

FIDENTIIS TORDESILLAS SICAV

Société d'investissement à capital variable

PROSPECTUS

MARCH 2016

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IMPORTANT INFORMATION

General

Shares in the Company are offered on the basis of the information and the representations contained in the current Prospectus accompanied by the KIID(s), the latest annual report and semi-annual report, if published after the latest annual report, as well as the documents mentioned herein which may be inspected by the public at the registered office of the Company.

Investors must also refer to the relevant Special Sections attached to the Prospectus. Each Special Section sets out the specific objectives, policy and other features of the relevant Sub-Fund to which the Special Section relates as well as risk factors and other information specific to the relevant Sub-Fund.

No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription, sale, switching or redemption of shares other than those contained in this Prospectus and the KIID(s) and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Company or the Depositary or the Administrative Agent. Neither the delivery of this Prospectus or of the KIID(s) nor the offer, placement, subscription or issue of any of the shares shall under any circumstances create any implication or constitute a representation that the information given in this Prospectus and in the KIID(s) is correct as of any time subsequent to the date hereof.

The members of the Board, whose name appear under the Section "Management and Administration", accept joint responsibility for the information and statements contained in this Prospectus and in the KIID(s) issued for each Sub-Fund. They have taken all reasonable care to ensure that the information contained in this Prospectus and in the KIID(s) is, to the best of their knowledge and belief, true and accurate in all material respects and that there are no other material facts the omission of which makes misleading any statement herein, whether of fact or opinion at the date indicated on this Prospectus.

Investors may, subject to applicable law, invest in any Sub-Fund offered by the Company. Shareholders should choose the Sub-Fund that best suits their specific risk and return expectations as well as their diversification needs and are encouraged to seek independent advice in that regard. A separate pool of assets will be maintained for each Sub-Fund and will be invested in accordance with the investment policy applicable to the relevant Sub-Fund in seeking to achieve its investment objective. The Net Asset Value and the performance of the Shares of the different Sub-Fund and Classes thereof are expected to differ. It should be remembered that the price of Shares and the income (if any) from them may fall as well as rise and there is no guarantee or assurance that the stated investment objective of a Sub-Fund will be achieved.

An investment in the Company involves investment risks including those set out herein under the Section "Risk factors". In addition, investors should refer to the Section "Specific risk factors" of the Special Section of the relevant Sub-Fund in order to assess – and inform themselves on – the risks associated with an investment in such specific Sub-Fund.

The Company is allowed to invest in Financial Derivative Instruments. While the prudent use of derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. A more detailed description of the risks relating to the use of derivatives may be found under the Section "Risk factors" below.

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Prospectus, the Special Sections and the Articles.

Definitions

Unless the context otherwise requires, or as otherwise provided in this Prospectus, capitalised words and expressions shall bear the respective meanings ascribed thereto under the Section "Definitions".

Selling Restrictions

The distribution of this Prospectus and the offering or purchase of Shares is restricted in certain jurisdictions. This Prospectus and the KIID(s) do not constitute an offer of or invitation or solicitation to subscribe for or acquire any Shares in any jurisdiction in which such offer or solicitation is not permitted, authorised or would be unlawful. Persons receiving a copy of this Prospectus or of the KIID(s) in any jurisdiction may not treat this Prospectus or KIID(s) as constituting an offer, invitation or solicitation to them to subscribe for or acquire Shares notwithstanding that, in the relevant jurisdiction, such an offer, invitation or solicitation could lawfully be made to them without compliance with any registration or other legal requirement. It is the responsibility of any persons in possession of this Prospectus or of the KIID(s) and any persons wishing to apply for or acquire Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. In particular, prospective applicants for or purchasers of Shares should inform themselves as to the legal requirements of so applying or purchasing, and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile. Prospective investors should review this Prospectus carefully and in its entirety and consult with their legal, tax and financial advisers in relation to (i) the legal and regulatory requirements within their own countries for the subscribing, purchasing, holding, switching, redeeming or disposing of Shares; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the subscribing, purchasing, holding, switching, redeeming or disposing of Shares; (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, switching, redeeming or disposing of Shares; and (iv) any other consequences of such activities.

Luxembourg – The Company is registered under part I of the 2010 Act. However, such registration does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of this Prospectus or the assets held in the various Sub-Funds of the Company. Any representations to the contrary are unauthorised and unlawful.

European Union – The Company qualifies as a UCITS and may apply for recognition under the UCITS Directive, for marketing to the public in certain EEA Member States.

USA – The Shares have not been registered under the US Securities Act of 1933, as amended (the **US Securities Act**) or the securities laws of any state or political subdivision of the United States, and may not be offered, sold, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any US Person. The Company has not registered and does not intend to register: (a) under the United States Investment Company Act of 1940, as amended (the **Investment Company Act**) in reliance on the exemption from such registration pursuant to Section 3(c)(7) thereunder; or (b) with the United States Commodity Futures Trading Commission (the **CFTC**) as a commodity pool operator, in reliance on the exemption from such registration pursuant to CFTC Rule 4.13(a)(4). Accordingly, the Shares are being offered and sold only outside the United States to persons other than US Persons in offshore transactions that meet the requirements of Regulation S under the US Securities Act.

This Prospectus does not constitute an offer or solicitation in respect of any US Person, as defined herein. The Shares may not be offered, sold, transferred or delivered, directly or indirectly, in the United States of America, its territories or possessions or to US Persons. Neither the Shares nor any interest therein may be beneficially owned by any other US Person. Any re-offer or resale of any of the Shares in the United States or to US Persons is prohibited.

Each applicant for the Shares must certify that it is not a US person as defined in Regulation S under the US Securities Act and CFTC Rule 4.7 and not a US resident within the meaning of the Investment Company Act.

If you are in any doubt as to your status, you should consult your financial, tax, legal or other professional adviser.

Prevailing language

The distribution of this Prospectus and the KIID(s) in certain countries may require that these documents be translated into the official languages of those countries. Should any inconsistency arise between the translated versions of this Prospectus, the English version shall always prevail.

Data protection

Certain personal data of Shareholders and individuals related to Shareholders (including, but not limited to, the name, address and invested amount of each Shareholder) may be collected, recorded, stored, adapted, transferred or otherwise processed and used by the Company, the Management Company, the Investment Manager, the Administrative Agent, the Depositary and the financial intermediaries of such Shareholders. In particular, such data may be processed for the purposes of account and distribution fee administration, anti-money laundering and terrorism financing identification, tax identification under the EU Savings Directive, maintaining the register of Shareholders, processing subscription, redemption and conversion orders and payments of dividends to Shareholders and to provide client-related services. Such information will not be passed on to any unauthorised third persons.

The Company may sub-contract to another entity (the **Processor**) (such as the Administrative Agent) the processing of personal data. The Company undertakes not to transfer personal data to any third parties other than the Processor except if required by law or on the basis of a prior consent of the investors. Certain personal data may be transferred outside the European Union in which case appropriate data transfer agreements or EU model clause agreements will be signed between data exporters and data importers.

Each individual (related to an) investor whose personal data has been processed has a right of access to his/her/its personal data and may ask for a rectification thereof in case where such data is inaccurate or incomplete.

MANAGEMENT AND ADMINISTRATION

Registered office

106, route d'Arlon
L-8210 Mamer
Grand Duchy of Luxembourg

Members of the board of directors

- Mr Ricardo Seixas, Executive Director and Fund Manager, Fidentiis Gestion S.G.I.I.C., S.A.;
- Mr Alvaro Llanza, Portfolio Manager, Fidentiis Gestion, S.G.I.I.C., S.A.;
- Ms Anne-Claire Allain, Relationship Manager, Lemanik Asset Management S.A.;
- Mr Javier Valls, Independent Director.

Management Company

Lemanik Asset Management S.A.
106, route d'Arlon
L-8210 Mamer
Grand Duchy of Luxembourg

Members of the board of directors of the Management Company

- Mr Gianluigi Sagramoso (Chairman);
- Mr Carlo Sagramoso;
- Mr Philippe Meloni.

Conducting persons of the Management Company

- Mr Philippe Meloni;
- Mr Marco Sagramoso;
- Mr Jean Philippe Claessens.

Depository

Edmond de Rothschild (Europe)
20, Boulevard Emmanuel Servais
L-2535 Luxembourg
Grand Duchy of Luxembourg

Administrative Agent

Edmond de Rothschild Asset Management (Luxembourg)
20, Boulevard Emmanuel Servais
L-2535 Luxembourg
Grand Duchy of Luxembourg

Domiciliary agent

Lemanik Asset Management S.A.
106, route d'Arlon
L-8210 Mamer
Grand Duchy of Luxembourg

Auditor

PricewaterhouseCoopers
400, route d'Esch
L-1471 Luxembourg
Grand Duchy of Luxembourg

Legal adviser as to Luxembourg law

Simmons & Simmons Luxembourg LLP
Royal Monterey, 26 A Boulevard Royal
L-2449 Luxembourg
Grand Duchy of Luxembourg

PART A – GENERAL SECTION

The General Section applies to all Sub-Funds of the Company. Each Sub-Fund is subject to specific rules which are set forth in the Special Section.

DEFINITIONS

In this Prospectus, the following defined terms shall have the following meanings:

"1915 Act"	Means the act dated 10 August 1915 on commercial companies, as amended;
"2010 Act"	Means the act dated 17 December 2010 on undertakings for collective investment, as amended;
"144 A Securities"	Means Shares sold to U.S. Persons who are "qualified institutional buyers" within the meaning of Rule 144A under the Securities Act and "qualified purchasers" within the meaning of Section 2(a)(51) of the Investment Company Act;
"Administrative Agent"	Means Edmond de Rothschild Asset Management (Luxembourg) acting as registrar and transfer agent and corporate agent and central administrative agent, principal paying agent of the Company;
"Administrative Services Agreement"	Means the agreement between the Company and Edmond de Rothschild Asset Management (Luxembourg) acting as Administrative Agent, as amended, supplemented or otherwise modified from time to time;
"American Depositary Receipt" or "ADR"	Means certificates issued by a US depository bank, representing non-US shares held by the bank. One ADR may represent a portion of a share, one share or a number of shares and may be denominated in EUR and USD;
"Another Regulated Market"	Means any market, other than a Regulated Market, which is regulated, operates regularly and is recognised and open to the public;
"Articles"	Means the articles of incorporation of the Company as the same may be amended, supplemented or otherwise modified from time to time;
"Auditor"	Means PricewaterhouseCoopers;
"Board"	Means the board of directors of the Company;
"Business Day"	Means a day on which banks are open (during the whole day) for business in Luxembourg;
"Circular 04/146"	Means the CSSF circular 04/146 on the protection of UCIs and their investors against Late Trading and Market Timing practices;
"Circular 08/387"	Means the CSSF circular 08/387 on the fight against money laundering and terrorist financing and prevention of the use of the financial sector for the purpose of money laundering and terrorist financing, as amended by the CSSF circular 13/556;
"Circular 14/592"	Means the CSSF circular 14/592 implementing the ESMA guidelines 2014/937 of 1 August 2014 on ETFs and other UCITS issues;
"Class"	Means a class of Shares relating to a Sub-Fund for which specific features with respect to fee structures, distribution, marketing target or other specific features may be applicable. The details applicable to each Class will be described in the relevant Special Section;

"Clearstream"	Means Clearstream Banking,
"Commission Delegated Regulation 2016/438"	Means the Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing Directive 2009/65/EC of the European Parliament and of the Council with regard to obligations of depositaries;
"Company"	Means Fidentiis Tordesillas SICAV, a public limited liability company incorporated as an investment company with variable capital under the laws of Luxembourg and registered pursuant to part I of the 2010 Act;
"Conversion Fee"	Means the conversion fee which may be levied by the Company in relation to the conversion for any Class in any Sub-Fund, details of which are set out in the relevant Special Section;
"CSSF"	Means the <i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg supervisory authority;
"Depositary"	Means Edmond de Rothschild (Europe) acting as depositary of the Company;
"Depositary Bank Agreement"	Means the agreement between the Company and Edmond de Rothschild (Europe) acting as Depositary, as amended, supplemented or otherwise modified from time to time;
"Directive 78/660/EEC"	Means Council Directive 78/660/EEC of 25 July 1978 based on article 54 (3) (g) of the Treaty on the annual accounts of certain types of companies, as amended from time to time;
"Directive 83/349/EEC"	Means Council Directive 83/349/EEC of 13 June 1983 based on the article 54 (3) (g) of the Treaty on consolidated accounts, as amended from time to time;
"Directors"	Means the directors of the Company, whose details are set out in this Prospectus and/or the annual and semi-annual reports;
"Distribution Agreement(s)"	Means the agreement(s) between the Company, the Management Company and the Distributor(s) as amended, supplemented or otherwise modified from time to time;
"Distribution Fee"	Means the distribution fee to which the Distributor(s) may be entitled in accordance with the Special Section;
"Distributor(s)"	Means any person from time to time appointed or authorised by the Company and the Management Company to distribute one or more Classes as set out in the relevant Special Section;
"Domiciliary Agent"	Means the Management Company;
"EEA"	Means the European Economic Area, which consists of all the EU Member States and Iceland, Liechtenstein and Norway;
"Eligible Investments"	Means eligible investments for investment by UCITS within the meaning of article 41 (1) of the 2010 Act ;
"Eligible Investor"	Means, in relation to each Class in each Sub-Fund, an investor that satisfies the relevant criteria to invest in the relevant Class as is stipulated in the relevant

	Special Section;
"EPM Techniques"	Means efficient portfolio management techniques within the meaning of Section 4.5 of the General Section;
"ESMA Guidelines 2014/937"	Means the ESMA Guidelines 2014/937 of 1 August 2014 on ETFs and other UCITS issues.
"EU"	Means the European Union;
"EU Member State"	Means a member State of the EU;
"EU Savings Directive"	Means the Council Directive 2003/49/EC of 3 June 2003 on the taxation of savings income in the form of interest payments, as amended;
"EUR"	Means the euro, the single currency of the EU Member States that belong to the European monetary area;
"Euroclear"	Means Euroclear Bank S.A./N.V. as the operator of the Euroclear System;
"Feeder Sub-Fund"	Means a Sub-Fund which invests at least 85 % of its assets in units or shares of another UCITS or a sub-fund thereof;
"Financial Derivative Instrument"	Means any financial derivative instrument as defined by article 41 (1) (g) of the 2010 Act
"First Class Institutions"	Means first class financial institutions having their registered office in an EU Member State or subject to prudential supervision rules considered by the CSSF equivalent to those prescribed by Community law and specialised in this type of transactions for the purposes of the OTC Derivative transactions and EPM Techniques transactions;
"General Section"	Means the General Section of this Prospectus that sets out the general terms and conditions applicable to all Sub-Funds, unless otherwise provided for in any of the Special Sections;
"Initial Offering Period" or "Initial Offering Date"	Means, in relation to each Sub-Fund, the first offering of Shares in a Sub-Fund made pursuant to the terms of the Prospectus and the relevant Special Section;
"Initial Subscription Price"	Means, in relation to each Class in each Sub-Fund, the amount stipulated in the relevant Special Section as the subscription price per Share for the relevant Class in connection with the Initial Offering Period or Initial Offering Date;
"Institutional Investor"	Means an investor meeting the requirements to qualify as an institutional investor for purposes of article 174 of the 2010 Act;
"Investing Sub-Fund"	Means a Sub-Fund that invest its assets in other Sub-Funds as described in Section 4.8 of the General Section;
"Investment Company Act"	Means the U.S. Investment Company Act of 1940, as amended;
"Investment Manager"	Means such entity from time to time appointed as investment manager of a particular Sub-Fund as disclosed in the relevant Special Section;

"Investment Management Fee"	Means the investment management fee to which the Investment Manager may be entitled, in accordance with the relevant Special Section;
"KIID(s)"	Means the key investor information document in respect of each Sub-fund;
"Late Trading"	Means the acceptance of a subscription, conversion or redemption order after the time limit fixed for accepting orders (cut-off time) on the relevant day and the execution of such order at the price based on the net asset value applicable to such same day;
"Luxembourg"	Means the Grand Duchy of Luxembourg;
"Management Company"	Means Lemanik Asset Management S.A., the designated management company of the Company within the meaning of chapter 15 of the 2010 Act;
"Management Company Services Agreement"	Means the agreement between the Company and the Management Company as amended, supplemented or otherwise modified from time to time;
"Management Fee"	Means the management fee to which the Management Company may be entitled, in accordance with the Prospectus;
"Market Timing"	Means any market timing practice within the meaning of Circular 04/146 or as that term may be amended or revised by the CSSF in any subsequent circular, i.e., an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same Luxembourg undertaking for collective investment within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the methods of determination of the net asset value of the UCI;
"Master UCITS"	Means a UCITS (or a sub-fund thereof) which is the target of a feeder investment by a Feeder Sub-Fund;
"Mémorial"	Means the Luxembourg <i>Mémorial C, Recueil des Sociétés et Associations</i> ;
"Minimum Holding Amount"	Means, in relation to each Class in each Sub-Fund, the amount which is stipulated in the relevant Special Section as the minimum value or number of shares which must be held at any time by a Shareholder;
"Minimum Subscription Amount"	Means, in relation to each Class in each Sub-Fund, the amount which is stipulated in the relevant Special Section as the minimum aggregate subscription monies which a Shareholder or subscriber must pay when subscribing for a particular Class in a Sub-Fund in which the Shareholder or subscriber does not hold Shares of that particular Class prior to such subscription;
"Money Market Instruments"	Means instruments normally dealt in on a money market which are liquid and have a value which can be accurately determined at any time ;
"Net Asset Value"	Means, (i) in relation to the Company, the value of the net assets of the Company, (ii) in relation to each Sub-Fund, the value of the net assets attributable to such Sub-Fund, and (iii) in relation to each Class in a Sub-Fund, the value of the net assets attributable to such Class, in each case, calculated in accordance with the provisions of the Articles and the Prospectus;
"Net Asset Value per	Means the Net Asset Value of the relevant Sub-Fund divided by the number of

"Share"	Shares in issue at the relevant time (including Shares in relation to which a Shareholder has requested redemption) or if a Sub-Fund has more than one Class in issue, the portion of the Net Asset Value of the relevant Sub-Fund attributable to a particular Class divided by the number of Shares of such Class in the relevant Sub-Fund which are in issue at the relevant time (including Shares in relation to which a Shareholder has requested redemption);
"OECD"	Means the Organisation for Economic Cooperation and Development;
"OECD Member State"	Means any of the member States of the OECD;
"OTC"	Means over-the-counter;
"OTC Derivative"	Means any Financial Derivative Instrument dealt over-the-counter;
"Performance Fee"	Means the fee calculated and payable to the Investment Manager in accordance with Part B of the Prospectus;
"Prospectus"	Means the sales prospectus relating to the issue of Shares in the Company, as amended from time to time;
"Redemption Fee"	Means the redemption fee levied by the Company in relation to the redemption of Shares of any Class in any Sub-Fund, details of which are set out in the relevant Special Section;
"Reference Currency"	Means, in relation to each Sub-Fund, the currency in which the Net Asset Value of such Sub-Fund is calculated, as stipulated in the relevant Special Section;
"Register"	Means the register of Shareholders of the Company;
"Regulated Market"	Means a regulated market as referred to in article 41 (1) items a), b) and c) of the 2010 Act;
"Restricted Person"	Means any person, determined in the sole discretion of the Board as being not entitled to subscribe or hold Shares in the Company or any Sub-Fund or Class if, in the opinion of the Directors, (i) such person would not comply with the eligibility criteria of a given Class or Sub-Fund (ii) a holding by such person would cause or is likely to cause the Company some pecuniary, tax or regulatory disadvantage (iii) a holding by such person would cause or is likely to cause the Company to be in breach of the law or requirements of any country or governmental authority applicable to the Company;
"Retail Investor"	Means any investor not qualifying as an Institutional Investor;
"Securities Act"	Means the U.S. Securities Act of 1933, as amended;
"Shareholder"	Means a person who is the registered holder of Shares in the Company;
"Shares"	Means shares in the Company, of such Classes and denominated in such currencies and relating to such Sub-Funds as may be issued by the Company from time to time;
"Special Section"	Means each and every supplement to this Prospectus describing the specific features of a Sub-Fund. Each such supplement is to be regarded as an integral part of the Prospectus;

"Sub-Fund"	Means a separate portfolio of assets established for one or more Classes of the Company which is invested in accordance with a specific investment objective. The specifications of each Sub-Fund will be described in their relevant Special Section;
"Subscription Fee"	Means the subscription fee levied by the Company in relation to the subscription for any Class in any Sub-Fund, details of which are set out in the relevant Special Section;
"Target Sub-Fund"	Means a Sub-Fund shares of which are held by another Sub-Fund as described in Section 4.8 of the General Section;
"Transferable Securities"	<p>Means</p> <ul style="list-style-type: none"> • shares and other securities equivalent to shares; • bonds and other debt instruments; • any other negotiable securities which carry the right to acquire any such transferable securities by subscription or to exchanges, with the exclusion of techniques and instruments, <p>as defined by the 2010 Act;</p>
"UCI"	<p>Means an undertaking for collective investment as referred to in article 1(2) items a) and b) of the UCITS Directive, whether situated in a EU Member State or not, provided that:</p> <ul style="list-style-type: none"> • such UCI is authorised under laws which provide that it is subject to supervision that is considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured; • the level of guaranteed protection for unitholders in such UCI is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive; • the business of such UCI is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period, <p>as defined by the 2010 Act ;</p>
"UCITS"	Means an undertaking for collective investment in transferable securities under the UCITS Directive;
"UCITS Directive"	Means the Directive 2009/65/EC of 13 July 2009 of the European Parliament and of the Council on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended;
"United States" or	Means the United States of America (including the District of Columbia), its

"U.S."	territories, possessions and all other areas subject to its jurisdiction;
"USD"	Means the United States dollar, the official currency of the United States;
"U.S. Person"	Means, unless otherwise determined by the Directors, (i) a natural person who is a resident of the United States; (ii) a corporation, partnership or other entity, other than an entity organised principally for passive investment, organised under the laws of the United States and which has its principal place of business in the United States; (iii) an estate or trust, the income of which is subject to United States income tax regardless of the source; (iv) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business in the United States; (v) an entity organised principally for passive investment such as a pool, investment company or other similar entity; provided, that units of participation in the entity held by persons who qualify as U.S. persons or otherwise as qualified eligible persons represent in the aggregate ten per cent or more of the beneficial interests in the entity, and that such entity was formed principally for the purpose of investment by such persons in a commodity pool the operator of which is exempt from certain requirements of Part 4 of the U.S. Commodity Futures Trading Commission's regulations by virtue of its participants being non-U.S. Persons; or (vi) any other "U.S. Person" as such term may be defined in Regulation S under the Securities Act, or in regulations adopted under the U.S. Commodity Exchange Act, as amended;
"Valuation Day"	Means each Business Day as at which the Net Asset Value will be determined for each Class in each Sub-Fund, as it is stipulated in the relevant Special Section.

