subscription, redemption or conversion through the Distributor or its Agent(s) may not be made on days where the Distributor or its Agent(s), if any, are not open for business.

The Management Company may agree to issue Units as consideration for a contribution in kind of securities, in accordance with applicable laws and regulations and in compliance with the conditions set forth by the Management Company, in particular the obligation to deliver a valuation report from the independent auditors of the Fund ("*réviseur d'entreprises agréé*") which shall be available for inspection, and provided that such securities comply with the investment objectives and policy of the relevant Sub-Fund described in the Prospectus for the Units of the Fund. Any costs incurred in connection with a contribution in kind of securities shall be borne by the relevant Unitholders.

When an order is placed by an investor with the Distributor or its Agent(s) (if any), the latter may be required to forward the order to the UCI Administrator on the same day, provided the order is received by the Distributor or its Agent(s) (if any) before such time of a day as may from time to time be established in the office in which the order is placed. None of the Distributor or its Agent(s) are permitted to withhold placing orders whether with aim of benefiting from a price change or otherwise.

Subscription requests made in accordance with the foregoing procedure shall be irrevocable, except that a Unitholder may revoke such request in the event that it cannot be honoured for any of the reasons specified in Article 16.3 hereof.

To the extent that a subscription does not result in the acquisition of a full number of Units, fractions of registered Units may be issued up to three decimals.

## **6.2. Redemption of Units**

Except as provided in Article 16.3 hereof, Unitholders may at any time request redemption of their Units.

Redemptions will be made at the dealing price per Unit of the relevant Class, if any, within the relevant Sub-Fund, corresponding to the Net Asset Value per Unit, as determined in accordance with the provisions of Article 16 hereof on the relevant Valuation Day on which the application for redemption of Units is received, less a redemption fee, if any, representing a percentage of such Net Asset Value and which will revert to the Sub-Fund, provided that such application is received by the UCI Administrator before the applicable cut-off time for the

relevant Valuation Day, otherwise such application shall be deemed to have been received in respect of the next following Business Day.

Under certain circumstances (for example, large volumes of deals) investment costs may have an adverse effect on the Unitholders' interest in the Fund. In order to prevent this effect, called "dilution", the Management Company has the power to charge a "dilution levy" on the redemption of Units, as further detailed in the Prospectus. If charged, the dilution levy will be paid into the relevant Sub-Fund and will become part of the relevant Sub-Fund.

However different time limits may apply if redemptions of Units are made through an Agent, provided that the principle of equal treatment of Unitholders be complied with and subject to compliance with the applicable cut-off time. In such cases, the Agent will inform the relevant investor of the procedure relevant to such investor.

The Distributor or its Agent(s) (if any) may transmit redemption requests to the UCI Administrator on behalf of Unitholders.

Instructions for the redemption of Units may be made by swift or fax. Applications for redemption should contain the following information (if applicable): the identity and address of the Unitholder requesting the redemption, the relevant Sub-Fund and Class, the number of Units to be redeemed, the name in which such Units are registered and full payment details, including name of beneficiary, bank and account number or other documentation satisfactory to the UCI Administrator, the Distributor or its Agent(s). All necessary documents to fulfil the redemption should be enclosed with such application.

Redemption requests by a Unitholder who is not a physical person must be accompanied by a document evidencing authority to act on behalf of such Unitholder or power of attorney which is acceptable in form and substance to the UCI Administrator. Redemption requests made in accordance with the foregoing procedure shall be irrevocable, except that a Unitholder may revoke such request in the event that it cannot be honoured for any of the reasons specified in Article 16.3 hereof.

The Management Company shall ensure that an appropriate level of liquidity is maintained so that redemption of Units in each Sub-Fund may, under normal circumstances, be made promptly upon request by Unitholders.

Upon instruction received from the UCI Administrator, payment of the redemption price will in principle be made by the Depository or its correspondents by money transfer with a value date at the latest three (3) Business Days following the relevant Valuation Day respectively after the day in which the relevant orders are received by the UCI Administrator, or at the date on which the transfer documents have been received by the UCI Administrator, whichever is the later date except for redemptions made through an Agent for which the redemption price may have to be paid within a different timeframe, in which case the Agent will inform the relevant investor of the procedure relevant to that investor. A shorter timeframe could be applicable to some Sub-Funds as more fully described in the Prospectus.

Payment of the redemption price will automatically be made in the currency of the relevant Class, if any, within the relevant Sub-Fund or in the Base Currency of the relevant Sub-Fund.

The Management Company may, at the request of a Unitholder who wishes to redeem Units, agree to make, in whole or in part, a distribution in kind of securities of any Class to that Unitholder in lieu of paying to that Unitholder redemption proceeds in cash. The Management Company will agree to do so if it determines that such transaction would not be detrimental to the best interests of the remaining Unitholders of the relevant Class. The assets to be transferred to such Unitholder shall be determined by the Depository, with regard to the

practicality of transferring the assets, to the interests of the relevant Class and continuing participants therein and to the Unitholder. Such a Unitholder may incur charges, including but not limited to brokerage and/or local tax charges on any transfer or sale of securities so received in satisfaction of a redemption. The net proceeds from this sale by the redeeming Unitholder of such securities may be more or less than the corresponding redemption price of Units in the relevant Class due to market conditions and/or differences in the prices used for the purposes of such sale or transfer and the calculation of the Net Asset Value of that Class. As per applicable regulations, the selection, valuation and transfer of assets are subject to a valuation report from the independent auditors of the Fund.

If on any given date, payment on redemption requests representing more than a certain level as determined by the Management Company in the Prospectus, of the Units in issue in any Sub-Fund may not be effected without affecting the relevant Sub-Fund's assets or authorised borrowing, the Management Company may, upon consent of the Depositary, defer redemptions exceeding such percentage for such period as is considered necessary to sell part of the relevant Sub-Fund's assets in order to be able to meet such substantial redemption requests.

## **7) CONVERSION**

Except as otherwise specified in the Prospectus, Unitholders who wish to convert all or part of their Units of a Sub-Fund into Units of another Sub-Fund but within the same Class (if any) must give instructions for the conversion by swift or fax or any other form of communication deemed acceptable by the Management Company to the UCI Administrator, the Distributor or any of its Agent(s) (if any), specifying the relevant Class, if any, and Sub-Funds and the number of Units they wish to convert.

If on any given date, dealing with conversion requests representing more than a certain level as determined by the Management Company in the Prospectus, of the Units in issue in any Sub-Fund may not be effected without affecting the relevant Sub-Fund's assets or authorised borrowings, the Management Company may, upon consent of the Depositary, defer conversions exceeding such percentage for such period as is considered necessary to sell part of the relevant Sub-Fund's assets in order to be able to meet such substantial conversion requests.

The dealing price per Unit for conversions will be the Net Asset Value per Unit of the relevant Class (if any) within the relevant Sub-Fund as determined in accordance with the provisions of Article 16 hereof as of the Valuation Day on which the application for conversion of Units is received by the UCI Administrator decreased by a conversion fee (if applicable) equal to (i) the difference (if applicable) between the sales charge of the Sub-Fund to be purchased and the sales charge of the Sub-Fund to be sold and/or (ii) a percentage of the Net Asset Value of the Units to be converted for the purposes of covering transaction costs in relation to such conversions, as more fully provided in the Prospectus, provided that such application is received by the UCI Administrator before the applicable cut-off time in respect of the relevant Valuation Day, otherwise such application shall be deemed to have been received in respect of the next following Business Day.

Under certain circumstances (for example, large volumes of deals) investment costs may have an adverse effect on the Unitholders' interest in the Fund. In order to prevent this effect, called "dilution", the Management Company has the power to charge a "dilution levy" on the conversion of Units, as further detailed in the Prospectus. If charged, the dilution levy will be paid into the relevant Sub-Fund and will become part of the relevant Sub-Fund.

However different time limits may apply if conversions of Units are made through an Agent, provided that the principle of equal treatment of Unitholders be complied with and subject to

compliance with the applicable cut-off time. In such cases, the Agent will inform the relevant investor of the procedure relevant to such investor.

The number of Units in the newly selected Sub-Fund will be calculated in accordance with the following formula:

$$A = \frac{(B \times C) - E}{D} \times F$$

where:

- A is the number of Units to be allocated in the new Sub-Fund
- B is the number of Units relating to the original Sub-Fund to be converted
- C is the Net Asset Value per Unit as determined for the original Sub-Fund calculated in the manner referred to herein
- D is the Net Asset Value per Unit as determined for the new Sub-Fund
- E is the conversion fee (if any) that may be levied to the benefit of Distributor or any of its Agents appointed by it as disclosed in the Prospectus
- F is the currency exchange rate representing the effective rate of exchange applicable to the transfer of assets between the relevant Sub-Funds, after adjusting such rate as may be necessary to reflect the effective costs of making such transfer, provided that when the original Sub-Fund and new Sub-Fund are designated in the same currency, the rate is one.

The Management Company may further authorise conversions of Units held by a Unitholder in the Fund in other funds of the promoter as more fully described in the Prospectus.

