

# **F o r u m   O n e**

**An Investment Company with Variable Capital (*société d'investissement à capital variable*, SICAV) with multiple Sub-Funds under the laws of Luxembourg**

## **PROSPECTUS**

**29 May 2017**

## **TABLE OF CONTENTS**

<b>1.</b>	<b>GENERAL DEFINITIONS</b>	<b>4</b>
<b>2.</b>	<b>INTRODUCTION</b>	<b>9</b>
<b>3.</b>	<b>ADMINISTRATION OF THE COMPANY</b>	<b>11</b>
<b>4.</b>	<b>THE COMPANY</b>	<b>12</b>
4.1	GENERAL INFORMATION	12
4.2	SHARE CAPITAL	12
4.3	DISSOLUTION OF THE COMPANY	12
4.4	MERGER OR LIQUIDATION OF THE SUB-FUNDS OR CLASSES OR SUB-CLASSES	12
4.5	COMPARTMENTALISED ASSETS AND LIABILITIES	13
4.6	CONFLICTS OF INTEREST	13
4.7	SHAREHOLDERS RECOURSE	14
<b>5.</b>	<b>INVESTMENT RESTRICTIONS</b>	<b>15</b>
<b>6.</b>	<b>CO-MANAGEMENT AND POOLING</b>	<b>23</b>
<b>7.</b>	<b>SPECIAL CONSIDERATIONS ON THE RISKS</b>	<b>24</b>
7.1	GENERAL	24
7.2	INVESTMENT OBJECTIVE	24
7.3	INVESTOR PROFILE	24
7.4	SUSPENSION OF SHARE DEALINGS	24
7.5	DIVIDENDS	24
7.6	WARRANTS	24
7.7	INVESTMENTS IN EMERGING AND LESS DEVELOPED MARKETS	24
7.8	INVESTMENTS IN SMALL AND MEDIUM ENTERPRISES	26
7.9	INVESTMENTS IN SPECIFIC SECTORS	26
7.10	USE OF EPM TECHNIQUES	26
7.11	USE OF FINANCIAL DERIVATIVE INSTRUMENTS	27
7.12	INVESTMENTS IN SMALLER COMPANIES	29
7.13	INVESTMENTS IN TECHNOLOGY RELATED COMPANIES	29
7.14	INVESTMENTS IN CONCENTRATED PORTFOLIOS	29
7.15	INVESTMENTS IN UCITS AND OTHER INVESTMENT FUNDS	29
7.16	INVESTMENTS IN DEBT SECURITIES	29
7.17	STRUCTURED PRODUCTS	30
7.18	INVESTMENTS IN CHINA	30
7.19	INVESTMENTS IN RUSSIA	30
7.20	INVESTMENTS IN REAL ESTATE	31
7.21	DEPOSITORY RECEIPTS	31
7.22	LISTING	31
<b>8.</b>	<b>MANAGEMENT COMPANY</b>	<b>32</b>
<b>9.</b>	<b>DISTRIBUTORS</b>	<b>34</b>
<b>10.</b>	<b>INVESTMENT MANAGERS AND INVESTMENT ADVISERS</b>	<b>35</b>
<b>11.</b>	<b>DEPOSITORY AND DOMICILIARY AGENT</b>	<b>36</b>
<b>12.</b>	<b>SHARES</b>	<b>38</b>
<b>13.</b>	<b>DEFINITION AND CALCULATION OF THE NET ASSET VALUE</b>	<b>39</b>
<b>14.</b>	<b>SUSPENSION OF THE CALCULATION OF THE NET ASSETS VALUE AND OF THE ISSUE, REDEMPTION, AND CONVERSION OF THE SHARES</b>	<b>42</b>
<b>15.</b>	<b>ISSUE AND DELIVERY OF SHARES</b>	<b>43</b>
15.1	GENERAL	43
15.2	INITIAL SUBSCRIPTIONS	44
15.3	ONGOING SUBSCRIPTIONS	44
15.4	RESTRICTIONS ON THE ACQUISITION AND HOLDING OF SHARES AND ANTI-MONEY LAUNDERING MEASURES	44

15.5	RESTRICTIONS ON THE ACQUISITION OF SHARES IN RESPECT OF THE FIGHT AGAINST THE PRACTICE AND TECHNIQUES OF LATE TRADING AND MARKET TIMING	44
15.6	RESTRICTIONS ON THE ACQUISITION OF SHARES LINKED TO THE VERIFICATION OF THE QUALIFICATION OF INSTITUTIONAL INVESTORS	44
15.7	SALE OF SHARES IN FOREIGN COUNTRIES	45
15.8	NOTE TO US PERSONS	45
15.9	WITHDRAWAL OF REQUESTS FOR SUBSCRIPTION	45
<b>16.</b>	<b>REDEMPTION OF SHARES</b>	<b>46</b>
<b>17.</b>	<b>SHARE CONVERSION</b>	<b>48</b>
17.1	GENERAL	48
17.2	TYPES OF SHARE CONVERSION	48
17.3	LIMITATIONS APPLIED TO CONVERSIONS	48
17.4	TERMS AND CONDITIONS FOR CONVERSIONS	48
17.5	FORMULA ON THE BASIS OF WHICH A SHARE CONVERSION IS EFFECTED	49
17.6	CONVERSION FEE	49
17.7	WITHDRAWAL OF REQUESTS FOR CONVERSION	49
<b>18.</b>	<b>FEES AND EXPENSES</b>	<b>50</b>
18.1	FEES	50
18.1.1	Global Fee	50
18.1.2	Distribution Fee	50
18.1.3	Investment Management Fee	50
18.1.4	Retrocession fee arrangements	50
18.1.5	Soft commissions with brokers	50
18.2	EXPENSES	51
<b>19.</b>	<b>FINANCIAL YEAR</b>	<b>52</b>
<b>20.</b>	<b>PERIODIC REPORTS</b>	<b>53</b>
<b>21.</b>	<b>GENERAL SHAREHOLDERS' MEETINGS</b>	<b>54</b>
<b>22.</b>	<b>DISTRIBUTION OF DIVIDENDS</b>	<b>55</b>
<b>23.</b>	<b>TAX TREATMENT</b>	<b>56</b>
23.1	TAXATION OF THE COMPANY	56
23.2	TAXATION OF THE SHAREHOLDERS	56
23.3	FATCA	56
23.4	EXCHANGE OF INFORMATION FOR TAX PURPOSES	57
<b>24.</b>	<b>INFORMATION TO SHAREHOLDERS</b>	<b>58</b>
24.1	NET ASSET VALUE	58
24.2	OTHER PUBLICATIONS	58
<b>25.</b>	<b>DOCUMENTS AVAILABLE TO THE PUBLIC</b>	<b>59</b>
<b>26.</b>	<b>DATA SHEETS OF THE SUB-FUNDS</b>	<b>60</b>

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## 1. GENERAL DEFINITIONS

### **“Absolute VaR Approach”**

Designates a method for the calculation of global risk as specified in the applicable legislation and regulations, including without limitation Circular 11/512.

### **“Accumulation Class”**

Refers to a Class for which it is not intended to make distributions, as set out in the relevant Data Sheet.

### **“AEOI Laws”**

Has the meaning ascribed to it in Chapter 23.4 of this Prospectus.

### **“Articles”**

Designates the articles of incorporation of the Company, as these may be amended from time to time.

### **“Board”**

Designates the board of directors of the Company.

### **“Business Day”**

Unless otherwise defined in respect of a specific Sub-Fund in the relevant Data Sheet, a day on which banks are generally open for business in Luxembourg during the whole day (excluding Saturdays and Sundays and public holidays).

### **“Chapter”**

Refers to a chapter of this Prospectus.

### **“CHF”**

Means the Swiss Franc.

### **“Circular 04/146”**

Designates the CSSF circular 04/146 on the protection of UCIs and their investors against Late Trading and Market Timing practices.

### **“Circular 11/512”**

Designates the CSSF circular 11/512 on the presentation of the main regulatory changes in risk management following the publication of CSSF Regulation 10-4 and ESMA clarifications.

### **“Class”**

Designates one or several classes of shares issued by a Sub-Fund in which the assets are to be invested collectively in accordance with the investment policy of the Sub-Fund concerned. All classes will be reserved for investors qualifying, pursuant to FATCA legislation, as “exempt beneficial owners”, as “active non-financial foreign entities (active NFFEs)”, as “US persons not qualifying as a specified US person” or as financial institutions that are not “non-participating financial institutions under FATCA”.

### **“Closed-Ended Investment Fund”**

Designates a closed-ended Investment Fund quoted on a stock exchange or traded on a Regulated Market, the units or shares of which are considered to be similar to any other Transferable Security.

### **“Company”**

Forum One.

### **“Commitment Approach”**

Designates a method for the calculation of global risk as specified in the applicable legislation and regulations, including without limitation Circular 11/512.

### **“Counterparty Risk Limit”**

Refers to the counterparty risk limitations applicable to the Company in the context of the use of OTC Derivatives and EPM Techniques described in Chapter 5. “Investment Restrictions”, section D.(11).

### **“CSSF”**

Designates the *Commission de Surveillance du Secteur Financier*, the Luxembourg regulatory authority for the financial sector.

### **“Data Sheet”**

Designates 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.

### **“Distribution Fee”**

Means the distribution fee payable to distributors out of the assets of each Sub-Fund, in accordance with the terms of the relevant Data Sheets.

**“Debt securities”**

Designates all types of bonds, with fixed, variable, revisable, floating, minimal, maximal, indexed or zero coupons, including convertible, exchangeable, or option bonds, and all other similar debt securities.

**“Directive 2009/65/EC”**

Designates Directive 2009/65/EC of the European Parliament and of the Council, of 13 July 2009 on the coordination of laws, regulations, and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS).

**“Distribution Class”**

Refers to a Class for which it is intended to make distributions. In accordance with the principle set out in the Articles, Distribution Classes will, unless otherwise set out in the relevant Data Sheet, distribute on an annual basis all revenues generated over the period, net of all fees. Distribution Classes which, according to the relevant Data Sheet, will distribute all or part of their revenues generated annually derogate from the principle set out in the Articles.

**“EEA”**

Designates the European Economic Area.

**“€” or “EUR”**

Means the Euro.

**“Eligible State”**

Means any OECD Member State, and any other state which the Board deems appropriate with regard to the investment objectives of each Sub-Fund. Eligible States include in this category countries in Africa, the Americas, Asia, Australasia and Europe.

**“Emerging Markets”**

Refers to less developed countries with strong potential for growth. These countries generally have a smaller Gross National Product and are located in geographical regions such as Asia, East Europe and Latin America. BRIC countries (Brazil, Russia, India and China) are included in this definition.

**“EPM Techniques”**

Refers to (reverse) repurchase transactions or securities lending transactions as more fully described in Chapter 5, section D.

**“ESMA”**

Designates the European Securities and Markets Authority, an independent EU Authority that contributes to safeguarding the stability of the European Union's financial system by ensuring the integrity, transparency, efficiency and orderly functioning of securities markets, as well as enhancing investor protection.

**“ESMA Guidelines 2014/937”**

Refers to the ESMA Guidelines 2014/937 of 1 August 2014 on ETFs and other UCITS issues as implemented by CSSF Circular 14/592.

**“EU”**

Designates the European Union.

**“EU Member State”**

Designates a Member State of the EU.

**“Euro zone”**

Means the zone including all European Union states participating in the Economic and Monetary Union.

**“FATCA”**

Refers to the Foreign Account Tax Compliance Act, American legislation embedded in the Hiring Incentives to Restore Employment Act of 2010 along with any legislation or regulations under US or Luxembourg law that aim to implement said legislation.

**“FATF”**

Designates the Financial Action Task Force (also referred to as *Groupe d'Action Financière Internationale* “GAFI”). The FATF is an inter-governmental body whose purpose is the development and promotion of national and international policies to combat money laundering and terrorist financing.

**“Financial Year”**

The financial year of the Company, which starts on 1 January and ends on 31 December of each year, except for the first Financial Year which starts on the date of incorporation of the Company and ends on 31 December 2014.

**“General Meeting”**

Refers to the general meeting of shareholders of the Company, or, where the context so requires, the General Meeting of a Sub-Fund, Class or Sub-Class.

**“Global Fee”**

Means, in respect of each Sub-Fund, the global fee to be paid out of the assets of that Sub-Fund to remunerate the Management Company (in its capacity as management company and administrative agent of the Company) and the Depositary, as further described in the relevant Data Sheet.

**“Grand-Ducal Regulation”**

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

**“Group of Companies”**

Designates the companies which belong to one and the same group, when under the terms of Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts, as amended, or in accordance with recognised international accounting principles, must draw up consolidated accounts.

**“ILS”**

Means the Israeli Shekel

**“Incidentally”**

When this term is employed to define the investment policy of a Sub-Fund, it refers to up to 49% of the net assets of the Sub-Fund in question.

**“Institutional Investor”**

Refers to an investor who is an institutional investor within the meaning of article 174 of the 2010 Act, which currently includes credit institutions and other professionals in the financial sector investing either on their own behalf or on behalf of their clients who are also investors within the meaning of this definition or under discretionary management, insurance companies, pension funds, Luxembourg and foreign collective investment schemes and certain holding companies.

**“Investment Adviser”**

Means the investment adviser appointed by the Management Company or an Investment Manager, with the consent of the Company (and the Management Company), to provide advisory services in respect of a Sub-Fund as described in the relevant Data Sheet.

**“Investment Advisory Fee”**

Means the investment advisory fee payable to the Investment Adviser in accordance with the terms of the relevant Data Sheet.

**“Investment Funds” – “Undertakings for Collective Investment” or “UCIs”**

Entities the sole purpose of which is the collective investment of the capital subscribed, whether in securities, financial instruments or other assets.

**“Investment Management Fee”**

Means the investment management fee payable to the Investment Manager out of the assets of each Sub-Fund in accordance with the terms of the relevant Data Sheet.

**“Investment Manager”**

Means the investment manager appointed by the Management Company, with the consent of the Company, for the management of the portfolio of any relevant Sub-Fund as described in the relevant Data Sheet.

**“KIID”**

Refers to the key investor information document. The Management Company draws the attention of investors to the fact that before subscribing to any Shares, investors may consult the key investor information for the Share Classes, available from the website [www.edmond-de-rothschild.com](http://www.edmond-de-rothschild.com). A paper copy of the key investor information may also be obtained free of charge from the registered office of the Management Company or from intermediaries who are part of the distribution network.

**“£” or “GBP”**

Means the Pound Sterling.

**“Late Trading”**

Designates the technique as provided under the Circular 04/146 which consists of accepting a subscription order, a conversion order, or a redemption order after the deadline for orders on the day in question, and the execution of that order at the price based upon the Net Asset Value applicable on that day.

**“Law of 10 August 1915”**

Designates the law of 10 August 1915 on commercial companies, as amended from time to time.

**“Law of 17 December 2010”**

Designates the law of 17 December 2010 on undertakings for collective investment, as amended from time to time.

**“LIBOR”**

Designates the London Interbank Offered Rate. LIBOR refers to the rate of interest at which banks borrow funds, in marketable size, from other banks in the London interbank market.

**“Luxembourg Investment Fund”**

Luxembourg Investment Fund approved by the CSSF.

**“Management Company”**

Edmond de Rothschild Asset Management (Luxembourg).

**“Market Timing”**

Designates any market timing practice within the meaning of the Circular 04/146, i.e., an arbitrage method whereby an investor systematically purchases and redeems or converts the Shares within a short period of time to take advantage of time differences and/or imperfections or deficiencies in the system for determining the Net Asset Value.

**“Memorial”**

Refers to the Memorial C. *Recueil des Sociétés et Associations*.

**“Monetary Papers”**

Means generally securities with a short maturity.

**“Money Market Instruments”**

Designates instruments normally traded on the money market, which are liquid and the value of which may be accurately determined at any time.

**“Net Asset Value” or “NAV”**

Designates all of the net assets of a Sub-Fund, with respect to any Class or Sub-Class, calculated in accordance with the terms and conditions of this Prospectus.

**“OECD”**

Designates the Organisation for Economic Cooperation and Development.

**“OECD Member State”**

Designates a Member State of the OECD.

**“Open-Ended Investment Fund”**

Refers to an Investment Fund in which the units or shares are redeemed directly or indirectly at the request of the holders of the units or shares at the expense of the assets of such Investment Funds and which may be traded at least every quarter. Actions taken by an Investment Fund to ensure that the stock exchange value of its units or shares does not significantly vary from their net asset value shall be regarded as equivalent to any such repurchase.

**“OTC Derivatives”**

Has the meaning set out in Chapter 5, section A(7).

**“Other Regulated Market”**

Refers to a regulated market which operates regularly which is recognised and open to the public, that is to say (i) a market which meets the following cumulative criteria: liquid; multi-lateral order matching (general matching of purchases and sales which makes it possible to establish a single price); and transparency (distribution of all transaction information which allows market participants to follow the developments of the market in order to ensure that their orders have been properly executed under the correct conditions); (ii) in which the securities are traded regularly; (iii) which is recognised by a State or by a public authority which enjoys the delegated power of that State, or by another entity such as a professional association recognised by that State or by that public authority; and (iv) in which the securities traded therein are accessible to the public.

**“Principally”**

When this term is employed to define the investment policy of a Sub-Fund, it refers to more than 50% of the net assets of the Sub-Fund in question.

**“Processor”** means an entity (such as the Management Company or its sub-contractor) to which the processing of personal data may be sub contracted by the Company.

**“Prospectus”**

The prospectus of the Company, as amended from time to time.

**“QUAM”**

Represents the acronym of the term Quantitative Asset Management.

**“Regulated Market”**

Designates a regulated market as defined in the Council Directive 2004/39/EEC dated 21 April 2004 on markets in financial instruments or any other market established in the EEA which is regulated, operates regularly and is recognised and open to the public.

**“Relative VaR Approach”**

Designates a method for the calculation of global risk as specified in the applicable legislation and regulations, including without limitation Circular 11/512.

**“\$” or “USD”**

Means the United States Dollar.

**“Transferable Securities”**

Designates:

- shares and other securities similar to shares;
- bonds and other debt securities;
- all other traded securities which give the right to acquire such securities by subscription or exchange, including units or shares of Closed-Ended Investment Funds;

but excluding techniques and instruments considered under Article 42 of the Law of 17 December 2010.

**“SEK”**

Means the Swedish Krona

**“Shares”**

Designates the shares of Forum One.

**“Sub-Class or Sub-Classes”**

The Classes issued by each Sub-Fund may be sub-divided into sub-classes of Shares, each of which may have a different Valuation Currency.

**“Sub-Fund”**

Designates a separate portfolio of assets and liabilities of the Company with a specific investment policy as described in the relevant Data Sheet.

**“UCITS”**

Refers to Investment Funds compliant with Directive 2009/65/EC.

**“UCITS-CDR”**

Refers to the Commission Delegated Regulation of 17 December 2015 supplementing Directive 2009/65/EC with regard to obligations of depositaries.

**“US Person”**

Designates a person that is a US person for purposes of Regulation S under the US Securities Act and CFTC Rule 4.7 or a US resident within the meaning of the Investment Company Act, which includes any natural person who is a resident of the United States, any partnership or corporation organised or incorporated under the laws of the United States, any estate of which any executor or administrator is a US person and the income of such estate is subject to United States income tax regardless of source, any trust of which any trustee is a US person and the income of such trust is subject to United States income tax regardless of source and any other US person that is a US person or US resident for purposes of Regulation S under the US Securities Act, the Investment Company Act and CFTC Rule 4.7.

**“Valuation Currency”**

The currency in which the Net Asset Value of a Class or Sub-Class of any Sub-Fund is expressed (accounting unit).

**“Valuation Day”**

Designates the day for which the Net Asset Value of the Shares of any Sub-Fund is calculated for any Class or Sub-Class, respectively.

**“¥” or “JPY”**

Means the Japanese Yen.

All references herein to time are to Luxembourg time unless otherwise indicated.

Words importing the singular shall, where the context permits, include the plural and vice versa.



## 2. INTRODUCTION

Forum One is an open-ended investment company with variable capital organised with multiple sub-funds and incorporated as a limited liability company under the laws of the Grand Duchy of Luxembourg.

The Company is registered on the official list of undertakings for collective investments under Part I of the Law of 17 December 2010. Such registration may not be interpreted as a positive evaluation made by any regulatory authority as to the contents of this Prospectus or the quality of the Shares offered and assets held by the Company.

The Company's objective is to provide investors with an investment opportunity in a range of Sub-Funds whose portfolios are made up of holdings in eligible assets, including shares and units of Investment Funds, equities, bonds and derivatives, following the specific investment policy and strategy of each of the Sub-Funds on offer from time to time within the Company, in order to achieve a performance which meets the expectations of the investors.

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 country or in any circumstances in which such offer or solicitation is not authorised, permitted or would be unlawful under applicable local law.

Potential subscribers of shares issued by the Company in any of the Sub-Funds are invited to inform themselves personally and to seek the advice of their bankers, broker, or their legal, accounting, or tax adviser, in order to be fully informed of the potential legal, administrative, or tax consequences, or potential requirements applicable under all applicable laws and regulations in any relevant jurisdiction in the context of and in relation to the subscription, holding, redemption, conversion, or transfer of Shares.

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 offices of the Company at 20 Boulevard Emmanuel Servais, L-2535 Luxembourg. These documents constitute an integral part of this Prospectus. The information in this Prospectus is subject to change. Neither the distribution of the Prospectus, or the offer, issue or sale of shares constitutes a guarantee of information contained in the Prospectus after the date of this document. Subscribers should enquire whether a more recent Prospectus may have been published.

The Board has taken all reasonable steps to ensure that the information contained in this Prospectus is, to the best of the Board's knowledge, substantially correct and that no important information has been omitted which may make misleading any statement herein at the date indicated on this Prospectus. The Board may be held liable for the accuracy of the information contained in this Prospectus as at the date of publication.

The Company draws the attention of investors to the fact that no investor will be able to exercise their rights as an investor directly against the Company, in particular the right to take part in General Meetings, unless the investors themselves appear in their own name in the register of shareholders. Investors investing in the Company through nominees or any other intermediary investing in its own name in the Company in their name but for the account of the (undisclosed) investor, will not necessarily be in a position to exercise directly their rights as investor in the Company. Investors should inform themselves about their rights when investing through intermediaries and nominees.

### NOTICE IN RELATION TO THE UNITED STATES OF AMERICA

The Company and its shares have not been registered with the Securities and Exchange Commission in the United States and the Company will not submit any application for authorisation to offer or sell its shares to the general public under the terms of the U.S. Securities Act of 1933. The Company is not, and will not be, registered under the terms of the U.S. Investment Company Act of 1940, as amended.

This Prospectus may not be distributed and the Shares may not be offered in the United States of America or in any of its territories, possessions or regions subject to its jurisdiction.

Shares in the Company cannot and will not be offered for sale, sold, transferred or issued to investors who qualify as US citizens or US persons, except in connection with transactions that comply with the applicable laws.

For some Sub-Funds, the Company may either subscribe to classes of shares of target funds likely to participate in offerings of US new issue equity securities (**US IPOs**) or directly participate in US IPOs. The Financial Industry Regulatory Authority (**FINRA**), pursuant to FINRA rules 5130 and 5131 (the **Rules**), has established prohibitions concerning the eligibility of certain persons to participate in US IPOs where the beneficial owner(s) of such accounts are financial services industry professionals (including, among other things, an owner or employee of a FINRA member firm or money manager) (a **restricted person**), or an executive officer or director of a U.S. or non-U.S. company potentially doing business with a FINRA member firm (a **covered person**).