1. THE COMPANY

- 1.1 The Company is an open-ended investment company organised under the laws of Luxembourg as a *société d'investissement à capital variable (SICAV)*, incorporated under the form of a public limited liability company (*société anonyme*) on 23 November 2010 and authorised under part I of the 2010 Act.
- 1.2 The Company is registered with the Luxembourg trade and companies register under number B 156.897. Its original Articles were published in the Mémorial on 4 December 2010.
- 1.3 The registration of the Company pursuant to the 2010 Act constitutes neither approval nor disapproval by any Luxembourg authority as to the adequacy or accuracy of this Prospectus or as to the assets held in the various Sub-Funds.
- 1.4 The Company is subject to the provisions of the 2010 Act and of the 1915 Act. In case of conflict between the provision of the 1915 Act and the 2010 Act, the provisions of the latter will prevail.
- 1.5 The Shares are not currently listed on the Luxembourg Stock Exchange but the Board may decide at a later stage to list one or more Classes of a Sub-Fund on the Luxembourg or any other stock exchange or Regulated Market.
- 1.6 There is no limit to the number of Shares which may be issued. Shares will be issued to subscribers in registered form.
- 1.7 Shares shall have the same voting rights and shall have no pre-emptive subscription rights. In the event of the liquidation of the Company, each Share is entitled to its proportionate share of the Company's assets after payment of the Company's debts and expenses, taking into account the Company's rules for the allocation of assets and liabilities.
- 1.8 The initial subscribed capital of the Company was EUR 31,000. The minimum share capital of the Company must at all times be EUR 1,250,000 which amount has to be attained within six months of the Company's authorisation to operate as a UCI. The Company's share capital is at all times equal to its Net Asset Value. The Company's share capital is automatically adjusted when additional Shares are issued or outstanding Shares are redeemed and no special announcements or publicity are necessary in relation thereto.
- 1.9 For the avoidance of doubt, the Shares of a Target Sub-Fund held by a Investing Sub-Fund will not be taken into account for the purpose of the calculation of the EUR 1,250,000 minimum capital requirement.

2. SHARES

- 2.1 Any individual or legal entity may acquire Shares in the Company against payment of the subscription price as defined in Section 8.2 of the General Section.
- 2.2 The Shares confer no preferential subscription rights at any time of the issue of new Shares.
- 2.3 Shares are issued in registered form, with no par value and are recorded in a register. Shareholders receive written confirmation of their registration but no certificate representing Shares will be issued. All Shares must be fully paid up. Fractional Shares may be issued up to four decimal places and shall carry rights in proportion to the fraction of a Share they represent but shall carry no voting rights.

- 2.4** Within the same Sub-Fund, all Shares have equal rights as regards voting rights in all general meetings of Shareholders and in all meetings of the Sub-Fund concerned.
- 2.5** The Special Sections indicate, for each Sub-Fund, which Classes are available and their characteristics.
- 2.6** For each Sub-Fund, the Directors or the Management Company may, in respect of Shares in one or several Class(es) if any, decide to close subscriptions temporarily or definitively, including those arising from the conversion of Shares of another Class or another Sub-Fund.
- 2.7** Shareholders may ask for the conversion of all or a part of their Shares from one Class to another in compliance with the provisions of Section 10 of the General Section.

3. SUB-FUNDS AND CLASSES

- 3.1** The Company has an umbrella structure consisting of one or several Sub-Funds. A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective and policy applicable to that Sub-Fund. The Board may create one or more Feeder Sub-Funds. Each Feeder Sub-Fund will invest at least 85% and up to 100% of its assets in units of another eligible Master UCITS under the conditions set out by applicable law and the Articles. The investment objective, policy, as well as the risk profile and other specific features of each Sub-Fund are set forth in the relevant Special Section.
- 3.2** The Company is one single legal entity. However, the rights of the Shareholders and creditors relating to a Sub-Fund or arising from the setting-up, operation and liquidation of a Sub-Fund are limited to the assets of that Sub-Fund. The assets of a Sub-Fund are exclusively dedicated to the satisfaction of the rights of the Shareholders relating to that Sub-Fund and the rights of those creditors whose claims have arisen in connection with the setting-up, operation and liquidation of that Sub-Fund.
- 3.3** Within a Sub-Fund, the Board may decide to issue one or more Classes the assets of which will be commonly invested but subject to different fee structures, distribution, marketing targets, currency or other specific features. A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Class.
- 3.4** The 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, if necessary, or supplemented by a new Special Section.
- 3.5** For the time being, the Company is comprised of the following Sub-Funds:
- Fidentiis Tordesillas SICAV - Iberia;
 - Fidentiis Tordesillas SICAV – Global Strategy; and
 - Fidentiis Tordesillas SICAV – Iberia Long-Short.
- 3.6** Each Sub-Fund is described in more detail in the relevant Special Section.
- 3.7** Investors should note however that some Sub-Funds or Classes may not be available to all investors. The Company retains the right to offer only one or more Classes for purchase by investors in any particular jurisdiction in order to conform to local law, customs or business practice or for fiscal or any other reason. The Company may further reserve one or more Sub-Funds or Classes to certain Institutional Investors only.

4. INVESTMENT RESTRICTIONS

The Company and the Sub-Funds are subject to the restrictions and limits set forth below.

The management of the assets of the Sub-Funds will be undertaken within the following investment restrictions. A Sub-Fund may be subject to additional investment restrictions set out in the relevant Special Section. In the case of any conflict, the provisions of the relevant Special Section will prevail.

4.1 Eligible Investments

- (a) The Company's investments may consist solely of:
 - (i) Transferable Securities and Money Market Instruments admitted to official listing on a Regulated Market in an EEA Member State;
 - (ii) Transferable Securities and Money Market Instruments dealt on Another Regulated Market in an EEA Member State;
 - (iii) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in a non-EEA Member State or on Another Regulated Market in a non-EEA Member State;
 - (iv) new issues of Transferable Securities and Money Market Instruments, provided that:
 - (A) the terms of issue include an undertaking that application will be made for admission to official listing on any stock exchange, Regulated Market or Another Regulated Market referred to in Sections 4.1(a)(i), (ii) and (iii);
 - (B) such admission is secured within a year of issue;
 - (v) units of UCITS and/or other UCIs, whether situated in an EU Member State or not, provided that no more than 10% of the net assets of the UCITS or other UCI whose acquisition is contemplated, can, according to their fund rules or constitutional documents, be invested in aggregate in units of other UCITS or other UCIs;
 - (vi) 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 an EU Member State or, if the registered office of the credit institution is situated in a non-EU Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;
 - (vii) Financial Derivative Instruments, including equivalent cash-settled instruments, dealt in on any stock exchange, Regulated Market or Another Regulated Market referred to in Sections 4.1(a)(i), (ii) and (iii); and/or OTC Derivatives, provided that:
 - (A) the underlying consists of instruments covered by this Section 4.1(a), financial indices, interest rates, foreign exchange rates or currencies, in which a Sub-Fund may invest according to its investment objectives as stated in the relevant Special Section,
 - (B) the counterparties to OTC Derivative transactions are First Class Institutions, and

- (C) 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 Company's initiative;
- (viii) Money Market Instruments other than those dealt in on a Regulated Market if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:
 - (A) issued or guaranteed by a central, regional or local authority or central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in the 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 EU Member States belong; or
 - (B) issued by an undertaking, any securities of which are listed on any stock exchange, Regulated Market or Another Regulated Market referred to in Sections 4.1(a)(i), (ii) or (iii); or
 - (C) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or
 - (D) issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection rules 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 EUR 10 million and which (i) represents and publishes its annual accounts in accordance with Directive 78/660/EEC, (ii) 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 (iii) is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.
- (b) However, each Sub-Fund may:
 - (i) invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to under Section 4.1(a) above (excluding for the avoidance of doubt units of UCITS and/or other UCIs referred to under Section 4.1 (a) (v), (vi) and (vii); and
 - (ii) hold liquid assets on an ancillary basis.

4.2 Risk diversification

- (a) In accordance with the principle of risk diversification, the Company is not permitted to invest more than 10% of the net assets of a Sub-Fund in Transferable Securities or Money Market Instruments of one and the same issuer. The total value of the Transferable Securities and Money Market Instruments in each issuer in which more than 5% of the net assets are invested, must not exceed 40% of the value of the net assets of the respective Sub-Fund. This limitation does not apply to deposits and OTC Derivative transactions made with financial institutions subject to prudential supervision.

- (b) The Company is not permitted to invest more than 20% of the net assets of a Sub-Fund in deposits made with the same body.
- (c) Notwithstanding the individual limits laid down in Sections 4.2(a), 4.2(b) above and 4.5(m) below, a Sub-Fund may not combine:
 - (i) investments in Transferable Securities or Money Market Instruments issued by,
 - (ii) deposits made with, and/or
 - (iii) exposures arising from OTC Derivative transactions undertaken with a single body, in excess of 20% of its net assets.
- (d) The 10% limit set forth in Section 4.2(a) above can be raised to a maximum of 25% in case of certain bonds issued by credit institutions which have their registered office in an EU Member State and are subject by law, in that particular country, to specific public supervision designed to ensure the protection of bondholders. In particular the funds which originate from the issue of these bonds are to be invested, in accordance with the law, in assets which sufficiently cover the financial obligations resulting from the issue throughout the entire life of the bonds and which are allocated preferentially to the payment of principal and interest in the event of the issuer's failure. Furthermore, if investments by a Sub-Fund in such bonds with one and the same issuer represent more than 5% of the net assets, the total value of these investments may not exceed 80% of the net assets of the corresponding Sub-Fund.
- (e) The 10% limit set forth in Section 4.2(a) above can be raised to a maximum of 35% for Transferable Securities and Money Market Instruments that are issued or guaranteed by an EU Member State or its local authorities, by another OECD Member State, or by public international organisations of which one or more EU Member States are members.
- (f) Transferable Securities and Money Market Instruments which fall under the special ruling given in Sections 4.2(d) and 4.2(e) are not counted when calculating the 40% risk diversification ceiling mentioned in Section 4.2(a).
- (g) The limits provided for in Sections 4.2(a) to 4.2(e) above may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body or in deposits or derivative instruments with this body shall under no circumstances exceed in total 35% of the net assets of a Sub-Fund.
- (h) Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this Section 4.2.
- (i) A Sub-Fund may invest, on a cumulative basis, up to 20% of its net assets in Transferable Securities and Money Market Instruments of the same group.

4.3 Exceptions which can be made

- (a) Without prejudice to the limits laid down in Section 4.7 the limits laid down in Section 4.2 are raised to a maximum of 20% for investment in shares and/or bonds issued by the same body if, according to the relevant Special Section, the investment objective and policy of that Sub-Fund is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:

- (i) its composition is sufficiently diversified,
- (ii) the index represents an adequate benchmark for the market to which it refers,
- (iii) it is published in an appropriate manner.

The above 20% limit may be raised to a maximum of 35%, but only in respect of a single body, 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.

- (b) The Company is authorised, in accordance with the principle of risk diversification, to invest up to 100% of the net assets of a Sub-Fund in Transferable Securities and Money Market Instruments from various offerings that are issued or guaranteed by an EU Member State or its local authorities, by another OECD Member State, or by public international organisations in which one or more EU Member States are members. These securities must be divided into at least six different issues, with securities from one and the same issue not exceeding 30% of the total net assets of a Sub-Fund.

4.4 Investment in UCITS and/or other UCIs

- (a) A Sub-Fund may acquire the units of UCITS and/or other UCIs referred to in Section 4.1(a)(v) provided that no more than 20% of its net assets are invested in units of a single UCITS or other UCI. If a UCITS or other UCI has multiple compartments (within the meaning of article 181 of the 2010 Act) and the assets of a compartment may only be used to satisfy the rights of the investors relating to that compartment and the rights of those creditors whose claims have arisen in connection with the setting-up, operation and liquidation of that compartment, each compartment is considered as a separate issuer for the purposes of applying the above limit.
- (b) Investments made in units of UCIs other than UCITS may not exceed, in aggregate, 30% of the net assets of the Sub-Fund.
- (c) When a Sub-Fund has acquired units 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 Section 4.2.
- (d) When a Sub-Fund invests in the units of 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, (regarded as more than 10% of the voting rights or share capital), that management company or other company may not charge subscription, conversion or redemption fees on account of the Sub-Fund's investment in the units of such UCITS and/or other UCIs.
- (e) If a Sub-Fund invests a substantial proportion of its assets in other UCITS and/or other UCIs, the maximum level of the management fees 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 be disclosed in the relevant Special Section.
- (f) In the annual report of the Company it shall be indicated for each Sub-Fund the maximum proportion of management fees charged both to the Sub-Fund and to the UCITS and/or other UCIs in which the Sub-Fund invests.
- (g) The above provisions of this Section 4.4 do not apply to Feeder Sub-Funds.

4.5 Investments in Financial Derivative Instruments and use of EPM Techniques

- (a) The Company must employ (i) a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio and (ii) a process for accurate and independent assessment of the value of OTC Derivatives.
- (b) Each Sub-Fund will ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio.
- (c) The 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. This will also apply to the following subparagraphs.
- (d) A Sub-Fund may invest, as a part of its investment policy, in Financial Derivative Instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in Section 4.2 above. Under no circumstances will these operations cause a Sub-Fund to diverge from its investment objectives as laid down in the Prospectus and the relevant Special Section. When a Sub-Fund invests in index-based Financial Derivative Instruments, these investments do not have to be combined to the limits laid down in Section 4.2 above.
- (e) When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this Section 4.5.
- (f) The Company's annual reports will contain, in respect of each Sub-Fund that has entered into Financial Derivative Instruments over the relevant reporting period, details of:
 - (i) the underlying exposure obtained through Financial Derivative Instruments;
 - (ii) the identity of the counterparty(ies) to these Financial Derivative Instruments;
 - (iii) the type and amount of collateral received to reduce counterparty risk exposure.
- (g) The Sub-Funds are authorised to employ EPM Techniques subject to the following conditions:
 - (i) they are economically appropriate in that they are realised in a cost-effective way;
 - (ii) they are entered into for one or more of the following specific aims:
 - (A) reduction of risk;
 - (B) reduction of cost;
 - (C) generation of additional capital or income for the relevant Sub-Fund with a level of risk which is consistent with the its risk profile and applicable risk diversification rules;
 - (iii) their risks are adequately captured by the Company's risk management process;
 - (iv) they comply with the ESMA Guidelines 2014/937 (as they may be replaced from time to time); and

- (v) they are taken into account by the Management Company when developing its liquidity risk management process in order to ensure that the Company is able to comply at any time with its redemption obligations.
- (h) The efficient portfolio management techniques (**EPM Techniques**) that may be employed by the Sub-Funds in accordance with Section 4.5(g) above include securities lending, repurchase agreements and reverse repurchase agreements. A repurchase agreement transaction is a forward transaction at the maturity of which a Sub-Fund has the obligation to repurchase the assets sold and the buyer (counterparty) the obligation to return the assets received under the transaction. A reverse repurchase agreement transaction is a forward transaction at the maturity of which the seller (counterparty) has the obligation to repurchase the assets sold and the relevant Sub-Fund has the obligation to return the assets received under the transaction.
- (i) The use of EPM Techniques by the Sub-Funds is subject to the following conditions:
 - (i) When entering into a securities lending agreement, the Company should ensure that it is able at any time to recall any security that has been lent out or terminate the securities lending agreement.
 - (ii) When entering into a reverse repurchase agreement, the Company should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the net asset value of the relevant Sub-Fund.
 - (iii) When entering into a repurchase agreement, the Company should ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.
- (j) Fixed-term repurchase and reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.
- (k) All the revenues arising from the use of EPM Techniques, net of direct and indirect operational costs, will be returned to the relevant Sub-fund.
- (l) The Company's annual report will include the following information:
 - (i) the exposure obtained through EPM Techniques;
 - (ii) the identity of the counterparty(ies) to these EPM Techniques;
 - (iii) the type and amount of collateral received by the Company to reduce counterparty exposure;
 - (iv) the revenues arising from EPM Techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred;
 - (v) where collateral received from an issuer has exceeded 20% of the Net Asset Value of the Sub-fund, the identity of that issuer; and
 - (vi) whether the Sub-fund has been fully collateralised in securities issued or guaranteed by a Member State.

- (m) The counterparty risk arising from OTC Derivatives and EPM Techniques may not exceed 10% of the assets of a Sub-Fund when the counterparty is a credit institution domiciled in the EU or in a country where the CSSF considers that supervisory regulations are equivalent to those prevailing in the EU. This limit is set at 5% in any other case.
- (n) The counterparty risk of a Sub-Fund vis-à-vis a counterparty is equal to the positive mark-to-market value of all OTC Derivatives and EPM Techniques transactions with that counterparty, provided that:
 - (i) if there are legally enforceable netting arrangements in place, the risk exposure arising from OTC Derivative and EPM Techniques transactions with the same counterparty may be netted; and
 - (ii) if collateral is posted in favour of a Sub-Fund and such collateral complies at all times with the criteria set out in Section 4.5(o) below, the counterparty risk of such Sub-Fund is reduced by the amount of such collateral. The Sub-fund will use collateral to monitor compliance with the counterparty risk limit set out in Section 4.5(l) above. The level of collateral required will therefore vary depending on the scope and extent of OTC Derivatives and EPM Techniques transactions entered into by a Sub-fund with one and the same counterparty and will be disclosed in the Special Sections applicable to the Sub-fund.
- (o) Collateral received by a Sub-Fund must comply at all times with the following principles:
 - (i) Liquidity – any collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the acquisition limits set out in Section 4.7(b).
 - (ii) Valuation – collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.
 - (iii) Issuer credit quality – collateral received should be of high quality.
 - (iv) Correlation – the collateral received by the Sub-Fund should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
 - (v) Collateral diversification (asset concentration) – collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Sub-Fund receives from a counterparty of OTC Derivative or EPM Techniques transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When a Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation, a Sub-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, provided the Sub-fund receives securities from at least six different issues and any single issue does not account for more than 30% of the Sub-fund's Net Asset Value. If a Sub-fund intends to make use of this possibility, this will be set out in relevant

Special Section together with an indication of the relevant Member State(s), local authorities, or public international bodies issuing or guaranteeing securities.

- (vi) Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.
 - (vii) Collateral received should be capable of being fully enforced by the Company for the account of the Sub-Fund at any time without reference to or approval from the counterparty.
- (p) The Sub-Funds will only accept the following assets as collateral:
- (i) Liquid assets. Liquid assets include not only cash and short term bank certificates, but also money market instruments such as defined within the UCITS Directive. A letter of credit or a guarantee at first-demand given by a first class credit institution not affiliated to the counterparty are considered as equivalent to liquid assets.
 - (ii) Bonds issued or guaranteed by a OECD Member State or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope.
 - (iii) Shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent.
 - (iv) Shares or units issued by UCITS investing mainly in bonds/shares mentioned in items (v) and (vi) below.
 - (v) Bonds issued or guaranteed by first class issuers offering an adequate liquidity.
 - (vi) Shares admitted to or dealt in on a regulated market of a Member State of the European Union or on a stock exchange of a OECD Member State, on the condition that these shares are included in a main index.
- (q) For the purpose of Section 4.5(o) above, all assets received by a Sub-Fund in the context of EPM Techniques should be considered as collateral.
- (r) Non-cash collateral received by a Sub-Fund may not be sold, re-invested or pledged.
- (s) Cash collateral received by a Sub-Fund can only be:
- (i) placed on deposit with credit institutions which either have their registered office in an EU Member State or are subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;
 - (ii) invested in high-quality government bonds;
 - (iii) used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on accrued basis;
 - (iv) invested in Short-Term Money Market Funds as defined in the CESR Guidelines 10-049 on a Common Definition of European Money Market Funds.
- (t) Collateral posted in favour of a Sub-Fund under a title transfer arrangement should be held by the Depositary or one of its correspondents or sub-custodians. Collateral posted in favour

of a Sub-Fund under a security interest arrangement (eg, a pledge) can be held by a third party depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

- (u) The collateral eligibility requirements set out in Section 4.5(o) above stem from the ESMA Guidelines 2014/937.
- (v) Re-invested cash collateral will be diversified in accordance with the diversification requirements applicable to non-cash collateral under 4.5(o). There is the risk that the value of the re-invested cash collateral may be lower than the amount to be repaid. However this risk is reduced via instruments in top-quality government bonds, reverse repo-transactions, liquid money market funds, term deposits etc..
- (w) In accordance with Circular 14/592, the Management Company has a haircut policy relating to the classes of assets received as collateral. The Management Company typically utilises cash and high-quality government bonds as collateral, but other permitted forms of collateral (with associated haircuts) may be utilised both with haircuts as set out under item (h) below. This policy takes into account a variety of factors, depending on the nature of the collateral received, such as the issuer's credit standing, the maturity, currency, price volatility of the assets and, where applicable, the outcome of liquidity stress tests carried out by the relevant Sub-fund under normal and exceptional liquidity conditions. No haircut will generally be applied to cash collateral.
- (x) In case of non-cash collateral, a haircut will be applied. Non-cash collateral will only be accepted if such non-cash collateral does not exhibit high price volatility.
- (y) For all the Sub-Funds receiving collateral for at least 30% of their assets, the Management Company will set up, in accordance with the Circular 14/592, an appropriate stress testing policy to ensure regular stress tests under normal and exceptional liquidity conditions to assess the liquidity risk attached to the collateral.
- (z) Haircuts are assessed based on collateral credit quality, price volatility and tenor. The haircut policy applied to the assets received as collateral by the Sub-Funds in accordance with Section 4.5 above is as follows:

Haircut policy for assets received as collateral					
Liquid assets as set out under Section 4.5 (o) (i) above		0%			
Bonds as set out under Section 4.5 (o) (ii) and (v) above					
	by rating S&P or its equivalent in other agencies	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ or less
	Bonds issued by a central authority or a central bank of a EU Member State or the U.S.	0%	0%	0%	NA
	Bonds issued by a central authority or a central bank of other than a EU Member State or the U.S.	5%	5%	10%	NA
	Bonds issued by credit institutions	5%	5%	10%	NA
	Bonds issued by companies	5%	5%	10%	NA
Shares as set out under Section 4.5 (o) (iii), (iv) and (vi) above		15%			

- (aa) In compliance with the 2010 Act quantitative and qualitative criteria will be applied to the collateral used to mitigate counterparty risk exposure arising from the use of EPM Techniques. Thus, the limitation of the exposure to a given issuer linked to the collateral will be equal to 20% of the UCITS' net asset value.