## **8) CHARGES OF THE FUND**

The Management Company is entitled to receive out of the assets of the relevant Sub-Fund (or the relevant Class, if applicable) a management fee (whether the management is profitable or not) in an amount to be specifically determined for each Sub-Fund or Class in the Prospectus; such fee shall be expressed as a percentage rate of the average Net Asset Value of the relevant Sub-Fund (or Class, if applicable) as further described herein and in the Prospectus. In addition, the Management Company is also entitled to receive a performance fee out of the assets of the relevant Sub-Fund (or the relevant Class, if applicable) as further described herein and in the Prospectus.

In its capacity as Distributor, the Management Company is entitled to receive out of the assets of the relevant Sub-Fund (or the relevant Class, if applicable) a distribution fee in an amount to be specifically determined for each Sub-Fund or Class. The Management Company may pass on to the Agent(s), if any, as defined in Article 6 hereof, a portion of or all of such fee which shall be expressed as a percentage rate of the average Net Asset Value of the relevant Sub-Fund (or the relevant Class, if applicable), as further described herein and in the Prospectus.

In its capacity as domiciliary and corporate agent, the Management Company is entitled to receive out of the assets of the Fund a domiciliation fee in an amount to be specifically determined for each Sub-Fund or Class in the Prospectus.

The Depositary and Paying Agent, the Administrator and the UCI Administrator are entitled to receive out of the assets of the relevant Sub-Fund (or the relevant Class, if applicable) such fees as will be determined from time to time by agreement between the Management Company, the Depositary and Paying Agent, the Administrator and the UCI Administrator. Such fees will

be calculated in accordance with customary banking practice in Luxembourg, basically based on the Net Asset Value of the Sub-Funds and payable monthly in arrears out of the assets of the relevant Sub-Fund.

Other costs and expenses charged to the Fund include without limitation:

- all taxes which may be due on the assets and the income of the Sub-Funds;
- usual brokerage fees due on transactions involving securities held in the portfolio of the Sub-Funds (such fees to be included in the acquisition price and to be deducted from the selling price);
- legal expenses incurred by the Management Company or the Depositary while acting in the interest of the Unitholders of the Fund;
- the fees and expenses involved in preparing and/or filing the Management Regulations and all other documents concerning the Fund, including the Prospectus and any amendments or supplements thereto, the Key Information Documents with all authorities having jurisdiction over the Fund or the offering of Units of the Fund or with any stock exchanges in the Grand Duchy of Luxembourg and in any other country;
- the formation expenses of the Fund;
- the fees and expenses payable to the Management Company, fees and expenses payable to the Fund's Administrator, Depositary and its correspondents, UCI Administrator, Investment Managers, Investment Advisors (including performance fees), any permanent representatives in places of registration, as well as any other agent employed by the Fund, the remuneration (if any) of the Board of Directors in respect of the Fund and of officers of the Fund and their reasonable out-of-pocket expenses, insurance coverage, and reasonable travelling costs in connection with the Board of Directors meetings for the Fund;
- reporting and publishing expenses, including the cost of preparing, printing, translating in such languages as are necessary for the benefit of the Unitholders, and distributing sales documents, annual, semi-annual and other reports or documents as may be required under applicable laws or regulations;
- a reasonable share of the cost of promoting the Fund, as determined in good faith by the Management Company, including reasonable marketing and advertising expenses;
- the cost of accounting and bookkeeping;
- the cost of preparing and distributing public notices to the Unitholders;
- the costs of publication of Unit prices and all other operating expenses, including the cost of buying and selling assets, interest, bank charges, postage, telephone and independent auditors' fees and all similar administrative and operating charges;
- and any other additional costs resulting from any legal, regulatory or administrative obligations such as, without limitation, costs resulting from the register of beneficial owner formalities.

With regard to third parties, in particular towards the Fund's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it.

All recurring charges will be charged first against income of the Fund, then against capital gains and then against assets of the Fund. Other charges may be amortised over a period not exceeding five years.

Expenses incurred in connection with the incorporation of the Fund including those incurred in the preparation and publication of the first Prospectus and constitutive documents, as well as the taxes, duties and any other incorporation and publication expenses, are estimated at Euro 75,000.- and may be amortized over a maximum period of five years.

Charges relating to the creation of a new Sub-Fund shall be amortised over a period not exceeding five years against the assets of that Sub-Fund and in such amounts in each year as determined by the Management Company on an equitable basis. The newly created Sub-Fund



shall not bear a pro rata of the costs and expenses incurred in connection with the formation of the Fund and the initial issue of Units, which have not already been written off at the time of the creation of the new Sub-Fund.

## **9) ACCOUNTING YEAR; AUDIT**

The accounts of the Fund are closed each year on 31 December.

The accounts of the Fund shall be kept in Euro.

The accounts of the Management Company and of the Fund will be audited annually by an independent auditor appointed from time to time by the Management Company.

Unaudited semi-annual accounts of the Fund shall also be issued each year as at 30 June.

The Fund's financial statements will be prepared and the Net Asset Value calculated in accordance with Luxembourg LUXGAAP.

## **10) PUBLICATIONS**

Audited annual reports and unaudited semi-annual reports will be mailed free of charge by the Management Company to the Unitholders at their request. In addition, such reports will be available at the registered offices of the Management Company, the Distributor or its Agent(s) (if any) and the Depositary as well as at the offices of the local information agents of the Fund in each jurisdiction where the Fund is marketed. Any other financial information concerning the Fund or the Management Company, including the periodic calculation of the Net Asset Value per Unit of each Class, if any, within each Sub-Fund, the issue, redemption and conversion prices will be made available at the registered offices of the Management Company or its Agent(s) (if any) and the Depositary and the local information agents of the Fund where the Fund is marketed. Any other substantial information concerning the Fund may be published in such newspaper(s) and notified to Unitholders in such manner as may be specified from time to time by the Management Company.

## **11) THE DEPOSITARY**

The Management Company shall appoint and terminate the appointment of the depositary of the assets of the Fund. Quintet Private Bank (Europe) S.A. has been appointed as depositary of the Fund's assets (the "Depositary").

Quintet Private Bank (Europe) S.A. is a credit institution which was incorporated on 23 May 1949 as a public limited liability company (société anonyme) under Luxembourg law, having its registered office at 43, Boulevard Royal, L-2944 Luxembourg and being registered with the RCS under number B 6395. On 31 December 2018, the capital and reserves of Quintet Private Bank (Europe) S.A. amounted to EUR 1.115.841.911 EUR.

Pursuant to a depositary agreement dated March 18, 2016 and amended on September 1<sup>st</sup>, 2022 (the "Depositary Agreement"), Quintet Private Bank (Europe) S.A. will carry out its functions and responsibilities in accordance with the provisions of the UCITS Directive and the Law of 17 December 2010.

Each of the Depositary or the Management Company may terminate the appointment of the Depositary at any time upon ninety (90) calendar days' prior written notice delivered by either to the other, provided, however, that any termination by the Management Company is subject to the condition that a successor depositary assumes within two months the responsibilities and the functions of the Depositary under these Management Regulations and provided,

further, that the duties of the Depositary hereunder shall, in the event of a termination by the Management Company, continue thereafter for such period as may be necessary to allow for the transfer of all assets of the Fund to the successor depositary.

In the event of the Depositary's resignation, the Management Company shall forthwith, but not later than two months after the resignation, appoint a successor depositary who shall assume the responsibilities and functions of the Depositary under these Management Regulations.

The Depositary will assume its functions and responsibilities in accordance with the UCITS Directive. In particular, the Depositary will:

- (a) ensure that the sale, issue, redemption, conversion and cancellation of Units effected on behalf of the Fund or by the Management Company are carried out in accordance with applicable law and the Management Regulations;
- (b) ensure that the value of the Units is calculated in accordance with applicable law and the Management Regulations;
- (c) carry out the instructions of the Management Company or the Fund, unless they conflict with applicable law or the Management Regulations;
- (d) ensure that in transactions involving the assets of the Fund, any consideration is remitted to it within the usual time limits; and
- (e) ensure that the income attributable to the Fund is applied in accordance with the Management Regulations.

The Depositary shall ensure that the cash flows of the Fund are properly monitored, and, in particular, that all payments made by, or on behalf of, investors upon the subscription of units of the Fund have been received, and that all cash of the Fund has been booked in cash accounts that are:

- a) opened in the name of the Fund or the Management Company on behalf of the Fund or of the Depositary acting on behalf of the Fund;
- b) opened at an entity referred to in points (a), (b) and (c) of Article 18(1) of Commission Directive 2006/73/EC ; and
- c) maintained in accordance with the principles set out in Article 16 of Directive 2006/73/EC.

The assets of the Fund shall be entrusted to the Depositary for safekeeping as follows:

- a) for financial instruments that may be held in custody, the Depositary shall:
  - (i) hold in custody all financial instruments that may be registered in a financial instruments account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary;
  - (ii) ensure that all financial instruments that can be registered in a financial instruments account opened in the Depositary's books are registered in the Depositary's books within segregated accounts in accordance with the principles set out in Article 16 of Directive 2006/73/EC, opened in the name of the Fund, so that they can be clearly identified as belonging to the Fund in accordance with the applicable law at all times;
- b) for other assets, the Depositary shall:
  - (i) verify the ownership by the Fund of such assets by assessing whether the Fund holds the ownership based on information or documents provided by the Fund and, where available, on external evidence;

(ii) maintain a record of those assets for which it is satisfied that the Fund holds the ownership and keep that record up to date.

The assets held in custody by the Depositary may be reused only under certain circumstances, as provided for in the UCITS Directive.