Except as provided below, no Shares will be offered to US persons. For the purposes of this Prospectus, the term "US person" specifically (but not exclusively) refers to any person (including a partnership, corporation, limited liability company or similar entity) who is a citizen or resident of the United States of America or is organised or incorporated pursuant to the laws of the United States of America, or is qualified as a "US citizen" or a "US person" pursuant to the US Securities Act or a "specified US person" under FATCA. The decision to offer Shares to a US person will be made at the sole discretion of the Board. These restrictions also apply to any transfer of Shares subsequently made to the United States or in favour of a US person.

Any Investor that may become a US Person may be subject to withholding tax and be obliged to make a tax declaration in the United States.

## **TREATMENT OF PERSONAL DATA**

To enable the Management Company to fulfil the services required by the investors and to comply with its legal and regulatory obligations, certain personal data concerning investors (including, but not limited to, the name, address and invested amount of each investor) may be collected, recorded, stored, adapted, transferred or otherwise processed and used by the Company, the Management Company, the Investment Managers, the Investment Adviser(s) any of their sub-contractors as well as by other companies of the Edmond de Rothschild Group and the distributors/nominees. In particular, such data may be processed for the purposes of account and distribution fee administration, anti-money laundering and terrorism financing identification and those arising from tax identification obligations as specifically scheduled by FATCA, the AEOI Laws, maintaining the register of investors, processing subscription, redemption and conversion orders (if any) and payments of dividends to investors and to provide client-related services (including for marketing activities). Such information shall not be passed on to any unauthorised third persons without the investors' consent.

The Company may sub-contract to a Processor (such as the Management Company or a sub-contractor of the latter) the processing of personal data for the purposes referred to above. In this respect, certain personal data may be transferred outside the European Economic Area or to countries which do not provide an appropriate level of protection for personal data, in which case the Company will either collect the investor's consent for the transfer or enter into appropriate data transfer agreements or European Union model clause agreements with the Processors.

Each investor has a right of access to his personal data and may ask for a rectification thereof in case where such data is inaccurate or incomplete.

By subscribing to the Shares, each Investor consents to such processing of his/her/its personal data and expressly agrees that his/her/its personal data be stored with, changed by, otherwise used by or disclosed or transferred to (i) to any entity of Edmond de Rothschild Group and other parties which intervene in the process of the business relationship with the Investors (e.g. Processors, external processing centres, dispatch or payment agents) or (ii) when required by law or regulation.

Edmond de Rothschild Group will accept no liability with respect to any unauthorised third party receiving knowledge of or having access to such personal data, except in the case of negligence by Edmond de Rothschild Group or any of its Processors.

Investors should note that for the purpose of serving as evidence of operations or communications related to the later operations and to prevent or facilitate the resolution of potential litigations (the **Purpose**) their telephone conversations with and instructions given to the Company, the Depositary and the Management Company (in its capacity as administrative agent of the Company) may be recorded in accordance with applicable Luxembourg laws and regulations. These recordings are stored during the period of time necessary for the achievement of the Purpose and in accordance with applicable laws and regulations. These recordings shall not be disclosed to any third parties, unless the Company, the Depositary and/or the Management Company (in its capacity as administrative agent of the Company) is/are forced or has/have the right to do so in accordance with applicable laws and or regulation to achieve the Purpose.

## **PRESCRIPTION**

The claims of the Company against the Board lapse five years after the date of the event which gave rise to the rights claimed.

## **LANGUAGE**

The official language of this Prospectus is the English language. Translations of the Prospectus into the languages of the countries in which the Shares of the Company are offered and sold may be available. In case of divergences between the English version and a translated version of the Prospectus, the English version will prevail.

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<b>3. ADMINISTRATION OF THE COMPANY</b>
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**REGISTERED OFFICE**

**Forum One**  
20 Boulevard Emmanuel Servais  
L-2535 Luxembourg

**BOARD OF DIRECTORS**

**Mr Christoph Lanz**  
Edmond de Rothschild Asset Management (Luxembourg)  
20 Boulevard Emmanuel Servais  
L-2535 Luxembourg

**Mrs Hanna Esmee Duer**  
Independent Director  
370, Route de Longwy  
L-1940 Luxembourg

**Mr Eric van de Kerkhove**  
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**MANAGEMENT COMPANY**

**Edmond de Rothschild Asset Management (Luxembourg)**  
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**DEPOSITARY AND DOMICILIARY  
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## 4. THE COMPANY

### 4.1 GENERAL INFORMATION

Forum One is an investment company with variable capital (SICAV) with multiple sub-funds formed as a limited liability company under the Law of 10 August 1915 and authorised pursuant to Part I of the Law of 17 December 2010. Forum One has appointed EDMOND DE ROTHSCHILD ASSET MANAGEMENT (LUXEMBOURG) as its management company in accordance with Chapter 15 of the Law of 17 December 2010.

The Company was incorporated on 7 July 2014 for an unlimited duration. The deed of incorporation of the Company was published in the Memorial on 21 July 2014. The Company is registered with the Registry of Trade and Companies in Luxembourg under number B 188605.

The registered office of the Company is established at 20 Boulevard Emmanuel Servais, L-2535 Luxembourg.

The capital of the Company comprises different categories of shares each corresponding to a distinct Sub-Fund consisting of securities and other investments, including cash and cash equivalents, managed in accordance with the rules set out in the specific Data Sheets for each Sub-Fund which are to be found in Chapter 26.

The Company may comprise the Sub-Funds specified in Chapter 26.

The Board reserves the right to launch other Sub-Funds at a later date and to set their terms and conditions, in which case this Prospectus will be updated. Similarly, the Board may decide to close any Sub-Fund, or propose to the shareholders in any Sub-Fund that it should be closed, provided that the Board reserves the right to reopen any such a Sub-Fund at a later date in which case this Prospectus will be updated.

### 4.2 SHARE CAPITAL

The share capital of the Company shall at all times be equal to the value of its net assets and shall be equal to the sum of the net assets of all of the Sub-Funds converted into Euros on the basis of the most recent known exchange rates. It is represented by registered Shares in the Company, all of which have been entirely paid up with no par value.

The minimum share capital of the Company is EUR1,250,000.

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.

The Company may at any time issue additional shares at a price to be determined in accordance with the provisions of Chapter 15 without pre-emptive subscription rights for existing shareholders.

### 4.3 DISSOLUTION OF THE COMPANY

The Company may be dissolved by a decision of the General Meeting in accordance with the quorum and majority requirements set out in the Law of 10 August 1915 for amendments to the Articles.

If the share capital is lower than two thirds of the minimum capital provided under the law, a General Meeting shall be held within forty days of discovering that this fact has arisen, called by the Board who shall submit the question of the dissolution of the Company. The General Meeting shall consider the matter without quorum requirement and shall resolve on the dissolution of the Company by a simple majority of the Shares represented at the meeting. If the share capital of the Company is lower than one quarter of the minimum share capital provided under the law, the Board must submit the question of the dissolution of the Company to the General Meeting which shall consider the matter without quorum requirement and a resolution dissolving the Company in that context may be passed by shareholders holding one-fourth of the voting rights represented at the meeting.

In the event that the Company is dissolved, the liquidation shall be carried out by one or more liquidators who may be individuals or corporations and shall be appointed by the General Meeting. The meeting shall determine their powers and remuneration.

The liquidation shall be carried out in accordance with the Law of 17 December 2010. 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 prorata rights. Any amounts unclaimed by the investors at the closing of the liquidation 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 will be forfeited.

### 4.4 MERGER OR LIQUIDATION OF THE SUB-FUNDS OR CLASSES OR SUB-CLASSES

In the event that for any reason whatsoever, the value of the net assets of any Sub-Fund or any Class or Sub-Class should fall below the equivalent of EUR5,000,000, or if a change in the economic or political situation with respect to the Sub-Fund, Class, or Sub-Class involved may have material negative consequences upon the investments in the Sub-Fund, Class, or Sub-Class, or for the purpose of proceeding to an economic rationalisation or if so required by the interests of holders of Shares in the

Sub-Class, Class or Sub-Fund, the Board may decide upon the forced redemption of all of the Shares issued in such Sub-Fund, Class, or Sub-Class at the Net Asset Value per Share (making use of the current exit price of the investments, and the costs of realisation) calculated on the day upon which such decision shall become effective.

The Company shall send a written notice to the shareholders affected prior to the effective date of the forced redemption, and shall indicate in such notice the reasons and the procedures for the redemption operation. Unless decided otherwise, in the interests of the shareholders concerned or for the purpose of safeguarding the equitable treatment of the shareholders, the shareholders of the Sub-Fund, Class, or Sub-Class involved may continue to request the redemption or conversion without charge of their Shares (but making use of the current exit prices of their investments and the costs of realisation) prior to the effective date of the forced redemption.

Notwithstanding the powers granted to the Board by the preceding paragraph, a General Meeting of any Sub-Fund, Class, or Sub-Class may at the proposal of the Board redeem all of the Shares in such Sub-Fund, Class, or Sub-Class, and reimburse the shareholders with the Net Asset Value of their Shares (making use of the current exit prices and the costs of realisation) calculated at the Valuation Day on which such decision will become effective. There shall be no requirement for a quorum at said General Meeting, which shall make its decisions on the resolutions adopted by a simple majority of those present or represented, if such decision does not give rise to the liquidation of the Company.

All of the redeemed Shares shall be cancelled. Any amounts unclaimed by the investors at the closing of the liquidation of the relevant Sub-Fund, Class or Sub-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 will be forfeited.

In the situation provided in the first paragraph above the Board may decide to allocate the assets of any Sub-Fund, Class, or Sub-Class to one of the Sub-Funds, Classes, or Sub-Classes which already exists or is planned in the Prospectus or in favour of another UCITS organised under the provisions of the Law of 17 December 2010, or with respect to the Sub-Funds, Classes, or Sub-Classes reserved for Institutional Investors under Article 174 of the Law of 17 December 2010 or to such other Sub-Fund, Class, or Sub-Class of such UCITS Fund (the **new Sub-Fund**) and to redefine the Shares of the Sub-Fund, Class, or Sub-Class involved as the Shares of another Sub-Fund, Class, or Sub-Class (following a distribution or a consolidation, if necessary, and the payment of the sum corresponding to a part of the rights to the shareholders). The Company shall send a written notice to the holders of the Shares in question in order to inform them of such decision (and, in addition, this notice shall contain information in respect of the new Sub-Fund), thirty days prior to the final date of the redemption order or as the case may be, conversion order, free of additional charges.

In all other cases than those detailed above, a merger of Sub-Funds, Classes, or Sub-Classes may only be determined by a General Meeting of the Sub-Fund or Sub-Funds, Class or Classes, or Sub-Class or Sub-Classes concerned, by a simple majority of the votes expressed by the shareholders present or represented at such General Meeting.

In all cases of merger in which the Company may cease to exist, the merger must be decided by the General Meeting in accordance with the quorum and majority requirements set out in the Law of 10 August 1915 for amendments to the Articles.

#### **4.5 COMPARTMENTALISED ASSETS AND LIABILITIES**

In accordance with Article 5 of the Articles, there shall be a compartmentalisation of the assets and liabilities between the various Sub-Funds. The Company operates as a fund with multiple Sub-Funds, and that means that it is made up of several Sub-Funds each of which represents a segregated pool of assets and liabilities and has a separate investment policy. Each Sub-Fund shall be treated as a separate entity generating its own assets, liabilities, costs and expenses. The assets of any particular Sub-Fund will only be available to satisfy the debts, liabilities, and obligations which relate to that Sub-Fund. The assets, liabilities, costs, and expenses which are not attributable to any specific Sub-Fund shall be allocated to the various different Sub-Funds in equal parts or in proportion to their respective net assets to the extent that the sums in question justify this.

#### **4.6 CONFLICTS OF INTEREST**

The members of the Board, the Management Company, the Investment Managers, the Investment Adviser(s), the distributor(s), the Depositary and any of their sub-contractors may, in the course of their business, have potential conflicts of interests with the Company. Each of members of the Board, the Management Company, the Investment Managers, the Investment Adviser(s), the distributor(s), the Depositary and their sub-contractors 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 arise, each of such persons undertake or will be requested by the Company to undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and its shareholders are fairly treated.

##### **Interested dealings**

The members of the Board, the Management Company, the Investment Managers, the Investment Adviser(s), the distributor(s), the Depositary and any of their respective subsidiaries, affiliates,

associates, agents, directors, officers, employees, sub-contractors or delegates (together the **Interested Parties** and, each, an **Interested Party**) may:

- A. 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;
- B. 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;
- C. act as broker, dealer, agent, lender or provide any other services in relation to the execution of transactions for the account of the Company;
- D. act as counterparty to the derivative transactions or contracts entered on behalf of the Company or act as index sponsor or index calculation agent of indices to which the Company will be exposed via derivative transactions; and
- E. 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 Management Company, the Investment Managers or the Depositary or any subsidiary, affiliate, associate, agent, sub-contractor or delegate thereof.

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

Any commissions, fees and other compensation or benefits arising from any of the above may be retained by the relevant Interested Party.

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

Notwithstanding anything to the contrary herein, the Investment Managers and their respective affiliates may actively engage in transactions on behalf of other investment funds and accounts which involve the same securities and instruments in which the Sub-Funds will invest. The Investment Managers and their respective affiliates may provide investment management services to other investment funds and accounts that have investment objectives similar or dissimilar to those of the Sub-Funds and/or which may or may not follow investment programs similar to the Sub-Funds, and in which the Sub-Funds will have no interest. The portfolio strategies of the Investment Managers and their respective affiliates used for other investment funds or accounts could conflict with the transactions and strategies advised by the Investment Managers in managing a Sub-Fund and affect the prices and availability of the securities and instruments in which such Sub-Fund invests.

The Investment Managers, the Investment Adviser(s) and their respective affiliates may give advice or take action with respect to any of their other clients which may differ from the advice given or the timing or nature of any action taken with respect to investments of a Sub-Fund. The Management Company, the Investment Managers and the Investment Adviser(s) have no obligation to advise any investment opportunities to a Sub-Fund which they may advise to other clients.

The Investment Managers and Investment Adviser(s) will devote as much of their time to the activities of a Sub-Fund as they deem necessary and appropriate. The Management Company, the Investment Managers, the Investment Adviser(s) and their respective affiliates are not restricted from forming additional investment funds, from entering into other investment management relationships, or from engaging in other business activities, even though such activities may be in competition with a Sub-Fund. These activities will not qualify as creating a conflict of interest.

Additional considerations relating to conflicts of interest may be applicable, as the case may be, for a specific Sub-Fund as further laid down in the relevant Data Sheet.

#### **4.7 SHAREHOLDERS RECOURSE**

Shareholders should note that they will in principle only be able to exercise their rights directly against the Company and that they will not have any direct contractual rights against the Service Providers appointed from time to time.

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## 5. INVESTMENT RESTRICTIONS

Except as otherwise provided for any particular Sub-Fund, the investments of each Sub-Fund should at all times be in compliance with the investment restrictions listed below.

### A. Eligible Instruments:

The investment of the Company (and each of its Sub-Funds) may comprise:

- (1) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange or dealt on a Regulated Market.
- (2) Transferable Securities and Money Market Instruments admitted to trading on any Other Regulated Market of a EU Member State.
- (3) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange or dealt in on a Regulated Market or Other Regulated Market in any country of Western or Eastern Europe, Asia, Oceania, the American continents or Africa;
- (4) New issues of Transferable Securities and Money Market Instruments, provided that:
  - the terms of issue include an undertaking that application will be made for admission to official listing on any stock exchange or Regulated Market or Other Regulated Market listed in items (1) to (3) above; and
  - such admission is secured within a year of issue.
- (5) Units and shares of UCITS and other Investment Funds within the meaning of article 1, paragraph (2), points a) and b) Directive 2009/65/EC, whether or not located within a EU Member State, upon condition that:
  - such other Investment Funds are approved under legislation providing that such entities are subject to supervision which the CSSF considers to be equivalent to that provided under EU law and that cooperation between the authorities is sufficiently established;
  - the level of protection for unit holders in such Investment Funds is equivalent to that provided for the unit holders of a UCITS, and in particular, that the rules in respect of the segregation of assets, borrowings, lending, and uncovered sales are equivalent to the requirements of Directive 2009/65/EC;
  - the business of such other Investment Fund should be subject to semi-annual and annual reports such as to permit an appraisal of the assets and liabilities, income and operations over the period in question;
  - no more than 10% of the net assets of the UCITS or other Investment Fund which acquisition is contemplated can, pursuant to their constitutive documents, be invested in units or shares of UCITS or other Investment Funds.
- (6) Deposits in credit institutions repayable on demand or which may be withdrawn and having a maturity of less than or equal to twelve months, upon condition that the credit institution should have its registered office in a EU Member State or, if the registered office of the credit institution is located 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.
- (7) Financial derivative instruments including similar instruments which give rise to a settlement in cash which are traded on a Regulated Market or any Other Regulated Market of the type considered in items (1), (2), and (3) above, and/or financial derivative instruments traded over-the-counter (**OTC Derivatives**), upon condition that:
  - (i)
    - the underlying assets consist of instruments falling under the present section A, of financial indices, interest rates, exchange rates, or of currencies, in which the relevant Sub-Fund may make investments in compliance with its investment objectives;
    - the counterparties to OTC Derivatives should be institutions subject to prudential supervision, belonging to categories approved by the CSSF and specialised in these types of transactions; and
    - the OTC Derivatives are subject to reliable and verifiable evaluation on a daily basis and can at the initiative of the Company be sold, liquidated, or closed, by an offsetting transaction at any time and at their fair value;
  - (ii) under no circumstances may such operations lead the relevant Sub-Fund to deviate from its investment objective.

- (8) Money Market Instruments other than those traded on a Regulated Market or on any Other Regulated Market upon condition that the issue or the issuer of such instruments be subject to regulation designed to protect investors and savings and provided that they are:
- issued or guaranteed by a central, regional, or local authority, by a central bank of a EU Member State, by the European Central Bank, by the EU or by the European Investment Bank, by 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
  - issued by a undertaking the securities of which are traded on a Regulated Market or Other Regulated Market considered in items (1), (2), and (3) above; or
  - issued or backed by an establishment subject to prudential supervision in accordance with the criteria defined by EU law, or by an establishment which is subject to and which is in compliance with the prudential regulation considered by the CSSF as being at least as strict as that provided under EU law; or
  - issued by other bodies belonging to the categories approved by the CSSF insofar as the investments in such instruments should be subject to the rules for the protection of investors which are equivalent to those provided under the first, second or third indent above and the issuer should be a company which has a capital and reserves amounting to at least ten million Euros (EUR10,000,000) and which presents and publishes its annual accounts in compliance with Directive 78/660/EEC, or an entity which within a Group of Companies including one or more quoted companies is devoted to financing the relevant Group of Companies or is an entity which is dedicated to financing securitisation vehicles and which benefit from a banking liquidity line.

**B. Other possible investments**

Each Sub-Fund may also:

- (1) invest up to 10% of the net assets of the Sub-Fund in Transferable Securities and Money Market Instruments other than those considered under section A, items (1) to (4) and (8);
- (2) hold on an incidental basis cash and other instruments similar to cash; this restriction may be relaxed on an exceptional and temporary basis if the Company considers that such a decision should be taken in the interests of the shareholders;
- (3) borrow up to 10% of the net assets of the Sub-Fund insofar as such loans are temporary;
- (4) acquire currencies by means of a type of back-to-back loan.

**C. Investment restrictions and limits:**

Furthermore, the Company shall abide by the following investment restrictions per issuer in respect of the net assets of each Sub-Fund:

**(a) Risk spreading rules**

To the extent that an issuer is a legal entity with multiple sub-funds or the assets of a sub-fund answer exclusively to the rights of investors in respect of that sub-fund and those of creditors whose debt arose on the occasion of the incorporation, operation, or dissolution of that sub-fund, each sub-fund shall be considered as a distinct issuer for the application of the risk spreading rules set out below.

• **Transferable Securities and Money Market Instruments**

- (1) A Sub-Fund may not acquire Transferable Securities and Money Market Instruments from one and the same issuer if following that acquisition:
  - (i) more than 10% of the net assets correspond to Transferable Securities or Money Market Instruments issued by that entity;
  - (ii) the total value of all 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 limit is not applicable to deposits with financial institutions which are subject to prudential supervision and to transactions on OTC Derivatives with such establishments.
- (2) The Company may not invest more than 20% of the net assets of each Sub-Fund in deposits placed with the same entity.
- (3) Notwithstanding the individual limits determined in item (1), (2) and the Counterparty Risk Limit a Sub-Fund may not combine:
  - investments in Transferable Securities or Money Market Instruments issued by,



- deposits made with, and/or
  - exposure arising out of transactions in OTC Derivatives with;
- any single entity in excess of 20% of its net assets.
- (4) The limit of 10% fixed in item (1) is increased up to a maximum of 25% for certain bonds issued by credit institutions with registered offices in a EU Member State and are subject by law to specific public supervision designed to ensure the protection of bondholders. In particular the sums arising from the issue of such bonds should be invested in compliance with the legislation in assets which throughout the entire period of the validity of the bonds may cover debt securities arising from the bonds and which in the event of the bankruptcy of the issuer would be used as a priority to reimburse the principal and pay for the interest incurred. To the extent that a Sub-Fund may invest more than 5% of its net assets in such bonds, issued by one and the same issuer, the total value of such investments may not exceed 80% of the value of the net assets of that Sub-Fund.
- (5) The limit of 10% fixed in item (1) may be brought up to a maximum of 35% if such Transferable Securities and Money Market Instruments are issued or guaranteed by a EU Member State, by its territorial public authorities, by a non-EU Member State, or by public international organisations of which one or more EU Member States are members.
- (6) The Transferable Securities and Money Market Instruments indicated above in items (4) and (5) are not to be taken into account for the purpose of the 40% limit provided in item (1).
- (7) The limits determined in items (1) to (5) may not be combined; consequently, the investments of each Sub-Fund in the Transferable Securities or Money Market Instruments issued by the same entity, in deposits with that entity, or in derivative instruments traded with that entity may not in total exceed 35% of the net assets of that Sub-Fund.
- (8) Companies which are included in the Group of Companies are regarded as a single body for the purpose of calculating the limits contained set out in items (1) to (7) above.
- (9) 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 of Companies.
- (10) Without prejudice to the limits imposed under item (b) "Investments prohibition" below, the limits set out in items (1) to (9) above are increased to a maximum of 20% for investments in shares and/or bonds issued by one and the same entity if in compliance with the documents of incorporation of the Company, the investment policy of the Sub-Fund has the objective of reproducing the composition of a specific share or bond index which is recognised by the CSSF, on the following bases:
- the composition of the index is sufficiently diversified,
  - the index constitutes a representative standard for the market to which it refers,
  - the index is published in an appropriate manner.
- The limit of 20% is increased to 35% when it is considered to be justified by exceptional conditions in the markets, in particular in the Regulated Markets or Other Regulated Markets where certain Transferable Securities or certain Money Market Instruments are heavily dominant. Investment up to such limit is only allowable in respect of one single issuer.
- (11) **Notwithstanding the limits described above, each Sub-Fund is authorised to invest, in accordance with the principle of spreading risk, up to 100% of its net assets in different issues of Transferable Securities and Money Market Instruments issued or backed by a EU Member State, by its territorial public authorities, by an OECD Member State, by certain non-OECD Member States (currently Brazil, Indonesia, Russia, Hong-Kong and South Africa) or by international organisations of a public nature of which one or more EU Member States are members, upon condition that (i) such securities must be divided into at least six different issues, and that (ii) the securities belonging to any single issue do not exceed 30% of the net assets of the Sub-Fund.**

- **Units or shares in UCITS and/or other Investment Funds**

- (12) Any Sub-Fund may not invest more than 20% of its net assets in the units of one and the same UCITS or other Investment Fund, as defined in section A, item (5) above.
- (13) Investments in the units or shares of Investment Funds other than UCITS cannot exceed 30% of the net assets of any Sub-Fund.
- (14) When a Sub-Fund invests in the units of UCITS and/or other Investment Funds 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 Investment Funds.
- (15) If a Sub-Fund invests a substantial proportion of its assets in other UCITS and/or other Investment Funds, 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 Investment Funds in which it intends to invest, is of 3% p.a.
- (16) In the annual report of the Company it will 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 Investment Funds in which the Sub-Fund invests.
- (17) If the Depositary receives rebates from investments in other UCITS and/or other Investment Funds into which the Company is invested, the Depositary will reverse such rebates to the relevant Sub-Fund in question (less any administration costs agreed to by the Company and the Depositary).
- (18) Certain Sub-Funds are prohibited under the terms of the relevant Data Sheet from investing more than 10% of their assets in UCITS and/or other Investment Funds.