4.6 Tolerances and multiple compartment issuers

If, because of reasons beyond the control of the Company or the exercising of subscription rights, the limits mentioned in this Section 4 are exceeded, the Company must have as a priority objective in its sale transactions to reduce these positions within the prescribed limits, taking into account the best interest of the Shareholders.

Provided that they continue to observe the principles of risk diversification, newly established Sub-Funds may deviate from the limits mentioned under Sections 4.2, 4.3 and 4.4 above for a period of six months following the date of their initial launch.

If an issuer of Eligible Investments is a legal entity with multiple compartments and the assets of a compartment may only be used to satisfy the rights of the investors relating to that compartment and the rights of those creditors whose claims have arisen in connection with the setting-up, operation and liquidation of that compartment, each compartment is considered as a separate issuer for the purposes of applying the limits set forth under Sections 4.2, 4.3 and 4.4.

4.7 Investment prohibitions

The Company is prohibited from:

- (a) acquiring equities with voting rights that would enable the Company to exercise a significant influence on the management of the issuer in question;
- (b) acquiring more than :
 - (i) 10% of the non-voting equities of one and the same issuer,
 - (ii) 10% of the debt securities issued by one and the same issuer,
 - (iii) 10% of the Money Market Instruments issued by one and the same issuer, or
 - (iv) 25% of the units of one and the same UCITS and/or other UCI.

The limits laid down in (ii), (iii), and (iv) may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the Money Market Instruments, or the net amount of the securities in issue, cannot be calculated.

Transferable Securities and Money Market Instruments which, in accordance with article 48 (3) of the 2010 Act are issued or guaranteed by an EU Member State or its local authorities, by another OECD Member State or which are issued by public international organisations of which one or more EU Member States are members are exempted from the above limits.

- (c) selling short Transferable Securities, Money Market Instruments and other Eligible Investments mentioned under Sections 4.1(a)(v), (vii) and (viii);
- (d) acquiring precious metals or related certificates;
- (e) investing in real estate and purchasing or selling commodities or commodities contracts;

- (f) borrowing on behalf of a particular Sub-Fund, unless:
 - (i) the borrowing is in the form of a back-to-back loan for the purchase of foreign currency;
 - (ii) the loan is only temporary and does not exceed 10% of the net assets of the Sub-Fund in question;
- (g) granting credits or acting as guarantor for third parties. This limitation does not refer to the purchase of Transferable Securities, Money Market Instruments and other Eligible Investments mentioned under Sections 4.1(a)(v), (vii) and (viii) that are not fully paid up.

4.8 Investments between Sub-funds

A Sub-Fund (the **Investing Sub-Fund**) may invest in one or more other Sub-Funds. Any acquisition of shares of another Sub-Fund (the **Target Sub-Fund**) by the Investing Sub-Fund is subject to the following conditions (and such other conditions as may be applicable in accordance with the terms of this Sales Prospectus):

- (a) The Target Sub-Fund may not invest in the Investing Sub-Fund;
- (b) The Target Sub-Fund may not invest more than 10% of its net assets in UCITS (including other Sub-Fund) or other UCIS;
- (c) The voting rights attached to the shares of the Target Sub-Fund are suspended during the investment by the Investing Sub-Fund;
- (d) The value of the share of the Target Sub-Fund held by the Investing Sub-Fund are not taken into account for the purpose of assessing the compliance with the EUR 1,250,000 minimum capital requirement; and
- (e) Duplication of management, subscription or redemption fee is prohibited.

4.9 Master UCITS-Feeder Sub-funds

The Board may create one or more Feeder Sub-funds, with each such Feeder Sub-fund being authorised to invest at least 85% of its assets in units of another eligible Master UCITS (or sub-fund thereof) under the conditions set out by applicable law and such other conditions as set out in this Prospectus.

4.10 EMIR

The Company observes Circular 13/557 respective Regulation (EU) No 648/2012 of 4 July 2012 on OTC derivatives, central counterparties and trade repositories to the extent applicable when employing instruments mentioned in this Section 4 and in compliance with the respective bank and counterparty.

5. CO-MANAGEMENT AND POOLING

- 5.1 To ensure effective management of the Company, the Directors and the Management Company may decide to manage all or part of the assets of one or more Sub-Funds with those of other Sub-Funds in the Company (pooling technique) or, where applicable, to co-manage all or part of the assets, except for a cash reserve, if necessary, of one or more Sub-Funds with the assets of other Luxembourg investment funds or of one or more sub-funds of other Luxembourg investment funds (hereinafter referred to as the **Party(ies) to the co-managed assets**) for which the Depositary is the

appointed depository bank. These assets will be managed in accordance with the respective investment policies of the Parties to the co-managed assets, each of which is pursuing identical or comparable objectives. Parties to the co-managed assets will only participate in co-managed assets which are in accordance with the stipulations of their respective prospectuses and investment restrictions.

- 5.2** Each Party to the co-managed assets will participate in the co-managed assets in proportion to the assets it has contributed to the co-management. Assets and liabilities will be allocated to each Party to the co-managed assets in proportion to its contribution to the co-managed assets.
- 5.3** Each Party's rights to the co-managed assets apply to each line of investment in the said co-managed assets.
- 5.4** The aforementioned co-managed assets will be formed by the transfer of cash or, where applicable, other assets from each of the Parties participating in the co-managed assets. Thereafter, the Directors and the Management Company may regularly make subsequent transfers to the co-managed assets. The assets can also be transferred back to a Party to the co-managed assets for an amount not exceeding the participation of the said Party to the co-managed assets.
- 5.5** Dividends, interest and other distributions deriving from income generated by the co-managed assets will accrue to each Party to the co-managed assets in proportion to its respective investment. Such income may be kept by the Party to the co-managed assets or reinvested in the co-managed assets.
- 5.6** All charges and expenses incurred in respect of the co-managed assets will be applied to these assets. Such charges and expenses will be allocated to each Party to the co-managed assets in proportion to its respective entitlement to the co-managed assets.
- 5.7** In the case of an infringement of the investment restrictions affecting a Sub-Fund of the Company, when such a Sub-Fund takes part in co-management and even if the manager has complied with the investment restrictions applicable to the co-managed assets in question, the Directors and the Management Company shall ask the manager to reduce the investment in question in proportion to the participation of the Sub-Fund concerned in the co-managed assets or, where applicable, reduce its participation in the co-managed assets to a level that respects the investment restrictions of the Sub-Fund.
- 5.8** When the Company is liquidated or when the Directors and the Management Company decide, without prior notice, to withdraw the participation of the Company or a Sub-Fund from co-managed assets, the co-managed assets will be allocated to the Parties to the co-managed assets in proportion to their respective participation in the co-managed assets.
- 5.9** The investor must be aware of the fact that such co-managed assets are employed solely to ensure effective management inasmuch as all Parties to the co-managed assets have the same depository bank. Co-managed assets are not distinct legal entities and are not directly accessible to investors. However, the assets and liabilities of each Sub-Fund of the Company will be constantly separated and identifiable.

6. RISK FACTORS

Before making an investment decision with respect to Shares of any Class in any Sub-Fund, prospective investors should carefully consider all of the information set out in this Prospectus and the relevant Special Section, as well as their own personal circumstances. Prospective investors should have particular regard to, among other matters, the considerations set out in this Section and under the Sections "Specific risk factors" and "Profile of the typical investor" in the relevant Special Section. The risk factors referred to therein, and in this document, alone or collectively, may reduce

the return on the Shares of any Sub-Fund and could result in the loss of all or a proportion of a Shareholder's investment in the Shares of any Sub-Fund. The price of the Shares of any Sub-Fund can go down as well as up and their value is not guaranteed. Shareholders may not receive, at redemption or liquidation, the amount that they originally invested in any Class or any amount at all.

The risks may include or relate to equity markets, bond markets, foreign exchange rates, interest rates, credit risk, the use of derivatives, counterparty risk, market volatility and political risks. The risk factors set out in this Prospectus or, as the case may be, the key information document, the KIID(s) and the relevant Special Section are not exhaustive. There may be other risks that a prospective investor should consider that are relevant to its own particular circumstances or generally.

An investment in the Shares of any Sub-Fund is only suitable for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

Before making any investment decision with respect to the Shares, prospective investors should consult their own stockbroker, bank manager, lawyer, solicitor, accountant and/or financial adviser and carefully review and consider such an investment decision in the light of the foregoing and the prospective investor's personal circumstances.

The Company is intended to be a medium to long-term investment vehicle (depending on the investment policy of the relevant Sub-Funds). Shares may however be redeemed on each Valuation Day. Substantial redemptions of Shares by Shareholders within a limited period of time could cause the Company to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of both the Shares being redeemed and the outstanding Shares. In addition, regardless of the period of time in which redemptions occur, the resulting reduction in the Net Asset Value per Share could make it more difficult for the Company to generate trading profits or recover losses.

6.1 Investors rights – Nominee arrangements

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

6.2 Investments in Transferable Securities

Investments in fixed income securities such as corporate bonds may involve credit risk including default risk and credit spread risk. Furthermore a relevant Sub-Fund may be exposed to the integrity of the issuer's management, its commitment to repay the loan, its qualification, its operating record, its emphasis in strategic direction, financial philosophy, operational management and control systems as well as to its capacity and ability to generate cash flow to repay its debt obligations. A Sub-Fund may invest in debt instruments which are issued without any guarantee, letter of credit, debt insurance or collateral including junior debt.

Investments in stock-listed equities embed equity risk including failures of the issuer and substantial declines in value at any stage. Investments in listed equities made by a Sub-Fund depend for a large part of their performance on the evolution of the stock markets. Sales of equity may sometimes only

be achievable at a significant discount to quoted market prices, if at all. Equity holders in general rank below debt holders and so are exposed to higher risks.

A Sub-Fund may invest in Transferable Securities issued in emerging markets and/or issued by issuers located, active or strongly exposed to emerging markets. Certain risks are more prevalent in emerging markets than in other markets, such as high inflation, macroeconomic volatility, capital restrictions and controls and political risks.

A Sub-Fund may invest in Transferable Securities issued by small or medium size companies. There are certain risks associated with investing in small or medium capitalised stocks and the securities of small companies. The market prices of these securities may be more volatile than those of larger companies. Because small companies normally have fewer shares outstanding than larger companies it may be more difficult to buy and sell significant amounts of shares without affecting market prices. There is typically less publicly available information about these companies than for larger companies. The lower capitalisation of these companies and the fact that small companies may have smaller product lines and command a smaller market share than larger companies may make them more vulnerable to fluctuation in the economic cycle.

6.3 Investments in emerging markets

- (a) In certain countries, there is the possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments which could affect investment in those countries. There may be less publicly available information about certain financial instruments than some investors would find customary and entities in some countries may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which certain investors may be accustomed. Certain financial markets, while generally growing in volume, have for the most part, substantially less volume than more developed markets, and securities of many companies are less liquid and their prices more volatile than securities of comparable companies in more sizeable markets. There are also varying levels of government supervision and regulation of exchanges, financial institutions and issuers in various countries. In addition, the manner in which foreign investors may invest in securities in certain countries, as well as limitations on such investments, may affect the investment operations of the Sub-Funds.
- (b) Emerging country debt will be subject to high risk and will not be required to meet a minimum rating standard and may not be rated for creditworthiness by any internationally recognised credit rating organisation. The issuer or governmental authority that controls the repayment of an emerging country's debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. As a result of the foregoing, a government obligor may default on its obligations. If such an event occurs, the Company may have limited legal recourse against the issuer and/or guarantor. Remedies must, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of foreign government debt securities to obtain recourse may be subject to the political climate in the relevant country. In addition, no assurance can be given that the holders of commercial debt will not contest payments to the holders of other foreign government debt obligations in the event of default under their commercial bank loan agreements.
- (c) Settlement systems in emerging markets may be less well organised than in developed markets. Thus, there may be a risk that settlement may be delayed and that cash or securities of the Sub-Funds may be in jeopardy because of failures or of defects in the systems. In particular, market practice may require that payment 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 Sub-Funds investing in emerging market securities.

- (d) The Company will seek, where possible, to use Counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that the Company will be successful in eliminating this risk for the Sub-Funds, particularly as Counterparties operating in emerging markets frequently lack the substance or financial resources of those in developed countries.
- (e) There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or to be transferred to the Sub-Funds. Furthermore, compensation schemes may be non-existent or limited or inadequate to meet the Company's claims in any of these events.

6.4 Investments in small capitalisation companies

There are certain risks associated with investing in small cap stocks and the securities of small companies. The market prices of these securities may be more volatile than those of larger companies. Because small companies normally have fewer shares outstanding than larger companies it may be more difficult to buy and sell significant amounts of shares without affecting market prices. There is typically less publicly available information about these companies than for larger companies. The lower capitalisation of these companies and the fact that small companies may have smaller product lines and command a smaller market share than larger companies may make them more vulnerable to fluctuation in the economic cycle.

6.5 Use of Financial Derivative Instruments

Certain Sub-funds are authorised to use Financial Derivative Instruments either for hedging or efficient portfolio management purposes or as part of their investment strategies as described in the relevant Special Sections. Unless stated otherwise in a Special Section, a Sub-fund which uses Financial Derivative Instruments will do so for hedging and/or efficient portfolio management purposes only. Sub-funds using derivatives will do so within the limits specified in Section 4.

While the prudent use of Financial Derivative Instruments can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. The following is a general discussion of important risk factors and issues concerning the use of derivatives that investors should understand before investing in a Sub-Fund.

(a) Market risk

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

(b) Control and monitoring

Derivative products are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to a Sub-Fund and the ability to forecast the relative price, interest rate or currency rate movements correctly.

(c) Liquidity risk

Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be

possible to initiate a transaction or liquidate a position at an advantageous price (however, the Company will only enter into OTC Derivatives if it is allowed to liquidate such transactions at any time at fair value).

(d) Counterparty risk

A Sub-Fund may enter into transactions in OTC markets, which will expose the Sub-Funds to the credit of its counterparties and their ability to satisfy the terms of such contracts. For example, a Sub-Fund may enter into swap arrangements or other derivative techniques as specified in the relevant Special Section, each of which exposes the Sub-Fund to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, a Sub-Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. However, this risk is limited in view of the investment restrictions laid down in under Section 4 of the General Section. No counterparty of the Company or a Sub-Fund involved in such transactions is subject to the general supervision of the Depositary to the extent such counterparty does not hold assets of the Company or a Sub-Fund.

(e) Different maturity

The Company will enter into derivative contracts with a maturity date which may be different from the maturity date of the Sub-Fund. There can be no assurance that any new derivative contracts entered into will have terms similar to those previously entered into.

(f) Other risks

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular OTC Derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to a Sub-Fund. However, this risk is limited as the valuation method used to value OTC Derivatives must be verifiable by an independent auditor.

Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, a Sub-Fund's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, following a Sub-Fund's investment objective.

(g) Particular risks in relation to interest rate, currency, total return swaps, credit default swaps and interest rate swaptions

A Sub-Fund may, as a part of its investment policy, enter into interest rate, currency, total return swaps, credit default swaps and interest rate swaptions agreements. Interest rate swaps involve the exchange by a Sub-Fund with another party of their respective commitments to pay or receive interest, such as an exchange of fixed rate payments for floating rate payments. Currency swaps may involve the exchange of rights to make or receive payments in specified currencies. Total return swaps involve the exchange of the right to receive the

total return, coupons plus capital gains or losses, of a specified reference asset, index or basket of assets against the right to make fixed or floating payments.

Where a Sub-Fund enters into interest rate or total return swaps on a net basis, the two payment streams are netted out, with each Sub-Fund receiving or paying, as the case may be, only the net amount of the two payments. Interest rate or total return swaps entered into on a net basis do not involve the physical delivery of investments, other underlying assets or principal. Accordingly, it is intended that the risk of loss with respect to interest rate swaps is limited to the net amount of interest payments that the Sub-Fund is contractually obligated to make (or in the case of total return swaps, the net amount of the difference between the total rate of return of a reference investment, index or basket of investments and the fixed or floating payments). If the other party to an interest rate or total return swap defaults, in normal circumstances the Sub-Fund's risk of loss consists of the net amount of interest or total return payments that the Sub-Fund is contractually entitled to receive. In contrast, currency swaps usually involve the delivery of the entire principal value of one designated currency in exchange for the other designated currency. Therefore, the entire principal value of a currency swap is subject to the risk that the other party to the swap will default on its contractual delivery obligations.

A Sub-Fund may use credit default swaps. A credit default swap is a bilateral 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 must either sell particular obligations issued by the reference issuer for its par value (or some other designated reference or strike price) when a credit event (such as bankruptcy or insolvency) occurs or receive a cash settlement based on the difference between the market price and such reference price.

A Sub-Fund may use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection. In addition, a Sub-Fund may buy protection under credit default swaps without holding the underlying assets provided that the aggregate premiums paid together with the present value of the aggregate premiums still payable in connection with credit default swaps purchased may not, at any time, exceed the net assets of the relevant Sub-Fund.

A Sub-Fund may also sell protection under credit default swaps in order to acquire a specific credit exposure. In addition, the aggregate commitments in connection with such credit default swaps may not, at any time, exceed the value of the net assets of the relevant Sub-Fund.

A Sub-Fund may also purchase a receiver or payer interest rate swaption contract. These give the purchaser the right, but not the obligation to enter into an interest rate swap at a preset interest rate within a specified period of time. The interest rate swaption buyer pays a premium to the seller for this right. A receiver interest rate swaption gives the purchaser the right to receive fixed payments in return for paying a floating rate of interest. A payer interest rate swaption would give the purchaser the right to pay a fixed rate of interest in return for receiving a floating rate payment stream.

The use of interest rate, currency, total return swaps, credit default swaps and interest rate swaptions is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Company and/or Investment Manager is incorrect in its forecasts of market values, interest rates and currency exchange rates, the investment performance of the Sub-Fund would be less favourable than it would have been if these investment techniques were not used.

6.6 Use of structured finance securities

Structured finance securities include, without limitation, securitised credit and portfolio credit-linked notes.

Securitised credit is securities primarily serviced, or secured, by the cash flows of a pool of receivables (whether present or future) or other underlying assets, either fixed or revolving. Such underlying assets may include, without limitation, residential and commercial mortgages, leases, credit card receivables as well as consumer and corporate debt. Securitised credit can be structured in different ways, including "true sale" structures, where the underlying assets are transferred to a special purpose entity, which in turn issues the asset-backed securities, and "synthetic" structures, in which not the assets, but only the credit risks associated with them are transferred through the use of derivatives, to a special purpose entity, which issues the securitised credit.

Portfolio credit-linked notes are securities in respect of which the payment of principal and interest is linked directly or indirectly to one or more managed or unmanaged portfolios of reference entities and/or assets ("reference credits"). Upon the occurrence of a credit-related trigger event ("credit event") with respect to a reference credit (such as a bankruptcy or a payment default), a loss amount will be calculated (equal to, for example, the difference between the par value of an asset and its recovery value).

Securitised credit and portfolio credit-linked notes are usually issued in different tranches: Any losses realised in relation to the underlying assets or, as the case may be, calculated in relation to the reference credits are allocated first to the securities of the most junior tranche, until the principal of such securities is reduced to zero, then to the principal of the next lowest tranche, and so forth.

Accordingly, in the event that (a) in relation to securitised credit, the underlying assets do not perform and/or (b) in relation to portfolio credit-linked notes, any one of the specified credit events occurs with respect to one or more of the underlying assets or reference credits, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the Net Asset Value per Share. In addition the value of structured finance securities from time to time, and consequently the Net Asset Value per Share, may be adversely affected by macro economic factors such as adverse changes affecting the sector to which the underlying assets or reference credits belong (including industry sectors, services and real estate), economic downturns in the respective countries or globally, as well as circumstances related to the nature of the individual assets (for example, project finance loans are subject to risks connected to the respective project). The implications of such negative effects thus depend heavily on the geographic, sector-specific and type-related concentration of the underlying assets or reference credits. The degree to which any particular asset-backed security or portfolio credit-linked note is affected by such events will depend on the tranche to which such security relates; junior tranches, even having received investment grade rating, can therefore be subject to substantial risks.