In accordance with the provisions of the Depositary Agreement and the Law of 17 December 2010, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate to third parties the safekeeping functions as referred to in the above paragraph, provided that the conditions set out in the UCITS Directive are fulfilled. When selecting and appointing a delegate, the Depositary shall exercise all due skill, care and diligence as required by the UCITS Directive and with the relevant CSSF regulations, to ensure that it entrusts the Fund's assets only to a delegate who may provide an adequate standard of protection.

The list of such delegates is available on <https://www.quintet.com/en-LU/Pages/Regulatory-affairs> and is made available to investors free of charge upon request.

Conflicts of interests:

In carrying out its duties and obligations as depositary of the Fund, the Depositary shall act honestly, fairly, professionally, independently and solely in the interest of the Fund and the investors of the Fund.

As a multi-service bank, the Depositary may provide the Fund, directly or indirectly, through parties related or unrelated to the Depositary, with a wide range of banking services in addition to the depositary services.

The provision of additional banking services and/or the links between the Depositary and key service providers to the Fund, may lead to potential conflicts of interests with the Depositary's duties and obligations to the Fund.

In order to identify different types of conflict of interest and the main sources of potential conflicts of interests, the Depositary shall take into account, at the very least, situations in which the Depositary, one of its employees or an individual associated with it is involved and any entity and employee over which it has direct or indirect control.

The Depositary is responsible for taking all reasonable steps to avoid those conflicts of interest, or if not possible, to mitigate them. Where, despite the aforementioned circumstances, a conflict of interest arises at the level of the Depositary, the Depositary will at all times have regard to its duties and obligations under the depositary agreement with the Fund and act accordingly. If, despite all measures taken, a conflict of interest that bears the risk to significantly and adversely affect the Fund or the investors of the Fund, may not be solved by the Depositary having regard to its duties and obligations under the depositary agreement with the Fund (represented by its Management Company), the Depositary will notify the conflicts of interests and/or its source to the Fund (represented by its Management Company) which shall take appropriate action. Furthermore the Depositary shall maintain and operate effective organizational and administrative arrangements with a view to take all reasonable steps designed to properly (i) avoid them prejudicing the interests of its clients, (ii) manage and resolve such conflicts according to the Fund decision and (iii) monitor them.

As the financial landscape and the organizational scheme of the Fund may evolve over time, the nature and scope of possible conflicts of interests as well as the circumstances under which conflicts of interests may arise at the level of the Depositary may also evolve.

In case the organizational scheme of the Fund or the scope of Depositary's services to the Fund is subject to a material change, such change will be submitted to the Depositary's internal acceptance committee for assessment and approval. The Depositary's internal acceptance committee will assess, among others, the impact of such change on the nature and scope of possible conflicts of interests with the Depositary's duties and obligations to the Fund and assess appropriate mitigation actions.

Situations which could cause a conflict of interest have been identified as at the date of this Prospectus as follows (in case new conflicts of interests are identified, the list will be updated accordingly):

- Conflicts of interests between the Depositary and the Sub-Custodian:
  - The selection and monitoring process of Sub-Custodians is handled in accordance with the Law of 17 December 2010 and is functionally and hierarchically separated from possible other business relationships that exceed the sub custody of the Fund's financial instruments and that might bias the performance of the Depositary's selection and monitoring process. The risk of occurrence and the impact of conflicts of interests are further mitigated by the fact that none of the Sub-Custodians used by the Depositary for the custody of the Fund's financial instruments is part of the Quintet Group.
- The Depositary may act as depositary to other UCITS funds and may provide additional banking services beyond the depositary services and/or act as counterparty of the Fund for over-the-counter derivative transactions (maybe over services within Quintet).
- The Depositary will do its utmost to perform its services with objectivity and to treat all its clients fairly, in accordance with its best execution policy.

The Depositary shall be liable to the Fund and its investors for the loss by the Depositary or a third party to whom the custody of financial instruments held in custody in accordance with the UCITS Directive. The depositary shall not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

For other assets, the Depositary shall be liable only in case of negligence or intentional failure to properly fulfil its obligations.

The Depositary shall not be liable for the contents of the Prospectus of the Fund and will not be liable for any insufficient, misleading or unfair information contained herein.

The rights and duties of the Depositary are governed by the Depositary Agreement entered into for an unlimited period of time from the date of its signature. The Fund and the Depositary may terminate the Depositary Agreement on ninety (90) calendar days' prior written notice; provided, inter alia, that a new depositary assumes the responsibilities and functions of the Depositary and that the prior approval of the home regulator of the Fund has been obtained, being understood that such appointment shall happen within two months. The Depositary shall, if terminated by the Fund, however continue thereafter for such period as may be necessary for the complete delivery or transfer of all assets held by it.

The rights and duties of Quintet Private Bank (Europe) S.A. as Paying Agent are governed by the Paying Agency Agreement entered into for an unlimited period of time from the date of its signature. As principal paying agent Quintet Private Bank (Europe) S.A. will be responsible for distributing income and dividends, if applicable, to the Unitholders

## **12) THE ADMINISTRATOR**

UI efa S.A. has been appointed as administrator (the "Administrator") for the Fund and is responsible for all general administrative duties required by the Law of 17 December 2010, in particular for the maintenance of accounting records.

## **13) THE UCI ADMINISTRATOR**

UI efa S.A. has been appointed as UCI Administrator for the Fund and is responsible, in particular, for the processing of the issue, redemption and conversion of Units. In respect of money transfers related to subscriptions and redemptions, the UCI Administrator shall be deemed to be a duly appointed agent of the Management Company.

## **14) THE DISTRIBUTOR**

The Management Company is acting as distributor for the Fund (the "Distributor") and is responsible for the marketing and the promotion of the Units of the Fund in various countries throughout the world except in the United States of America or any of its territories or possessions subject to its jurisdiction.

The Distributor and its Agent(s), if any, may be involved in the collection of subscription, redemption and conversion orders on behalf of the Fund and may, subject to local law in countries where Units are offered and with the agreement of the respective Unitholders, provide an intermediary service to investors purchasing Units through them. The Distributor and its Agent(s), if any, may only provide such an intermediary service to investors if they are (i) professionals of the financial sector and are located in a country belonging to the FATF or having adopted money laundering rules equivalent to those imposed by Luxembourg law in order to prevent the use of financial system for the purpose of money laundering and terrorist financing or (ii) professionals of the financial sector being a branch or qualifying subsidiary of an eligible intermediary referred to under (i), provided that such eligible intermediary is, pursuant to its national legislation or by virtue of a statutory or professional obligation pursuant to a group policy, obliged to impose the same identification duties on its branches and subsidiaries situated abroad.

In this capacity, the Distributor and its Agent(s) (if any) shall, in their name but as intermediary for the investor, purchase or sell Units for the investor and request registration of such operations in the Fund's register of Unitholders. However, the investor may invest directly in the Fund without using the intermediary service and if the investor does invest through an intermediary, he has at any time the right to terminate the intermediary agreement and retain a direct claim to his Units subscribed through the intermediary.

However, the provisions above are not applicable for Unitholders solicited in countries where the use of the services of an intermediary is necessary or compulsory for legal, regulatory or compelling practical reasons.

## **15) INVESTMENT RESTRICTIONS, TECHNIQUES AND INSTRUMENTS**

### **15.1. Investment Restrictions**

The Management Company shall, based upon the principle of risk spreading, have power to determine the corporate and investment policy for the investments for each Sub-Fund and the course of conduct of the management and business affairs of the Fund.

Except to the extent that more restrictive rules are provided for in connection with a specific Sub-Fund under chapter "Investment Objectives and Policies " in the Prospectus, the investment policy of each Sub-Fund shall comply with the rules and restrictions laid down hereafter:

**A. Investments in the Sub-Funds shall consist solely of:**

- (1) Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market;
- (2) Transferable Securities and Money Market Instruments dealt in on an Other Regulated Market in a Member State;
- (3) Transferable Securities and Money Market Instruments admitted to official listing on a Regulated Market in an Other State or dealt in on an Other Regulated Market in an Other State;
- (4) 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 a Regulated Market or on an Other Regulated Market as described under (1)-(3) above;
  - such admission is secured within one year of issue;
- (5) units or shares of UCITS authorised according to the UCITS Directive and/or other UCIs within the meaning of the first and second indents of Article 1 paragraph 2 of the UCITS Directive, whether situated in a Member State or in an Other State, provided that:
  - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured (currently the Member States, the OECD member states, Bermuda, Hong Kong, Jersey, Guernsey, the Isle of Man, Liechtenstein and Singapore);
  - the level of protection for unitholders/shareholders in such other UCIs is equivalent to that provided for unitholders/shareholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and short sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of UCITS Directive;
  - the business of the 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 or shares of other UCITS or other UCIs;
- (6) 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 or, if the registered office of the credit institution is situated in an Other State, provided that it is subject to prudential rules considered by the Regulatory Authority as equivalent to those laid down in Community law;

(7) financial derivative instruments such as, but not limited to, options, futures, including equivalent cash-settled instruments, dealt in on a Regulated Market or on an Other Regulated Market referred to in (1), (2) and (3) above, and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

- (i) - the underlying consists of instruments covered by this Section A., financial indices, interest rates, foreign exchange rates or currencies, in which a Sub-Fund may invest according to its investment objectives;
  - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Regulatory Authority, and
  - 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.
- (ii) under no circumstances shall these operations cause the Sub-Fund to diverge from its investment objectives.