**(b) Investment prohibitions.**

- (19) The Company may not acquire shares with voting rights which will permit it to exercise a significant influence on the management of the issuer.
- (20) The Company may not acquire (i) more than 10% of shares without voting rights of the same issuer; (ii) more than 10% of bonds from one and the same issuer; (iii) more than 10% of Money Market Instruments issued by one and the same issuer; or (iv) more than 25% of the units of one and the same UCITS and/or other Investment Fund. The limits determined in items (ii) to (iv) may not be observed at the time of acquisition if, at that moment, the gross amount of the bonds or of the Money Market Instruments, or the amount of the Transferable Securities issued cannot be calculated.

Transferable Securities and Money Market Instruments which, in accordance with article 48, paragraph 3 of the Law of 17 December 2010 are issued or guaranteed by a 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.

- (21) None of the Sub-Funds may:
  - (i) sell Transferable Securities, Money Market Instruments and other eligible investments short;
  - (ii) acquire precious metals or related certificates, it being understood that the operations involving currencies, financial derivatives, indices, or securities, as well as forwards and futures, options contracts and swap contracts, and similar instruments, are not considered to be operations dealing with such goods in the meaning of this restriction;
  - (iii) invest in real estate and purchasing or sell commodities or commodities contracts;
  - (iv) borrow, unless: (y) the borrowing is in the form of a back-to-back loan for the purchase of foreign currency or (z) the loan is

only temporary and does not exceed 10% of the net assets of the Sub-Fund in question;

- (v) grant credits or act as guarantor for third parties. This limitation does not refer to the purchase of Transferable Securities, Money Market Instruments and other eligible investments that are not fully paid up.

#### **D. Investments in financial derivative instruments and use of EPM Techniques**

##### *General*

- (1) 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.
- (2) Each Sub-Fund will ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio. 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.
- (3) 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 items (1) to (9) of section C.(a) "Risk spreading rules" 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 Data Sheet. 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 items (1) to (9) of section C.(a) "Risk spreading rules" above.
- (4) 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 D.
- (5) 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:
  - (a) the underlying exposure obtained through financial derivative instruments;
  - (b) the identity of the counterparty(ies) to these financial derivative instruments;
  - (c) the type and amount of collateral received to reduce counterparty risk exposure.
- (6) The Sub-Funds are authorised to employ techniques and instruments relating to Transferable Securities or Money Market Instruments subject to the following conditions:
  - (a) they are economically appropriate in that they are realised in a cost-effective way;
  - (b) they are entered into for one or more of the following specific aims: reduction of risk; reduction of cost; 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;
  - (c) their risks are adequately captured by the Company's risk management process.
- (7) The efficient portfolio management techniques (**EPM Techniques**) that may be employed by the Sub-Funds in accordance with item (6) 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.
- (8) The use of EPM Techniques by the Sub-Funds is subject to the following conditions in accordance with the ESMA Guidelines 2014/937:
  - (a) 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.
  - (b) 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 callable 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.
  - (c) 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.

- (d) The Management Company takes into account these EPM Techniques 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
- (9) 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.
- (10) The Company's annual report will include the following information:
  - (a) the exposure obtained through EPM Techniques;
  - (b) the identity of the counterparty(ies) to these EPM Techniques;
  - (c) the type and amount of collateral received by the Company to reduce counterparty exposure; and
  - (d) the revenues arising from EPM Techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.
- (11) 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 (the 5% or 10% limit applicable under this item 11 being the **Counterparty Risk Limit**).
- (12) 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:
  - (a) 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
  - (b) if collateral is posted in favour of a Sub-Fund and such collateral complies at all times with the criteria set out in item (13) below, the counterparty risk of such Sub-Fund is reduced by the amount of such collateral. Sub-Funds will use collateral to monitor compliance with the Counterparty Risk Limit. 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.

*Collateral policy for OTC derivatives transactions and EPM techniques*

- (13) All collateral used to reduce counterparty risk exposure will comply with the following criteria at all times:
  - (a) 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 item C.(18) above;
  - (b) 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.
  - (c) Issuer credit quality – collateral received should be of high quality.
  - (d) 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.
  - (e) 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 NAV. If a Sub-Fund intends to make use of this possibility, this will be set out in relevant Data Sheet together with an indication of the relevant Member State(s), local authorities, or public international bodies issuing or guaranteeing securities.
  - (f) Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.
  - (g) 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.

- (14) The Sub-Funds will only accept the following assets as collateral:
- (a) Liquid assets. Liquid assets include not only cash and short term bank certificates, but also money market instruments such as defined within Directive 2009/65/EC. A letter of credit or a guarantee at first-demand given by a first class credit institution not affiliated to the counterparty is considered as equivalent to liquid assets.
  - (b) Bonds issued or guaranteed by an OECD Member State or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope.
  - (c) Shares or units issued by money market Investment Funds calculating a daily net asset value and being assigned a rating of AAA or its equivalent.
  - (d) Shares or units issued by UCITS investing mainly in bonds/shares mentioned in items (e) and (f) below.
  - (e) Bonds issued or guaranteed by first class issuers offering an adequate liquidity.
  - (f) Shares admitted to or dealt in on a regulated market of a EU Member State or on a stock exchange of an OECD Member State, on the condition that these shares are included in a main index.
- (15) For the purpose of item (13) above, all assets received by a Sub-Fund in the context of EPM Techniques should be considered as collateral.
- (16) Non-cash collateral received by a Sub-Fund may not be sold, re-invested or pledged.
- (17) Cash collateral received by a Sub-Fund can only be:
- (a) 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 EU law;
  - (b) invested in high-quality government bonds;
  - (c) 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;
  - (d) invested in Short-Term Money Market Funds as defined in the CESR Guidelines 10-049 on a Common Definition of European Money Market Funds.
- (18) Collateral posted in favour of a Sub-Fund under a title transfer arrangement should be held by the Depositary or a delegate of the Depositary. Collateral posted in favour of a Sub-Fund under a security interest arrangement (eg, a pledge) can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- (19) The Management Company has a haircut policy relating to the classes of assets received as collateral by or for the account of the Company in accordance with the ESMA Guidelines 2014/937. The Management Company typically utilises cash and high-quality government bonds as collateral with haircuts ranging from 1-10%. Haircuts are assessed based on collateral credit quality, price volatility and tenor.

#### **E. Investment between Sub-Funds**

A Sub-Fund (the **Investing Sub-Fund**) may subscribe to, acquire, and/or hold securities issued or to be issued by one or more other Sub-Funds (each, a **Target Sub-Fund**), and the Company shall not be subject to the requirements imposed by the Law of 10 August 1915 in respect of the subscription, acquisition, and/or holding of its own shares by a company, subject nevertheless to the following conditions:

- the Target Sub-Fund may not invest in the Investing Sub-Fund; and
- the Target Sub-Funds may not invest more than 10% of its net assets in other Sub-Funds; and
- any voting rights which may be attached to the Shares of the Target Sub-Fund shall be suspended for such time as the Shares are held by the Investing Sub-Fund without prejudice to the appropriate treatment in the accounts and the periodic reports; and
- for such time as the Shares of the Target Sub-Fund are held by the Investing Sub-Fund, their value shall not be included in the calculation of the net assets of the Company for the purposes of verification of the minimum threshold of the net assets imposed under the provisions of the Law of 17 December 2010.

#### **F. Notwithstanding all the terms and conditions indicated above:**

- (1) In accordance with the principle of risk spreading, each Sub-Fund may derogate within a period of six months following the date of its approval, to section C.(a) "Risk spreading rules" and such other investment restrictions and limits set out in the relevant Data Sheet. For a Sub-Fund activated after its approval, the reference to the approval date corresponds to the date of the effective launch of the Sub-Fund concerned.

- (2) The limits determined above may be waived during the exercise of subscription rights relating to Transferable Securities or Money Market Instruments which form a part of the assets of the Sub-Fund in question.
- (3) If the limits should be exceeded for reasons beyond the control of the Company or following the exercise of subscription rights, the Company should in its selling operations set the target of correcting the situation as a priority while acting in the best interests of the shareholders.
- (4) The Board has the right to establish other investment restrictions insofar as such limits are necessary in order to comply with the law and regulations of the countries in which the Shares are offered or sold.

**G. Master-Feeder Structures**

Under the conditions and within the limits established by the laws and regulations of Luxembourg, the Company may (i) create a Sub-Fund that will be a feeder UCITS or a master UCITS, (ii) convert any existing Sub-Fund into a feeder UCITS Sub-Fund, or (iii) replace the master UCITS with one of its feeder UCITS Sub-Funds.

- (1) A feeder UCITS shall invest at least 85% of its net assets in the units or shares of another UCITS.
- (2) A feeder UCITS may invest up to 15% of its net assets in one or more of the following items:
  - (a) cash on an ancillary basis;
  - (b) financial derivative instruments which may be employed solely for the purposes of hedging;
  - (c) such moveable and real property as may be indispensable in the exercise of its business;
- (3) A feeder UCITS must calculate its global exposure relating to financial derivative instruments by combining its own direct risk under the terms of (2) (b) above with:
  - (a) either the real risk of the master UCITS when compared with financial derivative instruments, in proportion to the investments made by the feeder UCITS in the master UCITS; or
  - (b) or the maximum potential global risk of the master UCITS in comparison with the financial derivative instruments provided under the management regulations, or the documents establishing the master UCITS, in proportion to the investment made by the feeder UCITS in the master UCITS.

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## 6. CO-MANAGEMENT AND POOLING

In order to ensure efficient management, the Board may decide in accordance with the Articles to manage all or a part of the assets of one or more Sub-Funds together with those of other Sub-Funds (the pooling technique), or to co-manage the entirety or part of the assets with, if necessary, the exception of a reserve in cash, of one or several Sub-Funds together with the assets of other Luxembourg investment funds, or of one or more sub-funds of other Luxembourg investment funds (the **Party or Parties to the Assets under Co-Management**) for which the Depositary has been designated as the depositary bank. The co-management of the relevant assets shall be carried out in accordance with the respective investment policies of the Parties to the Assets under Co-Management, where each pursues identical or comparable objectives (the assets so co-managed or pooled being the **Assets under Co-Management**). The Parties to the Assets under Co-Management shall only participate in any such pooling or co-management arrangements authorised by their own individual Prospectuses, and in compliance with their own specific investment restrictions.

Each Party to the Assets under Co-Management will participate in the Assets under Co-Management in proportion to their contribution to the Assets under Co-Management. The assets shall be attributed to each Party to the Assets under Co-Management in proportion to their contribution to the Assets under Co-Management.

The rights of each Party to the Assets under Co-Management which take part shall be applicable to each of the lines of investment of such Assets under Co-Management.

Such Assets under Co-Management shall be constituted by the transfer of cash or, if appropriate, other assets of each of the Parties to the Assets under Co-Management. Subsequently, the Board may proceed regularly to make transfers to the Assets under Co-Management. The Assets may equally be transferred back to one of the Parties to the Assets under Co-Management up to the value of the holding of that Party to the Assets under Co-Management.

Dividends, interest, and other distributions which are by nature earnings generated within the context of the Asset Co-Management shall be due to each of the Parties to the Assets under Co-Management in proportion to their holding. Such earnings may be retained by the Party to the Assets under Co-Management with a holding, or be reinvested in the Assets under Co-Management.

All of the costs and expenses incurred with the context of the Co-Management of Assets shall be debited from the Assets under Co-Management. Such costs and expenses shall be attributed to each Party to the Assets under Co-Management in proportion to the rights of each in respect of the Assets under Co-Management.

In the event of a breach of the investment restrictions affecting a Sub-Fund, when such Sub-Fund is a Party to the Assets under Co-Management, the Board shall, even if the Management Company or, if applicable, the Manager has observed the investment restrictions by applying them to the Assets under Co-Management in question, require that the Management Company or, if applicable, the Manager reduces the investments in question in proportion to the holding of the Sub-Fund in question in the Assets under Co-Management or, if appropriate, shall reduce the holding in the Assets under Co-Management in question such that the investment restrictions are observed in respect of that Sub-Fund.

In the event that the Company is dissolved or if the Board decides without the required notice to withdraw the holding of the Company or of a Sub-Fund in the Assets under Co-Management, the Assets under Co-Management shall be allocated to the Parties to the Assets under Co-Management, each in proportion to their holding in the Assets under Co-Management.

**Investors should be aware of the fact that such Assets under Co-Management are employed solely in order to ensure effective management insofar as all of the Parties to the Assets under Co-Management have the same depositary bank. The Assets under Co-Management do not constitute distinct legal entities and are not directly accessible to investors. Nevertheless, the assets and liabilities of each of the Sub-Funds shall at all times be separate and identifiable.**

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## **7. SPECIAL CONSIDERATIONS ON THE RISKS**

### **7.1 GENERAL**

The following statements are intended to inform investors of the uncertainties and risks associated with investments and transactions in transferable securities and other financial instruments. Investors should remember that the price of Shares and any income from them may fall as well as rise and that shareholders may not get back the full amount invested. Past performance is not necessarily a guide to future performance and Shares should be regarded as a medium to long-term investment. Where the Valuation Currency of the relevant Sub-Fund varies from the investor's home currency, or where the Valuation Currency of the relevant Sub-Fund varies from the currencies of the markets in which the Sub-Fund invests, there is the prospect of additional loss (or the prospect of additional gain) to the investor greater than the usual risks of investment.

The Company is a newly formed entity, with no operating history upon which to evaluate the Company (or its Sub-Funds') likely performance. There is no guarantee that the Company or any Sub-Fund will realise its investment objectives, that the investments will have low correlation with each other or that Shareholders will receive any return on, or the return of, their invested capital.

Whilst the Company has been established for an unlimited period, the Company or a Sub-Fund may be liquidated under certain circumstances which are detailed further under Chapter 4.4. "Merger or liquidation of the Sub-Funds or Classes or Sub-Classes".

With respect to each of the Sub-Funds, future investors are advised to consult their professional adviser, such as their lawyer, accountant, or investment adviser with respect to understanding whether an investment in any specific Sub-Fund is appropriate for them.

### **7.2 INVESTMENT OBJECTIVE**

Investors should be fully aware of the investment objectives of the Sub-Funds as these may state that the Sub-Funds may invest on a limited basis in areas which are not naturally associated with the name of the Sub-Fund. These other markets and/or assets may act with more or less volatility than the core investments and performance will, in part, be dependent on these investments. All investments involve risks and there can be no guarantee against loss resulting from an investment in any Shares, nor can there be any assurance that a Sub-Fund's investment objectives will be attained in respect of its overall performance. Investors should therefore ensure (prior to any investment being made) that they are satisfied with the risk profile of the overall objectives disclosed.

### **7.3 INVESTOR PROFILE**

Investors should be aware that the "Typical investor profile" section included in each Data Sheet is for indicative purposes only. Before making an investment, investors should consider carefully the information contained in this Prospectus and the KIID. Investors should consider their own personal circumstances including their level of risk tolerance, financial circumstances and investment objectives.

Prospective investors should consult with their legal, tax and financial advisers before making any decision to invest in the Company.

### **7.4 SUSPENSION OF SHARE DEALINGS**

Investors are reminded that in certain circumstances their right to redeem Shares may be suspended (see Chapter 14 "Suspension of the calculation of the Net Asset Value and of the issue, redemption, and conversion of the shares").

### **7.5 DIVIDENDS**

Share Classes which pay dividends may distribute not only investment income, but also realised and unrealised capital gains or capital. Where capital is distributed, this will result in a corresponding reduction in the value of Shares, and a reduction in the potential for long-term capital growth.

### **7.6 WARRANTS**

When the Company invests in warrants, the values of these warrants are likely to fluctuate more than the prices of the underlying securities because of the greater volatility of warrant prices.

### **7.7 INVESTMENTS IN EMERGING AND LESS DEVELOPED MARKETS**

In emerging and less developed markets, in which some of the Sub-Funds will invest, the legal, judicial and regulatory infrastructure is still developing but there is much legal uncertainty both for local market participants and their overseas counterparts. Some markets may carry higher risks for investors who should therefore ensure that, before investing, they understand the risks involved and are satisfied that an investment is suitable as part of their portfolio. Investments in emerging and less developed markets should be made only by sophisticated investors or professionals who have independent knowledge of the relevant markets, are able to consider and weigh the various risks presented by such investments, and have the financial resources necessary to bear the substantial risk of loss of investment in such investments.

Countries with emerging and less developed markets include, but are not limited to (1) countries that have an emerging stock market in a developing economy as defined by the International Finance



Corporation, (2) countries that have low or middle income economies according to the World Bank, and (3) countries listed in World Bank publication as developing. The list of emerging and less developed markets is subject to continuous change; broadly they include any country or region other than the United States of America, Canada, Japan, Australia, New Zealand and Western Europe. The following statements are intended to illustrate the risks which in varying degrees are present when investing in emerging and less developed markets. Investors should note that the statements do not offer advice on suitability of investments.

#### **Political and Economic Risks**

- Economic and/or political instability could lead to legal, fiscal and regulatory changes or the reversal of legal/fiscal/regulatory/market reforms. Assets could be compulsorily reacquired without adequate compensation.
- Administrative risks may result in the imposition of restrictions on the free movement of capital.
- A country's external debt position could lead to sudden imposition of taxes or exchange controls.
- High interest and inflation rates can mean that businesses have difficulty in obtaining working capital.
- Local management may be inexperienced in operating companies in free market conditions.
- A country may be heavily dependent on its commodity and natural resource exports and is therefore vulnerable to weaknesses in world prices for these products.

#### **Legal Environment**

- The interpretation and application of decrees and legislative acts can be often contradictory and uncertain particularly in respect of matters relating to taxation.
- Legislation could be imposed retrospectively or may be issued in the form of internal regulations not generally available to the public.
- Judicial independence and political neutrality cannot be guaranteed.
- State bodies and judges may not adhere to the requirements of the law and the relevant contract. There is no certainty that investors will be compensated in full or at all for any damage incurred.
- Recourse through the legal system may be lengthy and protracted.

#### **Accounting Practices**

- The accounting, auditing and financial reporting system may not accord with international standards.
- Even when reports have been brought into line with international standards, they may not always contain correct information.
- Obligations on companies to publish financial information may also be limited.

#### **Shareholder Risk**

- Existing legislation may not yet be adequately developed to protect the rights of minority Shareholders.
- There is generally no concept of any fiduciary duty to Shareholders on the part of management.
- Liability for violation of what Shareholder rights there are may be limited.

#### **Market and Settlement Risks**

- The securities markets in some countries lack the liquidity, efficiency and regulatory and supervisory controls of more developed markets.
- Lack of liquidity may adversely affect the ease of disposal of assets. The absence of reliable pricing information in a particular security held by a Sub-Fund may make it difficult to assess reliably the market value of assets.
- The securities register may not be properly maintained and the ownership or interest may not be (or remain) fully protected.
- Registration of securities may be subject to delay and during the period of delay it may be difficult to prove beneficial ownership of the securities.
- The provision for custody of assets may be less developed than in other more mature markets and thus provides an additional level of risk for the Sub-Funds.
- Settlement procedures may be less developed and still be in physical as well as in dematerialised form.

## **Price Movement and Performance**

- Factors affecting the value of securities in some markets cannot easily be determined.
- Investment in securities in some markets carries a high degree of risk and the value of such investments may decline or be reduced to zero.

## **Currency Risk**

- Conversion into foreign currency or transfer from some markets of proceeds received from the sale of securities cannot be guaranteed.
- Investors might be exposed to currency risk when investing in Share Classes that are not hedged to the investor's currency.
- Exchange rate fluctuations may also occur between the trade date for a transaction and the date on which the currency is acquired to meet settlement obligations.

## **Taxation**

Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends and other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which the Company invests or may invest in the future (in particular Russia, China and other emerging markets) is not clearly established. It is therefore possible that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. As a result, the Company could become subject to additional taxation in such countries that is not anticipated either at the date of this Prospectus or when investments are made, valued or disposed of.

## **Execution and Counterparty Risk**

In some markets there may be no secure method of delivery against payment which would minimise the exposure to counterparty risk. It may be necessary to make payment on a purchase or delivery on a sale before receipt of the securities or, as the case may be, sale proceeds.

## **Nomineeship**

The legislative framework in some markets is only beginning to develop the concept of legal/formal ownership and of beneficial ownership or interest in securities. Consequently the courts in such markets may consider that any nominee or custodian as registered holder of securities would have full ownership thereof and that a beneficial owner may have no rights whatsoever in respect thereof.

## **7.8 INVESTMENTS IN SMALL AND MEDIUM ENTERPRISES**

Investment in small and medium enterprises may entail greater risk than that generally deriving from investments in larger and better established enterprises. Small enterprises in particular often have limits as to their range of products, and their access to markets or to financial resources may be more limited, and their management may depend upon only one or two key persons.

## **7.9 INVESTMENTS IN SPECIFIC SECTORS**

Certain Sub-Funds may concentrate their investments in assets belonging to certain specific sectors of the economy, and they will consequently be subject to the risks associated with the concentration of investments in the sectors in question. More particularly, investments in certain specific sectors of the economy such as natural resources may have negative consequences in the event of the devaluation of the sectors involved, and most particularly in the case of climatic events, natural catastrophes, economic difficulties, or political or social instability on a regional or international level.

## **7.10 USE OF 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 Chapter 5.D. 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 Chapter 5.D. 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-Fund will comply at all times with the provisions set out in Chapter 5.D. 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. Although it is expected that the use of repurchase agreements, reverse repurchase agreements and securities lending transactions will generally not have a material impact on a Sub-Fund's performance, the use of such techniques may have a significant effect, either negative or positive, on a Sub-Fund's Net Asset Value.

The use of EPM Techniques, in particular with respect to the quality of the collateral received and/or reinvested, may lead to several risks such as liquidity risk, counterparty risk, issuer risk, valuation risk and settlement risk, which can have an impact on the performance of the Sub-Fund concerned.

## **7.11 USE OF FINANCIAL DERIVATIVE INSTRUMENTS**

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.