Exposure to structured finance securities may entail a higher liquidity risk than exposure to sovereign bonds which may affect their realisation value.

6.7 EPM Techniques

A Sub-Fund may enter into repurchase agreements and reverse repurchase agreements as a buyer or as a seller subject to the conditions and limits set out in Section 4.5. If the other party to a repurchase agreement or reverse repurchase agreement should default, the Sub-Fund might suffer a loss to the extent that the proceeds from the sale of the underlying securities and/or other collateral held by the Sub-Fund in connection with the repurchase agreement or reverse repurchase agreement are less than the repurchase price or, as the case may be, the value of the underlying securities. In addition, in the event of bankruptcy or similar proceedings of the other party to the repurchase agreement or reverse

repurchase agreement or its failure otherwise to perform its obligations on the repurchase date, the Sub-Fund could suffer losses, including loss of interest on or principal of the security and costs associated with delay and enforcement of the repurchase agreement or reverse repurchase agreement.

A Sub-Fund may enter into securities lending transactions subject to the conditions and limits set out in Section 4.5. If the other party to a securities lending transaction should default, the Sub-Fund might suffer a loss to the extent that the proceeds from the sale of the collateral held by the Sub-Fund in connection with the securities lending transaction are less than the value of the securities lent. In addition, in the event of the bankruptcy or similar proceedings of the other party to the securities lending transaction or its failure to return the securities as agreed, the Sub-Fund could suffer losses, including loss of interest on or principal of the securities and costs associated with delay and enforcement of the securities lending agreement.

The Sub-Funds will only use repurchase agreements, reverse repurchase agreements or securities lending transactions for the purpose of either reducing risks (hedging) or generating additional capital or income for the relevant Sub-Fund. When using such techniques, the Sub-Funds will comply at all times with the provisions set out in Section 4.5. The risks arising from the use of repurchase agreements, reverse repurchase agreements and securities lending transactions will be closely monitored and techniques (including collateral management) will be employed to seek to mitigate those risks. The use of repurchase agreements, reverse repurchase agreements and securities lending transactions is generally not expected to have a material adverse impact on a Sub-Fund's performance, subject to the above described risk factors.

6.8 Concentration and diversification

Although any Sub-Fund is subject to specific investment restrictions, the investment policy of a relevant Sub-Fund may be focused on a specific segment, country or region. Consequently, such an investment policy limits the impact of risk spreading which would be higher if the investment policy provides investments across different segments, countries or regions.

6.9 Specific restrictions in connection with the Shares

Investors should note that there may be restrictions in connection with the subscription, holding and trading in the Shares. Such restrictions may have the effect of preventing the investor from freely subscribing, holding or transferring the Shares. In addition to the features described below, such restrictions may also be caused by specific requirements such as a Minimum Subscription Amount or due to the fact that certain Sub-Funds may be closed to additional subscriptions after the Initial Offering Period or Initial Offering Date.

6.10 Taxation

Shareholders should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of a Sub-Fund, capital gains within a Sub-Fund, whether or not realised, income received or accrued or deemed received within a Sub-Fund etc., and this will be according to the laws and practices of the country where the Shares are purchased, sold, held or redeemed and in the country of residence or nationality of the Shareholder.

Shareholders should be aware of the fact that they might have to pay taxes on income or deemed income received by or accrued within a Sub-Fund. Taxes might be calculated based on income received and/or deemed to be received and/or accrued in a Sub-Fund in relation to their direct investments, whereas the performance of a Sub-Fund, and subsequently the return Shareholders receive after redemption of the Shares, might partially or fully depend on the performance of underlying assets. This can have the effect that the investor has to pay taxes for income or/and a performance which he does not, or does not fully, receive.

Shareholders who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, Shareholders should be aware that tax regulations and their application or interpretation by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

6.11 Change of law

The Company must comply with regulatory constraints, such as a change in the laws affecting the investment restrictions and limits applicable to UCITS, which might require a change in the investment policy and objectives followed by a Sub-Fund.

6.12 Political factors

The performance of the Shares or the possibility to purchase, sell, or redeem may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and changes in regulatory requirements.

6.13 Fees in underlying undertakings for collective investment

A Sub-Fund may, subject to the conditions set out in Section 4.4 of the General Section, invest in other undertakings for collective investment which may be operated and/or managed by the Investment Manager or a related party. As an investor in such other undertakings for collective investment, in addition to the fees, costs and expenses payable by a Shareholder in the Sub-Funds, each Shareholder will also indirectly bear a portion of the fees, costs and expenses of the underlying undertakings for collective investment, including management, investment management and, administration and other expenses.

6.14 Transaction costs

Where a Sub-Fund does not adjust its subscription and redemption prices by an amount representing the duties and charges associated with buying or selling underlying assets this will affect the performance of that Sub-Fund.

7. CONFLICTS OF INTEREST AND RESOLUTION OF CONFLICT

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

Interested dealings

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

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

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

7.4 There will be no obligation on the part of any Interested Party to account to Shareholders for any benefits so arising and any such benefits may be retained by the relevant party.

7.5 Any such transactions must be carried out as if effected on normal commercial terms negotiated at arm's length.

7.6 All revenues arising from EPM Techniques, net of direct and indirect operational costs, will be accrued to the relevant Sub-Fund.

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

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

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

8. SUBSCRIPTION OF SHARES

8.1 General

- (a) During the Initial Offering Period or Initial Offering Date, the Company is offering the Shares under the terms and conditions as set forth in the relevant Special Section. The

Company may offer Shares in one or several Sub-Funds or in one or more Classes in each Sub-Fund.

- (b) After the Initial Offering Period or Initial Offering Date, the Company may offer Shares of each existing Class in each existing Sub-Fund on any day that is a Business Day, as stipulated in the relevant Special Section. The Board may decide that for a particular Class or Sub-Fund no further Shares will be issued after the Initial Offering Period or Initial Offering Date (as will be set forth in the relevant Special Section). The Company may, in its discretion, create new Sub-Funds with different investment objectives and policies or new Classes within each Sub-Fund at any time, details of which shall be set forth in the relevant Special Section.
- (c) Subscriptions are accepted in amounts and for a particular number of Shares.

8.2 Subscription price

- (a) Shareholders or prospective investors may subscribe for a Class in a Sub-Fund at a subscription price per Share equal to:
 - (i) the Initial Subscription Price where the subscription relates to the Initial Offering Period or Initial Offering Date; or
 - (ii) the Net Asset Value per Share as of the Valuation Day on which the subscription is effected, where the subscription relates to a subsequent offering (other than the Initial Offering Period or Initial Offering Date) of Shares of an existing Class in an existing Sub-Fund.

If an investor wants to subscribe Shares, a Subscription Fee of up to 5% of the Net Asset Value per Share may be added to the subscription price to be paid by the investor. The applicable Subscription Fee will be stipulated in the relevant Special Section. This fee will be payable to the Management Company, the Company the Distributor(s), sub-distributors or intermediaries.

8.3 Subscription procedure

- (a) Subscriptions may be made only by investors who are not Restricted Persons by:
 - (i) submitting a written subscription request to the Distributor(s) or the Administrative Agent to be received by the Administrative Agent or the Distributor(s) at the time specified in the relevant Special Section; and
 - (ii) delivering to the account of the Depositary cleared funds for the full amount of the subscription price (plus any Subscription Fee) of the Shares being subscribed for pursuant to the subscription request, within such number of Business Days as specified in the relevant Special Section.
- (b) If the Depositary does not receive the funds in time the purchase order may be cancelled and the funds returned to the investor without interest. The investor will be liable for the costs of late or non-payment in which the case the Directors and the Management Company will have the power to redeem all or part of the investor's holding of Shares in the Company in order to meet such costs. In circumstances where it is not practical or feasible to recoup a loss from an applicant for Shares, any losses incurred by the Company due to late or non-payment of the subscription proceeds in respect of subscription applications received may be borne by the Company.

- (c) Subscribers for Shares must make payment in the Reference Currency of the relevant Sub-Fund or Class. Subscription monies received in another currency than the Reference Currency will be exchanged by the Administrative Agent on behalf of the investor at normal banking rates. Any such currency transaction will be effected with the Administrative Agent at the investor's risk and cost. Such currency exchange transactions may delay any transaction in Shares.
- (d) Subscribers for Shares are to indicate the allocation of the subscription monies among one or more of the Sub-Funds and/or Classes offered by the Company.
- (e) In the event that the subscription order is incomplete (i.e., all requested papers are not received by the Administrative Agent or the Distributor(s) by the relevant deadline set out above) the subscription order will be rejected and a new subscription order will have to be submitted.
- (f) The minimum amount (if any) of Shares of the same Class or of the same Sub-Fund for which a subscriber or Shareholder must subscribe in each Sub-Fund is the amount stipulated in the relevant Special Section as the Minimum Subscription Amount.
- (g) In the event that the Company or the Management Company decides to reject any application to subscribe for, or the purchase of Shares, the monies transferred by a relevant applicant will be returned to the prospective investor without undue delay (unless otherwise provided for by law or regulations).

The number of Shares issued to a subscriber or Shareholder in connection with the foregoing procedures will be equal to the subscription monies provided by the subscriber or Shareholder, after deduction of the Subscription Fee (if any), divided by:

- (i) the Initial Subscription Price, in relation to subscriptions made in connection with an Initial Offering Period or Initial Offering Date, or
- (ii) the Net Asset Value per Share of the relevant Class in the relevant Sub-Fund as of the relevant Valuation Day.
- (h) With regard to the Initial Offering Period or Initial Offering Date, Shares will be issued on the first Business Day following the end of the Initial Offering Period or Initial Offering Date.
- (i) The Company shall recognise rights to fractions of Shares up to four decimal places, rounded up or down to the nearest decimal point. Any purchases of Shares will be subject to the ownership restrictions set forth below. Fractional Shares shall have no right to vote (except to the extent their number is so that they represent a whole Share, in which case, they confer a voting right) but shall have the right to participate pro rata in distributions and allocation of liquidation proceeds.

8.4 Subscription in kind

At the entire discretion of the Board, Shares may be issued against contributions of transferable securities or other eligible assets to the Sub-Funds provided that these assets are Eligible Investments and the contributions comply with the investment policies and restrictions laid out in the Prospectus and have a value equal to the issue price of the Shares concerned. The assets contributed to the Sub-Fund, as described above, will be valued separately in a special report of the Auditor. These contributions in kind of assets are not subject to brokerage costs. The Board will only have recourse to this possibility (i) at the request of the relevant investor and (ii) if the transfer does not negatively affect current Shareholders. All costs related to a contribution in kind will be paid for by the Sub-

Fund concerned provided that they are lower than the brokerage costs which the Sub-Fund would have paid if the assets concerned had been acquired on the market. If the costs relating to the contribution in kind are higher than the brokerage costs which the Sub-Fund concerned would have paid if the assets concerned had been acquired on the market, the exceeding portion thereof will be supported by the subscriber.

8.5 Prevention of money laundering and terrorist financing requirements

- (a) The Directors will apply national and international regulations for the prevention of money laundering.
- (b) Measures aimed towards the prevention of money laundering require a detailed verification of an investor's identity in accordance with the applicable laws and regulations in Luxembourg in relation to money laundering obligations, as amended from time to time. The Company (and the Administrative Agent acting on behalf of the Company) reserves the right to request such information as is necessary to verify the identity of an investor in conformity with the before mentioned laws and regulations. In the event of delay or failure by the investor to produce any information required for verification purposes, the Company (and each of the intermediaries and Administrative Agent acting on behalf of the Company) may refuse to accept the application and all subscription monies.

8.6 Institutional investors

- (a) The sale of Shares of certain Sub-Funds or Classes may be restricted to institutional investors within the meaning of article 174 of the 2010 Act (**Institutional Investors**) and the Company will not issue or give effect to any transfer of Shares of such Sub-Funds or Classes to any investor who may not be considered as an Institutional Investor. The Company may, at its discretion, delay the acceptance of any subscription for shares of a Sub-Fund or Class restricted to Institutional Investors until such date as it has received sufficient evidence on the qualification of the investor as an Institutional Investor. If it appears at any time that a holder of Shares of a Sub-Fund or Class restricted to Institutional Investors is not an Institutional Investor, the Company will, at its discretion, either redeem the relevant shares in accordance with the provisions under Section 9 of the General Section or convert such Shares into Shares of a Sub-Fund or Class which is not restricted to Institutional Investors (provided there exists such a Sub-Fund or Class with similar characteristics) and which is essentially identical to the restricted Sub-Fund or Class in terms of its investment object (but, for avoidance of doubt, not necessarily in terms of the fees and expenses payable by such Sub-Fund or Class), unless such holding is the result of an error of the Company, the Management Company or their agents, and notify the relevant Shareholder of such conversion.
- (b) Considering the qualification of a subscriber or a transferee as Institutional Investor, the Company will have due regard to the guidelines or recommendations (if any) of the competent supervisory authorities.
- (c) Institutional Investors subscribing in their own name, but on behalf of a third party, may be required to certify that such subscription is made either on behalf of an Institutional Investor or on behalf of a Retail Investor provided in the latter case that the Institutional Investor is acting within the framework of a discretionary management mandate and that the Retail Investor has no right to lay a claim against the Company or the Management Company for direct ownership of the Shares.

8.7 Ownership restrictions

A person who is a Restricted Person may not invest in the Company. In addition, each applicant for Shares must certify that it is either (a) not a U.S. Person or (b) a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act and a "qualified purchaser" within the meaning of Section 2(a)(51) of the Investment Company Act. The Company may, in its sole discretion, decline to accept an application to subscribe for Shares from any prospective subscriber, including any Restricted Person or any person failing to make the certification set forth in (a) or (b) above. Shares may not be transferred to or owned by any Restricted Person. The Shares are subject to restrictions on transferability to a U.S. Person and may not be transferred or re-sold except pursuant to an exemption from registration under the Securities Act or an effective registration statement under the Securities Act. In the absence of an exemption or registration, any resale or transfer of any of the Shares in the United States or to U.S. Persons may constitute a violation of US law (See "Important Information – Selling Restrictions"). It is the responsibility of the Board to verify that Shares are not transferred in breach of the above. The Company reserves the right to redeem any Shares which are or become owned, directly or indirectly, by a Restricted Person or (a) in the case of Regulation S Shares, are or become owned, directly or indirectly, by a U.S. Person or (b) in the case of 144 A Securities, are or become owned, directly or indirectly, by a U.S. Person who is not a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act and a "qualified purchaser" within the meaning of Section 2(a)(51) of the Investment Company Act in accordance with the Articles. Any prospective investor shall only be issued Shares for Institutional Investor if such person provides a representation that it qualifies as an Institutional Investor pursuant to Luxembourg law.

9. REDEMPTION OF SHARES

9.1 Redemption

- (a) Shares in a Sub-Fund may be redeemed at the request of the Shareholders on any Business Day. Redemption request must be sent in writing to the Distributor(s) or the Administrative Agent or such other place as the Company or the Management Company may advise. Redemption request must be received by the Administrative Agent at the time specified in the relevant Special Section on the relevant Business Day. Redemption requests received after this deadline shall be processed on the basis of the Net Asset Value per Share as of the next following Business Day.
- (b) The Board, the Management Company, the Administrative Agent and the Distributor(s) will ensure that the relevant cut-off time for requests for redemption as indicated in the Special Section of each Sub-Fund are strictly complied with and will therefore take all adequate measures to prevent practices known as "Late Trading".
- (c) Requests for redemption must be for either a number of Shares or an amount denominated in the Reference Currency of the Class of the Sub-Fund.
- (d) A Shareholder who redeems his Shares will receive an amount per Share redeemed equal to the Net Asset Value per Share as of the applicable Valuation Day for the relevant Class in the relevant Sub-Fund (less, as the case may be, a Redemption Fee as stipulated in the relevant Special Section and any tax or duty imposed on the redemption of the Shares).
- (e) Payment of the redemption proceeds shall be made generally within such number of Business Days as specified in the relevant Special Section. Where a Shareholder redeems Shares that he has not paid for within the required subscription settlement period, in circumstances where the redemption proceeds would exceed the subscription amount that he owes, the Company will be entitled to retain such excess for the benefit of the Company.

- (f) If as a result of a redemption, the value of a Shareholder's holding would become less than the relevant Minimum Holding Amount as stipulated in the relevant Special Section, the Shareholder may be deemed (if the Board so decides) to have requested the redemption of all his Shares.
- (g) Redemption of Shares may be suspended for certain periods of time as described under Section 25 of the General Section.
- (h) The Company reserves the right to reduce proportionally all requests for redemptions in a Sub-Fund to be executed on one Valuation Day whenever the total proceeds to be paid for the Shares so tendered for redemption exceed 10% of the total net assets of that specific Sub-Fund. The portion of the non-proceeded redemptions will then be proceeded by priority on subsequent Valuation Days (but subject always to the foregoing 10% limit).
- (i) Redemption requests must be addressed to the Administrative Agent. Redemption requests will not be accepted by telephone or telex. Redemption requests are irrevocable (unless otherwise provided in respect of a specific Sub-Fund in the relevant Special Section and except during any period where the determination of the Net Asset Value, the issue, redemption and conversion of Shares is suspended) and proceeds of the redemption will be remitted to the account indicated by the Shareholder in its redemption request. The Company reserves the right not to redeem any Shares if it has not been provided with evidence satisfactory to the Company that the redemption request was made by a Shareholder of the Company. Failure to provide appropriate documentation to the Administrative Agent may result in the withholding of redemption proceeds.
- (j) If a Shareholder wants to redeem Shares of the Company, a Redemption Fee of up to 3% may be levied on the aggregate amount to be paid to the Shareholder calculated on the basis of the relevant Net Asset Value on the given Valuation Day. The applicable Redemption Fee will be stipulated in the relevant Special Section. This fee will be payable either to the Management Company, the Company or the Distributor(s), sub-distributors or intermediaries, if any.

9.2 Compulsory redemption by the Company

The Company may redeem Shares of any Shareholder if the Directors or the Management Company, whether on its own initiative or at the initiative of a Distributor, determines that:

- (i) any of the representations given by the Shareholder to the Company or the Management Company were not true and accurate or have ceased to be true and accurate; or
- (ii) the Shareholder is not or ceases to be an Eligible Investor;
- (iii) that the continuing ownership of Shares by the Shareholder would cause an undue risk of adverse tax consequences to the Company or any of its Shareholders;
- (iv) the continuing ownership of Shares by such Shareholder may be prejudicial to the Company or any of its Shareholders;
- (v) further to the satisfaction of a redemption request received by a Shareholders, the number or aggregate amount of Shares of the relevant Class held by this Shareholder is less than the Minimum Holding Amount.

10. CONVERSION OF SHARES

- (a) Unless otherwise stated in the relevant Special Section, Shareholders are allowed to convert all, or part, of the Shares of a given Class into Shares of the same or different Class of that or another Sub-Fund. However, the right to convert Shares is subject to compliance with any condition (including any minimum subscription amounts and eligibility requirements) applicable to the Class into which conversion is to be effected. Therefore, if, as a result of a conversion, the value of a Shareholder's holding in the new Class would be less than the applicable Minimum Subscription Amount, the Board may decide not to accept the request for conversion of the Shares. In addition, if, as a result of a conversion, the value of a Shareholder's holding in the original Class would become less than the relevant Minimum Holding Amount as stipulated in the relevant Special Section, the Shareholder may be deemed (if the Board so decides) to have requested the conversion of all of his Shares. Shareholders are not allowed to convert all, or part, of their Shares into Shares of a Sub-Fund which is closed for further subscriptions after the Initial Offering Period or Initial Offering Date (as will be set forth in the relevant Special Section).
- (b) If the criteria to become a Shareholder of such other Class and/or such other Sub-Fund are fulfilled, the Shareholder shall make an application to convert Shares by sending a written request for conversion to the Distributor(s) or the Administrative Agent. Shares may be converted at the request of the Shareholders on any day that is a Valuation Day. The conversion request must be received by the Administrative Agent at the time specified in the relevant Special Section on the relevant Valuation Day. Conversion requests received after this deadline shall be processed on the basis of the Net Asset Value per Share as of the next following Valuation Day. The conversion request must state the number of Shares of the relevant Classes in the relevant Sub-Fund which the Shareholder wishes to convert.
- (c) A Conversion Fee, in favour of the original Sub-Fund or Class, of up to 3% of the Net Asset Value of the new Sub-Fund may be levied to cover conversion costs. The applicable fee, if any, will be stipulated in the relevant Special Section. The same rate of Conversion Fee will be applied to all conversion requests received on the same Valuation Day.
- (d) Conversion of Shares shall be effected on the Valuation Day, by the simultaneous:
 - (i) redemption of the number of Shares of the relevant Class in the relevant Sub-Fund specified in the conversion request at the Net Asset Value per Share of the relevant Class in the relevant Sub-Fund; and
 - (ii) issue of Shares on that Valuation Day in the new Sub-Fund or Class, into which the original Shares are to be converted, at the Net Asset Value per Share for Shares of the relevant Class in the (new) Sub-Fund.
- (e) Subject to any currency conversion (if applicable) the proceeds resulting from the redemption of the original Shares shall be applied immediately as the subscription monies for the Shares in the new Class or Sub-Fund into which the original Shares are converted.
- (f) Where Shares denominated in one currency are converted into Shares denominated in another currency, the number of such Shares to be issued shall be calculated by converting the proceeds resulting from the redemption of the Shares into the currency in which the Shares to be issued are denominated. The exchange rate for such currency conversion shall be calculated by the Depositary in accordance with the rules laid down under Section 24 of the General Section.