(8) Money Market Instruments other than those dealt on a Regulated Market or on an Other Regulated Market, to the extent that 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 a Member State, the European Central Bank, the EU or the European Investment Bank, an Other State or, in case of a federal state, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
- issued by an undertaking any securities of which are dealt in on Regulated Markets or on Other Regulated Markets referred to in (1), (2) or (3) above, 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 Regulatory Authority to be at least as stringent as those laid down by Community law; or
- issued by other bodies belonging to the categories approved by the Regulatory 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 and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (10,000,000.- Euro) and which presents and publishes its annual accounts in accordance with directive 78/660/EEC, 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.

**B. Each Sub-Fund may however:**

- (1) Invest up to 10% of its assets in assets other than those referred to above under A (1) through (8).
- (2) Hold ancillary liquid assets.

The Sub-Funds may hold on up to 20% of their assets in ancillary liquid assets consisting of bank deposits at sight in accordance with the provisions of Article 41(2) of the Law of 17 December 2010. The aim of holding ancillary liquid assets is to cover current or exceptional payments, for the time necessary to reinvest in eligible assets provided under article 41(1) of the Law or for a period of time strictly necessary in case of unfavorable market conditions.

The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavorable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors

A Feeder Fund may hold up to 15% of its assets in ancillary liquid assets (bank deposits at sight) in accordance with Article 41(2), second subparagraph of the Law of 17 December 2010 (please also refer to section (G) Master-Feeder Structure of the Management Regulations).

- (3) Borrow up to 10% of its assets, provided that such borrowings are made only on a temporary basis. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts and transactions relating to repurchase agreements are not deemed to constitute "borrowings" for the purpose of this restriction.
- (4) Acquire foreign currency by means of a back-to-back loan.

**C. In addition, the Fund shall comply in respect of the assets of each Sub-Fund with the following investment restrictions per issuer:**

**(a) Risk Diversification rules**

For the purpose of calculating the restrictions described in (1) to (5), (8), (9), (13) and (14) hereunder, companies which are included in the same Group of Companies are regarded as a single issuer.

To the extent an issuer is a legal entity with multiple sub-funds where the assets of a sub-fund are exclusively reserved to the investors in such sub-fund and to those creditors whose claim has arisen in connection with the creation, operation and liquidation of that sub-fund, each sub-fund is to be considered as a separate issuer for the purpose of the application of the risk spreading rules described under items (1) to (5), (7) to (9) and (12) to (14) hereunder.

• ***Transferable Securities and Money Market Instruments***

(1)

- (i) A Sub-Fund may not invest more than 10% of its assets in Transferable Securities or Money Market Instruments of one single issuer.
- (ii) The total value of all Transferable Securities and Money Market Instruments of issuers in each of which it invests more than 5% of its assets would not exceed 40% of



the value of its assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

(2) A Sub-Fund may invest on a cumulative basis up to 20% of its assets in Transferable Securities and Money Market Instruments issued within the same Group of Companies.

(3) The limit of 10% set forth above under (1)(i) is increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any Other State or by a public international body of which one or more Member State(s) are member(s).

(4) The limit of 10% set forth above under (1)(i) is increased up to 25% in respect of covered bonds as defined in Article 3(1) of Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU (the "Directive (EU) 2019/2162"), and for qualifying debt securities issued before 8 July 2022 by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public supervision in order to protect the holders of such qualifying debt securities. For the purposes hereof, "qualifying debt securities" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through to the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its assets in qualifying debt securities issued by such an issuer, the total value of such investments may not exceed 80% of the assets of such Sub-Fund.

(5) The securities specified above under (3) and (4) are not to be included for purposes of computing the ceiling of 40% set forth above under (1)(ii).

**(6) Notwithstanding the ceilings set forth above, each Sub-Fund is authorised to invest, in accordance with the principle of risk spreading, up to 100% of its assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any Other State or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues and (ii) the securities from any such issue do not account for more than 30% of the total assets of such Sub-Fund.**

(7) Without prejudice to the limits set forth hereunder, the limits set forth in (1) are raised to a maximum of 20% for investments in stocks and/or debt securities issued by the same body when the aim of the Sub-Fund's investment policy is to replicate the composition of a certain stock or debt securities index which is recognised by the Regulatory Authority, on the following basis:

- 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 of 20% is raised to 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

- **Bank Deposits**

(8) A Sub-Fund may not invest more than 20% of its assets in deposits made with the same body.

- **Financial Derivative Instruments**

(9) The risk exposure to a counterparty in an OTC derivative transaction may not exceed 10% of the Sub-Fund's assets when the counterparty is a credit institution referred to in A. (6) above or 5% of its assets in other cases.

(10) Investment in financial derivative instruments shall only be made, and within the limits set forth in (2), (5) and (14), provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in (1) to (5), (8), (9), (13) and (14). When the Sub-Fund invests in index-based financial derivative instruments, these investments do not necessarily have to be combined to the limits set forth in (1) to (5), (8), (9), (13) and (14).

(11) When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of (C) (a) (10) and (D) hereunder as well as with the risk exposure and information requirements laid down in the Prospectus.

- **Units or shares of Open-Ended Funds**

(12) No Sub-Fund may invest more than 20% of its assets in the units or shares of a single UCITS or other UCI.

For the purpose of the application of this investment limit, each compartment of a UCI with multiple compartments within the meaning of Article 181 of the Law of 17 December 2010 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. Investments made in units or shares of UCIs other than UCITS may not in aggregate exceed 30% of the assets of a Sub-Fund.

When a Sub-Fund has acquired units or shares of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in (1) to (5), (8), (9), (13) and (14).

When a Sub-Fund invests in the units or shares 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 or shares of such other UCITS and/or UCIs.

In respect of a Sub-Fund investments in UCITS and other UCIs linked to the Fund as described in the preceding paragraph, the management fees (excluding any performance fee, if any) that may be charged both to the Sub-Fund itself and to the other UCITS and/or other UCIs in which it intends to invest, shall not exceed 2.5% of the relevant net assets under management. In its annual report the Fund shall indicate the maximum proportion of management fees charged both to the Sub-Fund itself and to the UCITS and/or other UCIs in which it invests.

- **Units of Sub-Funds of the Fund**

Each Sub-Fund may subscribe, acquire and/or hold Units issued or to be issued by one or more Sub-Funds of the Fund under the conditions however that:

- The target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this target Sub-Fund; and
- No more than 10% of the net assets of the target Sub-Funds may be invested in units or shares of other UCITS or other UCIs; and
- In any event, for as long as these Units are held by the Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purpose of verifying the minimum capital imposed by the Law of 17 December 2010; and
- There is no duplication of management/subscription or redemption fees between those at the level of the Sub-Fund having invested in the target Sub-Fund, and this target Sub-Fund.

- **Combined limits**

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

- investments in Transferable Securities or Money Market Instruments issued by,
- deposits made with, and/or
- exposures arising from OTC derivative transactions undertaken with

a single body in excess of 20% of its assets.

(14) The limits set out in (1), (3), (4), (8), (9) and (13) above may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with (1), (3), (4), (8), (9) and (13) above may not exceed a total of 35% of the assets of each Sub-Fund of the Fund.

**(b) Limitations on Control**

(15) No Sub-Fund may acquire such amount of shares carrying voting rights which would enable the Fund to exercise a significant influence over the management of an issuer.

(16) Any Sub-Fund, or the Fund as a whole, may acquire no more than:

- (i) 10% of the outstanding non-voting shares of any one issuer;
- (ii) 10% of the outstanding debt securities of any one issuer;
- (iii) 10% of the Money Market Instruments of any one issuer; or
- (iv) 25% of the outstanding shares or units or shares of any one UCITS and/or UCI.

The limits set forth in (ii) to (iv) may be disregarded at the time of acquisition if at that time the gross amount of debt securities or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The ceilings set forth above under (15) and (16) do not apply in respect of:

- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;
- Transferable Securities and Money Market Instruments issued or guaranteed by any Other State;
- Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s);
- shares in the capital of a company which is incorporated under or organized pursuant to the laws of an Other State provided that (i) such company invests its assets principally in securities issued by issuers of that State, (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investments policy the restrictions set forth under C., items (1) to (5), (8), (9) and (12) to (16); and
- 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, in regard to the redemption of units/shares at the request of unitholders/shareholders.

**D. In addition, the Fund shall comply in respect of its assets with the following investment restrictions per instrument:**

Each Sub-Fund shall ensure that its global risk exposure relating to financial derivative instruments does not exceed the total net value of its portfolio, or the respective threshold when using the VaR approach.

The exposure is calculated in accordance with regulatory practice applying the commitment or VaR approach in addition to the sums of notionals, pursuant to Circular 11/512 (as amended by Circular CSSF 18/698) issued by the Regulatory Authority, as same may be amended from time to time.

**E. Finally, the Fund shall comply in respect of the assets of each Sub-Fund with the following investment restrictions:**

- (1) No Sub-Fund may acquire directly commodities or precious metals.
- (2) No Sub-Fund may invest in real estate provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.
- (3) No Sub-Fund may issue warrants or other rights to subscribe for Units in such Sub-Fund.
- (4) A Sub-Fund may not grant loans or guarantees in favour of a third party, provided that such restriction shall not prevent each Sub-Fund from investing in non-fully paid-up Transferable Securities, Money Market Instruments or other financial instruments, as mentioned under A., items (5), (7) and (8).
- (5) The Fund may not enter into short sales of Transferable Securities, Money Market Instruments or other financial instruments as listed under A., items (5), (7) and (8).