### **Market risk**

Market risk is of a general nature, affecting all types of investment. The trend in the prices of transferable securities is determined mainly by the trend in the financial markets and by the economic development of the issuers, who are themselves affected both by the overall situation of the global economy and by the economic and political conditions prevailing in each country.

Moreover, in consideration of the Sub-Fund's investment objective Shareholders should be aware that the value of the Sub-Fund's assets is closely related to the evolution of a given strategy, markets or assets. As a consequence, there is a potential risk arising from the evolution and fluctuation of the strategy, markets or assets, and investments in the Sub-Fund are as well subject to the same market fluctuations.

### **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.

### **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).

### **Counterparty risk**

The Sub-Funds 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, the Sub-Funds may enter into swap arrangements or other derivative techniques as specified in the relevant Data Sheets, each of which exposes the Sub-Funds 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, the Sub-Funds 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 which are applicable to the Company and its Sub-Fund under Chapter 5 above.

Certain markets in which the Sub-Funds may affect their transactions are over-the-counter or interdealer markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. To the extent a Sub-Fund invests in swaps, derivative or synthetic instruments, or other over-the counter transactions, on these markets, such Sub-Fund may take credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions which generally are backed by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections. This exposes the Sub-Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and

conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Sub-Fund to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Company has concentrated its transactions with a single or small group of counterparties. In addition, in the case of a default, the respective Sub-Fund could become subject to adverse market movements while replacement transactions are executed. The Sub-Funds are not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. Moreover, the Sub-Funds have no internal credit function which evaluates the creditworthiness of their counterparties. The ability of the Sub-Funds to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Sub-Funds.

#### **Lack of availability**

Because the markets for certain financial derivative instruments (including markets located in foreign countries) are relatively new and still developing, suitable derivatives transactions may not be available in all circumstances for risk management or other purposes. Upon the expiration of a particular contract, the Management Company may wish to retain the respective Sub-Fund's position in the derivative instrument by entering into a similar contract, but may be unable to do so if the counterparty to the original contract is unwilling to enter into the new contract and no other suitable counterparty can be found. There is no assurance that the Sub-Funds will engage in derivatives transactions at any time or from time to time. The Sub-Funds' ability to use derivatives may also be limited by certain regulatory and tax considerations.

#### **Synthetic short selling**

Sub-Funds may utilise synthetic short exposures through the use of cash settled derivatives such as swaps, futures and forwards in order to enhance their overall performance. A synthetic short sale position replicates the economic effect of a transaction in which a fund sells a security it does not own but has borrowed, in anticipation that the market price of that security will decline. When a Sub-Fund initiates such a synthetic short position in a security that it does not own, it enters into a derivative-based transaction with a counterparty or broker-dealer and closes that transaction on or before its expiry date through the receipt or payment of any gains or losses resulting from the transaction. A Sub-Fund may be required to pay a fee to synthetically short particular securities and is often obligated to pay over any payments received on such securities. Each Sub-Fund maintains sufficiently liquid long positions in order to cover any obligations arising from its short positions. If the price of the security on which the synthetic short position is written increases between the time of the initiation of the synthetic short position and the time at which the position is closed, the Sub-Fund will incur a loss; conversely, if the price declines, the Sub-Fund will realise a short-term capital gain. Any gain will be decreased and any loss increased by the transactional costs described above. Although a Sub-Fund's gain is limited to the price at which it opened the synthetic short position, its potential loss is theoretically unlimited. Stop loss policies are typically employed to limit actual losses, which would otherwise have to be covered by closing long positions.

#### **Synthetic leverage**

A Sub-Fund's portfolio may be leveraged by using financial derivative instruments (including OTC Derivatives) i.e. as a result of its transactions in the futures, options and swaps markets. A low margin deposit is required in futures trading and the low cost of carrying cash positions permit a degree of leverage, which may result in exaggerated profits or losses to an investor. A relatively small price movement in a futures position or the underlying instrument may result in substantial losses to the Sub-Fund resulting in a similar decline to the Net Asset Value per Share. The writer of an option is subject to the risk of loss resulting from the difference between the premium received for the option and the price of the futures contract or security underlying the option which the writer must purchase or deliver upon exercise of the option. Contracts for differences and swaps may also be used to provide synthetic short exposure to a stock.

#### **Futures and Options**

Under certain conditions, the Company may use options and futures on securities, indices and interest rates, as described in the relevant Data Sheets and in Chapter 5 “Investment restrictions” for the purpose of efficient portfolio management. Also, where appropriate, the Company may hedge market, currency and interest rate risks using futures, options or forward foreign exchange contracts. There is no guarantee that hedging techniques will achieve the desired result. In order to facilitate efficient portfolio management and to better replicate the performance of the benchmark, the Company may finally, for a purpose other than hedging, invest in financial derivative instruments. The Company may only invest within the limits set out in Chapter 5 “Investment restrictions”.

Transactions in futures carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are “leveraged” or “geared”. A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Transactions in options also carry a high degree of risk. Selling (“writing” or “granting”) an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser

exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is “covered” by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

#### **7.12 INVESTMENTS IN SMALLER COMPANIES**

Sub-Funds which invest in smaller companies may fluctuate in value more than other Sub-Funds because of the greater potential volatility of Share prices of smaller companies.

#### **7.13 INVESTMENTS IN TECHNOLOGY RELATED COMPANIES**

Sub-Funds which invest in technology related companies may fluctuate in value more than other Sub-Funds because of the greater potential volatility of share prices of technology related companies.

#### **7.14 INVESTMENTS IN CONCENTRATED PORTFOLIOS**

Sub-Funds which invest in a concentrated portfolio may be subject to greater volatility than those Sub-Funds with a more diversified portfolio.

#### **7.15 INVESTMENTS IN UCITS AND OTHER INVESTMENT FUNDS**

Certain Sub-Funds may invest in UCITS and other Investment Funds. The shareholders in those Sub-Funds may incur a duplication of fees and commissions (management fees, including performance fees, custodian fees, central administration fees, audit fees), except that if a Sub-Fund invests in UCITS and other Investment Funds sponsored by a member of Edmond de Rothschild Group Limited, the Sub-Fund will not be charged any subscription and redemption fees with respect to such investment and all or a portion of the investment management fee with respect to such assets may be waived or rebated in accordance with Chapter 5 “Investment Restrictions” item (14). The maximum management fees of UCITS and other Investment Funds borne by a Sub-Fund investing in UCITS and other Investment Funds is as set out in Chapter 5 “Investment Restrictions”, item C, (15).

#### **7.16 INVESTMENTS IN DEBT SECURITIES**

##### **General**

Sub Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranationals and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Sub-Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of a Sub-Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value.

Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities,

Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Sub-Funds. This may also affect a debt security's liquidity and make it difficult for a Sub-Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of a Sub-Fund which may result in higher default rates than anticipated on the bonds and other debt securities.

##### **Investments in Government debt securities**

Certain Sub-Funds may invest in debt securities (“Sovereign Debt”) issued or guaranteed by governments or their agencies (“governmental entities”). Governmental entities may default on their Sovereign Debt. Holders of Sovereign Debt, including a Sub-Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which Sovereign Debt on which a governmental entity has defaulted may be collected in whole or in part.

There are increasing concerns regarding the ability of multiple sovereign states to continue to meet their debt obligations. This has led to the downgrading of the credit rating of certain European governments and the US government. Global economies are highly dependent on each other and the consequences of the default of any sovereign state may be severe and far-reaching and could result in substantial losses to the Sub-Fund and the investor.

Certain Sub-Funds may invest substantially in Sovereign Debt. In light of the current fiscal conditions and concerns on the sovereign debt risk of certain countries, a Sub-Fund's investments in Sovereign Debt may be more volatile. The performance of the Sub-Fund may deteriorate significantly should there be

any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc.) of any country.

#### **Investments in debt securities of financial institutions**

Certain financial institutions may be adversely affected by market events and could be forced into restructurings, mergers with other financial institutions, nationalised (whether in part or in full), be subject to government intervention or become bankrupt or insolvent. All of these events may have an adverse effect on a Sub-Fund and may result in the disruption or complete cancellation of payments to the Sub-Fund. Such events may also trigger a crisis in global credit markets and may have a significant effect on a Sub-Fund and its assets. Prospective investors should note that a Sub-Fund's investments may include bonds and other debt securities that constitute subordinated obligations of such institutions. Upon the occurrence of any of the events outlined above the claims of any holder of such subordinated securities shall rank behind in priority to the claims of senior creditors of such institution. No payments will be made to the Sub-Fund in respect of any holdings of such subordinated bonds or debt securities until the claims of the senior creditors have been satisfied or provided for in full.

#### **High yield bonds**

Investment in debt securities is subject to interest rate, sector, security and credit risks. Compared to investment grade bonds, high yield bonds are normally lower-rated securities and will usually offer higher yields to compensate for the reduced creditworthiness or increased risk of default that these securities carry.

#### **Investment grade bonds**

Certain Sub-Funds may invest in investment grade bonds. Investment grade bonds are assigned ratings within the top rating categories by rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review, from time to time, such assigned ratings and bonds may therefore be downgraded in rating if economic circumstances impact the relevant bond issues.

#### **Unrated bonds**

Certain Sub-Funds may invest in debt securities which do not have a rating issued by an independent rating agency. In such instances, the credit worthiness of such securities will be determined by the Investment Managers as at the time of investment.

Investment in an unrated debt security will be subject to those risks of a rated debt security of comparable quality. For example, an unrated debt security of comparable quality to a debt security rated below investment grade will be subject to the same risks as a below investment grade rated security.

### **7.17 STRUCTURED PRODUCTS**

Investments in structured products may involve additional risks than those resulting from direct investments in underlying assets. Sub-Funds investing in structured products are exposed not only to movements in the value of the underlying asset including but not limited to currency (or basket of currencies), equity, bond, commodity index or any other eligible index, but also to the risk that the issuer of the structured product defaults or becomes bankrupt. The Sub-Fund may bear the risk of the loss of its principal investment and periodic payments expected to be received for the duration of its investment in the structured products. In addition, a liquid secondary market may not exist for the structured products, and there can be no assurance that one will develop. The lack of a liquid secondary market may make it difficult for the Sub-Fund to sell the structured products it holds. Structured products may also embed leverage which can cause their prices to be more volatile and their value to fall below the value of the underlying asset.

### **7.18 INVESTMENTS IN CHINA**

Under the prevailing regulations in the People's Republic of China (**PRC**), foreign investors can invest in China A Shares through institutions that have obtained Qualified Foreign Institutional Investor (**QFII**) status in the PRC. The current QFII regulations impose strict restrictions (including rules on investment restrictions, minimum investment holding period and repatriation of principle and profits) on China A Share investment.

In extreme circumstances, a Sub-Fund may incur losses due to limited investment capabilities, or may not be able to fully implement or pursue its investment objectives or strategy, due to QFII investment restrictions, illiquidity of the China A Shares market, and/or delay or disruption in execution of trades or in settlement of trades.

Investments by a Sub-Fund in the China A Share and other permissible securities denominated in Renminbi will be made through the QFII in Renminbi. Such Sub-Fund(s) and Share Class(es) will be exposed to any fluctuation in the exchange rate between the relevant Sub-Fund's Valuation Currency and the Renminbi in respect of such investments.

### **7.19 INVESTMENTS IN RUSSIA**

The relative infancy of the Russian governmental and regulatory framework may expose investors to various political and economic risks. The Russian Securities Market from time to time may also suffer from a lack of market efficiency and liquidity which may cause higher price volatility and market disruptions.

The Sub-Funds may invest in securities listed on the Russian Trading System (RTS) Stock Exchange and on the Moscow Interbank Currency Exchange in Russia, which are classified as Regulated Markets. Until such time that they become Regulated Markets, the Sub-Fund will limit any direct investment in securities traded on the non-Regulated Markets of the Commonwealth of Independent States (together with any other securities not traded on a Regulated Market) to 10% of its net assets.

Investments in Russia are currently subject to certain heightened risks with regard to the ownership, custody of securities and counterparty exposure. In addition, Russian securities have an increased custodial risk associated with them as such securities are, in accordance with market practice, held in custody with Russian institutions which may not have adequate insurance coverage to cover loss due to theft, destruction or default.

Some Sub-Funds may have indirect exposure to emerging and less developed markets by investing in companies that are incorporated under the laws of, and have their registered office in, developed markets but carry out some or all of their economic activity in emerging markets. Investments in emerging and less developed markets are subject to increased political, regulatory and economic instability, poor transparency and greater financial risks.

## **7.20 INVESTMENTS IN REAL ESTATE**

Investments in equity securities issued by companies which are principally engaged in the business of real estate will subject the strategy to risks associated with the direct ownership of real estate. These risks include, among others, possible declines in the value of real estate; risks related to general and local economic conditions; possible lack of availability of mortgage funds; overbuilding; extended vacancies of properties; increases in competition; property taxes and transaction, operating and foreclosure expenses; changes in zoning laws; costs resulting from the clean-up of, and liability to third parties for damages resulting from, environmental problems; casualty or condemnation losses; uninsured damages from floods, earthquakes or other natural disasters and acts of terrorism; limitations on and variations in rents; and changes in interest rates. The strategy may invest in securities of small to mid-size companies which may trade in lower volumes and be less liquid than the securities of larger, more established companies, there are therefore risks of fluctuations in value due to the greater potential volatility in share prices of smaller companies (see “Sub-Funds Investing in Smaller Companies”).

## **7.21 DEPOSITORY RECEIPTS**

Investment into a given country may be made via direct investments into that market or by depository receipts traded on other international exchanges in order to benefit from increased liquidity in a particular security and other advantages. A depository receipt admitted to the official listing on a stock exchange in an Eligible State or traded on a Regulated Market may be deemed an eligible transferable security regardless of the eligibility of the market in which the security to which it relates normally trades.

## **7.22 LISTING**

Where the Shares are listed, the exchanges on which those Shares are listed take no responsibility for the contents of this document, make no representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any kind of loss arising from or in reliance upon any part of the contents of this document.

This Prospectus includes particulars given in compliance with the listing regulations of the exchanges on which the Shares are listed for the purpose of giving information with regard to the Company. The directors of the Company collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus and confirm, having made all reasonable inquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

**The foregoing risk factors are indicative of those risks involved in investing in the Shares. Prospective investors should read the entire Prospectus and consult with their legal, tax and financial advisors before making any decision to invest in the Company.**

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## 8. MANAGEMENT COMPANY

The Board has appointed EDMOND DE ROTHSCHILD ASSET MANAGEMENT (LUXEMBOURG) as management company (the **Management Company**) responsible, under the supervision of the Board, for the administration, management and distribution of the Company and its Sub-Fund pursuant to a management company agreement dated 7 July 2014 (the **Management Company Agreement**). In relation to the administration function, the Management Company is in charge in particular of processing the issue, redemption and conversion of the Shares and settlement arrangements thereof, keeping the register of the Company's shareholders, calculating the Net Asset Value per Share, maintaining the records, assisting the Board in verifying that investors qualify as eligible investors under applicable Luxembourg law and other general functions as more fully described in the Management Company Agreement and the central administration agreement (the **Central Administration Agreement**). The rights and duties of the Management Company are further laid down in articles 107 et seq. of the Law of 17 December 2010.

The Management Company was incorporated as a limited liability company on 25 July 2002, and its Articles were published in the Memorial and amended for the last time on 18 September 2014 and published in the Memorial on 4 November 2014. The Management Company is registered with the Registry of Trade and Companies of Luxembourg under number B 88.591. The Management Company is approved under Chapter 15 of the Law of 17 December 2010. The subscribed capital of the Management Company is EUR18,238,022.99 and is fully paid up.

At the date of this Prospectus, the composition of the Board of the Management Company is as follows:

- Mr Vincent Taupin, Chairman
- Mr Didier Deléage
- Mr Marc Saluzzi
- Katherine Blacklock

Mr Franck Sarrazin, Mr Enrique Bouillot, Mr Raymond Glodé, Mr Dimitri Guillaume, Mr Stanislas Kervyn, Mr Christoph Lanz and Mr Guy Verhoustraeten are the conducting officers responsible for the day-to-day activities of the Management Company within the meaning of article 102 of the Law of 17 December 2010, and CSSF Circular 12/546.

The Management Company is vested with the day-to-day administration of the Company. In fulfilling its duties as set forth by the Law of 17 December 2010, the Management Company Agreement and the Central Administration 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. 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 Agreement.

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

In addition, the Management Company may delegate, subject to the approval of the CSSF, all or part of its administrative functions and duties to a sub-contractor 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 will 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.

The terms and conditions of the remuneration of the Management Company appear in Chapter 18, "Fees and Expenses", and in the Data Sheets.

The fees and costs of the administrative functions set out above are in accordance with normal practice in the Luxembourg market. These fees are part of the Global Fee as further described in the relevant Data Sheet.

The Management Company has established and applies a remuneration policy and practices that are consistent with, and promote, sound and effective risk management and that neither encourage risk taking which is inconsistent with the risk profiles, rules, this Prospectus or the Articles nor impair compliance with the Management Company's obligation to act in the best interest of the Company (the **Remuneration Policy**).

The Remuneration Policy includes fixed and variable components of salaries and applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profiles of the Management Company, the Company or the Sub-Funds.

The Remuneration Policy is in line with the business strategy, objectives, values and interests of the Management Company, the Company and the Shareholders and includes measures to avoid conflicts of interest.



In particular, the Remuneration Policy will ensure that:

- the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the Company in order to ensure that the assessment process is based on the longer-term performance of the Company and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
- the fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

Details of the Remuneration Policy, including the persons in charge of determining the fixed and variable remunerations of staffs, a description of the key remuneration elements and an overview of how remuneration is determined, is available on the website [www.edmond-de-rothschild.com](http://www.edmond-de-rothschild.com)<sup>1</sup>. A paper copy of the summarised Remuneration Policy is available free of charge to the Shareholders upon request.

The Management Company 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 months' prior written notice.

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<sup>1</sup> To find the Remuneration policy, first Luxembourg has to be selected as country on the left hand side of the website. Then select "Asset Management" on the right side and scroll down to the bottom of the page and select "Terms and Conditions".

## 9. DISTRIBUTORS

EDMOND DE ROTHSCHILD ASSET MANAGEMENT (LUXEMBOURG) in its capacity as management company of the Company will be in charge of the distribution of the Shares. The Management Company may appoint one or more distributors with the consent of the Company.

It is expected that the Management Company and/or any distributor(s) will offer to enter into arrangements with 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.

All distributors that are entitled to receive subscription monies and/or subscription, redemption or conversion orders on behalf of the Company 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, underlying investors will not appear in the register of the Company and will have no direct right of recourse against the Company.

The Management Company and/or any distributors 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.

The terms and conditions of any (sub-)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 an Eligible Investor, may at any time, require the transfer in his/her/its name of the Shares subscribed through the nominee. After this transfer, the investor will receive evidence of his/her/its shareholding at the confirmation of the transfer from the nominee.

Investors may subscribe directly to the Company without having to go through the Management Company or any distributors or nominee.

Copies of the various agreements between the Company, the Management Company and distributors or nominee(s) are available at the registered office of the Company as well as at the registered office of the Management Company, distributor(s)/nominee(s) during the normal business hours on any Business Day.

The Management Company, any Investment Manager or Investment Adviser may in accordance with Chapter 18.1.4 of the Prospectus enter into retrocession fee arrangements with any distributor in relation to their distribution services provided that any such arrangement is designated to enhance the quality of the service and does not impair compliance with the Management Company's duty to act in the best interests of the Company and the shareholders. Any such retrocession fee will be paid by the Management Company, the Investment Manager, the Investment Adviser or the relevant distributor out of its own remuneration.

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<b>10. INVESTMENT MANAGERS AND INVESTMENT ADVISERS</b>
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The Management Company may, with the consent of the Company, appoint one or more investment managers (each an **Investment Manager**) to carry out portfolio management services and be responsible for a Sub-Fund's investment activities within the parameters and restrictions set out in this Prospectus and the relevant Data Sheet. The identity of each Investment Manager will be disclosed in the relevant Data Sheet.

The Management Company or an Investment Manager may appoint one or more Investment Advisers to provide advisory services in respect of a Sub-Fund as disclosed in the relevant Data Sheet.

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## 11. DEPOSITARY AND DOMICILIARY AGENT

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

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.

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.

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 Law of 17 December 2010, 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 Law of 17 December 2010.

In addition, the Depositary will also ensure:

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

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 UCITS-CDR 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.

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 financial instruments of identical type or the 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 UCITS-CDR.

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

- (a) natural events beyond human control or influence;
- (b) the adoption of any law, decree, regulation, decision or order by any government or governmental body, including any court or tribunal, which impacts the Company's financial instruments held in custody;
- (c) war, riots or other major upheavals.

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

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

An up-to-date list of the third-party delegates (including the global sub-custodian) appointed by the Depositary 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>.

In carrying out its functions, the Depositary will act honestly, fairly, professionally, independently and solely in the interest of the Company and the shareholders.

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.

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.

A description of the conflicts of interest that may arise in relation to the Depositary services, if any, will be made available to the Company's shareholders on request at the Company's registered office.

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.

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.

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.

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

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.

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## 12. SHARES

The Shares are issued as registered Shares and with no indication of any par value. Registered Shares are registered in the register of shareholders, and registered shareholders will receive confirmation in writing but no certificate representing the Shares will be issued. Registered Shares may also be held and transferred through accounts maintained with clearing systems. The Company may also, upon decision of the Board, issue Shares in dematerialised form, i.e. shares exclusively issued by book entry in an issue account (*compte d'émission*), held by an authorised central account holder or an authorised settlement system.

Shares are entirely paid-up. Fractional Shares may be issued up to five decimal places and will have attached rights in proportion to the fraction of a Share but they will not have voting rights. The Shares do not grant any pre-emptive rights in the issue of new Shares.

Within any one Sub-Fund, all of the Shares have equal rights in respect of voting rights in all General Meetings and in all of the meetings of the Sub-Fund in question. Subject to the restrictions described below, Shares are freely transferable and are each entitled to participate equally in the profits and liquidation proceeds attributable to the relevant Share Class.

Shares redeemed by the Company become null and void.

The Board may restrict or prevent the ownership of Shares by any person, firm or corporation, if such ownership may be against the interests of the Company or of the majority of shareholders or of any Sub-Fund or Share Class therein. Where it appears that a person who should be precluded from holding Shares, either alone or in conjunction with any other person, is a beneficial owner of Shares, the Management Company may compulsorily redeem all Shares so owned in accordance with the provisions of the Articles.

The Management Company may, in its absolute discretion, delay the acceptance of any subscription for Shares of a Share Class restricted to Institutional Investors until such date as it has received sufficient evidence of the qualification of the investor as an Institutional Investor. If it appears at any time that a holder of a Share Class restricted to Institutional Investors is not an Institutional Investor, the Management Company will either redeem the relevant Shares in accordance with the provisions under Chapter 15, "Issue and delivery of Shares", Chapter 16, "Redemption of Shares" and Chapter, 17 "Share conversion" below, or switch such Shares into a Share Class that is not restricted to Institutional Investors (provided there exists such a Share Class with similar characteristics) and notify the relevant shareholder of such switch.

The Management Company may create within each Sub-Fund different classes of Shares whose assets will be commonly invested pursuant to the specific investment policy of the relevant Sub-Fund. Such Classes are distinguished by their fee structure, their distribution policy, their liquidity, and the minimum subscription applicable to them (this list is not exhaustive). The features of the relevant Classes issued within each Sub-Fund will be as set out in the relevant Data Sheets.