11. TRANSFER OF SHARES

- (a) All transfers of Shares shall be effected by a transfer in writing in any usual or common form or any other form approved by the Board and every form of transfer shall state the full name and address of the transferor and the transferee. The instrument of transfer of a Share shall be signed by or on behalf of the transferor. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered on the Share register in respect thereof. The Directors may decline to register any transfer of Shares if, in consequence of such transfer, the value of the holding of the transferor or transferee does not meet the minimum subscription or holding levels of the relevant Share Class or Sub-Fund as set out in this Prospectus or the relevant Special Section. The registration of transfer may be suspended at such times and for such periods as the Directors may from time to time determine, provided, however, that such registration shall not be suspended for more than 90 days in any calendar year. The Directors may decline to register any transfer of Shares unless the original instruments of transfer, and such other documents that the Directors may require are deposited at the registered office of the Company or at such other place as the Directors may reasonably require, together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and to verify the identity of the transferee. Such evidence may include a declaration as to whether the proposed transferee (i) is a US Person or acting for or on behalf of a US Person, (ii) is a Restricted Person or acting for or on behalf of a Restricted Person or (iii) does qualify as Institutional Investor.
- (b) The Directors may decline to register a transfer of Shares:
 - (i) if in the opinion of the Directors, the transfer will be unlawful or will result or be likely to result in any adverse regulatory, tax or fiscal consequences to the Company or its Shareholders; or
 - (ii) if the transferee is a US Person or is acting for or on behalf of a US Person; or
 - (iii) if the transferee is a Restricted Person or is acting for or on behalf of a Restricted Person; or
 - (iv) in relation to Classes reserved for subscription by Institutional Investors, if the transferee is not an Institutional Investor; or
 - (v) if in the opinion of the Directors, the transfer of the Shares would lead to the Shares being registered in a depository or clearing system in which the Shares could be further transferred otherwise than in accordance with the terms of this Prospectus or the Articles.

12. MARKET TIMING AND LATE TRADING

- 12.1** Prospective investors and Shareholders should note that the Company may reject or cancel any subscription or conversion orders for any reason and in particular in order to comply with the Circular 04/146 relating to the protection of UCIs and their investors against Late Trading and Market Timing practices.
- 12.2** For example, excessive trading of shares in response to short-term fluctuations in the market, a trading technique sometimes referred to as Market Timing, has a disruptive effect on portfolio management and increases the Sub-Funds' expenses. Accordingly, the Company may, in the sole discretion of the Board, or of the Management Company compulsorily redeem Shares or reject any subscription orders and conversions orders from any investor that the Company or the Management Company reasonably believes has engaged in Market Timing activity. For these purposes, the

Board and the Management Company may consider an investor's trading history in the Sub-Funds and accounts under common control or ownership.

- 12.3** In addition to the Redemption Fee or Conversion Fee which may be of application to such orders as set forth in the Special Section of the relevant Sub-Fund, the Company and the Management Company may impose a penalty of a maximum of 2% of the Net Asset Value of the Shares subscribed or converted where the Company reasonably believes that an investor has engaged in market timing activity. The penalty shall be credited to the relevant Sub-Fund. The Company, the Management Company and the Board will not be held liable for any loss resulting from rejected orders or mandatory redemption.
- 12.4** Furthermore, the Company will ensure that the relevant cut-off time for requests for subscriptions, redemptions or conversions are strictly complied with and will therefore take all adequate measures to prevent practices known as Late Trading.

13. MANAGEMENT OF THE COMPANY

- 13.1** The Company shall be managed by the Board. The Board is vested with the broadest powers to perform all acts of administration and disposition in the Company's interests. All powers not expressly reserved by law to the general meeting of Shareholders fall within the competence of the Board.
- 13.2** The Board must be composed at all times of three Directors (including the chairman of the Board).
- 13.3** Any Director may be removed with or without cause or be replaced at any time by resolution adopted by the general meeting of Shareholders.
- 13.4** The Company may indemnify any Director or officer, and his heirs, executors and administrators against expenses reasonably incurred by him or her in connection with any action, suit proceeding to which he or she may be made a party by reason of his or her being or having been a director or officer of the Company or, at its request, of any other company of which the Company is a shareholder or creditor and from which he or she is not entitled to be indemnified, except in relation to matters as which he or she shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or wilful misconduct; in the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Company is advised by counsel that the person to be indemnified did not commit such a breach of duty. The foregoing right of indemnification shall not exclude other rights to which he or she may be entitled.

Composition of the Board

- 13.5** The Board is currently composed as follows:
- Ricardo Seixas, Executive Director and Fund Manager, Fidentiis Gestion, S.G.I.I.C., S.A.;
 - Alvaro Llanza, Portfolio Manager, Fidentiis Gestion, S.G.I.I.C., S.A.;
 - Anne-Claire Allain, Relationship Manager, Lemanik Asset Management S.A.;
 - Javier Valls, Independent Director;
- 13.6** The Board will appoint a chairman. The chairman will have a casting vote in case of a tied vote.

14. MANAGEMENT COMPANY

- 14.1** The Board has appointed Lemanik Asset Management S.A. to serve as its designated management company within the meaning of chapter 15 of the 2010 Act pursuant to the Management Company Services Agreement.
- 14.2** The Management Company is also appointed as domiciliary agent of the Company.
- 14.3** The Management Company will provide, subject to the overall control of the Board and without limitation, (i) asset management services, (ii) central administration, registrar and transfer agency services, and (iii) distribution services to the Company. The rights and duties of the Management Company are further laid down in articles 101 et al. of the 2010 Act.
- 14.4** The Management Company must at all times act honestly and fairly in conducting its activities in the best interest of the Shareholders and in conformity with the 2010 Act, the Prospectus and the Articles.
- 14.5** The Management Company is a company incorporated under Luxembourg law with registered office at 106, route d'Arlon, L-8210 Mamer, Luxembourg. The Management Company was incorporated for an indeterminate period in Luxembourg on 1 September 1993 in the form of a *société anonyme*, in accordance with the 1915 Act. Its capital currently stands at an amount of EUR 2,000,000 (two million Euro).
- 14.6** The deed of incorporation of the Management Company was published in the Mémorial on 5 October 1993 and is registered with the Luxembourg Trade and Companies Register under number B44870.
- 14.7** The Management Company is vested with the day-to-day administration of the Company. In fulfilling its duties as set forth by the 2010 Act and the Management Company Services Agreement, The Management Company is authorised, for the purpose of more efficient conduct of its business, to delegate, under its responsibility and control, and with the prior consent of the Company and subject to the approval of the CSSF, part or all of its functions and duties to any third party, which, having regard to the nature of the functions and duties to be delegated, must be qualified and capable of undertaking the duties in question. The Management Company shall remain liable to the Company in respect of all matters so delegated.
- 14.8** The Management Company will require any such agent to which it intends to delegate its duties to comply with the provisions of the Prospectus, the Articles and the relevant provisions of the Management Company Services Agreement.
- 14.9** In relation to any delegated duty, the Management Company shall implement appropriate control mechanisms and procedures, including risk management controls, and regular reporting processes in order to ensure an effective supervision of the third parties to whom functions and duties have been delegated and that the services provided by such third party service providers are in compliance with the Articles, the Prospectus and the agreement entered into with the relevant third party service provider.
- 14.10** The Management Company shall be careful and diligent in the selection and monitoring of the third parties to whom functions and duties may be delegated and ensure that the relevant third parties have sufficient experience and knowledge as well as the necessary authorisations required to carry out the functions delegated to them.
- 14.11** The following functions have been delegated by the Management Company to third parties: investment management of certain Sub-Funds, administration, marketing and distribution, as further set forth in this Prospectus and in the Special Sections.

14.12 The Management Company Services Agreement has been entered into for an undetermined period of time and may be terminated by either party upon serving to the other a three (3) months' prior written notice.

14.13 The Management Company has adopted a remuneration policy in accordance with the UCITS Directive (the **Remuneration Policy**) and the applicable laws and regulations. The Remuneration Policy is designed to ensure that the Management Company's remuneration practices:

- are consistent with and promote sound and effective risk management;
- do not encourage risk taking that is inconsistent with the risk profiles of the Fund and of the Sub-Funds, the Articles or this Prospectus;
- do not impair the Management Company's compliance with its duty to act in the best interests of the Fund and the Sub-Funds; and
- include fixed and variable elements of remuneration, including salaries and discretionary pension benefits.

The Remuneration Policy will apply notably to those persons whose professional activities have a material impact on the risk profile of the Management Company and the Fund, including but not limited to, senior management and risk takers (such as, for example, investment/portfolio managers).

Details of the up-to-date Remuneration Policy, 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, are available at http://www.lemanikgroup.com/management-company-service_substance_governance.cfm. A paper copy of the information available on the website is also available (free of charge) from the Management Company on request.

15. INVESTMENT MANAGER

15.1 The Management Company may, with the consent of the Company and subject to compliance with the Prospectus, determine that an Investment Manager be appointed to carry out investment management services and to be responsible for the relevant Sub-Fund's investment activities within the parameters and restrictions set out in this Prospectus and the relevant Special Section.

15.2 The Investment Manager will provide or procure each Sub-Fund investment advisory and investment management services, pursuant to the provisions of the Investment Management Agreement and in accordance with the investment policy, objective and restrictions of the relevant Sub-Fund as set out in the Articles and Prospectus and with the aim to achieve the Sub-Fund's investment objective.

15.3 Any such Investment Manager may be assisted by one or more advisers or delegate its functions, with the approval of the CSSF, the Management Company and the Board, to one or more sub-managers. In case sub-managers/advisers are appointed, the relevant Special Section will be updated.

15.4 Unless otherwise stated in the relevant Special Section, the Investment Manager is responsible for, among other matters, identifying and acquiring the investments of the Company. The Investment Manager is granted full power and authority and all rights necessary to enable it to manage the investments of the relevant Sub-Funds and provide other investment management services to assist the Company to achieve the investment objectives and policy set out in this Prospectus and any specific investment objective and policy set out in the relevant Special Section. Consequently, the responsibility for making decisions to buy, sell or hold a particular security or asset rests with the Management Company, the Investment Manager and, as the case may be, the relevant sub-

investment manager appointed by them, subject always to the overall policies, direction, control and responsibility of the Board and the Management Company.

- 15.5** The fees and expenses payable to any appointed Investment Manager in respect of a Sub-Fund, together with details of the manner in which payment of such fees and expenses will be made, will be set out in the relevant Special Section.

16. DEPOSITARY

- 16.1** EDMOND DE ROTHSCHILD (EUROPE) (the Depositary) has been appointed by the Company under a depositary agreement (the Depositary Agreement) as depositary of the Company.

- 16.2** Edmond de Rothschild (Europe) is a bank organised as a société anonyme, regulated by the CSSF and incorporated under the laws of the Grand Duchy of Luxembourg. Its registered office and administrative offices are at 20, Boulevard Emmanuel Servais L-2535 Luxembourg.

- 16.3** The Depositary Agreement between the Company, the Depositary and the Management Company provides that it will remain in force for an unlimited period and that it may be terminated by either party at any time upon 90 days' written notice. The Depositary Agreement is governed by Luxembourg law and the courts of Luxembourg will have exclusive jurisdiction to hear any disputes or claims arising out of or in connection with the Depositary Agreement.

- 16.4** The Depositary will assume its functions and responsibilities in accordance with applicable Luxembourg law and regulations and the Depositary Agreement. With respect to its duties under the 2010 Act, the Depositary will ensure the safekeeping of the Company's assets. The Depositary has also to ensure that the Company's cash flows are properly monitored in accordance with the 2010 Act.

- 16.5** In addition, the Depositary will also ensure:

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

- 16.6** The Depositary will be liable to the Company or to the Shareholders for the loss of the Company's financial instruments held in custody by the Depositary or its delegates to which it has delegated its custody functions. A loss of a financial instrument held in custody by the Depositary or its delegate will be deemed to have taken place when the conditions of article 18 of the Commission Delegated Regulation 2016/438 are met. The liability of the Depositary for losses other than the loss of the Company's financial instruments held in custody will be incurred pursuant to the provisions of the Depositary Agreement.

- 16.7** In case of loss of the Company's financial instruments held in custody by the Depositary or any of its delegates, the Depositary will return financials instruments of identical type or the

- 16.8** corresponding amount to the Company without undue delay. However, the Depositary's liability will not be triggered provided the Depositary can prove that all the following conditions are met:
- (i) the event which led to the loss is not the result of any act or omission of the Depositary or of any of its delegates;
 - (ii) the Depositary could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all precautions incumbent on a diligent depositary as reflected in common industry practice;
 - (iii) the Depositary could not have prevented the loss despite rigorous and comprehensive due diligence as documented in accordance with point (c) of article 19 (1) of the Commission Delegated Regulation 2016/438.
- 16.9** The requirements referred to in points (i) and (ii) in this paragraph may be deemed to be fulfilled in the following circumstances:
- (a) natural events beyond human control or influence;
 - (b) the adoption of any law, decree, regulation, decision or order by any government or governmental body, including any court or tribunal, which impacts the Company's financial instruments held in custody;
 - (c) war, riots or other major upheavals
- 16.10** The requirements referred to in points (i) and (ii) in the previous paragraph shall not be deemed to be fulfilled in cases such as an accounting error, operational failure, fraud, failure to apply the segregation requirements at the level of the Depositary or any of its delegates.
- 16.11** The Depositary Bank's liability shall not be affected by any delegation of its custody functions.
- 16.12** An up-to-date list of the third-party delegates (including the global sub-custodian) appointed by the Depositary and of the delegates of these third-party delegates (including the global sub-custodian) is available on the website <http://www.edmond-de-rothschild.com/site/Luxembourg/en/asset-management/terms-and-conditions>.
- 16.13** In carrying out its functions, the Depositary will act honestly, fairly, professionally, independently and solely in the interest of the Company and the shareholders.
- 16.14** Potential conflicts of interest may nevertheless arise from time to time from the provision by the Depositary and/or its affiliates of other services to the Company, the Management Company and/or other parties. For example, the Depositary may act as depositary bank of other funds. It is therefore possible that the Depositary (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Company and/or other funds for which the Depositary (or any of its affiliates) acts.
- 16.15** Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations to the Company and will treat the Company and the other funds for which it acts fairly and such that, so far as is reasonably practicable, any transactions are effected on terms which are not materially less favourable to the Company than if the conflict or potential conflict had not existed. Such potential conflicts of interest are identified, managed and monitored in various other ways including, without limitation, the hierarchical and functional separation of the Depositary's functions from its other potentially conflicting tasks and by the Depositary adhering to its own conflicts of interest policy.

- 16.16** A description of the conflicts of interest that may arise in relation to the Depositary services, including the identification of the conflicts of interest in relation to the appointment of the delegates, including sub-custodians, if any, will be made available to the Company's shareholders on request at the Company's registered office.
- 16.17** Under no circumstances will the Depositary be liable to the Company, the Management Company or any other person for indirect or consequential damages and the Depositary will not in any event be liable for the following direct losses: loss of profits, loss of contracts, loss of goodwill, whether or not foreseeable, even if the Depositary has been advised of the likelihood of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, for breach of contract or otherwise.
- 16.18** The Depositary is not involved, directly or indirectly, with the business affairs, organisation, sponsorship or management of the Company and is not responsible for the preparation of this document and accepts no responsibility for any information contained in this document other than the above description. The Depositary will not have any investment decision-making role in relation to Company. Decisions in respect of the purchase and sale of assets for the Company, the selection of investment professionals and the negotiation of commission rates are made by the Company and/or the Management Company and/or their delegates. Shareholders may ask to review the Depositary Agreement at the registered office of the Company should they wish to obtain additional information as regards the precise contractual obligations and limitations of liability of the Depositary.
- 16.19** The fees and expenses of the Depositary are part of the global fee as further described in the relevant Data Sheet and are in accordance with normal practice in the Luxembourg market.
- 16.20** The Depositary will not be liable for the Company's investment decisions nor the consequences of the Company's investment decisions on its performances.
- 16.21** 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 in the Prospectus.

17. ADMINISTRATIVE AGENT

- 17.1** Edmond de Rothschild Asset Management (Luxembourg) has been appointed administrative agent, registrar and transfer agent of the Company (the **Administrative Agent**) pursuant to an administrative services agreement (the **Administrative Services Agreement**) entered into between the Company and the Administrative Agent with effect as of 23 November 2010. The Administrative Services Agreement is for an unlimited duration and can be terminated by either party by giving 90-days' prior written notice
- 17.2** Under the terms of the Administrative Services Agreement, the Administrative Agent will carry out all administrative duties in relation with the central administration of the Company and it will in particular:
- (i) keep the accounts of the Company and make its accounting records available to Shareholders;
 - (ii) process the subscription, issue, redemption, conversion, cancellation and transfer of Shares;
 - (iii) maintain the register of Shareholders;
 - (iv) draw up the Prospectus, financial reports and all other documents relating to investments;

- (v) send correspondence, financial reports and all other documents intended for Shareholders; and
- (vi) process the calculation of the Net Asset Value.

17.3 For the purpose of determining the value of the Assets, the Administrative Agent may, when calculating the Net Asset Value and without prejudice to Section 24 of the General Section, completely and exclusively rely (without any testing) upon the valuations provided by various pricing sources available on the market such as pricing agencies or any other pricing source reasonably considered to be the most reliable for any specific asset (e.g., administrators of underlying UCIs, brokers etc.) or by any other pricing source indicated by the Company or any price(s)/value(s) instructed by the Company.

17.4 It is expressly agreed that, regarding valuation/pricing of the assets of the Company with respect to which no market price or fair value is made available, the Company shall select, appoint, and make the necessary contractual arrangements directly with specialised and reputable valuation/pricing providers, specialist consultants or appraisers to ensure that such assets are valued in the best interest of all Shareholders, in full compliance with the requirements of the 2010 Act.

17.5 To this end, it is expressly agreed between the Company and the Administrative Agent, that the Company shall provide, with the assistance of specialised and reputable service providers, or cause third party specialised and reputable service providers to provide, the Administrative Agent with the pricing/valuation of assets of the Company with respect to which no market price or fair value is made available and the Auditor with appropriate supporting evidence regarding the correctness and accuracy of such pricing/valuation, in accordance with the rules laid down in the Articles or the Prospectus. For the avoidance of doubt, it is hereby expressly agreed that (i) the Administrative Agent shall have no obligation to verify or approve the valuation methodology or criteria applied by the Company or its delegate(s) in relation to the valuation of such assets and that (ii) that the Company shall provide upon first request of the Auditor (regardless if the Auditor addressed such a request to the Administrative Agent or not), or cause the relevant third party service providers to provide with any supporting documentation or evidence relating to the pricings/valuations of such assets.

17.6 The Company guarantees the Administrative Agent that all assets of the Company are economically valuable, and that their prices can be audited. For unlisted, illiquid or structured assets for which prices are not available, the Company is responsible for delivering reasonably qualified opinions from reputable first class consultants or auditors on (i) the professionalism, reliability and experience of any third party service provider selected from time to time (ii) the valuation processes and methodology used by the Company.

17.7 The Administrative Agent will not be liable for the Company's investment decisions nor the consequences of the Company's investment decisions on its performances.

17.8 As the Administrative Agent is the Company's service provider, it will not be liable for the Prospectus provisions. Consequently, it will not be liable for any failure of information contained in this entire Prospectus.

18. PAYING AGENT

Edmond de Rothschild (Europe), or any other bank mentioned in the periodic reports, shall also provide paying agent services.

19. DISTRIBUTORS AND NOMINEES

- 19.1** The Company and the Management Company may enter into Distribution Agreement(s) to appoint Distributor(s) to distribute Shares of different Sub-Funds from time to time. The Distributor(s) may appoint one or more sub-distributors with the consent of the Management Company and the Company.
- 19.2** The Company and the Management Company expect that in relation to Shares to be offered to investors the relevant Distributor(s) will offer to enter into arrangements with the relevant investors to provide nominee services to those investors in relation to the Shares or arrange for third party nominee service providers to provide such nominee services to the underlying investors.
- 19.3** All Distributors and nominee service providers must be (i) professionals of the financial sector of a FATF member country which are subject under their local regulations to anti money laundering rules equivalent to those required by Luxembourg law or (ii) professionals established in a non-FATF member State provided they are a subsidiary of a professional of the financial sector of a FATF member State and they are obliged to follow anti money laundering and terrorism financing rules equivalent to those required by Luxembourg law because of internal group policies. Whilst and to the extent that such arrangements subsist, such underlying investors will not appear in the Register of the Company and will have no direct right of recourse against the Company.
- 19.4** Any Distributor or nominee service providers holding their Shares through Euroclear or Clearstream or any other relevant clearing system as an accountholder also will not be recognised as the registered Shareholder in the Register. The relevant nominee of Euroclear or Clearstream or the other relevant clearing system will be recognised as the registered Shareholder in the Register in such event, and in turn would hold the Shares for the benefit of the relevant accountholders in accordance with the relevant arrangements. 144 A Securities will be issued in physical, certificated form only and will not be eligible for clearance or settlement through Euroclear or Clearstream or any other relevant clearing system.
- 19.5** The terms and conditions of the Distribution Agreement(s) with arrangements to provide nominee services will have to allow that an underlying investor who (i) has invested in the Company through a nominee and (ii) is not a Restricted Person, may at any time, require the transfer in his name of the Shares subscribed through the nominee. After this transfer, the investor will receive evidence of his shareholding at the confirmation of the transfer from the nominee.
- 19.6** Investors may subscribe directly to the Company without having to go through Distributor(s) or a nominee.
- 19.7** A copy of the various agreements between the Company, the Management Company and the Distributor(s) or nominee(s) are available at the registered office of the Company as well as at the registered office of the Administrative Agent or of the Distributor(s)/nominee(s) during the normal business hours on any Business Day.
- 19.8** Distributors, with regard to the distribution of certain Classes' are entitled to a distribution fee payable by the Company. This fee is accrued daily and paid periodically in arrears. Distributors have the right, at their discretion to reallocate such fee, in whole or in part, to sub-distributors.

20. PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING

- 20.1** In their efforts to prevent money laundering, the Company and the Administrative Agent must adhere to all applicable international and Luxembourg laws and regulations on the prevention of money laundering and the financing of terrorism and in particular the provisions of the Luxembourg law of 12 November 2004 on money laundering and the financing of terrorism, as amended as well as Circular 13/556.

- 20.2** The measures to prevent money laundering make it necessary for every Investor to prove their identity to the Company and/or the Administrative Agent.
- 20.3** The Company and the Administrative Agent can therefore request all information or documentation required for the purpose of ascertaining the identity of an Investor and the origin of the monies being used to subscribe to the Company.
- 20.4** Failure to provide such documentary evidence may result in the Company delaying or rejecting a subscription or conversion of Shares in the Company or in a delayed payment to the Investor for the redemption of Shares.

21. FEES, COMPENSATION AND EXPENSES

21.1 Operating expenses

- (a) The Company pays out of the assets of the relevant Sub-Fund all expenses payable by the Company which will include but not be limited to formation expenses, fees (including investment management fees but excluding performance fees, if any) payable to its Investment Manager and Management Company, fees and expenses payable to its Auditors and accountants, Depositary and its correspondents, Administrative Agent, any pricing agencies, any permanent representatives in places of registration, as well as any other agent employed by the Company, the remuneration of the Directors and officers and their reasonable out-of-pocket expenses, insurance coverage, and reasonable travelling costs in connection with board meetings, fees and expenses for legal and auditing services consultants, any fees and expenses involved in registering and maintaining the registration of the Company with any governmental agencies or stock exchanges in the Luxembourg and in any other country, reporting and publishing expenses, including the costs of preparing, printing, advertising and distributing prospectuses, explanatory memoranda, periodical reports or registration statements and the costs of any reports to Shareholders, all taxes, duties, governmental and similar charges, and all other operating expenses, the costs for the publication of the issue and redemption prices, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex. The Company may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.
- (b) Furthermore, charges and expenses borne by the Company shall include all reasonable charges and expenses paid on its behalf, including but not limited to, telephone, fax, telex, telegram and postage expenses incurred by the Depositary on purchases and sales of portfolio securities in one or several Sub-Funds.
- (c) The Company may indemnify any director, manager, authorised officer, employee or agent, their heirs, executors and administrators, to the extent permitted by law, for all costs and expenses borne or paid by them in connection with any claim, action, law suit or proceedings brought against them in their capacity as director, manager, authorised officer, employee or agent of the Company, except in cases where they are ultimately sentenced for gross negligence. In the case of an out of court settlement, such indemnification will only be granted if the Company's legal adviser is of the opinion that the director, manager, authorised officer, employee or agent in question did not fail in his duty and only if such an arrangement is approved beforehand by the Board. The right to such indemnification does not exclude other rights to which the director, manager, authorised officer, employee or agent are entitled. The rights to indemnification provided herein are separate and do not affect the other rights to which a director, managing director, authorised officer, employee or agent may now or later be entitled and shall be maintained for any person who has ceased their activity as director, manager, authorised officer, employee or agent.

- (d) Expenses for the preparation and presentation of a defence in any claim, action, lawsuit or proceedings brought against a Director, manager, authorised officer, employee or agent will be advanced by the Company, prior to any final decision on the case, on receipt of a commitment by or on behalf of the Director, manager, authorised officer, employee or agent to repay this amount if it ultimately becomes apparent that they are not entitled to indemnification. Notwithstanding the above, the Company may take out the necessary insurance policies on behalf of Directors, managers, authorised officers, employees or agents of the Company.
- (e) Each Sub-Fund shall pay for the costs and expenses directly attributable to it. Costs and expenses that cannot be attributed to a given Sub-Fund shall be allocated to the Sub-Funds on an equitable basis, in proportion to their respective net assets.
- (f) All revenues arising from EPM Techniques, net of direct and indirect operational costs, will be accrued to the relevant Sub-Fund.

21.2 Fees

(a) Remuneration of the Management Company

As remuneration for its management company services, the Management Company is entitled to receive out of the assets of each Class within each Sub-Fund (i) an annual fixed fee or (ii) a recurring Management Fee of up to 0.15% p.a. which may be subject to a minimum amount as it will be set out in the relevant Special Section. This fee is payable monthly in arrears during the relevant month. The exact amount paid annually can be deferred from the Company's relevant annual report.

For its services of domiciliation, the Management Company will receive from the Company an annual fixed fee of EUR 5,000 for the Company and an annual fixed fee of EUR 1,000 per active Sub-Fund.

(b) Remuneration payable to the Depositary and Administrative Agent

As remuneration for the custody and administration services, the Depositary and Administrative Agent are entitled to receive, out of the assets of each Class within each Sub-Fund, a fee of up to 0.14% subject to an annual minimum fee of EUR 50,000 for the second, third and fourth years after the launch of the first Sub-Fund of the Company and EUR 100,000 as from the fifth year.

In addition, in relation to custody services, the Depositary is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and disbursements and for charges of any correspondents (as the case may be), if and to the extent validly borne by the Depositary.

(c) Remuneration of the Investment Manager

The remuneration paid by the Company to the Investment Manager of each Sub-Fund is set out for each Class in the Special Sections. The remuneration of the Investment Manager per Class will however always stay at a maximum of 2% p.a. (excluding any performance fee).

21.3 Maximum Operational Expenses

The Company will ensure that the operating expenses and fees (excluding any performance fee) of every Class of every Sub-Fund of the Company will not exceed 2,5% p.a. of the net assets of that Class.

21.4 Formation and launching expenses

Expenses incurred in connection with the incorporation of the Company and the creation of the initial Sub-Funds, including those incurred in the preparation and publication of the first Prospectus and KIID(s), as well as the taxes, duties and any other publication expenses, are estimated at EUR 60,000. Formation and launching expenses will be borne by the initial Sub-Funds and will be amortised over a period of five (5) years. Expenses incurred in connection with the creation of any additional Sub-Fund will be borne by the relevant Sub-Fund and will be written off over a period of five (5) years. Hence, the additional Sub-Funds will not bear a pro rata proportion of the costs and expenses incurred in connection with the creation of the Company and the initial issue of Shares which have not already been written off or amortised at the time of the creation of the new Sub-Funds.

22. DIVIDENDS

- 22.1 Each year the general meeting of Shareholders will decide, based on a proposal from the Board, for each Sub-Fund, on the use of the balance of the year's net income of the investments. A dividend may be distributed in cash only. Further, dividends may include a capital distribution, provided that after distribution the net assets of the Company total more than EUR 1,250,000.
- 22.2 Over and above the distributions mentioned in the preceding paragraph, the Board may decide to the payment of interim dividends in the form and under the conditions as provided by law.
- 22.3 The Board may issue distribution Shares and accumulation Shares within the Classes of each Sub-Fund, as indicated in the Special Sections. Accumulation Shares capitalise their entire earnings whereas distribution Shares pay dividends.
- 22.4 For Classes entitled to distribution, dividends, if any, will be declared and distributed on an annual basis. Moreover, interim dividends may be declared and distributed from time to time at a frequency determined by the Board within the conditions set forth by law.
- 22.5 Payments will be made in the Reference Currency of the relevant Sub-Fund. With regard to Shares held through Euroclear or Clearstream (or their successors), dividends shall be paid by bank transfer to the relevant bank. Dividends remaining unclaimed for five years after their declaration will be forfeited and revert to the relevant Sub-Fund.
- 22.6 Dividends may be declared separately in respect of each Sub-Fund by a resolution of the Shareholders of the Sub-Fund concerned at the annual general meeting of Shareholders.

23. TAX ASPECTS

23.1 Luxembourg

The Company's assets are subject to tax (*taxe d'abonnement*) in Luxembourg of 0.05% p.a. on net assets (and 0.01% p.a. on total net assets in case of Sub-Funds or Classes reserved to Institutional Investors), payable quarterly. Exemptions are available in certain circumstances. In particular, if some Sub-Funds are invested in other Luxembourg UCIs, which in turn are subject to the annual subscription tax (*taxe d'abonnement*) provided for by the 2010 Act or by the law of 13 February 2007, as amended, no annual subscription tax (*taxe d'abonnement*) is due from the Company on the portion of assets invested therein.

The Company is neither subject to corporation taxes, nor to net wealth tax in Luxembourg. Income received from the Company may be subject to withholding taxes in the country of origin of the issuer of the security, in respect of which such income is paid. No duty or tax is payable in Luxembourg in connection with the issue of Shares of the Company.

Under current legislation, Luxembourg non-resident Shareholders not having a permanent establishment or permanent representative in Luxembourg to which/whom Shares are attributable, are not subject to any capital gains, income, withholding, estate, inheritance or other taxes in Luxembourg as a result of holding the Shares. Corporate / individual Shareholders which/who are resident in Luxembourg for tax purposes will be subject to income tax at ordinary rates. For Luxembourg individual Shareholders (acting within the management of their private wealth and holding less than 10% of the Shares of the relevant Sub-Fund), capital gains realised on the redemption or sale of the Shares are only subject to income tax in Luxembourg if such Shares are redeemed or sold within a period of six months since their acquisition.

23.2 EU tax considerations for individuals resident in the EU or in certain third countries or dependent or associated territories

The Council of the EU has adopted on 3 June 2003 Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the **EU Savings Directive**).

Under the EU Savings Directive, Member States of the EU will be required to provide the tax authorities of another EU Member State with information on payments of interest or other similar income paid by a paying agent (as defined by the EU Savings Directive) within its jurisdiction to an individual resident in that other EU Member State. Austria has opted instead for a tax withholding system for a transitional period in relation to such payments. Switzerland, Monaco, Liechtenstein, Andorra and San Marino, the Channel Islands, the Isle of Man and the dependent or associated territories in the Caribbean have also introduced measures equivalent to information reporting or, during the above transitional period, withholding tax.

The EU Savings Directive has been implemented in Luxembourg by the laws dated 21 June 2005 (the **2005 Savings Acts**) and hence is applicable in Luxembourg as of the 1 July 2005. The 2005 Savings Acts have been amended for the last time by the Luxembourg law of 25 November 2014, which abolished the withholding system in favour of the automatic exchange of information system with effect as of 1 January 2015.

Dividends distributed by a Sub-Fund will be subject to the 2005 Savings Acts if more than 15% of such Sub-Fund's assets are invested in debt claims (as defined in the 2005 Savings Acts) and proceeds realised by Shareholders on the redemption or sale of Shares will be subject to the 2005 Savings Acts if more than 40% of such Sub-Fund's assets are invested in debt claims (such funds, hereafter **Affected Sub-Funds**).

The Company reserves the right to reject any application for Shares if the information provided by any prospective investor does not meet the standards required by the 2005 Savings Acts.

On 24 March 2014, the Council of the European Union adopted a Council Directive amending and broadening the scope of the EU Savings Directive (the **Revised EUSD**). Member States are required to apply these new requirements from 1 January 2017. The changes will expand the range of payments covered by the EU Savings Directive, in particular to include additional types of income payable on securities. The Revised EUSD will also apply a “look through approach” to certain payments where an individual resident in an EU Member State is regarded as the beneficial owner of that payment for the purposes of the Revised EUSD. This approach may apply to payments made to or by, or secured for or by, persons, entities or legal arrangements (including trusts), where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

The foregoing is only a summary of the implications of the EU Savings Directive and the 2005 Savings Acts, 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 EU Savings Directive and the 2005 Savings Acts.

23.3 Other jurisdictions

Interest, dividend and other income realised by the Company on the sale of securities of non-Luxembourg issuers, may be subject to withholding and other taxes levied by the jurisdictions in which the income is sourced. It is impossible to predict the rate of foreign tax the Company will pay since the amount of the assets to be invested in various countries and the ability of the Company to reduce such taxes is not known.

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

23.4 Future changes in applicable law

The foregoing description of Luxembourg tax consequences of an investment in, and the operations of, the Company is based on laws and regulations which are subject to change through legislative, judicial or administrative action. Other legislation could be enacted that would subject the Company to income taxes or subject Shareholders to increased income taxes.

THE TAX AND OTHER MATTERS DESCRIBED IN THIS PROSPECTUS DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE SUBSCRIBERS. PROSPECTIVE SUBSCRIBERS SHOULD CONSULT THEIR OWN COUNSEL REGARDING TAX LAWS AND REGULATIONS OF ANY OTHER JURISDICTION WHICH MAY BE APPLICABLE TO THEM.

24. CALCULATION OF THE NET ASSET VALUE

24.1 The Company, each Sub-Fund and each Class in a Sub-Fund have a Net Asset Value determined in accordance with the Articles. The reference currency of the Company is the Euro. The Net Asset Value of each Sub-Fund shall be calculated in the Reference Currency of the relevant Sub-Fund or Class, as it is stipulated in the relevant Special Section, and shall be determined by the Administrative Agent as on each Valuation Day as stipulated in the relevant Special Section, by calculating the aggregate of:

- (a) the value of all assets of the Company which are allocated to the relevant Sub-Fund in accordance with the provisions of the Articles; less
- (b) all the liabilities of the Company which are allocated to the relevant Sub-Fund in accordance with the provisions of the Articles, and all fees attributable to the relevant Sub-Fund, which fees have accrued but are unpaid on the relevant Valuation Day.

24.2 The Net Asset Value per Share shall be calculated in the Reference Currency of the relevant Sub-Fund and shall be calculated by the Administrative Agent as at the Valuation Day of the relevant Sub-Fund by dividing the Net Asset Value of the relevant Sub-Fund by the number of Shares which are in issue on such Valuation Day in the relevant Sub-Fund (including Shares in relation to which a Shareholder has requested redemption on such Valuation Day).

- 24.3** If the Sub-Fund has more than one Class in issue, the Administrative Agent shall calculate the Net Asset Value for each Class by dividing the portion of the Net Asset Value of the relevant Sub-Fund attributable to a particular Class by the number of Shares of such Class in the relevant Sub-Fund which are in issue on such Valuation Day (including Shares in relation to which a Shareholder has requested redemption on such Valuation Day).
- 24.4** The Net Asset Value per Share may be rounded up or down to the nearest whole unit of the currency in which the Net Asset Value of the relevant shares are calculated. The Net Asset Value will be calculated up to four decimal places.
- 24.5** The allocation of assets and liabilities of the Company between Sub-Funds (and within each Sub-Fund between the different Classes) shall be effected so that:
- (a) The subscription price received by the Company on the issue of Shares, and reductions in the value of the Company as a consequence of the redemption of Shares, shall be attributed to the Sub-Fund (and within that Sub-Fund, the Class) to which the relevant Shares belong.
 - (b) Assets acquired by the Company upon the investment of the subscription proceeds and income and capital appreciation in relation to such investments which relate to a specific Sub-Fund (and within a Sub-Fund, to a specific Class) shall be attributed to such Sub-Fund (or Class in the Sub-Fund).
 - (c) Assets disposed of by the Company as a consequence of the redemption of Shares and liabilities, expenses and capital depreciation relating to investments made by the Company and other operations of the Company, which relate to a specific Sub-Fund (and within a Sub-Fund, to a specific Class) shall be attributed to such Sub-Fund (or Class in the Sub-Fund).
 - (d) Where the use of foreign exchange transactions, instruments or financial techniques relates to a specific Sub-Fund (and within a Sub-Fund, to a specific Class) the consequences of their use shall be attributed to such Sub-Fund (or Class in the Sub-Fund).
 - (e) Where assets, income, capital appreciations, liabilities, expenses, capital depreciations or the use of foreign exchange transactions, instruments or techniques relate to more than one Sub-Fund (or within a Sub-Fund, to more than one Class), they shall be attributed to such Sub-Funds (or Classes, as the case may be) in proportion to the extent to which they are attributable to each such Sub-Fund (or each such Class).
 - (f) Where assets, income, capital appreciations, liabilities, expenses, capital depreciations or the use of foreign exchange transactions, instruments or techniques cannot be attributed to a particular Sub-Fund they shall be divided equally between all Sub-Funds or, in so far as is justified by the amounts, shall be attributed in proportion to the relative Net Asset Value of the Sub-Funds (or Classes in the Sub-Fund) if the Company, in its sole discretion, determines that this is the most appropriate method of attribution.
 - (g) Upon payment of dividends to the Shareholders of a Sub-Fund (and within a Sub-Fund, to a specific Class) the net assets of this Sub-Fund (or Class in the Sub-Fund) are reduced by the amount of such dividend.
- 24.6** The assets of the Company will be valued as follows:
- (a) The value of any cash in hand or on deposit, notes and bills payable on demand and accounts receivable (including reimbursements of fees and expenses payable by any UCI in which the Company may invest), prepaid expenses and cash dividends declared and interest accrued but not yet collected, shall be deemed the nominal value of these assets unless it is improbable that it can be paid and collected in full; in which case, the value will be arrived

at after deducting such amounts as the Board may consider appropriate to reflect the true value of these assets.

- (b) Securities and Money Market Instruments listed on an official stock exchange or dealt on any other Regulated Market will be valued at their last available price in Luxembourg on the Valuation Day and, if the security or Money Market Instrument is traded on several markets, on the basis of the last known price on the main market of this security. If the last known price is not representative, valuation will be based on the fair value at which it is expected it can be sold, as determined with prudence and in good faith by the Board.
- (c) Unlisted securities and securities or Money Market Instruments not traded on a stock exchange or any other Regulated Market as well as listed securities and securities or Money Market Instruments listed on a Regulated Market for which no price is available, or securities or Money Market Instruments whose quoted price is, in the opinion of the Board, not representative of actual market value, will be valued at their last known price in Luxembourg or, in the absence of such price, on the basis of their probable realisation value, as determined with prudence and in good faith by the Board.
- (d) Securities or Money Market Instruments denominated in a currency other than the relevant Sub-Fund's valuation currency will be converted at the average exchange rate of the currency concerned applicable on the Valuation Day.
- (e) The valuation of investments reaching maturity within a maximum period of 90 days may include straight-line daily amortisation of the difference between the principal 91 days before maturity and the value at maturity.
- (f) The liquidation value of futures, spot, forward or options contracts that are not traded on stock exchanges or other Regulated Markets will be equal to their net liquidation value determined in accordance with the policies established by the Board on a basis consistently applied to each type of contract. The liquidation value of futures, spot, forward or options contracts traded on stock exchanges or other Regulated Markets will be based on the latest available price for these contracts on the stock exchanges and Regulated Markets on which these options, spot, forward or futures contracts are traded by the Company; provided that if an options or futures contract cannot be liquidated on the date on which the net assets are valued, the basis for determining the liquidation value of said contract shall be determined by the Board in a fair and reasonable manner.
- (g) Swaps are valued at their fair value based on the last known closing price of the underlying security.
- (h) UCIs are valued on the basis of their last available net asset value in Luxembourg. As indicated below, this net asset value may be adjusted by applying a recognised index so as to reflect market changes since the last valuation.
- (i) Liquid assets and money market instruments are valued at their nominal value plus accrued interest, or on the basis of amortised costs.
- (j) Any other securities and assets are valued in accordance with the procedures put in place by the Board and with the help of specialist valuers, as the case may be, who will be instructed by the Board to carry out the said valuations.

24.7 In the context of Sub-Funds which invest in other UCIs, valuation of their assets may be complex in some circumstances and the administrative agents of such UCIs may be late or delay communicating the relevant net asset values. Consequently, the Administrative Agent, under the responsibility of the Board, may estimate the assets of the relevant Sub-Funds as of the Valuation

Day considering, among other things, the last valuation of these assets, market changes and any other information received from the relevant UCIs. In this case, the Net Asset Value estimated for the Sub-Funds concerned may be different from the value that would have been calculated on the said Valuation Day using the official net asset values calculated by the administrative agents of the UCIs in which the Sub-Fund invested. Nevertheless, the Net Asset Value calculated using this method shall be considered as final and applicable despite any future divergence.

24.8 For the purpose of determining the value of the Company's assets, the Administrative Agent, having due regards to the standard of care and due diligence in this respect, may, when calculating the Net Asset Value, completely and exclusively rely, unless there is manifest error or negligence on its part, upon the valuations provided either (i) by the Board, (ii) by various pricing sources available on the market such as pricing agencies (i.e., Bloomberg, Reuters, etc) or administrators of underlying UCIs, (iii) by prime brokers and brokers, or (iv) by (a) specialist(s) duly authorised to that effect by the Board. In particular, for the valuation of any assets for which market quotations or fair market values are not publicly available (including but not limited to non listed structured or credit-related instruments and other illiquid assets), the Administrative Agent will exclusively rely on valuations provided either by the Board or by third party pricing sources appointed by the Board under its responsibility or other official pricing sources like UCIs' administrators and others like Telekurs, Bloomberg, Reuters and will not check the correctness and accuracy of the valuations so provided. If the Board gives instructions to the Administrative Agent to use a specific pricing source, the Board undertakes to make its own prior due diligence on such agents as far as its competence, reputation, professionalism are concerned so as to ensure that the prices which will be given to the Administrative Agent are reliable and the Administrative Agent will not, and shall not be required to, carry out any additional due diligence or testing on any such pricing source.

24.9 If one or more sources of quotation is not able to provide relevant valuations to the Administrative Agent, the latter is authorised to not calculate the Net Asset Value and, consequently, not to determine subscription, redemption and conversion prices. The Administrative Agent shall immediately inform the Board if such a situation arises. If necessary, the Board may decide to suspend the calculation of the Net Asset Value in accordance with the procedures described in Section 25 of the General Section.