**F. Notwithstanding anything to the contrary herein contained:**

(1) The ceilings set forth above may be disregarded by each Sub-Fund when exercising subscription rights attaching to Transferable Securities and Money Market Instruments in such Sub-Fund's portfolio.

(2) If such ceilings are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the interests of its Unitholders.

While ensuring observance of the principle of risk spreading, each Sub-Fund may derogate to the ceilings set forth above for a period of six months following the date of its authorisation.

The Management Company has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Units of the Fund are offered or sold.

**G. Master-Feeder Structure**

Under the conditions and within the limits laid down by the Law of 17 December 2010, the Management Company may, to the widest extent permitted by the Luxembourg laws and regulations (i) create any Sub-Fund qualifying either as a feeder UCITS (a "Feeder Fund") or as a master UCITS (a "Master Fund"), (ii) convert any existing Sub-Fund into a Feeder Fund, or (iii) change the Master Fund of any of its Feeder Fund.

(a) A Feeder Fund shall invest at least 85% of its assets in the units/shares of another Master Fund.

(b) A Feeder Fund may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets in accordance with 15.1 B) (2);
- financial derivative instruments, which may be used only for hedging purposes.

(c) For the purposes of compliance with Article 42(3) of the Law of 17 December 2010, the Feeder Fund shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent under (b) with either:

- the Master Fund actual exposure to financial derivative instruments in proportion to the Feeder Fund investment into the Master Fund; or
- the Master Fund potential maximum global exposure to financial derivative instruments provided for in the Master UCITS management regulations or instruments of incorporation in proportion to the Feeder Fund investment into the Master Fund.

The Master Fund and the Feeder Fund must have the same business day, share valuation days and financial year. The cut-off times for order processing must be coordinated so that orders for units of the Feeder Fund can be processed and the resulting orders for units of the Master Fund can be placed before the Master Fund's cut-off time.

(d) A Master Fund may not invest in a Feeder Fund.

Similarly, if a new Sub-Fund is created, while ensuring observance of the principle of risk-spreading, the limits set forth do not have to be complied with by the newly authorised Sub-Fund for a period of six months after the date of its launch in accordance with article 49(1) of the Law of 17 December 2010.

If these limits are exceeded for reasons beyond the control of the Management Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account the interests of its unitholders. The Management Company reserves the right to introduce other investment restrictions at any time, provided that they are compatible with Part I of the Law of 17 December 2010 and essential to compliance with laws and regulations in force in certain non-Member States where the units of the Fund may be offered or sold.

#### **H. Transparency and disclosure under Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability related disclosures in the financial services sector (“SFDR”)**

The Management Company identifies and analyses Sustainability Risks (as defined below) in its risk management process and the Investment Manager integrates and assesses on a continuous basis Sustainable Risks and opportunities into its due diligence, analysis and investment decision-making processes. The Management Company is in charge of such review and will be performed by the risk management team of the Management Company based on the risk management process. Thereafter, during the ex-ante risk assessment process the Investment Manager of the Sub-Funds will consider those risks and assess if those will have a relevant impact on the investment. If those risks are relevant, the risk management team also performs a regular (ex-post) review of those risks as part of the discharge of its duties.

Please refer to the Management Company’s Sustainability Risk Policy for more information which may be obtained [https://www.andbank.com/luxembourg/wp-content/uploads/sites/24/2017/04/AAML\\_Sustainability-risk-Policy\\_V1-.pdf](https://www.andbank.com/luxembourg/wp-content/uploads/sites/24/2017/04/AAML_Sustainability-risk-Policy_V1-.pdf) and the Investment Manager’s Sustainability Risk Policy .

For the purpose hereof, “Sustainability Risk” refers to an ESG factors that, if it occurs, could cause an actual or a potential material negative impact on the value of the Sub-Fund’s investments, as envisaged by art. 2 SFDR. 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 are important elements to consider in order to enhance long-term risk adjusted returns for investors and determine the Sub-Fund’s strategy risks and opportunities.

The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, asset class and region. The assessment of the likely impact of Sustainability Risks on a Sub-Fund’s return must therefore be conducted at the portfolio level. The Management Company considers sustainability risk using a “best effort” approach to verify the completeness and coherence of data relating to environmental, social and governance characteristics, which are disclosed in different manners in different jurisdictions.

The following types of Sustainability Risks are likely to impact the return of this Sub-Fund:

Environmental risks include, but are not limited to, climate change, sustainable use and protection of water and marine resources, waste prevention and recycling, pollution prevention control and protection of healthy ecosystems.

Social risks include, but are not limited to, human rights, gender equality, discrimination, and labour rights.

Governance risks include, but are not limited to, sound management structures, employee relations, remuneration of relevant staff and tax compliance.

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.

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 and policies of the Sub-Funds.

Therefore, the Investment Manager considers for each Sub-Fund, in addition to financial criteria, ESG criteria without being the single determining factor in the investment management's decision. The objective is to identify Sustainable Risks, which may negatively impact the performance of each Sub-Fund. Such ESG criteria may be different from one Sub-Fund to another one and may exclude or limit investments in (i) certain controversial sectors of activities such as controversial weapons and pornographic content and (ii) investments presenting sustainability risks (such as climate change, governance issues, companies with breach issues / serious criminal or tax penalties, etc) or risks arising from misalignments with or breaches of internationally recognized guidelines (such as the United Nations-supported Principles for Responsible Investments or the OECD guidelines).

The ESG data sources used to assess and monitor the sustainability risks are mainly companies' public information and third-party data providers.

Unless otherwise indicated in a Sub-Fund appendix, the Sub-Funds do not aim at sustainable investment (as provided for under Article 9 of SFDR).

Further to the entry into force of SFDR Level II, Shareholders are informed about the environmental or social characteristics available in the "Part 3" of this Prospectus.

## **15.2. Special Investment and Hedging Techniques and Instruments**

### **(A) General**

As at the date of the Prospectus, the Sub-Funds are not investing in total return swaps and do not conclude securities' lending transactions neither repurchase agreements nor reverse repurchase transactions within the meaning of Regulation (EU/2015/2365) on transparency of securities financing transactions and of reuse (the "SFT Regulation").

Should a Sub-Fund intend to use them, the Prospectus will be updated in accordance with the SFT Regulation.

If specifically described in the investment policy of any Sub-Fund as specified in the relevant section of Appendix I of the Prospectus, the Fund may employ the techniques and instruments available in the context of securities investments for the purpose of efficient asset management except securities lending and borrowing, repurchase agreements, reverse repurchase agreements and "réméré" transactions, under the conditions and within the limits laid down by law, regulation and administrative practice, and as described hereafter.

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives as laid down under "Investment Objective and Policies" in the Prospectus.

In particular, some Sub-Funds of the Fund may enter into any kind of swaps, including credit default swaps (excluding total return swaps).

A Credit Default Swap is a bilateral OTC financial contract in which one counterparty (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer acquires the right to sell a particular bond or other designated reference obligations issued by the reference issuer for its par value or the right to receive the difference between the par value and the market price of the said bond or other designated reference obligations when a credit event occurs. A credit event is commonly defined as bankruptcy, insolvency, receivership, material adverse restructuring of debt, or failure to meet payment obligations when due.

Provided it is in its exclusive interest, the Fund may sell protection under Credit Default Swaps (individually a "Credit Default Swap Sale Transaction", collectively the "Credit Default Swap Sale Transactions") in order to acquire a specific credit exposure.

In addition, the Fund may, provided it is in its exclusive interest, buy protection under Credit Default Swaps (individually a "Credit Default Swap Purchase Transaction", collectively the "Credit Default Swap Purchase Transactions") without holding the underlying assets.

## **(B) Risk Management Process**

The Fund must employ a risk-management process which enables it to monitor and measure at any time the risk of the positions in its portfolios and their contribution to the overall risk profile of its portfolios.

In relation to financial derivative instruments the Fund must employ a process for accurate and independent assessment of the value of OTC derivatives and the Fund shall ensure for each Sub-Fund that its global risk exposure relating to financial derivative instruments does not exceed the total net value of its portfolio.

The global risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

Each Sub-Fund may invest, according to its investment policy and within the limits laid down in Articles 15.1 and 15.2 hereof in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in Article 15.1 hereof.

When a Sub-Fund invests in index-based financial derivative instruments, these investments do not necessarily have to be combined to the limits laid down in Article 15.1. item C a) (1)-(5), (8), (9), (13) and (14) hereof.

When a Transferable Security or Money Market Instrument embeds a financial derivative instrument, the latter must be taken into account when complying with the requirements of this Section.

For the case of a Feeder Fund and its global risk exposure relating to financial derivatives instruments, please refer to section (G) Master-Feeder Structure of the Management Regulations.



### **(C) Co-Management Techniques**

In order to reduce operational and administrative charges while allowing a wider diversification of the investments, the Management Company may decide that part or all of the assets of a Sub-Fund will be co-managed with assets belonging to other Sub-Funds within the present structure and/or other Luxembourg collective investment schemes. In the following paragraphs, the words “co-managed entities” shall refer to the Fund and all entities with and between which there would exist any given co-management arrangement and the words “co-managed Assets” shall refer to the entire assets of these co-managed entities co-managed pursuant to the same co-management arrangement.