The Classes in certain Sub-Funds designated in the Data Sheets may themselves be divided into a number of Sub-Classes each with a different Valuation Currency by a decision of the Board. **Investors' attention is drawn to the fact that depending upon the foreign exchange risk hedging operations put in place or not for each Sub-Class, investors are exposed to the risk that the Net Asset Value of any Sub-Class denominated in a given Valuation Currency may change unfavourably in comparison with that of a Sub-Class denominated in a different Valuation Currency. It is nevertheless stipulated that the expenses related to any financial instruments that may be employed in foreign exchange risk hedging operations for the Sub-Class in question will be allocated exclusively to that Sub-Class.**

The Data Sheets indicate which Classes and if applicable Sub-Classes are available for each Sub-Fund and any additional particular characteristics of the Classes and Sub-Classes involved.

**The Board may decide in the case of each Sub-Fund to close the Shares of one or more Classes for subscription temporarily, even by converting the Shares of another Class or another Sub-Fund.**

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### 13. DEFINITION AND CALCULATION OF THE NET ASSET VALUE

The Net Asset Value per Share of each active Sub-Fund, Class or Sub-Class is determined in Luxembourg by the Management Company (or its sub-contractor) under the responsibility of the Board in accordance with the Articles, by dividing the net value of the assets of the Sub-Fund in question (or allocated to the relevant Class or Sub-Class), which corresponds to the value of the assets of the Sub-Fund (or allocated to the relevant Class or Sub-Class) less its liabilities, by the number of Shares in circulation in that Sub-Fund (or Class or Sub-Class) on the same date, and rounding up or down to the nearest higher or lower unit of the Valuation Currency of the Sub-Fund (or Class or Sub-Class), which is specified in the Data Sheets. In order to avoid any ambiguity, the unit of the Valuation Currency is understood to mean the smallest unit in that currency (if, for example, the Valuation Currency is the Euro, the unit is the cent).

The Net Asset Value per Share of each Sub-Fund (or Class or Sub-Class) is determined with a frequency specified for each Sub-Fund in the Data Sheets (the **Valuation Day**).

In establishing the audited annual report and the unaudited semi-annual report, the Company will, for each Sub-Fund, carry out an additional valuation of its securities' portfolio by using for this purpose the closing prices of the same day. As such and if necessary, at the closing date of the Financial Year and the semester, the Company will carry out two determinations of the Net Asset Value of the Sub-Funds concerned, one based on the principle of the securities' portfolio valued at the last available rates at the moment of the determination of the price applicable to subscriptions, redemptions and conversions processed on this date, and the other based on the principle of the securities' portfolio valued at the closing prices of the same day and intended to be published in the annual revised report and in the non-revised semi-annual report. To avoid any risk of confusion for the investors, the audited annual report as well as the unaudited semi-annual report will clearly mention the double determination of the Net Asset Value of the Sub-Funds concerned and an explanatory note will be inserted in those reports in order to specify the origin of the gap between the Net Asset Value determined on the basis of the closing rates and the Net Asset Value applied to subscriptions, redemptions and conversions.

The Net Asset Value of the Shares in each Sub-Fund is determined by dividing the sum of the net assets of each Sub-Fund by the number of Shares of the Sub-Fund in question in circulation on the valuation date, and rounding up or down to the nearest whole hundredth share of the Valuation Currency in which the Net Asset Value of the relevant Shares of that Sub-Fund are calculated.

The total net assets of the Company are expressed in Euros and the consolidation of the various different Sub-Funds is obtained by converting the net assets of the various different Sub-Funds into Euros and adding them together them.

The valuation of the net assets of the various different Sub-Funds will be carried out in the following manner:

**I. The assets of the Company will comprise, among others:**

1. all of the currency in cash or in bank deposits including interest due but not received and interest accrued on such deposits on the Valuation Day;
2. all effects and notes payable at sight and accounts receivable (including earnings from sales of securities the cost of which has still not been received);
3. all securities, units, shares, bonds, option rights or subscription rights and other investments and securities which are owned by the Company;
4. all dividends and distributions receivable by the Company in cash or in securities insofar as the Company is aware of these;
5. all interest due but not yet received and all interest produced up to the Valuation Day by securities which are the property of the Company, except where such interest is included within the principal of such securities;
6. the setting-up expenses of the Company insofar as they have not yet been amortised;
7. all other assets of any nature whatsoever, including prepaid expenses.

**The value of such assets will be determined in the following manner:**

1. The value of cash in hand or on deposit, bills and notes payable at sight, and accounts receivable, prepayments, and dividends and interest notified or reaching maturity but not received shall be made up of the nominal value of such assets, except insofar as it is unlikely that such value will be received; in this latter case, the value will be determined by deducting such amount as the Board may consider appropriate in order to reflect the real value of those assets.
2. The valuation of securities and/or Money Market Instruments (i) dealt in on a Regulated Market, or (ii) dealt in on any Other Regulated Market, or (iii) accepted for official listing on a stock exchange of a State which is not a EU Member State, or dealt in on any Other Regulated Market in any non-EU Member State, will be based upon the last price known in Luxembourg on the Valuation Day, and if such securities or such instruments are traded on several markets, on the basis of the last price known at the principal market for such securities or instruments on the Valuation Day. If the last known price on any given Valuation Day is not

representative, the valuation will be based upon the probable realisation value which the Board will estimate with prudence and in good faith.

3. Unquoted securities or those not dealt in on a Regulated Market or any Other Regulated Market will be valued on the basis of their probable realisation value, which the Board will estimate with prudence and in good faith.
4. Forwards and futures contracts and options are valued on the basis of the last known price in the market involved. The prices used are the settlement prices in the forwards and futures markets.
5. Liquid assets are valued at their nominal value plus any accrued interest.
6. Swaps are valued at their fair market value based upon the last known price of the underlying asset.
7. Money Market Instruments which are not listed on a stock exchange or dealt in on a Regulated Market or Other Regulated Market will be valued in accordance with market practice.
8. Derivative financial instruments which are not quoted in a securities market or traded in any Other Regulated Market will be valued in accordance with market practice.
9. Units or shares issued by Investment Funds are valued on the basis of their last available net asset value.
10. All other assets are valued on the basis of their probable realisation value, which should be estimated using prudence and in good faith.
11. Values expressed in any other currency than the Valuation Currency of the Sub-Fund in question will be converted using the mean rate of exchange of the currency concerned.

In cases where the calculation methods above are not appropriate, the Board may adjust the value of any investment, or allow another valuation method to be employed for the assets of the Company if they consider that the circumstances justify the adoption of such adjustment or other valuation methods such that the value of the investments should be reflected more correctly.

In respect of the determination of the value of the assets of the Company, the Management Company and its sub-contractor use as their base the information received from various different sources of quotation (including administrative agents of funds, managers, and brokers). Provided that the Management Company and its sub-contractor act with all the due care and diligence required in this field, and provided that there are no manifest errors in the valuations forwarded by such sources of quotations, neither the Management Company nor its sub-contractor will be held liable for the accuracy of the valuations supplied by such sources of quotation. The Management Company and its sub-contractor may rely fully and exclusively on the basis of the valuations supplied by the Board or by one or more specialists duly authorised to that effect by the Board (and in respect of a sub-contractor by the Management Company).

If it is found that one or several sources of quotations are unable to supply the valuations to the Management Company and its sub-contractor, the latter are authorised not to calculate the Net Asset Value, and consequently not to determine the prices for subscription, redemption, and conversion. The Board should be informed immediately by the Management Company (or its sub-contractor) if such a situation should arise. If necessary, the Board or the Management Company, if applicable, may then decide to suspend the calculation of the Net Asset Value in accordance with the procedures described in Chapter 14, "Suspension of the calculation of the Net Asset Value and of the issue, redemption, and conversion of Shares".

Adequate provisions will be made, Sub-Fund by Sub-Fund, for expenses to be borne by each of the Company's Sub-Funds and off-balance-sheet commitments may possibly be taken into account on the basis of fair and prudent criteria.

In the context of the Forum One – Anara Total Convexity Fund sub-fund, options are valued on the basis of the Mid price (mean of the Bid and the Ask price). In the case where the Bid price is missing, a theoretic Mid price is calculated taking into account the Bid price at 0.

## **II. The liabilities of the Company will comprise, among others:**

1. all borrowings, matured effects, and accounts payable;
2. all known obligations whether or not due, including contractual obligations reaching maturity which are related to payments in cash or in kind (including the amount of dividends declared by the Company but not yet paid);
3. all reserves authorised or approved by the Board, including those which have been constituted in order to meet a potential capital loss on certain investments made by the Company;
4. any other liability of the Company, of whatsoever nature, with the exception of those which are represented by the Company's own resources. When valuing the sum of such other liabilities, the Company will include in their calculation all expenses to be met by the Company comprising, without limitation the setting-up costs and the costs of subsequent amendment of the Articles, fees and expenses payable to the various different service providers such as the Management Company, the Investment Managers, the distributors and the nominees if any, the Depositary, the correspondent agents, the transfer agents, paying agents and other (sub-)contractors and employees of the Management Company or the



Company, and in addition the permanent representatives of the Company in the countries in which it is subject to registration, fees for legal assistance, the audit of the annual accounts of the Company, promotional expenses, the costs of printing and publication of the documents in respect of the sale of the Shares, the cost of printing the annual and interim financial statements, the costs of holding General Meetings and the meetings of the Board, reasonable travel expenses of the members of the Board, including their insurance premiums, assistance fees, registration declaration expenses, all taxes and duties exacted by government authorities and securities markets, the costs of publishing the prices for issue, redemption, and conversion and all other operating expenses including financial, bank, and brokerage costs incurred during the purchase and sale of assets or otherwise, and all other administrative expenses.

When valuing the amount of such liabilities, the Company shall include administrative expenses, taxes and other regular or periodical expenses in the calculation in time proportion. To this end, an appropriate provision determined from time to time by the Company and if necessary any other reserves authorised and approved by the Board together with a sum (if required) which the Board may consider to constitute an appropriate reserve in order to satisfy any other potential liability of the Company.

5. In respect of relations between the shareholders, each Sub-Fund will be considered a separate entity generating its own revenues, capital gains and capital losses, expenses and costs, without restriction. Assets, liabilities, costs, and expenses which are not attributable to any specific Sub-Fund shall be allocated to the various different Sub-Funds in equal parts or in proportion to their respective net assets in cases where the sums in question justify this. The Company constitutes one single legal entity, however with respect to third parties and in particular in respect of the creditors of the Company, each Sub-Fund will be liable exclusively for the liabilities which correspond to it.

- III. Every share of the Company which is in the process of being redeemed will be deemed to be a share issued and in existence until the close of the Valuation Day which corresponds to the redemption of that share, and its price will be deemed to constitute a liability of the Company as from the close of that day.

All Shares are to be issued by the Company in compliance with the orders for subscription received will be treated as having been issued as from the Valuation Day of its issue price, and its price will be treated as a receivable of the Company until it has in fact been received by the Company.

#### IV. Dilution adjustment in a Sub-Fund

A Sub-Fund may experience dilution of its Net Asset Value per Share due to investors requesting the redemption of their Shares or wishing to subscribe Shares in a Sub-Fund. Such dilution may occur because of the dealing, transaction or other costs incurred by the relevant Sub-Fund in respect of investment or divestment decisions undertaken further to such redemption or subscription requests.

In order to deal with such dilution, the following swing pricing mechanism may be implemented by the Board of Directors or the Management Company to protect the interests of existing shareholders in the relevant Sub-Fund. If on any Valuation Day, the aggregate net transactions in Shares of a Sub-Fund exceed a pre-determined threshold, as determined and reviewed for the Sub-Fund on a periodic basis by the Board, or the Management Company, the Net Asset Value per Share may be adjusted upwards or downwards to reflect net inflows and net outflows respectively. The net inflows and net outflows will be determined by the Board, or the Management Company in its discretion based on the latest available information at the time of calculation of the Net Asset Value per Share. In particular, the Net Asset Value of the relevant Sub-Fund will be adjusted (upwards or downwards) by an amount which reflects (i) the estimated fiscal charges, (ii) dealing costs that may be incurred by the Sub-Fund and (iii) the estimated bid/offer spread of the assets in which the Sub-Fund invests. As certain stock markets and jurisdictions may have different charging structures on the buy and sell sides, the resulting adjustment may be different for net inflows than for net outflows.

The Net Asset Value of each Class (or Sub-Class) in the Sub-Fund will be calculated separately but any dilution adjustment will in percentage terms affect the Net Asset Value of each Class (or Sub-Class) in an identical manner.

The swing pricing mechanism may be applied for each Sub-Fund if applicable pursuant to the relevant Data Sheet (*see Sub-Funds Data Sheets Section "Valuation Day and calculation of the Net Asset Value"*). The extent of the price adjustment will be set by the Board to reflect dealing and other costs. Such adjustment may vary and will not exceed 2% of the original Net Asset Value per Share.

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<b>14. SUSPENSION OF THE CALCULATION OF THE NET ASSETS VALUE AND OF THE ISSUE, REDEMPTION, AND CONVERSION OF THE SHARES</b>
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The Board is authorised to suspend the calculation of the Net Asset Value of the Shares of one or more of the Sub-Funds or of one or more of the Classes or Sub-Classes, on a temporary basis, together with issues, redemptions, and conversions, in the following cases:

- a) throughout every period during which a market or securities market which is the principal market or securities market where a substantial proportion of the investments of one or several Sub-Funds is quoted is closed, except on the days on which they are normally closed, or during which trading on such market is subject to significant restrictions or are suspended;
- b) during a political, financial, military, monetary, or social situation, or any event of force majeure, which is beyond the liability or control of the Company, and makes it impossible to dispose of the assets of one or more Sub-Funds by reasonable normal means without giving rise to serious prejudice to the interests of the shareholders;
- c) during any disruption in the communications normally employed to determine the prices of any investment of the relevant Sub-Fund(s) or the current prices on any market or securities market;
- d) during restrictions on foreign exchange or the transfer of capital which may prevent the execution of transactions to the account of the relevant Sub-Fund(s) or when restrictions on purchase or sale to the account of the Company cannot be implemented at normal exchange rates;
- e) when the Board so decides, subject to the observance of the principle of fair treatment between the shareholders and the applicable laws and regulations (i) following the invitation to an extraordinary General Meeting of the Company, a Sub-Fund or a Class or Sub-Class which intends to make a decision in respect of the liquidation or the merger of the Company or of a Sub-Fund or of a Class or Sub-Class, and (ii) when the Board has the power following a decision to liquidate or wind up or merge a Sub-Fund, a Class, or a Sub-Class;
- f) in the event that the Management Company and its sub-contractor do not have the means to determine the price of Investment Funds in which the relevant Sub-Fund has invested (when the calculation of the net assets value of the Investment Funds in question has been suspended).

Subscribers and shareholders who offer their Shares for redemption or conversion shall be advised of the suspension of the calculation of the Net Asset Value at the moment of receiving the application for subscription, redemption, or conversion or through publication of the decision to suspend effected through the press.

Notice of the suspension of the calculation of the Net Asset Value will be given to the affected investors by appropriate means as the Board may decide if the expected duration of the suspension exceeds a certain limit.

Subscriptions and orders for redemption or conversions which are suspended may be withdrawn by written notification provided that such notice of withdrawal is received by the Company prior to the termination of the suspension.

Subscriptions, redemptions, and conversions which are suspended will be dealt with on the first Valuation Day following the termination of the suspension.

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## 15. ISSUE AND DELIVERY OF SHARES

### 15.1 GENERAL

The issue of Shares takes place every Valuation Day, following the terms and conditions provided in the Data Sheet for each Sub-Fund.

The Shares may be subscribed with the Management Company (or its sub-contractor) or sales agents or distributors. Requests may be accepted by facsimile transmission or at the discretion of the Management Company and or the Board other means of telecommunication. An application form can be obtained from the Management Company or from the website [www.edmond-de-rothschild.com](http://www.edmond-de-rothschild.com). For subscriptions, the subscriber will receive only a written confirmation.

Subscription of Shares of a given Sub-Fund shall be suspended whenever the determination of the Net Asset Value per Share of such Sub-Fund is suspended by the Company (see Chapter 14 "Suspension of the calculation of the net assets value and of the issue, redemption, and conversion of the Shares").

The Management Company may enter into agreements with certain distributors or sales agents pursuant to which they agree to act as or appoint nominees for investors subscribing for Shares through their facilities. In such capacity the distributor or sales agent may effect subscriptions, switches and redemptions of Shares in the nominee name on behalf of individual investors and request the registration of such transactions on the register of shareholders of the Company in the nominee name. The appointed nominee maintains its own records and provides the investors with individualised information as to its holdings of Shares in the Company. Except where local law or custom prohibits the practice, investors may invest directly in the Company and not avail themselves of a nominee service. Unless otherwise provided by local law, any shareholder holding Shares in a nominee account with a distributor has the right to claim, at any time, direct title to such Shares. The directors of the Board draw the investor's attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general shareholders' meetings, if the investor is registered himself and in his own name in the register of shareholders for the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

If within a Class, the Board decides to create a number of Sub-Classes each with a different Valuation Currency, subscriptions shall be made in the pertinent Valuation Currency of the Sub-Class concerned at the choice of the investor.

Subscriptions may be addressed to the Management Company (or its sub-contractor) or sales agents and distributors in the form of a sum subscribed in the Valuation Currency of the Sub-Fund concerned or of a number of Shares to be subscribed.

The Shares may at the discretion of the Management Company and/or the Board be issued in exchange for a contribution in kind of securities or other assets to the Sub-Funds, provided that such securities or assets comply with the investment policies and investment restrictions applicable to the relevant Sub-Fund and have a value equal to the issue price of the relevant Shares. Assets contributed to the Sub-Fund under the conditions indicated above will be valued separately in a special report by the statutory auditor of the Company. Such contributions in kind of securities or other assets are not subject to brokerage fees. The Board will only have recourse to this option if (i) such is the request of the investor in question; and (ii) if the transfer does not have a negative effect on the existing shareholders in the relevant Sub-Fund. All expenses in respect of a contribution in kind will be borne by the relevant Sub-Fund if such expenses are lower than the brokerage fees which would have been incurred by the Sub-Fund if they had acquired the securities in question on the market.

Instructions for subscriptions which the Management Company (or its sub-contractor) considers unclear or incomplete may lead to a delay in their execution. Such instructions will only be executed once they have been verified and confirmed to the Management Company's satisfaction. The Management Company and the Board will not be liable for any losses which may result from delays that arise from unclear instructions.

The Board may permit different dealing cut-off times for certain types of investors, such as investors in jurisdictions where a different time zone so justifies. If permitted, the dealing cut-off time applied must always precede the time when the applicable Net Asset Value is determined. Different cut-off times may either be specifically agreed upon with the relevant distributor or may be published in any supplement to the Prospectus or other marketing document used in the jurisdiction concerned.

Any taxes, charges, and administrative expenses which may be payable in respect of the subscription will be to the account of the subscriber.

Subscription prices are based upon the Net Asset Value plus a subscription fee or front-end load of a maximum of 5% as specified in the Data Sheets.

The Shares may be allocated to an investor on the day of receipt of a valid subscription request and be blocked until the subscription price has been paid to the Company within the deadline provided for in the respective particulars. Failing payment by the investor within the given deadline, the Company has the right, on the next Valuation Day, to carry out a forced redemption of the Shares. If a loss is determined

between the Valuation Day on which the subscription is applied and the Valuation Day on which the unpaid subscription is redeemed, the difference will be claimed from the concerned investor.

In the event that a Class or Sub-Class closed to subscription following the redemption of all of the Shares issued in the Class or Sub-Class involved is reopened to subscriptions or in the event that no Shares of a Class or Sub-Class are subscribed at the initial subscription of the Sub-Fund, as provided in the Data Sheet of the Sub-Fund concerned, the initial price per share of the Class or Sub-Class concerned will at the moment of the launch of the Class or Sub-Class be 10 or 100 units (depending on the relevant initial subscription price set out in the relevant Data Sheet) of the Valuation Currency of the Class or Sub-Class concerned. All subsequent subscriptions to the initial subscription of a Class or Sub-Class will be made upon the basis of the Net Asset Value of the Class or Sub-Class concerned.

## **15.2 INITIAL SUBSCRIPTIONS**

For all new Sub-Funds, the period for initial subscription and the terms and conditions for each Sub-Fund are specified in the pertinent Data Sheet.

## **15.3 ONGOING SUBSCRIPTIONS**

Receipt of subscription orders for each Sub-Fund will be made with a frequency specified in the Data Sheets. All subscriptions to new Shares should be entirely paid-up. For all Sub-Funds, the amount subscribed is payable in the Valuation Currency of the Sub-Fund with the frequency which is specified in the Data Sheets.

## **15.4 RESTRICTIONS ON THE ACQUISITION AND HOLDING OF SHARES AND ANTI-MONEY LAUNDERING MEASURES**

In adherence to international regulations and the laws and regulations of Luxembourg (including the law of 12 November 2004 regarding the money laundering and the financing of terrorism, as amended), and the applicable Circulars of the CSSF, professionals in the financial sector are subject to anti-money laundering and/or financing terrorism requirements. As part of these requirements, the Management Company (or its sub-contractor) must, in principle, identify investors in the Company. The Management Company (or its sub-contractor) may require investors to furnish any documents it deems necessary to perform this identification requirement.

In the case of the investor delaying or not providing the required documents, the subscription order may not be accepted and, in the case of redemption, the payment of the redemption proceed may not be made. None of the Company, the Management Company or any of their sub-contractors shall be responsible for delays in execution or non-execution of transactions resulting from the investor not having furnished the required documentation or having supplied incomplete documentation.

Shareholders may be required from time to time, to furnish additional documents or updates, in compliance with legal and regulatory requirements.

## **15.5 RESTRICTIONS ON THE ACQUISITION OF SHARES IN RESPECT OF THE FIGHT AGAINST THE PRACTICE AND TECHNIQUES OF LATE TRADING AND MARKET TIMING**

In accordance with CSSF circular 04/146, the Board will not accept Late Trading and Market Timing practices. Subscriptions, redemptions, and conversions are always made at an unknown Net Asset Value. The Board, the Management Company, their sub-contractors and intermediaries reserve the right when necessary to reject any application to subscribe to or convert Shares which come from an investor who employs or who is suspected of employing such practices, and may at their own discretion take any other measures which seem appropriate or necessary to them.

## **15.6 RESTRICTIONS ON THE ACQUISITION OF SHARES LINKED TO THE VERIFICATION OF THE QUALIFICATION OF INSTITUTIONAL INVESTORS**

In the case of the Classes and Sub-Classes reserved for subscription and holding by Institutional Investors, the Board may at its own discretion delay the acceptance of any application to subscribe to Shares until such moment as the Management Company (or its sub-contractor) or the intermediary has received sufficient proof that the person who has made that application to subscribe may be qualified as an Institutional Investor. If at any time it appears that the holder of Shares is not an Institutional Investor, the Board is required to effect a mandatory redemption of the Shares involved. The Board, the Management Company (or its sub-contractor), or the intermediary will refuse to make any transfer of Shares effective and consequently will refuse to permit any transfer of Shares to be entered in the shareholders register if such transfer has the consequence of causing such Shares to be held by a person who is not an Institutional Investor.