25. SUSPENSION OF DETERMINATION OF THE NET ASSET VALUE, ISSUE, REDEMPTION AND CONVERSION OF SHARES

25.1 The Company or the Management Company may at any time and from time to time suspend the determination of the Net Asset Value of Shares of any Sub-Fund or Class, the issue of the Shares of such Sub-Fund or Class to subscribers and the redemption of the Shares of such Sub-Fund or Class from its Shareholders as well as conversions of Shares of any Class in a Sub-Fund:

- (i) when one or more stock exchanges or markets, which provide the basis for valuing a substantial portion of the assets of the Sub-Fund or of the relevant Class, or when one or more foreign exchange markets in the currency in which a substantial portion of the assets of the Sub-Fund or of the relevant Class are denominated, are closed otherwise than for ordinary holidays or if dealings therein are restricted or suspended;
- (ii) when, as a result of political, economic, military or monetary events or any circumstances outside the responsibility and the control of the Board, disposal of the assets of the Sub-Fund or of the relevant Class is not reasonably or normally practicable without being seriously detrimental to the interests of the Shareholders;
- (iii) in the case of a breakdown in the normal means of communication used for the valuation of any investment of the Sub-Fund or of the relevant Class or if, for any reason beyond the

responsibility of the Board, the value of any asset of the Sub-Fund or of the relevant Class may not be determined as rapidly and accurately as required;

- (iv) if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Company are rendered impracticable or if purchases and sales of the Sub-Fund's assets cannot be effected at normal rates of exchange;
- (v) when the Board so decides, provided that all Shareholders are treated on an equal footing and all relevant laws and regulations are applied (i) upon publication of a notice convening a general meeting of Shareholders of the Company or of a Sub-Fund for the purpose of deciding on the liquidation, dissolution, the merger or absorption of the Company or the relevant Sub-Fund and (ii) when the Board is empowered to decide on this matter, upon their decision to liquidate, dissolve, merge or absorb the relevant Sub-Fund;
- (vi) in case of the Company's liquidation or in the case a notice of termination has been issued in connection with the liquidation of a Sub-Fund or a class of Shares,
- (vii) where, in the opinion of the Board, circumstances which are beyond the control of the Board make it impracticable or unfair vis-à-vis the Shareholders to continue trading the Shares.

25.2 Any such suspension may be notified by the Company in such manner as it may deem appropriate to the persons likely to be affected thereby. The Company shall notify Shareholders requesting redemption of their Shares of such suspension.

26. GENERAL INFORMATION

26.1 Auditor

PricewaterhouseCoopers has been appointed as Auditor of the Company.

26.2 Fiscal year

The accounts of the Company are closed at 31 December each year.

26.3 Reports and notices to Shareholders

- (a) Audited annual reports of the end of each fiscal year will be established as at 31 December of each year. In addition, unaudited semi-annual reports will be established as per the last day of the month of June. Those financial reports will provide for information on each of the Sub-Fund's assets as well as the consolidated accounts of the Company and be made available to the Shareholders free of charge at the registered office of the Company and of the Depositary.
- (b) The financial statements of each Sub-Fund will be established in the Reference Currency of the Sub-Fund but the consolidated accounts will be in Euro.
- (c) Audited annual reports shall be published within 4 months following the end of the accounting year and unaudited semi-annual reports shall be published within 2 months following the end of period to which they refer.
- (d) Information on the Net Asset Value, the subscription price (if any) and the redemption price may be obtained at the registered office of the Company.

26.4 Shareholders' meetings

- (a) The annual general meeting of the Shareholders in the Company shall be held at the registered office of the Company or on the place specified in the convening notice on the last Thursday in April of each year at 12:00 (Luxembourg Time).
- (b) Notice of any general meeting of shareholders (including those considering amendments to the Articles or the dissolution and liquidation of the Company or of any Sub-Fund) will be mailed to each registered Shareholder at least eight days prior to the meeting and will be published to the extent required by Luxembourg law in the Mémorial and in any Luxembourg and other newspaper(s) that the Board may determine.
- (c) Such notices shall contain the agenda, the date and place of the meeting, the conditions of admission to the meeting and they shall refer to the applicable quorum and majority requirements. The meetings of Shareholders of Shares of a particular Sub-Fund may decide on matters which are relevant only for the Sub-Fund concerned.

26.5 Documents available to Shareholders

- (a) The following documents shall also be available for inspection by Shareholders during normal business hours on any Business Day at the registered office of the Company:
 - the Articles;
 - the Management Company Services Agreement;
 - the Investment Management Agreement;
 - the Depositary Bank Agreement;
 - the Administrative Services Agreement;
 - the most recent annual and semi-annual financial statements of the Company;
- (b) The above agreements may be amended from time to time by all the parties involved.
- (c) A copy of the Prospectus, KIID(s), the most recent financial statements and the Articles may be obtained free of charge upon request at the registered office of the Company.

26.6 Changes of address

Shareholders must notify the Administrative Agent in writing, at the address indicated above, of any changes or other account information.

27. LIQUIDATION AND MERGER OF SUB-FUNDS OR CLASSES

27.1 Dissolution of the Company

- (a) The duration of the Company is not limited by the Articles. The Company may be wound up by decision of an extraordinary general meeting of Shareholders. If the total net assets of the Company falls below two-thirds of the minimum capital prescribed by law (i.e. EUR 1,250,000), the Board must submit the question of the Company's dissolution to a general meeting of Shareholders for which no quorum is prescribed and which shall pass resolutions by simple majority of the Shares represented at the meeting.

- (b) If the total net assets of the Company fall below one-fourth of the minimum capital prescribed by law, the Board must submit the question of the Company's dissolution to a general meeting of Shareholders for which no quorum is prescribed. A resolution dissolving the Company may be passed by Shareholders holding one-fourth of the Shares represented at the meeting.
- (c) The meeting must be convened so that it is held within a period of forty days from the date of ascertainment that the net assets have fallen below two-thirds or one-fourth of the legal minimum, as the case may be.
- (d) If the Company is dissolved, the liquidation shall be carried out by one or several liquidators appointed in accordance with the provisions of the 2010 Act. The decision to dissolve the Company will be published in the *Mémorial* and two newspapers with adequate circulation, one of which must be a Luxembourg newspaper. The liquidator(s) will realise each Sub-Fund's assets in the best interests of the Shareholders and apportion the proceeds of the liquidation, after deduction of liquidation costs, amongst the Shareholders of the relevant Sub-Fund according to their respective pro rata. Any amounts unclaimed by the Shareholders at the closing of the liquidation of the Company will be deposited with the *Caisse de Consignation* in Luxembourg for a duration of thirty (30) years. If amounts deposited remain unclaimed beyond the prescribed time limit, they shall be forfeited.
- (e) As soon as the decision to wind up the Company is made, the issue, redemption or conversion of Shares in all Sub-Funds will be prohibited and shall be deemed void.

27.2 Liquidation of Sub-Funds or Classes

- (a) If, for any reason, the net assets of a Sub-Fund or of any Class fall below the equivalent of EUR 5,000,000, or if a change in the economic or political environment of the relevant Sub-Fund or Class may have material adverse consequences on the Sub-Fund or Class's investments, or if an economic rationalisation so requires, the Board may decide on a compulsory redemption of all Shares outstanding in such Sub-Fund or Class on the basis of the Net Asset Value per Share (after taking account of current realisation prices of the investments as well as realisation expenses), calculated as of the day the decision becomes effective. The Company will serve a notice to the holders of the relevant Shares at the latest on the effective date for the compulsory redemption, which will indicate the reasons of and the procedure for the redemption operations. Registered Shareholders will be notified in writing. Unless the Board decides otherwise in the interests of, or in order to keep equal treatment between the Shareholders, the Shareholders of the Sub-Fund or Class concerned may continue to request redemption or conversion of their Shares free of redemption or conversion charge. However, the liquidation costs will be taken into account in the redemption and conversion price. Liquidation proceeds which could not be distributed to the Shareholders upon the conclusion of the liquidation of a Sub-Fund or Class will be deposited with the *Caisse de Consignation* in Luxembourg for a duration of thirty (30) years. If amounts deposited remain unclaimed beyond the prescribed time limit, they shall be forfeited.
- (b) Notwithstanding the powers granted to the Board as described in the previous paragraph, a general meeting of Shareholders of a Sub-Fund or Class may, upon proposal of the Board, decide to repurchase all the Shares in such Sub-Fund or Class and to reimburse the Shareholders on the basis of the Net Asset Value of their Shares (taking account of current realisation prices of the investments as well as realisation expenses) calculated as of the Valuation Day on which such decision shall become effective. No quorum shall be required at this general meeting and resolutions shall be passed by a simple majority of the

shareholders present or represented, provided that the decision does not result in the liquidation of the Company.

- (c) All the Shares redeemed will be cancelled.

27.3 Merger of the Company or Sub-Funds with other UCITS

- (a) The Company may, either as a merging UCITS or as a receiving UCITS within the meaning of article 1(20), literal a) – c) of the 2010 Act, be subject to cross-border and domestic mergers;
- (b) The Board of Directors is competent to decide on the effective date of the merger with another UCITS;
- (c) For the sake of this Section 27.3:
 - (i) a merger means an operation in the meaning of article 1 (20) a) to b) of the 2010 Act;
 - (ii) the term unitholders/units also refers to the Shareholders/shares of the Company or a Sub-Fund;
 - (iii) the term UCITS may also refer to sub-funds of a UCITS; and
 - (iv) the term Company may also refer to a Sub-Fund of the Company.
- (d) Where the Company is merging with another UCITS (the **Other UCITS**), either as the merging UCITS or the receiving UCITS, the following general rules will apply:
 - (i) The Company will provide appropriate and accurate information on the proposed merger to its Shareholders (which will include the particulars as set out in article 72(3), points a) to e) of the 2010 Act) so as to enable them to make an informed judgment of the impact of the merger on their investment. This information must be provided only after the CSSF (or, as the case may be, the other supervising authority) has authorized the proposed merger and at least thirty (30) days before the last date for requesting repurchase or redemption or, as the case may be, conversion without additional charge under item (ii).
 - (ii) The Shareholders have the right to request, without any charge other than those retained by the Company to meet disinvestment costs, the repurchase or redemption of their shares or, where possible, to convert them into units in another UCITS with similar investment policy and managed by the 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. This right will become effective from the moment that the Shareholders have been informed of the proposed merger in accordance with item (i) above, and will cease to exist five working days before the date for calculating the exchange ratio referred to under item (v) below.
 - (iii) Without prejudice to item (ii) above, by way of derogation from articles 11, paragraph (2), and 28, paragraph (1), point b) of the 2010 Act, the Company may decide to temporarily suspend the subscription, repurchase or redemption of units, provided that any such suspension is justified for the protection of the Shareholders.
 - (iv) The Company and the Other UCITS must draw up common draft terms of merger setting out the particulars as stipulated in article 69(1) of the 2010 Act.

- (v) The common draft terms of the merger referred to under item (iv) above will determine the effective date of the merger as well as the date for calculating the exchange ratio of units of the merging UCITS into units of the receiving UCITS and, as the case may be, for determining the relevant net asset value for cash payments. Such dates will be after the approval, as the case may be, of the merger by the unitholders of the Company and the Other UCITS.
- (e) Where the Company is the merging UCITS the following rules will apply:
 - (i) For any merger where the Company ceases to exist, such merger will require the vote of Shareholders in the Company subject to the quorum and majority requirements provided for amendment to the Articles. This decision must be recorded by notarial deed.
 - (ii) The Company will entrust its statutory auditor to validate the following:
 - (A) the criteria adopted for valuation of the assets and, as the case may be, the liabilities on the date for calculating the exchange ratio, as referred to in Section (d)(v) above;
 - (B) where applicable, the cash payment per share; and
 - (C) the calculation method of the exchange ratio as well as the actual exchange ratio determined at the date for calculating that ratio, as referred to in Section (d)(v) above.

A copy of this report shall be made available on request and free of charge to the unitholders of both the merging UCITS and the receiving UCITS and to their competent authorities.

- (f) Where the Company is the receiving UCITS the following rules will apply:
 - (i) While ensuring observance of the principle of risk-spreading, the Company is allowed to derogate from articles 43, 44, 45 and 46 of the 2010 Act for six months following the effective date of the merger.
 - (ii) The Management Company will confirm in writing to the Depositary that the transfer of assets and, as the case may be, liabilities is complete.
 - (iii) The entry into effect of the merger will be made public through all appropriate means by the Company. The Company will further notify the CSSF and any other competent authority involved in the merger.

27.4 Merger and split of Sub-Funds and Classes

- (a) Under the same circumstances as provided by Section 27.3, the Board may decide to allocate the assets of a Sub-Fund to those of another existing Sub-Fund within the Company and to repatriate the Shares of the Class or Classes concerned as Shares of another Class (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to Shareholders). This decision will be published one month before its effectiveness (and, in addition, the publication will contain information in relation to the new Sub-Fund) in the same manner as described under Section 27.3, to enable the Shareholders to request redemption of their Shares, free of charge, during this period.
- (b) Notwithstanding the powers conferred to the Board under item (a) above, a contribution of the assets and of the liabilities attributable to any Sub-Fund to another Sub-Fund within the

Company may in any other circumstances be decided upon by a general meeting of the Shareholders of the Class or Classes issued in the Sub-Fund concerned for which there will be no quorum requirements and which will decide upon such a merger by resolution taken by simple majority of those present or represented and voting at such meeting.

- (c) For the interest of the Shareholders of the relevant Sub-Fund or in the event that a change in the economic or political situation relating to a Sub-Fund so justifies, the Board may proceed to the reorganisation of a Sub-Fund by means of a division into two or more Sub-Funds. This decision will be published one month before its effectiveness (and, in addition, the publication will contain information in relation to the new Sub-Fund) in the same manner as described under Section 27.3, to enable the Shareholders to request redemption of their Shares, free of charge, during this period.

PART B – SPECIAL SECTIONS

SPECIAL SECTION 1

FIDENTIIS TORDESILLAS SICAV – IBERIA

This Special Section is valid only if accompanied by the General Section of the Prospectus. This Special Section refers only to Fidentiis Tordesillas SICAV – Iberia (the **Sub-Fund**).

1. INVESTMENT POLICY

1.1 Investment objective

The Sub-Fund aims to achieve capital appreciation over the long term by investing in equities and equity related securities. Market risk of direct and indirect equity investments, will be considered in order to establish the suited equity exposure, looking to reduce the volatility of the return.

No guarantee may be granted that the investment objective will be achieved.

1.2 Investment policy

The Sub-Fund will invest its assets only in equities or equity related securities listed on a Regulated Market, Another Regulated Market or any other stock exchange. These equities or equity related securities will be listed:

- (A) in Spain or Portugal; and
- (B) in any other OECD Member State and Brazil.

The Sub-Fund will invest up to 20% of its assets as per (B) above. The remaining equity assets will be invested in the main markets as described in (A) above.

The equities or equity related securities will be issued by companies of any market capitalisation including large, mid and small capitalisations.

The Sub-Fund may invest directly or indirectly in equities or equity related securities. Indirect investments may be made through Financial Derivative Instruments, primarily futures on equities and futures on equity indexes, ADRs and exchange traded funds (**ETFs**).

By the use of Financial Derivative Instruments, the Investment Manager seeks either to hedge specific market or equity exposures or to gain an exposure to specific markets and/or issuers.

The Sub-Fund's exposure to equity markets will at any given moment be established according to current market conditions in order to reduce the volatility of the Sub-Fund's return and adjust market exposure to the investment manager's view of the economic environment.

The Sub-Fund may hold cash, cash equivalents and money market instruments with the flexibility in its exposure to these assets (0% -100%). A predominant investment in cash and cash equivalents is however not part of the Sub-Fund's primary investment policy. Such investment shall therefore under normal market conditions only be made on an ancillary basis.

1.3 Investment restrictions

The Sub-Fund complies with the investment restrictions set out under Section 4 of the General Section.

Additionally, the Sub-Fund will comply with the following investment restrictions:

- The Sub-Fund will not open positions in OTC Derivatives;
- The Sub-Fund will not open positions in Financial Derivative Instruments to gain an exposure to an issuer which is not based in an OECD Member State;
- The Sub-Fund will not invest more than 10% of its net assets in other UCI or UCITS; and
- The Sub-Fund will not borrow cash for investment purposes.

1.4 Specific Risk Factors

Before making an investment decision with respect to this Sub-Fund, prospective investors should carefully consider the risks of investing set out in Section 6 of the General Section and in particular the risks linked to investments in emerging markets as set out in Section 6.3 of the General Section as companies that the Sub-Fund might invest in may be listed in countries that might be considered as emerging markets.

1.5 Cash and cash equivalent

The Sub-Fund may hold cash and cash equivalents when aiming to reduce or limit exposure to equity markets.

Where financial market conditions so require, up to 100% of the assets of the Sub-Fund may be held on a temporary basis in cash and cash equivalents, subject to compliance with the principle of risk diversification.

The Sub-Fund may in exceptional cases borrow cash for investment purposes and to handle large redemptions under the condition (i) that the respective loan must be temporary in the sense that the loan is terminated within a reasonable time and (ii) that such borrowing is not a permanent feature of the Sub-Fund's investment policy in the sense that the borrowing takes place on a recurring basis. Any loan is subject to the condition that this borrowing does not exceed 10% of the Sub-Fund's Net Asset Value.

2. REFERENCE CURRENCY

The Reference Currency of the Sub-Fund is the EUR.

3. TERM OF THE SUB-FUND

The Sub-Fund has been created for an unlimited period of time.

4. VALUATION DAY

The Net Asset Value of the Sub-Fund is calculated as of each Business Day (the **Valuation Day**).

5. CLASSES OF SHARES AVAILABLE

As of the day of the Prospectus, the following Classes are available for subscription by investors:

Class of Shares	A	I
Distribution or accumulation	Accumulation	Accumulation
Eligible Investors	unrestricted	Institutional Investors
Reference Currency	EUR	EUR
Minimum Subscription Amount	EUR 1,000	EUR 150,000
Minimum Holding Amount	EUR 1,000	EUR 150,000
Initial Subscription Price	EUR 10 max. 5%	EUR 10 max. 5%
Subscription Fee	max. 3%	max. 3%
Redemption Fee	max 3%	max 3%
Conversion Fee		
Management Fee	max. 0.15% p.a. subject to a minimum Management Fee p.a. for the Sub-Fund of EUR 25,000.	max. 0.15% p.a.
Investment Management Fee	1.75% p.a. of the Net Asset Value	1.25% p.a. of the Net Asset Value
Performance Fee Rate	10% over the High Water Mark	10% over the High Water Mark

6. SUBSCRIPTION

Subscriptions to the Sub-Fund's Shares must be made using the documents available from the registered offices of the Company or the Distributor(s).

Subscriptions for shares are accepted as of each Business Day. The application to subscribe shares must be received by the Administrative Agent no later than 15.00 (Luxembourg time) on the Business Day preceding the Valuation Day. Applications received after cut off time will be processed as of the next Valuation Day.

Payments for subscriptions must be received in EUR within 3 (three) Business Days after the relevant Valuation Day.

A Subscription Fee as set out under Section 5 of this Special Section may be levied upon the subscription of Shares.

7. REDEMPTION

Shares in the Sub-Fund may be redeemed as of each Business Day. The request to redeem Shares must be sent in writing to the Administrative Agent or to the Distributor(s).

Shares in the Sub-Fund may be redeemed as of each Business Day. The request to redeem Shares must be received by the Administrative Agent no later than 15.00 (Luxembourg time) on the

Business Day preceding the Valuation Day. Redemption requests received after this deadline will be processed as of the next Valuation Day.

Redemptions will be paid by the Depositary in EUR within 3 (three) Business Days after the relevant Valuation Day.

A Redemption Fee as set out under Section 5 of this Special Section may be levied upon the redemption of Shares. Redemption proceeds may be converted into any freely convertible currency at the Shareholder's request and at his/her/its own expenses.

8. CONVERSION

Shares in the Sub-Fund may be converted as of each Business Day.

Each Shareholder in the Sub-Fund may convert all or part of his/her/its Shares into Shares of another Sub-Fund in accordance with the Section 10 of the General Section.

The request to convert shares must be received by the Administrative Agent no later than 15.00 (Luxembourg time) on the Business Day preceding the Valuation Day. The request to convert Shares received after this deadline will be processed as of the next Valuation Day.

A Conversion Fee in favour of this Sub-Fund or Class as set out under Section 5 of this Special Section may be levied.

9. INVESTMENT MANAGER

The Management Company has appointed Fidentiis Gestion, S.G.I.I.C., S.A. as the investment manager of the Sub-Fund (the **Investment Manager**) to carry out investment management services and to be responsible for the investment activities of the Sub-Fund.

The Investment Manager is part of the Grupo Fidentiis Equities S.L. and based in Madrid, Spain. The Investment Manager is authorized to manage investment funds (traditional funds and hedgefunds) under Spanish regulation; discretionary management is permitted as well.

The Investment Manager is regulated by the Spain's financial market regulator (*Commission Nacional del Mercado de Valores – CNMV*) and the *Banco de España*.

Remuneration of the Investment Manager

(a) Investment Management Fee

The Investment Manager is entitled to receive out of the assets of the Company an annual investment management fee (the **Investment Management Fee**) payable monthly at such rate p.a. as set out in respect of each Class under Section 5 above based on the average Net Asset Value of the relevant Class over the relevant period. The Investment Management Fee is payable monthly in arrears.

(b) Performance Fee

In addition to the Investment Management Fee, the Investment Manager is entitled to receive a performance fee (the **Performance Fee**) of 10 % of the performance achieved over a high water mark out of the net assets of the Sub-Fund (excluding the Performance Fee).

The Performance fee is calculated, and accruing daily as an expense of the relevant Class, over the relevant Performance Period.

To determine the Performance Periods, each calendar year will be divided into two (2) periods of six (6) months, starting on 1 January and 1 July respectively. Each of these periods will be a Performance Period. The first Performance Period starts on the first day of the Initial Offering Period and ends on the last Business Day of the relevant Performance Period.

The Performance Fee is subject to a high-water-mark which ensures that Shareholders will not be charged a Performance Fee until any previous losses are recovered.

The high-water-mark is the greater of:

- (i) the latest Net Asset Value per Share after deduction of the Performance Fee calculated over the previous Performance Period; and
- (ii) the latest high-water-mark.