Under the co-management arrangement, the Investment Manager(s) will be entitled to take, on a consolidated basis for the relevant co-managed entities, investment, disinvestment and portfolio readjustment decisions which will influence the composition of each Sub-Fund’s portfolio. Each co-managed entity shall hold a portion of the co-managed Assets corresponding to the proportion of its assets to the total value of the co-managed Assets. This proportional holding shall be applicable to each and every line of investment held or acquired under co-management. In case of investment and/or disinvestment decisions these proportions shall not be affected and additional investment shall be allotted to the co-managed entities pursuant to the same proportion and assets sold shall be levied proportionately on the co-managed Assets held by each co-managed entity.

In case of new subscriptions in one of the co-managed entities, the subscription proceeds shall be allotted to the co-managed entities pursuant to the modified proportions resulting from the asset increase of the co-managed entity which has benefited from the subscriptions and all lines of investment shall be modified by a transfer of assets from one co-managed entity to the other in order to be adjusted to the modified proportions. In a similar manner, in case of redemptions in one of the co-managed entities, the cash required may be levied on the cash held by the co-managed entities pursuant to the modified proportions resulting from the asset reduction of the co-managed entity which has suffered from the redemptions and, in such case, all lines of investment shall be adjusted to the modified proportions. Unitholders should be aware that, in the absence of any specific action by the Management Company or its appointed agent(s), the co-management arrangement may cause the composition of assets of the Fund to be influenced by events attributable to other co-managed entities such as subscriptions and redemptions.

Thus, all other things being equal, subscriptions received in one entity with which the Fund or any Sub-Fund is co-managed will lead to an increase in the Fund’s and Sub-Fund’s reserve(s) of cash. Conversely, redemptions made in one entity with which the Fund or any Sub-Fund is co-managed will lead to a reduction in the Fund’s and Sub-Fund’s reserve(s) of cash respectively. Subscriptions and redemptions may however be kept in the specific account opened for each co-managed entity outside the co-management arrangement and through which subscriptions and redemptions must pass. The possibility to allocate substantial subscriptions and redemptions to these specific accounts together with the possibility for the Management Company or its appointed agent(s) to decide at any time to terminate its/their participation in the co-management arrangement permit the Fund to avoid the readjustments of its portfolio if these readjustments are likely to affect the interest of the Fund and of its Unitholders.

If a modification of the composition of the Fund’s portfolio resulting from redemptions or payments of charges and expenses peculiar to another co-managed entity (i.e. not attributable to the Fund) is likely to result in a breach of the investment restrictions applicable to the Fund, the relevant assets shall be excluded from the co-management arrangement before the implementation of the modification in order for it not to be affected by the ensuing adjustments.

Co-managed Assets of the Fund shall, as the case may be, only be co-managed with assets intended to be invested pursuant to investment objectives identical to those applicable to the co-managed Assets in order to ensure that investment decisions are fully compatible with the investment policy of the Fund. Co-managed Assets shall only be co-managed with assets for which the Depositary is also acting as depository in order to assure that the Depositary is able, with respect to the Fund, to fully carry out its functions and responsibilities pursuant to the Law of 17 December 2010. The Depositary shall at all times keep the Fund's assets segregated from the assets of other co-managed entities, and shall therefore be able at all times to identify the assets of the Fund. Since co-managed entities may have investment policies, which are not strictly identical to the investment policy of the Fund, it is possible that as a result the common policy implemented may be more restrictive than that of the Fund.

A co-management agreement shall be signed between the Fund, the Depositary, the Administrator and the Investment Manager(s) in order to define each of the parties' rights and obligations. The Management Company may decide at any time and without notice to terminate the co-management arrangement.

Unitholders may at all times contact the registered office of the Management Company to be informed of the percentage of assets which are co-managed and of the entities with which there is such a co-management arrangement at the time of their request. Annual and semi-annual reports shall state the co-managed Assets' composition and percentages.

#### **(D) Collateral management**

When calculating the counterparty risk limits laid down by Article 43 of the Law of 17 December 2010, the risk exposure arising from OTC financial derivative transactions and efficient portfolio management techniques shall be combined.

The collateral used to reduce the counterparty risk exposure, when entering into OTC financial derivative transactions and efficient portfolio management techniques, should comply with the following criteria:

a. *Liquidity* – any collateral received other than cash shall be highly liquid and traded on a Regulated Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received shall also comply with the provisions of Article 48 of the Law of 17 December 2010.

b. *Valuation* – the collateral received shall be valued on at least a daily basis and assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place.

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

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

e. *Collateral diversification (asset concentration)* – collateral shall be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Fund receives from a counterparty of efficient portfolio management and OTC 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 shall be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation the Fund may be fully collateralised 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 Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Fund's Net Asset Value.

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

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

h. The collateral received shall be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

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

j. Cash collateral received shall only be:

- placed on deposit with entities prescribed in Article 41(1)(f) of the Law of 17 December 2010;
- 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 the CESR/10-049 Guidelines on a common definition of European money market funds.

Re-invested cash collateral shall be diversified in accordance with the diversification requirements applicable to non-cash collateral.

Subject to the above criteria, the eligible collateral includes:

- (i) cash denominated in the Reference Currency of the Fund (or relevant Sub-Fund) and money market instruments with an external credit rating AA- or above of the issuer;
- (ii) marketable securities representing claims on or claims guaranteed by central banks of eligible jurisdictions, non-central government public sector entities, the Bank for International Settlements, the International Monetary Fund, the European Commission, given that they are traded in large, deep and active markets characterized by a low level of concentration;
- (iii) marketable securities representing claims on or claims guaranteed by eligible jurisdictions, their central banks, non-central government public sector entities or multilateral development banks, with a credit rating of A- or above;
- (iv) shares or units issued by money market UCIs complying with the CESR/10-049 Guidelines on a common definition of European money market funds, offering a daily liquidity, calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
- (v) shares or units issued by UCITS offering a daily liquidity and investing mainly in bonds or shares fulfilling the two requirements below;
- (vi) debt instruments with an external rating at least equivalent to "investment grade";
- (vii) shares and convertible bonds dealt on a Regulated Market, on the condition that these shares are included in a main index.

For the valuation of the collateral the following haircuts will be applicable.

## Collateral Haircut

Collateral Type	Applied Haircut		
1. Cash in Reference Currency of the Fund	0%		
2. Cash in non-Reference Currencies	1% - 10%		
3. Money markets instruments with an external credit rating AA- or above <sup>2</sup>	0.5% - 2%		
4. Debt Instruments <sup>3</sup>	Residual maturity		
	Less than 1 year	1-5 years	More than 5 years
Bonds issued or guaranteed by a EU Member State with an external rating at least equivalent to AA-	0.25% - 3%	2% - 5%	5% - 10%
Sovereign debt instruments with an external rating AA or above	0.25% - 3%	2% - 5%	5% - 10%
Debt instruments with an external rating A or above	1% - 5%	6% - 12%	10% - 15%
5. Shares dealt on a Regulated Market and included in a main index (European and US index)	15% - 25%		

At any time, relative to market conditions, if deemed necessary for the best interest of the Fund, the Management Company reserves the right to amend the above haircut level.

Cash as collateral may only be placed in:

- (i) high quality eligible sovereign debt and/or debt guaranteed by an eligible jurisdiction subject to a AAA-equivalent rating;
- (ii) any other government bonds generally considered risk-free in reference to AAA-equivalent rating;
- (iii) short term money market funds subject to a AAA-equivalent rating;
- (iv) plain vanilla corporate bonds or plain vanilla money market instruments with a short maturity (generally 3 months) from issuers in OECD member countries subject to AAA-equivalent rating.

The above provisions are in line with the ESMA 2014/937 Guidelines on ETFs and other UCITS issues. The Management Company shall at all times make sure to comply with any new requirement or amendments of the ESMA requirements upon their entering into force.

<sup>2</sup> If money market instruments are traded above the par value, a haircut will be applied to the face value of the MMI.

<sup>3</sup> If debt instrument are traded above par value, a haircut will be applied to the face value of the instruments.

## **16) DETERMINATION OF THE NET ASSET VALUE PER UNIT**

### **16.1. Frequency of Calculation**

Unless otherwise provided for a specific Sub-Fund in Appendix I of the Prospectus, the Net Asset Value per Unit as determined for each Class, if any, or for each Sub-Fund and the issue, conversion and redemption prices will be calculated at least twice a month on dates specified in the Prospectus (a "NAV Calculation Day"), by reference to the value of the assets attributable to the relevant Class or Sub-Fund as determined in accordance with the provisions of Article 16.4 hereinafter. Such calculation will be done by the Administrator under guidelines established by, and under the responsibility of, the Management Company.

### **16.2. Calculation**

The Net Asset Value per Unit as determined for each Class, if any, or for each Sub-Fund shall be expressed in the currency of the relevant Class, respectively in the Base Currency of the relevant Sub-Fund, and shall be calculated by dividing the Net Asset Value of the Sub-Fund attributable, if appropriate, to the relevant Class which is equal to (i) the value of the assets attributable to such Class and the income thereon, less (ii) the liabilities attributable to such Class and any provisions deemed prudent or necessary, through the total number of Units of such Class outstanding on the relevant Valuation Day.