Over and above any liability provided under the applicable law, every shareholder who cannot be qualified as an Institutional Investor who holds Shares must hold the Company, the Management Company, the Board, their agents or sub-contractors and the other shareholders harmless from all damages and indemnify them for all harm, loss, and expense which may arise either in respect of such holding in the event that the shareholder concerned has submitted misleading or incorrect documentation or in respect of such deceitful or incorrect declarations to justify dishonestly their status as an Institutional Investor or has failed to notify the Company of the loss of such status.

Institutional Investors who subscribe in their name but to the account of third parties should certify to the Management Company (or its sub-contractor) or the intermediary that such

subscription has been effected to the account of an investor considered to be an Institutional Investor. The Company, the Management Company (or its sub-contractor), and/or the intermediary may at any time at their own discretion require all the supporting documents necessary to certify that the final beneficiary of the Shares in question is considered to be an Institutional Investor.

#### **15.7 SALE OF SHARES IN FOREIGN COUNTRIES**

The local offer documents of the Company may provide:

- i) The possibility for investors to subscribe to regular savings plans. The fees of the savings plans are not higher than one third of the amounts to be subscribed during the first year.
- ii) The option for an investor to appoint a distributor or paying agent, who should forward orders in their name to the account of the investor and be registered as the holders of the Shares to the account of the investor themselves.
- iii) The option for the paying agents in Italy to debit investors who are resident in Italy for the additional fees inherent in the execution of orders for subscriptions, redemptions, or conversions of the Shares of the Company.

#### **15.8 NOTE TO US PERSONS**

This Prospectus does not constitute an offer or solicitation in respect of any US Person. 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 United States Commodity Futures Trading Commission (CFTC) Rule 4.7 and not a US resident within the meaning of the United States Investment Company Act of 1940, as amended.

#### **15.9 WITHDRAWAL OF REQUESTS FOR SUBSCRIPTION**

A shareholder may withdraw a request for subscription of Shares in the event of a suspension of the determination of the Net Asset Value of the Shares and, in such event, a withdrawal will be effective only if written notification is received by the Management Company (or its sub-contractor) before the termination of the period of suspension. If the subscription request is not withdrawn, the Company shall proceed to subscribe on the first applicable Valuation Day following the end of the suspension of the determination of the Net Asset Value of the Shares. All other requests to withdraw a subscription request are at the sole discretion of the Board, and will only be considered if received at such time as specified in the relevant Data Sheet.

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## 16. REDEMPTION OF SHARES

Investors should note that the redemption price of the Shares is based on the Net Asset Value per Share which may significantly vary over time and that therefore, the redemption price may be higher than, equal to, or lower than the price at which the Shares were acquired by the shareholder at the time of their subscription.

All shareholders who have subscribed to Shares in the Company may, at any time, request the redemption of all or part of their Shares, and should specify the name of the subscriber, the Sub-Fund, the Class and the Sub-Class if required and the number of Shares to be redeemed. The shareholder should address a letter or a fax to the Management Company or sales agents and the distributor requesting such redemption and specifying the address where the payment is to be effected. Requests may be accepted by facsimile transmission or at the discretion of the Management Company and or the Board other means of telecommunication

Redemption requests can be made and will be processed in accordance with the terms specified for each Class in the Data Sheets.

Instructions for redemptions which the Management Company (or its sub-contractor) considers unclear or incomplete may lead to a delay in their execution. Such instructions will only be executed once they have been verified and confirmed to the Management Company's satisfaction. The Management Company and the Board will not be liable for any losses which may result from delays that arise from unclear instructions.

The Board may permit different dealing cut-off times for certain types of investors, such as investors in jurisdictions where a different time zone so justifies. If permitted, the dealing cut-off time applied must always precede the time when the applicable Net Asset Value is determined. Different cut-off times may either be specifically agreed upon with the relevant distributor or may be published in any supplement to the Prospectus or other marketing document used in the jurisdiction concerned.

After receiving a valid request for redemption, the redemption proceeds will be paid in the Valuation Currency of the relevant Sub-Fund, and will be based on the Net Asset Value per Share determined as of the relevant Valuation Day. If Sub-Classes have been issued each of which has a different Valuation Currency, the redemption price will be paid in the Valuation Currency of the Sub-Class in question.

For each Sub-Fund, the proceeds of the redemption will be paid by the Depositary following a frequency which is specified in the Data Sheets. The proceeds of the redemption may be converted into any freely transferable currency, at the request of the shareholder and at their expense.

**For all Sub-Funds, redemption orders should be addressed to the Management Company (or its sub-contractor) or the distributor and may be made only for a specific number of Shares to be redeemed (and not in amount).**

Redemptions of Shares in a Sub-Fund will be suspended during any period during which the calculation of the Net Asset Value of that Sub-Fund is suspended. Every suspension of redemptions will be notified by all appropriate means to any shareholders who have submitted orders the execution of which has been suspended.

The Board may, on a discretionary basis, and always subject to applicable laws and following the receipt of a valuation report prepared by the statutory auditor of the Company, pay the redemption price to a shareholder, which so accepts, by means of a payment in kind in securities or other assets of the Sub-Fund involved up to the value of the sum of the redemption. The Board will only have recourse to this option (i) upon request of the relevant investor; and (ii) if the transfer does not have a negative effect on the remaining shareholders in the relevant Sub-Fund. All of the expenses in respect of a payment in kind will be to the expense of the party/parties requesting this.

Neither the Board nor the Depositary may be held liable for any default in payment arising from the application of any exchange controls or other circumstances which are beyond their control and which may limit or render the transfer of the proceeds of the redemption of the Shares to a foreign country impossible.

If on any particular date, redemption orders represent more than 10% of the Shares of the Sub-Fund in circulation, the Company may decide to reduce all outstanding redemption orders pro-rata up to that 10% limit (and satisfy such reduced orders) and delay the excess portion of the relevant redemption orders until the next Valuation Day (when the Company may apply the same power). In this case the redemption orders pending execution will be reduced proportionately and on that date the redemption orders which have been delayed in processing will be given priority over later orders. Since it is given that the redemption price will be a function of the performance of the Net Asset Value, the price which the investor will see at the moment of the redemption may be greater than or lower than the issue price that was paid.

The Shares will be redeemed at the Net Asset Value of the Sub-Class or of the Class of the relevant Sub-Fund as at the relevant Valuation Day. A redemption fee in favour of the Sub-Class or Class of the Sub-Fund in question may be charged and the maximum rate for this fee will be indicated in the Data Sheet of the relevant Sub-Fund. This redemption fee will be applied in an equitable manner to all of the Shares in the Sub-Class or the Class redeemed on one and the same Valuation Day.

If following a redemption order the cumulative Net Asset Value of the Shares held by any shareholder in a Sub-Class or a Class is lower than any minimum investment that may have been indicated in the Data Sheet of the Sub-Fund concerned, the Board may, on a discretionary basis, after requesting the shareholder to subscribe such sums as may be necessary to reach the minimum investment or to convert their Shares into another Class or Sub-Class of the same or another Sub-Fund, decide to proceed to a forced redemption of all of the Shares held by the

shareholder if the latter has not regularised their situation within a period of one month following the request for regularisation.

In accordance with the Articles, if it appears to the Board that any person not authorised to hold the Shares alone or in association with other persons is the financial beneficiary of Shares in the Company, the Board may require them to sell their Shares and to submit proof of such sale to the Company within thirty (30) days of this demand. If the shareholder fails to meet their obligations, the Company may proceed or have a third party proceed to carry out a forced redemption of all of the Shares held by that shareholder. Consequently, the provisions of the Prospectus and the Articles authorise the Company to carry out a unilateral redemption of all of the Shares held by unauthorised persons.

**Withdrawal of requests for redemption**

A shareholder may withdraw a request for redemption of Shares in the event of a suspension of the determination of the Net Asset Value of the Shares and, in such event, a withdrawal will be effective only if written notification is received by the Management Company (or its sub-contractor) before the termination of the period of suspension. If the redemption request is not withdrawn, the Company shall proceed to subscribe on the first applicable Valuation Day following the end of the suspension of the determination of the Net Asset Value of the Shares. All other requests to withdraw a redemption request are at the sole discretion of the Board, and will only be considered if received at such time as specified in the relevant Data Sheet.

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## 17. SHARE CONVERSION

### 17.1 GENERAL

Requests for conversion should be sent to the Management Company (or its sub-contractor), the sales agents or distributors at its registered office in Luxembourg. Requests may also be accepted by facsimile transmission or at the discretion of the Board other means of telecommunication.

Instructions for conversion which the Management Company (or its sub-contractor) considers unclear or incomplete may lead to a delay in their execution. Such instructions will only be executed once they have been verified and confirmed to the Management Company's (or its sub-contractor's) satisfaction. None of the Management Company and its sub-contractor will be liable for any losses which may result from delays that arise from unclear instructions.

The Board may permit different dealing cut-off times for certain types of investors, such as investors in jurisdictions where a different time zone so justifies. If permitted, the dealing cut-off time applied must always precede the time when the applicable Net Asset Value is determined. Different cut-off times may either be specifically agreed upon with the relevant distributor or may be published in any supplement to the Prospectus or other marketing document used in the jurisdiction concerned.

### 17.2 TYPES OF SHARE CONVERSION

A request for conversion by a shareholder of all or part of the Shares of a Sub-Class or a Class of any given Sub-Fund (the **Divested Class**):

- (i) into Shares of another Sub-Class or Class of the same Sub-Fund, or
  - (ii) into Shares of another Sub-Class or Class of another Sub-Fund,
- (the **Invested Class**), is subject to the authorisation of the Board as described below.

### 17.3 LIMITATIONS APPLIED TO CONVERSIONS

The Board may at its discretion decide to authorise conversions of Shares between Sub-Funds and/or between Classes and/or between Sub-Classes within a Sub-Fund even if all of the terms and conditions for the Divested Class are not identical to the terms and conditions provided in the Invested Class.

If following a conversion order the cumulative Net Asset Value of the Shares held by any shareholder in a Sub-Class or a Class is lower than any minimum investment that may have been indicated in the Data Sheet of the Sub-Fund concerned, the Board may, on a discretionary basis, after requesting the shareholder to subscribe such sums as may be necessary to reach the minimum investment or to convert their Shares into another Class or Sub-Class of the same or another Sub-Fund, decide to proceed to a forced redemption of all of the Shares held by the shareholder if the latter has not corrected their situation within a period of one month following the request for correction.

Conversion may not be performed if the calculation of the Net Asset Value of one or more of the Sub-Funds in question has been suspended (please see Chapter 14). Moreover, in the case of large redemption and conversions orders in respect of the same Valuation Day, conversions may also be delayed under the same conditions as those applicable to redemptions (please see Chapter 16).

### 17.4 TERMS AND CONDITIONS FOR CONVERSIONS

- Subject to Chapter 17.3 above, within one and the same Sub-Fund, the conversion of one Sub-Class denominated in one Valuation Currency into a Sub-Class denominated in another Valuation Currency is performed on the basis of the Net Asset Value calculated on the same Valuation Day for the two Classes, the Divested and Invested Classes, as determined in the redemption conditions of the Divested Class.
- With the exception of the two points indicated above, the conversion of Shares between all Sub-Funds is effected and processed technically as a redemption followed by a subscription. Consequently, all of the time periods determined in the Data Sheets of the Divested Classes are applicable to conversion orders, and similarly all of the time periods determined in the Data Sheets of the Invested Classes are applicable.

Consequently, the attention of investors is drawn to the particular problems related to a conversion operation when the terms and conditions for the redemption of the Shares of the Divested Class do not coincide with the terms and conditions of subscription of the Shares in the Invested Class.

If the Valuation Days of the Divested Class and the Invested Class involved in the conversion do not coincide, the attention of investors is drawn to the fact that the sum converted will not generate interest during the interval of time separating the two Valuation Days.

**In the event that any Shares of the Invested Class could not be subscribed on the Valuation Day applicable to the conversion, the initial subscription price of the Invested Class will correspond to 10 or 100 units (depending on the relevant initial subscription price set out in the relevant Data Sheet) of the Valuation Currency of the Invested Class.**

After conversion, the Company will inform the shareholder of the number of new Shares obtained upon conversion and their price.



#### **17.5 FORMULA ON THE BASIS OF WHICH A SHARE CONVERSION IS EFFECTED**

The conversion will be effected according to the following formula:

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

**A** being the number of Shares in the Invested Class;

**B** being the number of Shares in the Divested Class;

**C** being the Net Asset Value of the Shares in the Divested Class;

**D** being the Net Asset Value of the Shares in the Invested Class;

**E** being the selling exchange rate of the Valuation Currency in the Invested Class expressed in terms of the Valuation Currency of the Divested Class.

#### **17.6 CONVERSION FEE**

A conversion fee will be applicable to conversion operations as specified in the Data Sheets. The subscription or redemption fees as defined in the Data Sheets for the Sub-Funds of the Divested or Invested Class are not applicable in the case of conversion.

#### **17.7 WITHDRAWAL OF REQUESTS FOR CONVERSION**

A shareholder may withdraw a request for conversion of Shares in the event of a suspension of the determination of the Net Asset Value of the Shares and, in such event, a withdrawal will be effective only if written notification is received by the Management Company (or its sub-contractor) before the termination of the period of suspension. If the conversion request is not withdrawn, the Company shall proceed to subscribe on the first applicable Valuation Day following the end of the suspension of the determination of the Net Asset Value of the Shares. All other requests to withdraw a conversion request are at the sole discretion of the Board, and will only be considered if received at such time as specified in the relevant Data Sheet.

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<b>18. FEES AND EXPENSES</b>
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**18.1 FEES****18.1.1 Global Fee**

The Management Company (in its capacity as management company and administrative agent of the Company) and the Depositary will be remunerated out of the assets of each Sub-Fund through a Global Fee as disclosed in respect of each Sub-Fund in the relevant Data Sheet. Such global fee will be allocated between the Depositary, the Management Company (in its capacity as management company and administrative agent of the Company) and any sub-contractor of the Depositary or the Management Company as agreed from time to time in writing between the parties.

The Global Fee as defined in each Data Sheet may be subject to a minimum amount (set out in the relevant Data Sheet, if any) applicable under the agreements entered into with the Depositary and the Management Company and their respective sub-contractors.

In addition to the above-mentioned fees, the Management Company and the Depositary are entitled to any other fees for specific services and transactions as agreed from time to time between the Company and the Depositary (the **Other Fees**), disclosed in the agreements. They are further entitled to be reimbursed by the Company for their respective reasonable out-of-pocket expenses properly incurred in carrying out their duties as such and for the charges of any correspondents. Other Fees include for example set-up fees, listing fees, fees in relation to the organization of Board meetings, Shareholders meetings, financial statements, extraordinary NAV calculation, KIID preparation, etc.

**18.1.2 Distribution Fee**

Unless otherwise provided in the relevant Data Sheet, distributors will be remunerated out of the assets of each Sub-Fund as further described in the relevant Data Sheet.

**18.1.3 Investment Management Fee**

Unless otherwise provided in the relevant Data Sheet, Investment Managers will be remunerated out of the assets of each Sub-Fund as further described in the relevant Data Sheet.

**18.1.4 Retrocession fee arrangements**

The Management Company, each Investment Manager and each distributor may enter into retrocession fee arrangements with any intermediary which forms part of the distribution network (including business introducers) in relation to their distribution services provided that any such arrangement is designated to enhance the quality of the service and does not impair compliance with the Management Company's duty to act in the best interests of the Company and the shareholders. Any such retrocession fee may be paid by either by the Management Company, the relevant Investment Manager or the relevant distributor out of its own assets (or remuneration). The Management Company, an Investment Manager or a distributor may instruct from time to time in writing the Company to pay all or part of its own remuneration directly to any intermediary which forms part of the distribution network (including business introducers).

**18.1.5 Soft commissions with brokers**

The Management Company or its delegates such as the Investment Manager may enter into soft commissions with brokers under which certain business services are obtained from third parties and are paid for by the brokers out of the commissions they receive from transactions of the Company. Consistent with obtaining best execution, brokerage commissions on portfolio transactions for the Company may be directed by the Management Company (or its delegates) to broker-dealers in recognition of research services furnished by them as well as for services rendered in the execution of orders by such broker-dealers.

The entering into soft commission arrangements is subject to the following conditions:

- (i) the Management Company (and its delegates) will act at all times in the best interest of the Company;
- (ii) the services provided will be in direct relationship to the activities of the Management Company (or its delegates);
- (iii) brokerage commissions on portfolio transactions for the Company will be directed by the Management Company (or its delegates) to broker-dealers that are entities and not to individuals;
- (iv) the Management Company (or its delegates) will provide reports to the Board with respect to soft commissions including the nature of the services it receives; and
- (v) information concerning the soft commission arrangements will be disclosed in the financial statements of the Company.

## 18.2 EXPENSES

The Company will bear the expenses related to its incorporation, distribution, and its operation. These include, in particular, the remuneration of the Management Company, the Investment Managers, the Investment Advisers, the intermediaries which form a part of the distribution network (including business introducers) and the Depositary, the fees of the statutory auditor and of the legal counsel, the expenses for printing and distribution of the Prospectus and KIID(s), and the periodical reports, brokerage for securities, fees, taxes and expenses related to the movement of securities or cash, interest and other expenses from loans, Luxembourg subscriber tax and other taxes which may be linked to the business, the charges due to the supervisory authorities of the country in which the Shares are offered, reimbursement of reasonable expenses to the Management Company and its sub-contractor, Board members, the expense of publication in the press and advertising, finance service fees for securities and coupons, any fees arising from quotation of securities or from publication of the prices of the shares, court fees, fees for official deeds, and court counsel, any emoluments due to the administrators.

Furthermore, all reasonable expenses and costs advanced by the Company shall be to the account of the Company, including without limitation telephone, fax, telex, telegram, and carriage incurred by the Management Company, the Investment Managers, the Management Company's sub-contractor and the Depositary, including those involved in the purchase and sale of securities in the portfolios of one or more Sub-Funds.

The Company may indemnify any director/managing director or officer, and his heirs, executors and administrators, for any expenses reasonably incurred by him in connection with any actions or proceedings to which he was a party for being a director, managing director or officer of the Company or for having been, at the Company's request, a director, managing director or officer of any other company in which the Company is a shareholder or creditor and from which he was not indemnified except where he was finally sentenced in such actions or proceedings for gross negligence or misconduct. In the event of a settlement out of courts, such indemnification shall only be granted if the Company is advised by its counsel that the director, managing director or officer in question did not commit such a breach of duty. The foregoing right of indemnification shall not exclude other rights to which such director, managing director or officer may be entitled.

Each Sub-Fund will be charged all of the expenses and disbursements which are attributable to it. Expenses and disbursements not attributable to any particular Sub-Fund shall be distributed among the Sub-Funds on an equitable basis, in proportion to the assets of each.

In the event that additional Sub-Funds are created, the expenses related to their creation shall be allocated and, if necessary, amortised in proportion to their net assets over a maximum period of 5 years.

Expenses incurred in the incorporation and organisation of the Company, including primarily the fees of legal advisers, consultation fees, the cost of deeds and other fees, shall be borne by Edmond de Rothschild (Europe).

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<b>19. FINANCIAL YEAR</b>
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The Financial Year of the Company shall run from 1 January to 31 December of each year, except for the first Financial Year which ran from the date of incorporation of the Company to 31 December 2014.

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## **20. PERIODIC REPORTS**

Annual reports certified by the statutory auditor and semi-annual reports shall be kept at the disposition of the shareholders at the registered offices of the Depositary, the Management Company and other establishments appointed for this purpose, and also at the registered office of the Company.

The annual reports will be published within the four months following the closing of the Financial Year and was published for the first time as at 31 December 2014.

Semi-annual reports will be published within two months of the end of the semi-annual period and was published for the first time as at 30 June 2015.

Such periodic reports will contain all of the financial information in respect of each of the Sub-Funds, the composition and progress of their assets, together with the consolidated situation of all of the Sub-Funds, expressed in Euros and drawn up on the basis of the representative exchange rates in force on the reporting date.

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## 21. GENERAL SHAREHOLDERS' MEETINGS

The annual General Meeting is held each year on the third Friday of April of each year at 11:00 a.m. at the registered office of the Company, or at any other place in Luxembourg which shall be specified in the call to the meeting, provided that if such day is not a Business Day, then the annual General Meeting will be held on the next following Business Day.

Convening notices to all General Meetings will be sent to all registered shareholders, at the address which appears in the shareholders register at least 8 days prior to the General Meeting. Such notices will indicate the time and place of the General Meeting and the conditions for admission, the agenda, and the requirements of the law of Luxembourg in governing quorum and majority requirements.

To the extent permitted by law, the convening notice to a General Meeting may provide that the quorum and majority requirements will be assessed against the number of Shares issued and outstanding at midnight (Luxembourg time) on the fifth day prior to the relevant meeting (the **Record Date**) in which case, the right of any Shareholder to participate in the meeting will be determined by reference to his/her/its holding as at the Record Date. In case of dematerialised Shares (if issued) the right of a holder of such Shares to attend a General Meeting and to exercise the voting rights attached to such Shares will be determined by reference to the Shares held by this holder as at the time and date provided for by Luxembourg laws and regulations.

Each whole Share grants the right to one vote in all General Meetings.

The Articles provide that the shareholders of each Sub-Fund should meet in a separate General Meeting and shall deliberate and decide upon the conditions of attendance and majority in the manner determined by the law then in force with respect to the distribution of the annual profit balance of their Sub-Fund, and all decisions concerning that Sub-Fund.

Amendments to the Articles which concern the Company as a whole, must be approved by the General Meeting of the Company.

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## **22. DISTRIBUTION OF DIVIDENDS**

Each year the General Meeting 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, either in cash or Shares. Further, dividends may include a capital distribution, provided that after distribution the net assets of the Company total more than EUR 1,250,000 (being provided that Shares of a Target Sub-Fund held by an Investing Sub-Fund will not be taken into account for the purpose of the calculation of the EUR 1,250,000 minimum capital requirement).

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.

The Company may issue Accumulation Classes and Distribution Classes within the Classes of each Sub-Fund, as indicated in the Data Sheets. Accumulation Classes capitalise their entire earnings (but may in certain circumstances distribute dividends, as set out in the relevant Data Sheets) whereas Distribution Classes pay dividends.

For Distribution Classes, 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 Company within the conditions set forth by law, as further described in the relevant Data Sheet.

The nature of the distribution (net revenues from investments or capital) will be specified in the financial statements of the Company. All resolutions of the General Meeting which reach a decision on the distribution of dividends for Distribution Classes of a Sub-Fund should be approved by the shareholders of that Sub-Fund in a majority vote as provided under the law.

Notice of the payment of dividends and interim dividends will be made to the shareholders in such manner as may be determined in accordance with the law by the Board. The dividends will be paid in the Valuation Currency of the Sub-Fund or in the Valuation Currency of the Sub-Class in question, if issued.

No interest will be paid on dividends or on interim dividends which are payable and in the hands of the Company to the account of the shareholders.

Dividends and interim dividends which have not been claimed within five years as from the date of issue for payment will become time-barred and will return to the Sub-Fund concerned.

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## 23. TAX TREATMENT

### 23.1 TAXATION OF THE COMPANY

Under the terms of the legislation in force and current practice, the Company is not subject to any tax on income or capital gains in Luxembourg. Similarly, the dividends paid by the Company are not affected by any tax at source in Luxembourg.