The first high-water-mark will be the Initial Subscription Price. No provision for the Performance Fee shall be made if the Net Asset Value is lower than the high-water-mark.

In the event that a Shareholder redeems Shares prior to the end of a Performance Period, any accrued but unpaid Performance Fee in respect of such Shares will be paid to the Investment Manager at the end of the relevant Performance Period.

The Performance Fee is calculated on the basis of the Net Asset Value after deduction of all expenses, liabilities and Investment Management Fees (but not the Performance Fee), and is adjusted to take into account of all subscriptions, redemptions, dividends and distributions.

The Performance Fee will be paid to the Investment Manager within fourteen (14) Business Days following the relevant Performance Period.

10. RISK MANAGEMENT

The Sub-Fund will use the commitment approach to monitor its global exposure.

11. PROFILE OF THE TYPICAL INVESTOR

The Sub-Fund is suitable for either non-sophisticated and sophisticated investors, who should understand and are able to bear the risks of an investment in the Sub-Fund in any case, including the risk of losing all or substantially all of their investment.

Shareholders should note that the value of their investment could fall as well as rise and they should accept that there is no guarantee that they will recover their initial investment.

SPECIAL SECTION 2

FIDENTIIS TORDESILLAS SICAV – GLOBAL STRATEGY

This Special Section is valid only if accompanied by the General Section of the Prospectus. This Special Section refers only to Fidentiis Tordesillas SICAV – Global Strategy (the **Sub-Fund**).

1. INVESTMENT POLICY

1.1 Investment Objective

The Sub-Fund aims to achieve capital appreciation over the long term by investing in equity, equity related Transferable Securities and fixed income Transferable Securities. The Sub-Fund will seek a moderate return focusing on a downside risk control.

No guarantee may be granted that the investment objective will be achieved.

1.2 Investment Policy

The Sub-Fund will invest its assets in Transferable Securities listed on a Regulated Market or Another Regulated Market. These Transferable Securities will be listed in any OECD Member State and in other States considered as emerging market and making part of the G20.

Fixed income Transferable Securities will include corporate and government bonds and the average rating of the portfolio should be equal or above investment grade (subject to the classification set forth by at least one of the three main rating agencies, Moody's, Standard & Poor's or Fitch). There is not a predefined duration target, while range will move from short to long end of the curve and could discretionarily also turn from positive to negative sensibility to interest rates.

The Sub-Fund may invest directly or indirectly in equities or equity related Transferable Securities which are issued by companies of any market capitalization including large, mid and small capitalizations. Indirect investments may be made through Financial Derivative instruments traded on a Regulated Market and/or over the counter (**OTC**), as well as ADRs and Exchange Traded Funds (**ETFs**).

By the use of Financial Derivative Instruments, the Investment Manager seeks either to hedge specific market or asset exposure or to gain an exposure to a specific market and/or issuers.

The Sub-Fund may invest in Transferable Securities denominated in other currencies different to the reference currency of the Sub-Fund. The currency risks hedging will be subject to the Investment Manager's discretionary decision.

The flexibility of the Sub-Fund enables the Investment Manager to rotate the portfolio from one asset class subject to the restrictions described under Section 1.3 below.

1.3 Investment Restrictions

The Sub-Fund complies with the investment restrictions set out under Section 4 of the General Section.

Additionally, the Sub-Fund will comply with the following investment restrictions:

- The Sub-Fund's net exposure to equities will not exceed 50% of its portfolio;

- the Sub-Fund will not invest more than 10% of its net assets in other UCI or UCITS;
- the Sub-Fund will not borrow cash for investment purposes in regular circumstances;
- the Sub-Fund may hold more than 50% of its net assets in cash, cash equivalents and Money Market Instruments with total flexibility in its exposure to these assets. The Sub-Fund may be required to hold part of its assets in cash as margin for its exposure to Financial Derivative Instruments.

1.4 Specific Risk Factors

Before making an investment decision with respect to this Sub-Fund, prospective investors should carefully consider the risks of investing set out in Section 6 of the General Section and in particular the risks linked to investments in emerging markets set out in Section 6.3 of the General Section as companies that the Sub-Fund might invest in may be listed in countries that might be considered as emerging markets.

1.5 Cash and cash equivalents

The Sub-Fund may hold more than 50% of its assets in cash and cash equivalents when aiming to reduce or limit exposure to equity markets subject to the investment restrictions set out under Section 1.3 above.

Where financial market conditions so require, up to 100% of the assets of the Sub-Fund may be held on a temporary basis in cash and cash equivalents, subject to compliance with the principle of risk diversification.

The Sub-Fund may in exceptional cases borrow cash for investment purposes and to handle large redemptions under the conditions (i) that the respective loan must be temporary in the sense that the loan is terminated within a reasonable time, and (ii) that such borrowing is not a permanent feature of the Sub-Fund's investment policy in the sense that the borrowing takes place on a recurring basis. Any loan is subject to the condition that this borrowing does not exceed 10% of the Sub-Fund's Net Asset Value.

2. REFERENCE CURRENCY

The reference currency of the Sub-Fund is the Euro.

3. TERM OF THE SUB-FUND

The Sub-Fund has been created for an unlimited period of time

4. VALUATION DAY

The Net Asset Value of the Sub-Fund is calculated as of each business day (the **Valuation Day**).

5. CLASSES OF SHARES AVAILABLE

Class of Shares	A	I	Z
Distribution or accumulation	Accumulation	Accumulation	Accumulation
Eligible Investors	Unrestricted	Institutional Investors	Only investors accepted by the Board of Directors
Reference Currency	EUR	EUR	EUR
Minimum Subscription Amount	EUR 1,000	EUR 50,000	EUR 1,000
Minimum Holding Amount	EUR 1,000	EUR 50,000	EUR 1,000
Initial Subscription Price	EUR 10	EUR 10	EUR 10
Subscription Fee	Max. 5%	Max. 5%	Max. 5%
Redemption Fee	Max. 3%	Max. 3%	Max. 3%
Conversion Fee	Max. 3%	Max. 3%	Max. 3%
Management Fee	Max. p.a. 0.15%	Max. p.a. 0.15%	Max. p.a. 0.15%
	subject to a minimum Management Fee p.a. for the Sub-Fund of EUR 25,000.		
Investment Management Fee	2,0% of the Net Asset Value	1,5% of the Net Asset Value	1,5% of the Net Asset Value
Performance Fee	10% over the High Watermark	10% over the High Watermark	10% over the High Watermark

6. SUBSCRIPTION

Subscriptions to the Sub-Fund's Shares must be made using the documents available from the registered offices of the Company or the Distributor(s).

Subscriptions for Shares are accepted as of each Business Day. The application to subscribe shares must be received by the Administrative Agent no later than 15.00 (Luxembourg time) on the Business Day preceding the Valuation Day. Applications received after cut off time will be processed as of the next Valuation Day.

Payments for subscriptions must be received in EUR within 3 (three) Business Days after the relevant Valuation Day.

A Subscription Fee as set out under Section 5 of this Special Section may be levied upon the subscription of Shares.

7. REDEMPTION

Shares in the Sub-Fund may be redeemed as of each Business Day. The request to redeem Shares must be sent in writing to the Administrative Agent or to the Distributor(s).

Shares in the Sub-Fund may be redeemed as of each Business Day. The request to redeem Shares must be received by the Administrative Agent no later than 15.00 (Luxembourg time) on the Business Day preceding the Valuation Day. Redemption requests received after this deadline will be processed as of the next Valuation Day.

Redemptions will be paid by the Depositary in EUR within 3 (three) Business Days after the relevant Valuation Day.

A Redemption Fee as set out under Section 5 of this Special Section may be levied upon the redemption of Shares. Redemption proceeds may be converted into any freely convertible currency at the Shareholder's request and at his/her/its own expenses.

8. CONVERSION

Shares in the Sub-Fund may be converted as of each Business Day.

Each Shareholder in the Sub-Fund may convert all or part of his/her/its Shares into Shares of another Sub-Fund in accordance with Section 10 of the General Section.

The request to convert shares must be received by the Administrative Agent no later than 15.00 (Luxembourg time) on the Business Day preceding the Valuation Day. The request to convert Shares received after this deadline will be processed as of the next Valuation Day.

A Conversion Fee as set out under Section 5 in favour of this Sub-Fund or Class as set out under Section 5 of this Special Section may be levied.

9. INVESTMENT MANAGER

The Management Company has appointed Fidentiis Gestion, S.G.I.I.C., S.A. as the investment manager of the Sub-Fund (the **Investment Manager**) to carry out investment management services and to be responsible for the investment activities of the Sub-Fund.

The Investment Manager is part of the Grupo Fidentiis Equities S.L. and is based in Madrid, Spain. The Investment Manager is authorized to manage investment funds (traditional funds and hedge funds) under Spanish regulation; discretionary management is permitted as well.

The Investment Manager is regulated by the Spain's financial market regulator (*Commission Nacional del Mercado de Valores – CNMV*) and the *Banco de España*.

Remuneration of the Investment Manager

(a) Investment management fee

The Investment Manager is entitled to receive out of the assets of the Company an annual investment management fee (the **Investment Management Fee**) payable monthly at such rate p.a. as set out in respect of each Class under Section 5 above based on the average Net Asset Value of the relevant Class over the relevant period. The Investment Management Fee is payable monthly in arrears.

(b) Performance fee

In addition to the Investment Management Fee, the Investment Manager is entitled to receive a performance fee (the **Performance Fee**) as set out under Section 5 of the performance achieved over a high watermark paid out of the net assets of the Sub-Fund (excluding the Performance Fee).

The Performance Fee is calculated, and accruing daily as an expense of the relevant Class, over the relevant Performance Period.

To determine the Performance Periods, each calendar year will be a Performance Period. The first Performance Period starts on the first day of the Initial Offering Period and ends on the last Business Day of the relevant Performance Period.

The Performance Fee is subject to a high watermark which ensures that Shareholders will not be charged a Performance Fee until any previous losses are recovered.

The high watermark is the last Net Asset Value per Share after deduction of the Performance Fee calculated over the previous Performance Period.

10. RISK MANAGEMENT

According to the investment policy above and the non-intensive use of derivate instruments, the Sub-Fund employs the Commitment Approach as the global exposure determination methodology.

11. PROFILE TYPICAL INVESTOR

The Sub-Fund is suitable for either non-sophisticated and sophisticated investors, who should understand and are able to bear the risks of an investment in the Sub-Fund in any case, including the risk of losing all or substantially all of their investment.

Shareholders should note that the value of their investment could fall as well as rise and they should accept that there is no guarantee that they will recover their initial investment.

SPECIAL SECTION 3

FIDENTIIS TORDESILLAS SICAV – IBERIA LONG-SHORT

This Special Section is valid only if accompanied by the General Section of the Prospectus. This Special Section refers only to Fidentiis Tordesillas SICAV – Iberia Long-Short (the **Sub-Fund**).

1. INVESTMENT POLICY

1.1 Investment objective

The Sub-Fund aims to achieve capital appreciation over the long term by investing in equities and equity related securities, in such a way that risk (notably downside risk) is substantially reduced. With its market hedging approach, the Fund aims to keep the volatility under 8% (12-month rolling daily returns' volatility). Long investments are based on a fundamental stock picking, focused on gaining exposure to those companies with best expectations while short synthetic positions will aim to capture down-trend performance from those companies with worst expectations, under a deep and strict control of the performance. In addition, market risk is hedged mainly by selling index futures in order to adapt the net exposure to the manager's expectations and macro environment.

No guarantee may be granted that the investment objective will be achieved.

1.2 Investment policy

The Sub-Fund will invest its assets only in equities or equity related securities listed on a Regulated Market, Another Regulated Market or any other stock exchange. These equities or equity related securities will be listed:

- (A) in Spain or Portugal; and
- (B) in any other OECD Member State and Brazil.

The Sub-Fund will invest up to 20% of its assets as per (B) above. The remaining equity assets will be invested in the main markets as described in (A) above.

The equities or equity related securities will be issued by companies of any market capitalisation including large, mid and small capitalisations.

With respect to the long/short positions exposures, the Sub-Fund may invest directly or indirectly in equities or equity related securities. Indirect investments may be made through Financial Derivative instruments traded on a Regulated Market (such as index futures) and/or over the counter (**OTC**) – mainly “Equity Swaps” -, as well as ADRs and Exchange Traded Funds (**ETFs**).

By the use of Financial Derivative Instruments, the Investment Manager seeks either to hedge specific market or equity exposures or to gain an exposure to specific markets and/or issuers.

The Sub-Fund's exposure to equity markets will at any given moment be established according to current market conditions in order to reduce the volatility of the Sub-Fund's return and adjust market exposure to the investment manager's view of the economic environment. The flexibility of the Sub-Fund enables the Investment Manager to set the net exposure with total flexibility, subject to the restrictions described under Section 1.3 below.

The Sub-Fund has a long / short approach to obtain long term appreciation while lowering exposure to general market risk. It is expected that the long positions will be at the discretion of the

Investment Manager and on average depending on market circumstances, 80% of the Net Asset Value and the short synthetic position 50% of the Net Asset Value. The Sub-Fund will take long positions in stocks of companies that are identified as undervalued and short synthetic positions in stocks of companies that are identified as overvalued.

1.3 Investment restrictions

The Sub-Fund complies with the investment restrictions set out under Section 4 of the General Section.

Additionally, the Sub-Fund will comply with the following investment restrictions:

- The Sub-Fund will not open positions in Financial Derivative Instruments to gain an exposure to an issuer which is not based in an OECD Member State;
- The Sub-Fund will not invest more than 10% of its net assets in other UCI or UCITS; and
- The Sub-Fund may hold more than 50% of its net assets in cash, cash equivalents and Money Market Instruments with total flexibility in its exposure to these assets. The Sub-Fund may be required to hold part of its assets in cash as margin for its exposure to Financial Derivative Instruments.

1.4 Specific Risk Factors

Before making an investment decision with respect to this Sub-Fund, prospective investors should carefully consider the risks of investing set out in Section 6 of the General Section and in particular the risks linked to investments in emerging markets as set out in Section 6.3 of the General Section as companies that the Sub-Fund might invest in may be listed in countries that might be considered as emerging markets.

The Sub-Fund may use derivatives as part of its investment strategy and such investments are inherently volatile and the Sub-Fund could potentially be exposed to additional risks and costs should the market move against it. The Sub-Fund may particularly take long positions in some investments. Should the value of such investment decrease, it will have a negative effect on the Sub-Fund's value.

The intention of the Sub-Fund is also to achieve capital appreciation in taking short positions. Short selling allows the investor to profit from declines in securities. However a synthetic short sale creates the risk of a theoretically unlimited loss, in the event the price of the underlying security could theoretically increase without limit.

1.5 Cash and cash equivalent

The Sub-Fund may hold more than 50% of its assets in cash and cash equivalents when aiming to reduce or limit exposure to equity markets subject to the investment restrictions set out under Section 1.3 above

The Sub-Fund may in exceptional cases borrow cash for investment purposes and to handle large redemptions under the condition (i) that the respective loan must be temporary in the sense that the loan is terminated within a reasonable time and (ii) that such borrowing is not a permanent feature of the Sub-Fund's investment policy in the sense that the borrowing takes place on a recurring basis. Any loan is subject to the condition that this borrowing does not exceed 10% of the Sub-Fund's Net Asset Value.

2. REFERENCE CURRENCY

The Reference Currency of the Sub-Fund is the EUR.

3. TERM OF THE SUB-FUND

The Sub-Fund has been created for an unlimited period of time.

4. VALUATION DAY

The Net Asset Value of the Sub-Fund is calculated as of each Business Day (the **Valuation Day**).

5. CLASSES OF SHARES AVAILABLE

As of the day of the Prospectus, the following Classes are available for subscription by investors:

Class of Shares		A	I	Z
Distribution	or	Accumulation	Accumulation	Accumulation
accumulation				
Eligible Investors		unrestricted	Institutional Investors	Institutional investors and retail investors
Reference Currency		EUR	EUR	EUR
Minimum Subscription Amount		EUR 1,000	EUR 150,000	EUR 1,000
Subsequent Investment Amount		EUR 1,000	EUR 1,000	EUR 1,000
Minimum Holding Amount		EUR 1,000	EUR 150,000	EUR 1,000
Initial Subscription Price		EUR 10 max. 5%	EUR 10 max. 5%	EUR 10 max. 5%
Subscription Fee		max. 3%	max. 3%	max. 3%
Redemption Fee		max 3%	max 3%	max. 3%
Conversion Fee				
Management Fee		max. 0.15% p.a. subject to a minimum 25,000.	max. 0.15% p.a. Management Fee p.a. for the Sub-Fund of EUR	max. 0.15% p.a.
Investment Management Fee		1.75% p.a. of the Net Asset Value	1.25% p.a. of the Net Asset Value	1.25% p.a. of the Net Asset Value
Performance Fee Rate		10% over the High Water Mark	10% over the High Water Mark	10% over the High Water Mark

6. SUBSCRIPTION

Subscriptions to the Sub-Fund's Shares must be made using the documents available from the registered offices of the Company or the Distributor(s).

Subscriptions for shares are accepted as of each Business Day. The application to subscribe shares must be received by the Administrative Agent no later than 15.00 (Luxembourg time) on the Business Day preceding the Valuation Day. Applications received after cut off time will be processed as of the next Valuation Day.

Payments for subscriptions must be received in EUR within 3 (three) Business Days after the relevant Valuation Day.

A Subscription Fee as set out under Section 5 of this Special Section may be levied upon the subscription of Shares.

7. REDEMPTION

Shares in the Sub-Fund may be redeemed as of each Business Day. The request to redeem Shares must be sent in writing to the Administrative Agent or to the Distributor(s).

Shares in the Sub-Fund may be redeemed as of each Business Day. The request to redeem Shares must be received by the Administrative Agent no later than 15.00 (Luxembourg time) on the Business Day preceding the Valuation Day. Redemption requests received after this deadline will be processed as of the next Valuation Day.

Redemptions will be paid by the Depositary in EUR within 3 (three) Business Days after the relevant Valuation Day.

A Redemption Fee as set out under Section 5 of this Special Section may be levied upon the redemption of Shares. Redemption proceeds may be converted into any freely convertible currency at the Shareholder's request and at his/her/its own expenses.

8. CONVERSION

Shares in the Sub-Fund may be converted as of each Business Day.

Each Shareholder in the Sub-Fund may convert all or part of his/her/its Shares into Shares of another Sub-Fund in accordance with the Section 10 of the General Section.

The request to convert shares must be received by the Administrative Agent no later than 15.00 (Luxembourg time) on the Business Day preceding the Valuation Day. The request to convert Shares received after this deadline will be processed as of the next Valuation Day.

A Conversion Fee in favour of this Sub-Fund or Class as set out under Section 5 of this Special Section may be levied.

9. INVESTMENT MANAGER

The Management Company has appointed Fidentiis Gestión, S.G.I.I.C., S.A. as the investment manager of the Sub-Fund (the **Investment Manager**) to carry out investment management services and to be responsible for the investment activities of the Sub-Fund.

The Investment Manager is part of the Grupo Fidentiis Equities S.L. and based in Madrid, Spain. The Investment Manager is authorized to manage investment funds (traditional funds and hedgefunds) under Spanish regulation; discretionary management is permitted as well.

The Investment Manager is regulated by the Spain's financial market regulator (*Commission Nacional del Mercado de Valores* – CNMV) and the *Banco de España*.

Remuneration of the Investment Manager

(a) Investment Management Fee

The Investment Manager is entitled to receive out of the assets of the Company an annual investment management fee (the **Investment Management Fee**) payable monthly at such rate p.a. as set out in respect of each Class under Section 5 above based on the average Net Asset Value of the relevant Class over the relevant period. The Investment Management Fee is payable monthly in arrears.

(b) Performance Fee

In addition to the Investment Management Fee, the Investment Manager is entitled to receive a performance fee (the **Performance Fee**) as set out under Section 5 of the performance achieved over a high watermark out of the net assets of the Sub-Fund (excluding the Performance Fee).

The Performance fee is calculated, and accruing daily as an expense of the relevant Class, over the relevant Performance Period.

To determine the Performance Periods, each calendar year will be divided into two (2) periods of six (6) months, starting on 1 January and 1 July respectively. Each of these periods will be a Performance Period. The first Performance Period starts on the first day of the Initial Offering Period and ends on the last Business Day of the relevant Performance Period.

The Performance Fee is subject to a high watermark which ensures that Shareholders will not be charged a Performance Fee until any previous losses are recovered.

The high watermark is the greater of:

- (i) the latest Net Asset Value per Share after deduction of the Performance Fee calculated over the previous Performance Period; and
- (ii) the latest high watermark.

The first high watermark will be the Initial Subscription Price. No provision for the Performance Fee shall be made if the Net Asset Value is lower than the high watermark.

In the event that a Shareholder redeems Shares prior to the end of a Performance Period, any accrued but unpaid Performance Fee in respect of such Shares will be paid to the Investment Manager at the end of the relevant Performance Period.

The Performance Fee is calculated on the basis of the Net Asset Value after deduction of all expenses, liabilities and Investment Management Fees (but not the Performance Fee), and is adjusted to take into account of all subscriptions, redemptions, dividends and distributions.

The Performance Fee will be paid to the Investment Manager within fourteen (14) Business Days following the relevant Performance Period.

10. RISK MANAGEMENT

The Sub-Fund will use the commitment approach to monitor its global exposure.

11. PROFILE OF THE TYPICAL INVESTOR

The Sub-Fund is suitable for either non-sophisticated and sophisticated investors, who should understand and are able to bear the risks of an investment in the Sub-Fund in any case, including the risk of losing all or substantially all of their investment.

Shareholders should note that the value of their investment could fall as well as rise and they should accept that there is no guarantee that they will recover their initial investment.