The Net Asset Value shall be calculated and published with up to two decimal places in the currency of the relevant Class, respectively in the Base Currency of the relevant Sub-Fund.

If since the time of determination of the Net Asset Value of the Units of a particular Sub-Fund there has been a material change in the quotations in the markets on which a substantial portion of the investments of such Sub-Fund are dealt in or quoted, the Management Company may, in order to safeguard the interests of the Unitholders and the Fund, cancel the first calculation of the Net Asset Value of the Units of such Sub-Fund and carry out a second calculation.

The Net Asset Value per Unit in each Sub-Fund will be calculated on the Calculation Day as defined in the Appendix I of the Prospectus. In order to avoid market timing in their units, and prevent arbitrage opportunities, where the Sub-Fund is a Feeder Fund, the Calculation Day shall be the same day as the Calculation Day of the Master Fund, and the Valuation Day shall be calculated and published the same day as the one of the Master Fund.

To the extent feasible, investment income, interest payable, fees and other liabilities (including the administration costs and management fees payable to the Management Company) will be accrued in respect of each Valuation Day.

The value of the assets will be determined as set forth in Article 16.4 hereinafter.

The charges incurred by the Fund are set forth in Article 8 hereof.

### **16.3. Suspension of Calculation**

The Management Company may temporarily suspend the determination of the Net Asset Value per Unit within any Sub-Fund and in consequence the issue, redemption and conversion of Units of any Class, if any, in any of the following events:

- When any Regulated Market, Regulated Market in an Other State or any Other Regulated Market which is the principal market on which a substantial portion of the assets of a Sub-Fund is dealt, or when one or more foreign exchange markets in the

currency of which a substantial portion of the assets of the Sub-Fund is denominated, are closed otherwise than for ordinary holidays or if trading thereon is restricted or suspended.

- When, as a result of political, economic, military or monetary events or any circumstances outside the responsibility and the control of the Management Company, disposal of the assets of the Sub-Fund is not reasonably or normally practicable without being seriously detrimental to the interests of the Unitholders.
- In the case of breakdown in the normal means of communication used for the valuation of any investment of the Sub-Fund or if, for any reason, the value of any asset of the Sub-Fund may not be determined as rapidly and accurately as required.
- When the Management Company is unable to repatriate funds for the purpose of making payments on the redemption of Units or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Units cannot in the opinion of the Management Company be effected at normal rates of exchange.

Furthermore, in the case of a Feeder Fund, the Management Company may temporarily suspend the redemption, reimbursement or subscription of its Units, when the Master Fund temporarily suspends the redemption, reimbursement or subscription of its shares/units, whether this be at its own initiative or at the request of its competent authorities, for a period identical to the period of suspension imposed on the Master Fund.

Any such suspension and the termination thereof shall be notified to those Unitholders who have applied for subscription, redemption or conversion of their Units and shall be published as provided in Article 10 hereof.

#### **16.4 Indemnification rights in case of Net Asset Value calculation errors, breaches of investment restrictions or other errors for investors subscribing through financial intermediaries**

The investors' attention is drawn to the fact that the indemnification rights of any investors subscribing to Units in the Fund through financial intermediaries, i.e., where investors are not registered themselves in their own name in the register of the Fund, may be affected in the context of compensation paid in case of errors or non-compliance at the level of the Fund because the payment of indemnifications may be influenced by the arrangements established with the intermediary. Consequently, investors are encouraged to consult the relevant intermediary through which they subscribed for Units in the Fund to receive information on the arrangements made with the Fund regarding the indemnification process in the event of a Net Asset Value calculation error, a breach of investment restriction or another type of error.

#### **16.5. Valuation of the Assets**

The calculation of the Net Asset Value of Units in any Class, if any, of any Sub-Fund and of the assets and liabilities of any such Class of any Sub-Fund shall be made in the following manner:

##### **I. The assets of the Fund shall include:**

- 1) all cash on hand or on deposit, including any interest accrued thereon;
- 2) all bills and notes payable and accounts receivable (including proceeds of securities sold but not delivered);

- 3) all bonds, time notes, shares, stock, debenture stocks, subscription rights, warrants, options and other securities, financial instruments and similar assets owned or contracted for by the Fund (provided that the Fund may make adjustments in a manner not inconsistent with paragraph A)1. below with regard to fluctuations in the market value of securities caused by trading ex-dividends, ex-rights, or by similar practices);
- 4) all stock dividends, cash dividends and cash distributions receivable by the Fund to the extent information thereon is reasonably available to the Fund;
- 5) all interest accrued on any interest-bearing assets owned by the Fund except to the extent that the same is included or reflected in the principal amount of such asset;
- 6) the liquidating value of all forward contracts and all call or put options the Fund has an open position in;
- 7) the preliminary expenses of the Fund, including the cost of issuing and distributing Units of the Fund, insofar as the same have to be written off;
- 8) all other assets of any kind and nature including expenses paid in advance.

A) The value of the assets of all Sub-Funds, except some Short-Term Money Market Sub-Funds, shall be determined as follows:

1. The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Management Company may consider appropriate in such case to reflect the true value thereof.
2. The value of Transferable Securities, Money Market Instruments and any financial assets and instruments which are listed or dealt on a Regulated Market, a Regulated Market in an Other State or any Other Regulated Market is based on their last available prices on the relevant market which is normally the main market for such assets.
3. In the event that any assets held in a Sub-Fund's portfolio on the relevant day are not listed or dealt in on any Regulated Market, any Regulated Market in an Other State or on any Other Regulated Market or if, with respect of assets listed or dealt in on any such markets, the last available price as determined pursuant to sub-paragraph 2. is not representative of the fair market value of the relevant assets the value of such assets will be based on a reasonably foreseeable sales price determined prudently and in good faith.
4. The liquidating value of futures, forward or options contracts not traded on Regulated Markets, Regulated Markets in Other States or on Other Regulated Markets shall mean their net value determined, pursuant to the policies established by the Management Company, on a basis consistently applied for each different variety of contracts. The value of futures, forward or options contracts traded on Regulated Markets, Regulated Markets in Other States or on Other Regulated Markets shall be based upon the last available settlement or closing prices, as applicable to these contracts on Regulated Markets, Regulated Markets in Other States or Other Regulated Markets on which the particular futures, forward or options contracts are traded on behalf of the Fund; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Management Company may deem fair and reasonable.

5. Swaps and all other securities and other assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Management Company.
6. Units or shares of open-ended UCIs will be valued at their last determined and available net asset value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Management Company on a fair and equitable basis. Units or shares of closed-ended UCIs will be valued at their last available stock market value.
7. All other securities, instruments and other assets will be valued at fair market value, as determined in good faith pursuant to procedures established by the Management Company.

B) The value of the assets of some Short-Term Money Market Sub-Funds shall be determined as follows:

1. The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Management Company may consider appropriate in such case to reflect the true value thereof.
2. The assets of these Sub-Funds are valued using the amortised cost method. Under this valuation method, such assets are valued at their acquisition cost as adjusted for amortisation of premium or accretion of discount. The Management Company continually assesses this valuation to ensure it is reflective of current fair values and will make changes, where the amortized cost price does not reflect the value, with the approval of the Depository to ensure that the assets of the Sub-Funds are valued at their fair market value as determined in good faith by the Management Company in accordance with generally accepted valuation methods.

## **II. The liabilities of the Fund shall include:**

- 1) all loans, bills and accounts payable;
- 2) all accrued interest on loans of the Fund (including accrued fees for commitment for such loans);
- 3) all accrued or payable expenses (including, without limitation, administrative expenses, management fees, including incentive fees, if any, and depository fees);
- 4) all known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid distributions declared by the Fund;
- 5) an appropriate provision for future taxes based on capital and income as of the Valuation Day, as determined from time to time by the Fund, and other reserves (if any) authorised and approved by the Management Company, as well as such amount (if any) as the Management Company may consider to be an appropriate allowance in respect of any contingent liabilities of the Fund;
- 6) all other liabilities of the Fund of whatsoever kind and nature reflected in accordance with generally accepted accounting principles. In determining the amount of such liabilities, the



Fund shall take into account all charges and expenses payable by the Fund pursuant to Article 8 hereof. The Fund may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.

The value of all assets and liabilities not expressed in the Base Currency of a Sub-Fund will be converted into the Base Currency of such Sub-Fund at the rate of exchange ruling in Luxembourg on the relevant Valuation Day. If such quotations are not available, the rate of exchange will be determined in good faith by or under procedures established by the Management Company.

The Management Company, in its discretion, may permit some other method of valuation to be used, if it considers that such valuation better reflects the fair value of any asset of the Fund.

In the event that extraordinary circumstances render a valuation in accordance with the foregoing guidelines impracticable or inadequate, the Management Company will, prudently and in good faith, use other criteria in order to achieve what it believes to be a fair valuation in the circumstances.