On the other hand, each of the Sub-Funds is subject to the subscription tax, an annual tax on its assets which will be specified in the Data Sheets, and is calculated and payable quarterly on the basis of the Net Asset Value of the assets of the Company at the end of each quarter. Nevertheless, this tax is not assessed on the Company's assets that have been invested in other Investment Funds set up in Luxembourg. Moreover, the issue of Shares is not subject to any stamp duty or other tax in Luxembourg.

Some of the revenues of the portfolio of the Company in the form of dividends and interest may be subject to tax at various rates, withheld at source in the countries in which they arise.

### 23.2 TAXATION OF THE SHAREHOLDERS

**Potential shareholders are advised to obtain information and if necessary to take advice on the laws and regulations (such as they touch upon tax matters and exchange controls) which could be applicable as a result of the subscription, purchase, holding, and realisation of the Shares in their countries of origin, their place of residence, or their domicile.**

By virtue of the current legislation in Luxembourg, dividends received and capital gains realised upon the sale of Shares by residents in the Grand Duchy of Luxembourg are not subject to withholding tax. Dividends are however taxable on the tax base. Capital gains realised upon the sale of Shares are not subject to income tax in the event that the Shares have been held for more than six months except in the case of resident shareholders who hold more than 10% of the Shares.

The arrangements outlined above are based upon the law and practice currently in force, and are subject to change.

*European Union tax matters in respect of natural persons resident within the European Union or in certain third countries or independent or associated territories.*

The Council of the European Union adopted Directive 2003/48/EC of the Council on the taxation of the income from savings in the form of interest payments (the **Directive**) on 3 June 2003. In application of the Directive, the EU Member States will be required to pass information in respect of the payment of interest or other similar revenues effected by the Paying Agent (as defined in the Directive), in favour of a natural person resident in any other EU Member State, on to the tax authorities of that EU Member State established in their jurisdiction. Luxembourg has instead opted for an interim period for a system of withholding at source applied to such payments.

The Directive was transposed into the law of Luxembourg by the Law of 21 June 2005 (the **Law**).

The dividends distributed by a Sub-Fund of the SICAV will be subject to the Directive and to the Law if more than 15% of the assets of that Sub-Fund are invested in debt securities (as defined by the Law) and the proceeds realised by shareholders when redeeming or selling the Shares in the Sub-Fund will be subject to the Directive and to the Law if more than 25% of the assets of that Sub-Fund are invested in debt securities (such Sub-Funds taking below the denomination of **Targeted Sub-Funds**).

The rate applicable in respect of withholding at source will be 35%.

Consequently, if in the framework of operations carried out by a Targeted Sub-Fund a Luxembourg paying agent proceeds to make a payment of dividends or of the proceeds of redemption directly to a Shareholder who is a natural person, resident or considered to be resident for tax purposes in another EU Member State or in certain dependent or associated territories as indicated above, such payment shall be subject to withholding tax at source at the rate indicated above, but within the limits of the following paragraph.

No tax withheld at source will in fact be deducted by an Luxembourg paying agent if the natural person in question has either (i) expressly authorised the paying agent to exchange information with the tax authorities in compliance with the provisions of the law, or (ii) supplied the Paying Agent with a certificate of tax residence issued by the competent authority of their State of residence in accordance with the format required by the Law.

The SICAV reserves the right to reject any subscription for Shares if the information supplied by any potential investor does not satisfy the conditions set forth in the Law and arising from the Directive.

### 23.3 FATCA

FATCA was adopted on 18 March 2010 as part of the "Hiring Incentives to Restore Employment Act" and aims to strengthen the fight against tax evasion by US taxpayers. This legislation specifically contains provisions pursuant to which the Company, in its capacity as a foreign financial institution may be required to report directly to the US tax authorities, namely the Internal Revenue Service, certain information about the Shares held by US taxpayers or any other foreign entity subject to FATCA and to collect additional information on tax identification to this end. Foreign financial institutions that do not



comply with FATCA would be subject to a withholding tax of 30% on all payments received by them, whether direct or indirect, from US sources.

The Luxembourg government entered into an Intergovernmental FATCA Model 1 Agreement on 28 March 2014, which was supplemented by a memorandum of understanding. To this end, and in order to comply with these requirements, the Company may specifically ask any investor or shareholder to provide additional documents to determine said investor's/shareholder's tax residence and specifically their qualification as a US Specified Person, within the meaning of this term as defined in FATCA.

Furthermore, the Company does not intend to market the Shares to any persons qualifying as US Persons as defined by the US Securities Act or "US specified person" or US tax resident as defined by FATCA.

Because the rules governing withholding tax in the United States and the tax declarations potentially required in connection with FATCA are likely to change, Investors should contact their own tax advisers with regard to the implications of FATCA on their personal situation.

**The preceding provisions of the law only represent a summary of the different implications of the Directive and the Law, and are only based upon their current interpretation and do not intend to be exhaustive. These provisions should under no circumstances be understood to constitute tax advice or investment advice, and investors should in consequence take advice from their financial or tax advisers in respect of all the implications of the Directive and of the Law to which they may be subject.**

## **23.4 EXCHANGE OF INFORMATION FOR TAX PURPOSES**

The Company may be required to report certain information about its Shareholders and, as the case may be, about individuals controlling Shareholders that are entities, on an automatic and annual basis to the Luxembourg direct tax administration (*Administration des contributions directes*) in accordance with, and subject to, the Luxembourg law of 21 June 2005 implementing the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments, the Luxembourg law of 24 July 2015 concerning FATCA, and/or the Luxembourg legislation implementing Council Directive 2014/107/EU and the standard for automatic exchange of financial account information in tax matters developed by the OECD with the G20 countries (commonly referred to as the "Common Reporting Standard"), each as amended from time to time (each an **AEOI Law** and collectively the **AEOI Laws**). Such information, which may include personal data (including, without limitation, the name, address, country(ies) of tax residence, date and place of birth and tax identification number(s) of any reportable individual) and certain financial data about the relevant Shares (including, without limitation, their balance or value and gross payments made thereunder), will be transferred by the Luxembourg direct tax administration to the competent authorities of the relevant foreign jurisdictions in accordance with, and subject to, the relevant Luxembourg legislation and international agreements.

Each Shareholder and prospective investor agrees to provide, upon request by the Company (or its delegates), any such information, documents and certificates as may be required for the purposes of the Company's identification and reporting obligations under any AEOI Law. The Company reserves the right to reject any application for Shares or to redeem Shares if the prospective investor or Shareholder does not provide the required information, documents or certificates. Prospective investors and Shareholders should note that incomplete or inaccurate information may lead to multiple and/or incorrect reporting under the AEOI Laws. Neither the Company nor any other person accepts any liability for any consequences that may result from incomplete or inaccurate information provided to the Company (or its delegates).

Each Shareholder and prospective investor acknowledges and agrees that the Company will be responsible to collect, store, process and transfer the relevant information, including the personal data, in accordance with the AEOI Laws. Each individual whose personal data has been processed for the purposes of any AEOI Law has a right of access to his/her personal data and may ask for a rectification thereof in case where such data is inaccurate or incomplete.

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<b>24. INFORMATION TO SHAREHOLDERS</b>
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Shareholders are regularly updated on the situation of the Company by means of the following information measures:

**24.1 NET ASSET VALUE**

The Net Asset Value per Share of each Class or Sub-Class is available at the registered offices of the Company, the Management Company and other establishments appointed by them.

The Board decides the terms and conditions for the publication of the Net Asset Value of each Sub-Fund in the press on a case-by-case basis.

In the event that the calculation of the Net Asset Value per Share of a Sub-Fund, Class or Sub-Class is suspended, the relevant shareholders are notified by appropriate means.

**24.2 OTHER PUBLICATIONS**

The Company will also proceed to publish other required information in the countries where the Shares are offered to the public. Shareholders will be notified of the other information intended for Shareholders, if necessary by publication in a newspaper as decided by the Board.

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<b>25. DOCUMENTS AVAILABLE TO THE PUBLIC</b>
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The following documents are at the disposal of the public at the registered office of the Depositary, the Management Company and at the registered offices of the Company:

- a) this Prospectus;
- b) the KIIDs;
- c) the Articles;
- d) the annual and semi-annual reports of the Company;
- e) the Depositary Agreement;
- f) the Central Administration Agreement;
- g) the Management Company Agreement;
- h) the investment management agreement between the Company, the Management Company and each Investment Manager.

The agreements referred to under items e) to h) may be amended by mutual agreement by the parties involved.

The current Prospectus, KIIDs, the Articles, and the annual and semi-annual reports of the Company are available to the investors at the registered offices of the Company at 20, rue Emmanuel Servais, L-2535 Luxembourg.

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<b>26. DATA SHEETS OF THE SUB-FUNDS</b>
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The Company is currently comprised of the following Sub-Funds:

Forum One – VCG Partners Vietnam Fund\*

Forum One – Anara Total Convexity Fund\*

Forum One – Colville Square Megatrends' Champions\*

Forum One – Latin American Corporate Credit Investment Grade

Forum One – Key Capital Ocho

The Board reserves the right to launch other Sub-Funds at a later date and to set their terms and conditions, in which case this Prospectus will be updated. Similarly, the Board may decide to close any Sub-Fund, or propose to the shareholders in any Sub-Fund that it should be closed, provided that the Board reserves the right to reopen any such a Sub-Fund at a later date in which case this Prospectus will be updated.

**AT THE DATE OF THIS PROSPECTUS, ONLY THE SUB-FUNDS MARKED WITH AN ASTERISK (\*) ARE AVAILABLE FOR SUBSCRIPTION TO INVESTORS.**

**The Data Sheets on the following pages describe the characteristics of the various different Sub-Funds.**

<p style="text-align: center;"><b>DATA SHEET</b> <b>Forum One – VCG Partners Vietnam Fund</b></p>
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**The information contained in this Data Sheet must be read in conjunction with the complete text of the Prospectus of Forum One. This Data Sheet relates exclusively to the sub-fund Forum One – VCG Partners Vietnam Fund (the "Sub-Fund").**

## **I. OBJECTIVE, INVESTMENT POLICY AND RESTRICTIONS**

The objective of the Sub-Fund is primarily to achieve long term capital growth of its assets and increase the value of the invested capital through investments in a diversified portfolio without any restriction regarding, the industry sector or the geographic localisation.

The Sub-Fund will be able to invest in a wide range of assets, including shares, corporate and government bonds, and other types of securities and derivatives. It will invest in Transferable Securities, across all sectors, primarily those issuers that are (i) listed, traded or dealt on the Ho Chi Minh Stock Exchange and the Hanoi Stock Exchange; or (ii) those issuers that carry out a substantial part of their economic activity in Vietnam and are listed, traded or dealt in on stock exchanges worldwide.

The Sub-Fund may invest directly or indirectly (through UCITS and other eligible Investment Funds) in all types of Transferable Securities, Money Market Instruments, derivative instruments or other financial instruments.

Notwithstanding the provisions of the main part of the Prospectus, the Sub-Fund will principally invest in the following asset classes and within the following limits:

- Transferable Securities up to 100% of the Sub-Fund's net assets.
- Cash and Money Market Instruments up to 20% of the Sub-Fund's net assets and, in exceptional market circumstances, and if the Management Company considers this to be in the best interest of the shareholders, the Sub-Fund may hold up to 100% of its net assets in cash or cash equivalent instruments.
- The Sub-Fund may not invest more than 10% of its net assets in securities of the same nature issued by a single issuer.
- UCITS and other eligible Investment Funds up to 10% of the Sub-Fund's net assets.

For the purpose of hedging or investment purposes, the Sub-Fund may also use derivatives. The Sub-Fund will not use EPM Techniques.

## **II. THE SUB-FUND'S RISK PROFILE**

### *Value of the Sub-Fund's investments and Shares will fluctuate*

The investments of the Sub-Fund are subject to normal market fluctuation and other risks inherent in investing in securities and there can be no assurance that capital appreciation or distribution payments would occur. The value of investments and the income from them, and therefore the value of the Shares of the Sub-Fund, can and do go down as well as up and an investor may not get back the amount he invests. The risks associated with investments in equity (and equity-type) securities include significant fluctuations in market prices, adverse issuer or market information and the subordinate status of equity in relation to debt paper issued by the same company.

### *The redemption of the Sub-Fund's Shares may be affected by the liquidity of its underlying investments*

The equity markets in Vietnam (and in other countries in which the Sub-Fund invests) are likely to be smaller and subject to lower liquidity than equity markets in Western Europe and the United States. The ability of the Sub-Fund to satisfy redemption requests may be affected by the liquidity of the underlying securities in which the Sub-Fund invests which may have a material adverse effect on a holder of Shares of the Sub-Fund.

### *Tax uncertainty in Vietnam*

The Vietnamese tax regulations are under development. There are many areas where detailed regulations do not currently exist and where there is a lack of clarity. The implementation of tax regulations can vary depending on the tax authority involved. A change in the taxation of assets in Vietnam could have a material adverse effect on the Sub-Fund.

### *Asia-Pacific securities*

Investing in Asia-Pacific securities, especially in Asian securities, may involve considerations and possible risks not typically involved in investing in securities of companies domiciled and operating in countries such as member states of the European Union, including instability of some local governments, the possibility of expropriation, limitations on the use or removal of funds or other assets, changes in governmental administration or economic or monetary policy (in Asia or elsewhere), or changed circumstances in dealings between nations. The application of local tax laws (e.g., the imposition of withholding taxes on dividend or interest payments) or confiscatory taxation may also affect investment in

these securities. Higher expenses may result from investment in Asia-Pacific securities because of the costs that must be incurred in connection with conversions between various currencies and local brokerage commissions that may be higher than commissions in the European Union. Local securities markets also may be less liquid, more volatile and less subject to governmental supervision than in the European Union. Investments in these countries could be affected by other factors not present in the European Union, including lack of uniform accounting, auditing and financial reporting standards and potential difficulties in enforcing contractual obligations.

#### *Derivatives risk*

The Sub-Fund may invest in the following derivative instruments, warrants, options, rights, convertible bonds, forwards, currency options, index futures and index options, equity swaps and contracts for difference (together “derivatives”) for investment purposes or for hedging. These derivative positions may be executed either on-exchange or over the counter. The primary risks associated with the use of such derivatives are (i) failure to predict accurately the direction of the market movements and (ii) market risks, for example, lack of liquidity or lack of correlation between the change in the value of the underlying asset and that of the value of the Sub-Fund's derivatives. These techniques may not always be possible or effective in enhancing returns or mitigating risk.

The use of cross-currency hedging in order to hedge foreign currency exposure of the underlying assets of the Sub-Fund into the base currency of the Sub-Fund may adversely affect the Net Asset Value of the Sub-Fund.

The Sub-Fund's investments in OTC Derivatives are subject to the risk of counterparty default. In addition, the Sub-Fund may have to transact with counterparties on standard terms which it may not be able to negotiate.

The use of derivatives for any purpose by the Sub-Fund exposes it to the risk of loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

Price movements of derivative contracts in which the Sub-Fund's assets may be invested are influenced by among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies and interest rate-related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. Moreover, since there is generally less government supervision and regulation of emerging market stock exchanges and clearing houses than in more developed markets, the Sub-Fund may also be subject to the risk of the failure of the exchanges on which its positions trade or of their clearing houses, and there may be a higher risk of financial irregularities and/or lack of appropriate risk monitoring and controls.

**In addition to the risks outlined above, Shareholders will continue to be subject to the other risks as further set out in Chapter 7.**

**The foregoing factors are not exhaustive and do not purport to be a complete explanation of all risks and significant considerations relating to an investment in the Sub-Fund. Accordingly, additional risks and uncertainties not presently known to the Board may also have an adverse effect on the fund's financial condition or results or prospects.**

### **III. TYPICAL INVESTOR PROFILE**

It is anticipated that the typical investor in the Sub-Fund will be a sophisticated investor with a medium to long investment time horizon who understands, and is able to tolerate, the risks associated with investment in the emerging markets. The Sub-Fund is expected to have a high volatility.

### **IV. BORROWINGS**

Under exceptional circumstances, the Sub-Fund can borrow in the context of defensive measures or to anticipate cash entry due to a subscription (bridge financing) up to 10% of the net assets of this Sub-Fund.

## V. CLASSES AVAILABLE IN THE SUB-FUND

The Sub-Fund will issue seven Classes.

	<b>Class A</b>	<b>Class B</b>	<b>Class C</b>	<b>Class D</b>	<b>Class E</b>	<b>Class F****</b>	<b>Class G</b>
<b>Valuation Currency</b>	USD	USD	EUR	EUR	USD	GBP	JPY
<b>Type of investors</b>	Restricted*	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted
<b>Minimum holding requirement</b>	USD500,000**	USD5,000	EUR500,000**	EUR5,000	USD500,000**	GBP3,000,000**	JPY10,000,000**
<b>Minimum initial subscription amount</b>	USD500,000**	USD5,000	EUR500,000**	EUR5,000	USD500,000**	GBP3,000,000**	JPY10,000,000**
<b>ISIN</b>	LU1163030197	LU1163027052	LU1214542463	LU1214545136	LU1286782559	LU1286782716	LU1286783011
<b>Accumulation / Distribution</b>	Accumulation	Accumulation	Accumulation	Accumulation	Accumulation	Accumulation	Accumulation
<b>Initial offering price</b>	USD10.00	USD10.00	EUR10.00	EUR10.00	USD10.00	GBP10.00	JPY1,000.00
<b>Front-end load</b>	Up to 5%	Up to 5%	Up to 5%	Up to 5%	Up to 5%	None	Up to 5%
<b>Redemption fee</b>	None	None	None	None	None	None	None
<b>Investment Management Fee***</b>	Up to 1.25%	Up to 2.00%	Up to 1.25%	Up to 2.00%	Up to 1.25%	Up to 1.25%	Up to 2.00%
<b>Performance Fee***</b>	None	15% of the outperformance of the NAV per Share over the Adjusted Reference NAV (as described below in Section IX)	15% of the outperformance of the NAV per Share over the Adjusted Reference NAV (as described below in Section IX)	15% of the outperformance of the NAV per Share over the Adjusted Reference NAV (as described below in Section IX)	15% of the outperformance of the NAV per Share over the Adjusted Reference NAV (as described below in Section IX)	None	None
<b>Distribution Fee</b>	Up to 0.625%	Up to 1.00%	Up to 0.625%	Up to 1.00%	Up to 0.625%	Up to 0.625%	Up to 1.00%
<b>Global Fee</b>	Up to 0.25%	Up to 0.25%	Up to 0.25%	Up to 0.25%	Up to 0.25%	Up to 0.25%	Up to 0.25%
<b>Dilution adjustment</b>	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%
<b>Conversion fee</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	<b>Class A</b>	<b>Class B</b>	<b>Class C</b>	<b>Class D</b>	<b>Class E</b>	<b>Class F****</b>	<b>Class G</b>
<b>Subscription tax rate</b>	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%

\* Class A Shares are restricted to existing holders of the Listed Portfolio Share class (AIM: VNIL) of Vietnam Infrastructure Limited; external investors may subscribe to the Class A Shares at the discretion of the Investment Manager.

\*\* The minimum holding requirement and minimum initial subscription amount may be waived by the Investment Manager at its discretion.

\*\*\* In accordance with item 18.1.4 of Chapter 18 “Fees and expenses”, the Investment Manager may, in accordance with and subject to the conditions set out in item 18.1.4, instruct that all or part of its Investment Management Fee or Performance Fee be paid directly to intermediaries part of the distribution network of the Global Distributor. It is expected that a part of the Investment Management Fee and Performance Fee will be paid out of the Sub-Fund’s assets directly to the Global Distributor (or sub-distributors thereof, if instructed by the Global Distributor to do so).

\*\*\*\* UK investors should note that Class F Shares will comply with the restrictions on the payment of commissions or rebates as a result of the UK Financial Conduct Authority’s Retail Distribution Review (RDR).



## **VI. VALUATION CURRENCY**

The Valuation Currency of the Sub-Fund is the USD and the Net Asset Value will be calculated and subscriptions and redemptions will be made in the Valuation Currency of the relevant Class.

## **VII. INITIAL SUBSCRIPTION**

The initial subscription period for Shares in the Sub-Fund took place from 8 July 2015 to 14 July 2015. The Shares were issued at the initial subscription price set out in Chapter V. above plus a front-end load, if applicable, that may be paid to sub-distributors or nominees, as the case may be.

## **VIII. INVESTMENT MANAGER**

The Management Company has delegated the investment management of the Sub-Fund to VinaWealth Fund Management JSC (the **Investment Manager**), a company incorporated in Vietnam, whose registered office is at 5th Floor, Sunwah Building, Nguyen Hue Street, District 1, Ho Chi Minh City, Vietnam. The Investment Manager is licensed by the State Securities Commission of Vietnam as a fund management company and is a member of the VinaCapital Group group of companies.

## **IX. INVESTMENT MANAGEMENT AND PERFORMANCE FEE**

### **Investment Management Fee**

The Investment Manager will be entitled to receive out of the assets of the Sub-Fund an Investment Management Fee in respect of each Class at a rate p.a as set out in Chapter V. above.

The Investment Management Fee is payable monthly in arrears and calculated on the average Net Asset Value of the Sub-Fund over the relevant month.

### **Performance Fee**

Commencing on 1 October 2015, the Investment Manager will be entitled to receive a performance fee (the **Performance Fee**) in respect of the Class B, Class C, Class D and Class E Shares (each a **Share Class**).

The Performance Fee for each Share Class will be calculated daily and accrued daily on each Valuation Day during each financial period ending on 31 December (each a **Calculation Period**). The first Calculation Period is the period commencing on 1 October 2015 and ending 31 December 2015.

The Performance Fee shall be payable within 5 Business Days after any of the following circumstances occurs (each a **Payment Date**):

- a) the last Valuation Day in each Calculation Period; or
- b) the date of termination of the Investment Management Agreement; or
- c) in respect of a Share Class that is liquidated before the end of a Calculation Period, the Valuation Day on which the final redemption of the Shares in that Share Class takes place; or
- d) in the case of Shares redeemed during a Calculation Period, the portion of the Performance Fee accrued in respect of those Shares shall be payable.

The Performance Fee shall be calculated as follows:

The Performance Fee in respect of the above-mentioned Share Classes is equivalent to 15% of the outperformance of the NAV per Share over the Adjusted Reference NAV (as defined below) multiplied by the average number of shares in the relevant Share Class in issue during the Calculation Period.

The Performance Fee is calculated on the basis of the NAV per Share, after deduction of all expenses, liabilities, and management fee (but not after deduction of Performance Fee).

The **Reference NAV** is defined as the greater of (i) the High Water Mark which is the NAV per Share on the last Valuation Day of any preceding Calculation Period on which a Performance Fee is payable and (ii) the NAV per Share on the last Valuation Day of the preceding Calculation Period. The first Reference NAV is the Initial Offering Price per Share. The first Reference NAV determination date is the launch date of each Share Class.

The **Benchmark Return** is defined as a hurdle rate of 5% per annum calculated pro rata temporis.

The **Adjusted Reference NAV** is defined as the Reference NAV plus the Benchmark Return.

No Performance Fee will be due if the performance of the NAV per Share before deduction of Performance Fee is below the Adjusted Reference NAV over the Calculation Period.

A provision will be made for the Performance Fee on each Valuation Day. If the NAV per Share underperforms the Adjusted Reference NAV since the last Reference NAV determination date, the provision made in respect of the Performance Fee will be reduced accordingly. In the case of Shares redeemed during a Calculation Period, the portion of the Performance Fee accrued in respect of those Shares shall be payable within 5 business days of redemption and the amount shall be deducted from the accrued Performance Fee which is reversed to the Sub-Fund's NAV in the following day. If the provision falls to zero, no Performance Fee will be payable.