### **III. Allocation of the assets of the Fund:**

As appropriate, the Management Company shall establish a Sub-Fund in respect of each Class and may establish a Sub-Fund in respect of two or more Classes in the following manner:

- a) if two or more Classes relate to one Sub-Fund, the assets attributable to such Classes shall be commonly invested pursuant to the specific investment policy of the Sub-Fund concerned;
- b) the proceeds to be received from the issue of Units of a Class shall be applied in the books of the Fund to the Sub-Fund corresponding to that Class, provided that if several Classes are outstanding in such Sub-Fund, the relevant amount shall increase the proportion of the assets of such Sub-Fund attributable to the Class to be issued;
- c) the assets and liabilities and income and expenditure applied to a Sub-Fund shall be attributable to the Class or Classes corresponding to such Sub-Fund;
- d) where the Fund incurs a liability which relates to any asset of a particular Sub-Fund or Class or to any action taken in connection with an asset of a particular Sub-Fund or Class, such liability shall be allocated to the relevant Sub-Fund or Class;
- e) in the case where any asset or liability of the Fund cannot be considered as being attributable to a particular Class or Sub-Fund, such asset or liability shall be allocated to all the Classes in any Sub-Fund or to the Sub-Funds pro rata to the Net Asset Values of the relevant Classes or in such other manner as determined by the Management Company acting in good faith. The Fund shall be considered as one single entity. However, with regard to third parties, in particular towards the Fund's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it;
- f) upon the payment of distributions to the Unitholders of any Class, the Net Asset Value of such Class shall be reduced by the amount of such distributions.

### **17) INCOME ALLOCATION POLICIES**

Unless otherwise provided in the Prospectus, the Management Company may issue Distributing Units and Non-Distributing Units in each Class within each Sub-Fund of the Fund.

Non-Distributing Units capitalise their entire earnings whereas Distributing Units pay dividends. The Management Company shall determine how the income of the relevant Class of the relevant Sub-Fund shall be disposed of, and may declare from time to time distributions in the form of cash. The Management Company may also decide to distribute stock dividends in lieu of cash dividends upon such terms and conditions as may be set forth by the Management Company.

All distributions will in principle be paid out of the net investment income available for distribution at such frequency as shall be determined by the Management Company. The Management Company may, in compliance with the principle of equal treatment between Unitholders, also decide that for some Classes, distributions will be paid out of the gross assets (i.e. before deducting the fees to be paid by such Class) depending on the countries where such Classes are sold and as more fully described in the relevant country specific information. For certain Classes, the Management Company may decide from time to time to distribute net realised capital gains. Interim dividends may be declared and distributed from time to time at a frequency decided by the Management Company with the conditions set forth by law.

Unless otherwise specifically requested, dividends will be reinvested in further Units within the same Class, if appropriate, of the same Sub-Fund and investors will be advised of the details by dividend statement. No sales charge will be imposed on reinvestments of dividends or other distributions.

No distribution may however be made if, as a result, the Net Asset Value of the Fund would fall below Euro 1,250,000.-.

Dividends not claimed within five years of their due date will lapse and revert to the relevant Class.

No interest shall be paid on a distribution declared by the Fund and kept by it at the disposal of its beneficiary.

## **18) AMENDMENTS TO THE MANAGEMENT REGULATIONS**

These Management Regulations as well as any amendment thereto shall enter into force on the date of signature thereof unless otherwise specified.

The Management Company may at any time amend wholly or in part these Management Regulations in the interests of the Unitholders.

The first valid version of the Management Regulations and amendments thereto shall be lodged with the Registry of the District Court in Luxembourg. Reference to respective deposits shall be published in the RESA.

## **19) DURATION AND LIQUIDATION OF THE FUND OR OF ANY SUB-FUND OR CLASS OF UNITS**

The Fund and each of the Sub-Funds have been established for an unlimited period. However, the Fund or any of its Sub-Funds (or Classes therein, if applicable) may be dissolved and liquidated at any time by mutual agreement between the Management Company and the Depositary, subject to prior notice. The Management Company is, in particular, authorised, subject to the approval of the Depositary, to decide the dissolution of the Fund or of any Sub-Fund or any Class therein where the value of the assets of the Fund or of any such Sub-Fund or Class therein has decreased to an amount determined by the Management Company to be the minimum level for the Fund or for such Sub-Fund or Class to be operated in an economically efficient manner, or in case of a significant change of the economic or political situation.

In case of dissolution of any Sub-Fund or Class, the Management Company shall not be precluded from redeeming or converting all or part of the Units of the Unitholders, at their request, at the applicable Net Asset Value per Unit (taking into account actual realisation prices of investments as well as realisation expenses in connection with such dissolution), as from the date on which the resolution to dissolve a Sub-Fund or Class has been taken and until its effectiveness.

Issuance, redemption and conversion of Units will cease at the time of the decision or event leading to the dissolution of the Fund.

In the event of dissolution, the Management Company will realise the assets of the Fund or of the relevant Sub-Fund(s) or Class(es) in the best interests of the Unitholders thereof, and upon instructions given by the Management Company, the Depositary will distribute the net proceeds from such liquidation, after deducting all expenses relating thereto, among the Unitholders of the relevant Sub-Fund(s) or Class(es) in proportion to the number of Units of the relevant Class(es) or Sub-Fund(s) held by them. The Management Company may distribute the assets of the Fund or of the relevant Sub-Fund(s) or Class(es) wholly or partly in kind upon the agreement of the Unitholder and in compliance with the conditions set forth by the Management Company (including, without limitation, delivery of a valuation report from the independent auditors of the Fund) and the principle of equal treatment of Unitholders.

As provided by Luxembourg law, at the close of liquidation of the Fund, the proceeds thereof corresponding to Units not surrendered will be kept in safe custody at the *Caisse de Consignation* in Luxembourg until the statute of limitations relating thereto has elapsed.

At the close of liquidation of any Sub-Fund or Class, the proceeds thereof corresponding to Units not surrendered may be kept in safe custody with the Depositary during a period not exceeding 9 months as from the date of the decision of the liquidation; after this delay, these proceeds shall be kept in safe custody at the *Caisse de Consignation*.

In the event of dissolution of the Fund, the decision or event leading to the dissolution shall be published in the manner required by the Law of 17 December 2010 in the RESA and in two newspapers with adequate distribution, one of which at least must be a Luxembourg newspaper.

The decision to dissolve a Sub-Fund or Class shall be published as provided in Article 10 hereof for the Unitholders of such Sub-Fund or Class.

The liquidation or the partition of the Fund or any of its Sub-Funds or Classes may not be requested by a Unitholder, nor by his heirs or beneficiaries.

### **Feeder Funds**

A Feeder Fund will be liquidated:

a) when the Master Fund is liquidated, unless the CSSF grants approval to the Feeder Fund to:

- invest at least 85% of the assets in shares of another Master Fund; or
- amend its investment policy in order to convert into a non-Feeder Fund.

b) when the Master Fund merges with another UCITS, or is divided into two or more UCITS, unless the CSSF grants approval to the Feeder Fund to:

- continue to be a Feeder Fund/ of the same Master Fund or another UCITS resulting from the merger or division of the Master Fund;
- invest at least 85% of its assets in units or shares of another Master Fund; or
- amend its investment policy in order to convert into a non-Feeder Fund.

## **20) MERGER OF SUB-FUNDS OR MERGER WITH ANOTHER UCI**

The Management Company may, with the approval of the Depositary, resolve the cancellation of Units issued in the Fund or in any Sub-Fund and, after deducting all expenses relating thereto, the allocation of Units to be issued in another Sub-Fund of the Fund, or another undertaking for collective investment ("UCI") organised under Part I of the Law of 17 December 2010, subject to the condition that the investment objectives and policies of such other Sub-Fund or UCI are compatible with the investment objectives and policies of the Fund or of the relevant Sub-Fund, in the case where the value of the assets of the Fund or of the Sub-Fund affected by the proposed cancellation of its Units has decreased to or has not reached an amount determined by the Management Company to be the minimum level for the Fund or for such Sub-Fund to be operated in an economically efficient manner, or in case of a significant change of the economic or political situation.

In such event, notice shall be published as provided in Article 10 hereof for the Unitholders of the Fund or of the Sub-Fund the Units of which shall be cancelled. Such notice shall be published at least one month before the date on which the resolution of the Management Company shall take effect.

Unitholders of the Fund or of the Sub-Fund the Units of which shall be cancelled shall have the right, during one month from the date of such publication, to request the redemption or conversion of all or part of their Units at the applicable Net Asset Value per Unit, subject to the procedures described under "Redemption of Units" and "Conversion of Units" without paying any fee.

## **21) APPLICABLE LAW; JURISDICTION; LANGUAGE**

Any claim arising between the Unitholders, the Management Company and the Depositary shall be settled according to the laws of the Grand Duchy of Luxembourg and subject to the jurisdiction of the District Court of Luxembourg, provided, however, that the Management Company and the Depositary may subject themselves and the Fund to the jurisdiction of courts of the countries in which the Units are offered or sold, with respect to claims by investors resident in such countries and, with respect to matters relating to subscriptions, redemptions and conversions by Unitholders resident in such countries, to the laws of such countries.

English shall be the governing language of these Management Regulations. These Management Regulations may also be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Management Regulations. To the extent that there is any inconsistency between the English language Management Regulations and the management regulations in another language, the English language Management Regulations will prevail, except to the extent (but only to the extent) required by law of any jurisdiction where the Units are sold, that in an action based upon disclosure in management regulations in a language other than English, the language of the management regulations on which such action is based shall prevail.

Executed on November 28<sup>th</sup>, 2024.

The Management Company  
Andbank Asset Management  
Luxembourg

The Depositary  
Quintet Private Bank (Europe) S.A.