## **X. DISTRIBUTOR**

The Management Company has delegated the distribution of the Sub-Fund to VinaCapital Investment Management Limited (the **Global Distributor**), a company incorporated in the Cayman Islands, whose registered office is at PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands. The Global Distributor is a member of the VinaCapital Group group of companies.

## **XI. DISTRIBUTION FEE**

The Global Distributor will be entitled to receive out of the assets of the Sub-Fund a Distribution Fee in respect of each Class at a rate p.a as set out in Chapter V. above.

The Distribution Fee is payable monthly in arrears and calculated on the average Net Asset Value of the Sub-Fund over the relevant month.

## **XII. SUB-FUND LAUNCHING EXPENSES**

In accordance with Chapter 18.2, the Sub-Fund will bear all costs, expenses and disbursements attributable to its launch.

## **XIII. VALUATION DAY**

The Sub-Fund's Valuation Day is each Business Day in Luxembourg and Vietnam with the exception of Good Friday, 24 December (Christmas Eve) and any other day on which the stock exchanges in Vietnam are closed.

The Sub-Fund may apply the dilution mechanism as further described in Chapter 13 and within the limits set out in Chapter V. of this Data Sheet.

## **XIV. SUBSCRIPTION DAY**

The Sub-Fund's Subscription Day is on each Valuation Day.

## **XV. REDEMPTION DAY**

The Sub-Fund's Redemption Day is on each Valuation Day (a **Redemption Day**).

## **XVI. ONGOING SUBSCRIPTIONS**

Save as otherwise decided by the Board, subscription applications must be received by the Management Company (in its capacity as administrative agent) before 6 p.m. (Luxembourg time) two (2) Business Days preceding the applicable Valuation Day and shall be processed, if they are accepted, on the basis of the Net Asset Value determined as at that Valuation Day. Applications notified after this deadline will be processed on the following Valuation Day. The subscription price of each Share is payable by bank transfer within one (1) Business Day of the actual Valuation Day.

The Shares will be issued at the Net Asset Value of the relevant Class plus a front-end load, if applicable, that may be paid to sub-distributors or nominees, as the case may be.

A shareholder may withdraw a request for subscription of Shares in accordance with Chapter 15. All other requests to withdraw a subscription request are at the sole discretion of the Board, and will only be considered if received before 12:30 p.m. (Luxembourg time) one banking day prior to the applicable Valuation Day.

## **XVII. REDEMPTIONS**

Save as otherwise decided by the Board, requests for redemption must be received by the Management Company (in its capacity as administrative agent) before 6 p.m. (Luxembourg time) three (3) Business Days preceding the relevant Redemption Day, which happens on each Valuation Day, or the Business Day following the Redemption Day if it is not a Business Day, and shall be processed, providing all documents confirming the redemption have been received by the Management Company (in its capacity as administrative agent), on the basis of the Net Asset Value determined as at that Redemption Day. Any requests notified after this deadline will be processed on the following Redemption Day.

The redemption price will be paid within three (3) Business Days of the relevant Redemption Day. The redemption proceeds may be converted into any freely convertible currency, upon the request of the shareholder and at his/her/its expense.

A shareholder may withdraw a request for redemption of Shares in accordance with Chapter 16. All other requests to withdraw a redemption request are at the sole discretion of the Board, and will only be considered if received before 12:30 p.m. (Luxembourg time) one banking day prior to the applicable Redemption Day.

## **XVIII. CONVERSION**

The terms and conditions for conversion are described in Chapter 17 "Share Conversion" of the Prospectus.

A shareholder may withdraw a request for conversion of Shares in accordance with Chapter 17. All other requests to withdraw a redemption request are at the sole discretion of the Board, and will only be considered if received before 12:30 p.m. (Luxembourg time) one banking day prior to the applicable Valuation Day.

**XIX. DISTRIBUTION OF DIVIDENDS**

This Sub-Fund will only issue accumulation Shares.

**XX. STOCK EXCHANGE LISTING**

The Sub-Fund's Shares are not listed on any Stock Exchange.

**XXI. GLOBAL EXPOSURE**

The Sub-Fund uses the Commitment Approach to monitor its global exposure.

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<p style="text-align: center;"><b>DATA SHEET</b> <b>Forum One – Anara Total Convexity Fund</b></p>
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**The information contained in this Data Sheet must be read in conjunction with the complete text of the Prospectus of Forum One. This Data Sheet relates exclusively to the sub-fund Forum One – Anara Total Convexity Fund (the "Sub-Fund").**

**I. OBJECTIVE, INVESTMENT POLICY AND RESTRICTIONS**

The objective of the Sub-Fund is primarily to achieve long term capital growth of its assets and increase the value of the invested capital through investments in equity options with an emphasis on US equities, although other geographic localisations will be possible. The Sub-Fund will not be restricted in terms of industry sector.

The primary investment plan of the Sub-Fund is to invest a small portion of the NAV to purchase short-term out of the money call or put options that generate substantial positive returns during large rallies or declines in US equity markets. The Sub-Fund may also engage in a relatively much smaller amount of options writing to finance some of the purchases.

Without prejudice to the provisions of the main part of the Prospectus, the Sub-Fund will invest in the following asset classes and within the following limits:

- The Sub-Fund may purchase and write options on US equity markets including shares, ADR's, ETFs and indices (such as the VIX).
- Up to 100% of its net assets may be invested in Money Market Instruments and other debt instruments.
- Exposure to currencies other than the Valuation Currency is limited to a maximum of 20% of the Sub-Fund's net assets.
- The Sub-Fund will hold cash and cash equivalent at all times in order to achieve the above objective and to ensure the liquidity of the Sub-Fund.
- The Sub-fund may also hold US equities, ADR's and ETFs on an ancillary basis.
- UCITS and other eligible Investment Funds up to 10% of the Sub-Fund's net assets.

For the avoidance of doubt, any reference herein to ETFs shall be understood as UCITS eligible ETFs and any reference to indices shall be understood as financial indices within the meaning of article 9 of the Grand-Ducal Regulation.

The Sub-Fund may invest in financial derivative instruments for hedging purposes or for the purpose of achieving its investment objective. These instruments may include listed or OTC Derivatives such as futures, options and swaps up to a limit of 100% of its net assets. The Investment Manager may seek exposure to, or the synthetic hedging of, various indices, business areas and geographical regions. The Sub-Fund may take positions to hedge the portfolio against certain risks (interest, credit or exchange rates) or may seek exposure to interest-rate and credit risks.

The Sub-Fund will not use EPM Techniques.

**II. SUB-FUND'S RISK PROFILE**

The investments of the Sub-Fund are subject to normal market fluctuation and other risks inherent in investing in securities and there can be no assurance that capital appreciation or distribution payments would occur. The value of investments and the income from them, and therefore the value of the Shares of the Sub-Fund, can and do go down as well as up and an investor may not get back the amount he invests.

A significant portion of the Sub-Fund's investments will be in options strategies. Options involve risk and are not suitable for all investors. The purchaser of a put or call option runs the risk of losing his entire investment in a relatively short period of time if an option expires unexercised. The vast majority of the Sub-Fund's derivatives allocation will be used towards the purchase of options, even though this will only account for a small portion of its NAV.

The uncovered writer of a call option is subject to a risk of infinite loss should the price of the underlying security increase infinitely. The uncovered writer of a put option is subject to a risk of loss equal to the strike price of the put. The Sub-Fund will not engage in uncovered call writing, but may engage in a small amount of call spread writing where there is a risk of loss equal to the difference between the strike prices.

The Investment Manager will manage the portfolio so that the combined total of these potential worst-case scenario losses will remain within the risk boundaries as defined in Section XVIII ensuring that the investor is not subject to large losses.

**III. TYPICAL INVESTOR PROFILE**

The Sub-Fund is only available to experienced investors wishing to attain diversification against other investments typically correlated to US equity markets. The investors must be able to accept important temporary losses (and medium volatility) however the Sub-Fund is structured to offer an extremely convex return profile with potential gains considerably larger than any temporary losses.

#### IV. CLASSES OF SHARES AVAILABLE IN THE SUB-FUND

The Sub-Fund will issue two Classes.

	<b>Class A*</b>	<b>Class X*</b>
<b>Valuation Currency</b>	USD	USD
<b>Type of investors</b>	Institutional Investors and retail investors	Institutional Investors
<b>Minimum holding requirement</b>	USD150,000	USD150,000**
<b>Minimum initial subscription amount</b>	USD150,000	USD5,000,000**
<b>ISIN</b>	LU1207217040	LU1207220341
<b>Accumulation / Distribution</b>	Distribution***	Distribution***
<b>Initial offering price</b>	USD100	USD100
<b>Subscription fee</b>	N/A	N/A
<b>Redemption fee</b>	Up to 3%****	Up to 3%****
<b>Investment Management Fee</b>	Up to 2%	Up to 1%
<b>Performance fee for the Investment Manager</b>	20% as specified below	10% as specified below
<b>Global Fee</b>	Up to 0.25%	Up to 0.25%
<b>Dilution adjustment</b>	N/A	N/A
<b>Conversion fee</b>	N/A	N/A
<b>Subscription tax rate</b>	0.05%	0.01%

\* Subscriptions of Class A and Class X may be accepted by the Investment Manager at its discretion.

\*\* The minimum holding amount and the minimum initial subscription amount may be waived by the Investment Manager at its discretion.

\*\*\* Interests will be distributed further to a decision of the shareholders of the relevant Class upon proposal of the Board submitted to the shareholders of the relevant Class.

\*\*\*\* Shares redeemed prior to the first anniversary of the date of its issuance will be subject to the early redemption fee equal to 3% of the amount of such redemption. After the first anniversary of the date of the issuance of Shares, no redemption fee will be applied. The early redemption fee will be paid to the Investment Manager.

#### V. VALUATION CURRENCY

The Valuation Currency of the Sub-Fund is the USD and the Net Asset Value will be calculated and subscriptions and redemptions will be made in the Valuation Currency of the relevant Class

#### VI. INITIAL SUBSCRIPTION

The initial subscription period for Shares in the Sub-Fund starts on 5 October 2015 and will be closed on 22 October 2015 at 12.00 noon (Luxembourg time). The Shares will be issued at an initial subscription price of USD100 per Share. The subscription amount must be paid with value of 23 October 2015.

#### VII. INVESTMENT MANAGER

The Management Company has delegated the investment management of the Sub-Fund to GBS Finanzas Investcapital, A.V., S.A. (the **Investment Manager**), a company incorporated in Spain, whose registered

office is at Velásquez, 53, 28001 Madrid, Spain. The Investment Manager is licensed by the Comisión Nacional del Mercado de Valores (CNMV) as a fund management company.

The Investment Manager retains the right to appoint and remove sub-advisors to assist in the management of the Sub-Fund under its own responsibility and will remunerate any such advisor out of its own remuneration.

#### **VIII. INVESTMENT MANAGEMENT FEE AND PERFORMANCE FEE FOR THE INVESTMENT MANAGER**

The Investment Manager will be entitled to receive out of the assets of the Sub-Fund an Investment Management Fee in respect of each Class at a rate p.a as set out in Chapter IV above.

The Investment Management Fee is payable monthly in arrears and calculated on the average Net Asset Value of the Sub-Fund over the relevant month.

At the end of each financial quarter, the Investment Manager receives a special allocation of net profits of the Sub-Fund (the **Performance Fee**) equal to such percentage as set out under Chapter IV above of the net increase in the Net Asset Value of each outstanding Class during such financial quarter in excess of any decrease in the Net Asset Value of such Class in any prior financial quarter which has not previously been recouped (i.e., subject to a high-water mark).

The Performance Fee will be calculated and accrued on each Valuation Day and shall be quarterly paid to the Investment Manager. The Performance Fee is calculated separately with respect to each Class, and is also calculated and payable as of the date of redemption with respect to any Shares that are redeemed. The net increase in the Net Asset Value per Class includes realised and unrealised gains and losses as well as all income and expenses of the Sub-Fund.

#### **IX. SUB-FUND LAUNCHING EXPENSES**

In accordance with Chapter 18.2, the Sub-Fund will bear all costs, expenses and disbursements attributable to its launch.

#### **X. VALUATION DAY**

The Sub-Fund's Valuation Day is each Business Day in Luxembourg and in the United States of America with the exception of Good Friday, 24 December (Christmas Eve) and any other day on which the stock exchanges in the United States of America are closed.

#### **XI. SUBSCRIPTION DAY**

The Sub-Fund's Subscription Day is on each Thursday of each week that is a Valuation Day. If such Thursday is not a Valuation Day, the Sub-Fund's Subscription Day will be the next following Valuation Day.

#### **XII. REDEMPTION DAY**

The Sub-Fund's redemptions day is on each Thursday of each week that is a Valuation Day. If such Thursday is not a Valuation Day, the Sub-Fund's redemption day will be the next following Valuation Day.

#### **XIII. ONGOING SUBSCRIPTIONS**

Save as otherwise decided by the Board, subscription applications must be received by the Administrative Agent before 6 p.m. (Luxembourg time) two (2) Business Days preceding the applicable Valuation Day and shall be processed, if they are accepted, on the basis of the Net Asset Value determined as at that Valuation Day. Applications notified after this deadline will be processed on the following Valuation Day. The subscription price of each Share is payable by bank transfer within three (3) Business Days of actual Valuation Day.

A shareholder may withdraw a request for subscription of Shares in accordance with Chapter 15. All other requests to withdraw a subscription request are at the sole discretion of the Board, and will only be considered if received before 12:30 p.m. (Luxembourg time) one (1) Business Day prior to the applicable Valuation Day.

#### **XIV. REDEMPTIONS**

Save as otherwise decided by the Board, requests for redemption must be received by the Administrative Agent before 6 p.m. (Luxembourg time) two (2) Business Days preceding a Valuation Day and shall be processed, providing all documents confirming the redemption have been received by the Administrative Agent, on the basis of the Net Asset Value determined as at that Valuation Day. Any requests notified after this deadline will be processed on the following Valuation Day.

The redemption price will be paid within three (3) Business Days of the relevant Valuation Day. The redemption proceeds may be converted into any freely convertible currency, upon the request of the investor and at his/her/its expense.

A shareholder may withdraw a request for redemption of Shares in accordance with Chapter 16. All other requests to withdraw a redemption request are at the sole discretion of the Board, and will only be

considered if received before 12:30 p.m. (Luxembourg Time) one (1) Business Day prior to the applicable Valuation Day.

#### **XV. CONVERSIONS**

The terms and conditions for conversion are described in Chapter 17 "Share Conversion" of the Prospectus.

A shareholder may withdraw a request for conversion of Shares in accordance with Chapter 17. All other requests to withdraw a redemption request are at the sole discretion of the Board, and will only be considered if received before 12:30 p.m. (Luxembourg Time) one banking day prior to the applicable Valuation Day.

#### **XVI. DISTRIBUTION OF DIVIDENDS**

The Board may propose to shareholders of the Sub-Fund the payment of dividends in accordance with Luxembourg laws and regulations.

#### **XVII. STOCK EXCHANGE LISTING**

The Sub-Fund's Shares are not listed on any Stock Exchange.

#### **XVIII. GLOBAL EXPOSURE**

The Sub-Fund uses the (absolute) VaR Approach to monitor its global exposure. The Sub-Fund's VaR may not exceed 20% of the Sub-Fund's Net Asset Value.

- The use of financial derivative instruments (FDIs) will result in the creation of leverage. The leverage is calculated under the sum of notionals of financial derivatives instruments approach.
- The sum of notionals of FDIs approach defines the leverage as the sum of the absolute value of the notional of all FDIs in the Sub-Fund's portfolio (as defined and required by ESMA and CSSF rules). This is calculated without netting, hedging and without the application of any delta adjustment and may be a misleading indicator of risk / commercially understood true leverage. The Sub-Fund's leverage calculated on the basis of the sum of notionals approach is not expected to be in excess of 1,000% of the Net Asset Value under normal circumstances, but investors should note that higher levels of leverage are possible.
- For information purposes, the margin requirements and the market value of the long options is not expected to be in excess of 25% of the Net Asset Value. This number may be exceeded in some instances due to the accumulation of unrealised gains in prior existing positions.

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<b>DATA SHEET</b> <b>Forum One – Colville Square – Megatrends' Champions</b>
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The information contained in this Data Sheet must be read in conjunction with the complete text of the Prospectus of Forum One. This Data Sheet relates exclusively to the sub-fund Forum One – Colville Square – Megatrends' Champions (the "Sub-Fund").

## I. OBJECTIVE, INVESTMENT POLICY AND RESTRICTIONS

The Sub-Fund seeks to outperform its benchmark, the MSCI World Index (the **Benchmark**), over a full investment cycle by investing in a portfolio of best in class companies which are well positioned to capitalise on favourable secular trends in their respective sectors.

The Sub-Fund will invest mainly in companies which benefit from key long term trends which are transforming our societies. Such trends include the digitalisation of the economy, ageing population, growth of the middle class in emerging economies, the consolidation of fragmented industries by industry leaders and the trend towards more stringent regulations.

The Investment Manager will focus on best in class companies in their respective fields characterised by attractive business economics, good management teams and attractive reinvestment opportunities. The Investment Manager will select these companies when their valuation is reasonable based on his analysis.

To achieve its investment objective, the Sub-Fund will mainly invest in shares of companies publicly listed on the main Regulated Markets of OECD countries.

The Sub-fund may hold cash and cash equivalents on an ancillary basis.

The Sub-fund will not invest more than 10% of its net assets in UCITS and other UCIs.

The Sub-Fund may invest in financial derivative instruments for hedging purposes or for the purpose of achieving its investment objective. These instruments may include listed or OTC Derivatives such as futures, options and swaps up to a limit of 100% of its net assets. The Sub-Fund may take positions to hedge the portfolio against certain risks (interest, credit or exchange rates).

The Sub-Fund will not use EPM Techniques.

## II. SUB-FUND'S RISK PROFILE

The investments made by the Sub-Fund will be subject to markets trends and fluctuations. Investors are at risk of potentially recovering a sum which is less than the amount they have invested. The Investors must be aware that the Sub-Fund is subject to:

- discretionary management risks;
- equity risks;
- currency risks;
- credit risks;
- liquidity risks;
- risks associated with financial contract exposure and counterparty risk;
- risks linked to derivative products.

## III. TYPICAL INVESTOR PROFILE

The Sub-Fund is suitable for Institutional Investors and retail investors who understand and are able to bear the risks of an investment in the Sub-Fund, 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.

## IV. CLASSES OF SHARES AVAILABLE IN THE SUB-FUND

The Sub-Fund will issue two Classes, as follows:

	Class R		Class I	
Valuation Currency	EUR	USD	EUR	USD



Type of investors	Institutional Investors and retail investors	Institutional Investors and retail investors	Institutional Investors and retail investors	Institutional Investors and retail investors
Minimum holding requirement	EUR10,000	USD 10,000	EUR3,000,000**	USD 3,000,000**
Minimum initial subscription amount	EUR10,000	USD 10,000	EUR3,000,000**	USD 3,000,000**
ISIN	LU1377390031	LU1476758104	LU1377390460	LU1476758443
Accumulation / Distribution	Accumulation	Accumulation	Accumulation	Accumulation
Initial offering price	EUR100	USD 100	EUR100	USD 100
Subscription fee	Up to 3%*	Up to 3%*	Up to 3%*	Up to 3%*
Redemption fee	N/A	N/A	N/A	N/A
Investment Management Fee	1.0 % p.a.	1.0 % p.a.	0.60 % p.a.	0.60 % p.a.
Investment Advisory Fee	1.0% p.a.	1.0% p.a.	0.60 % p.a.	0.60 % p.a.
Performance Fee	10% of the outperformance above MSCI World Index Euro hedged (dividends reinvested)	10% of the outperformance above MSCI World Index Euro hedged (dividends reinvested)	10% of the outperformance above MSCI World Index Euro hedged (dividends reinvested)	10% of the outperformance above MSCI World Index Euro hedged (dividends reinvested)
Global Fee	Up to 0.25% p.a.	Up to 0.25% p.a.	Up to 0.25% p.a.	Up to 0.25% p.a.
Dilution adjustment	N/A	N/A	N/A	N/A
Conversion fee	N/A	N/A	N/A	N/A
Subscription tax rate	0.05%	0.05%	0.05%	0.05%

\* To be paid out to distributors, as the case may be.

\*\* The minimum holding amount and the minimum initial subscription amount may be waived by the Investment Manager at its discretion.

## V. VALUATION CURRENCY

The Valuation Currency of the Sub-Fund is the EUR and the Net Asset Value will be calculated and subscriptions and redemptions will be made in the Valuation Currency of the relevant Class.

## VI. INITIAL SUBSCRIPTION

The initial subscription period for Shares of each Class in the Sub-Fund starts on 20 June 2016 and will be closed on 22 June 2016 at 6 pm (Luxembourg time). The Shares will be issued at an initial subscription price of EUR100 per Share. The subscription amount must be paid with value of 28 June 2016.

## VII. INVESTMENT MANAGER

The Management Company has delegated the investment management of the Sub-Fund to Square Capital LLP (the **Investment Manager**), a limited liability partnership formed under the laws of the United Kingdom with registered office at 9-10 Savile Row, London W1S 3PF, United Kingdom.

## VIII. INVESTMENT ADVISER

The Investment Manager, with the consent of the Board and the Management Company, has appointed Colville Capital Partners, LTD as investment adviser of the Sub-Fund (the **Investment Adviser**), a private

limited company formed under the laws of the United Kingdom with registered office at 7 Vigo Street, London W1S 3HF, United Kingdom.

#### **IX. INVESTMENT MANAGEMENT FEE**

The Investment Manager will be entitled to receive out of the assets of the Sub-Fund an Investment Management Fee in respect of each Class at a rate p.a as set out in Chapter IV above.

The Investment Management Fee is based on the average of the value of the Net Asset Value of the relevant Class over the relevant period and is payable quarterly in arrears.

#### **X. INVESTMENT ADVISORY FEE**

The Investment Adviser will be entitled to receive out of the assets of the Sub-Fund an investment advisory fee (the **Investment Advisory Fee**) in respect of each Class at a rate p.a as set out in Chapter IV above.

The Investment Advisory Fee is based on the average of the value of the Net Asset Value of the relevant Class over the relevant period and is payable quarterly in arrears.

#### **XI. PERFORMANCE FEE**

At the end of each financial year, the Sub-Fund will pay out a special allocation of net profits of the Sub-Fund (the **Performance Fee**) equal to such percentage as set out under Chapter IV above of the outperformance of (increase in) the Net Asset Value of the Class over (the increase of) the Benchmark in respect of the relevant financial year (the **Performance Period**), subject to a high-water mark. The use of high water mark ensures that investors will not be charged a Performance Fee until the Net Asset Value exceeds the previous highest Net Asset Value on which a Performance Fee was paid. For the avoidance of doubt, a Performance Fee will only be paid out of the assets of the Sub-Fund where the Net Asset Value is positive and outperforms the Benchmark.

The Board may decide to substitute the existing Benchmark for another Benchmark where the particular Benchmark ceases to exist or, in the determination of the Board, there is a material change in the formula for or the method of calculating a constituent of the Benchmark or there is a material modification of the constituents of the Benchmark. The Shareholders of the Sub-Fund will be notified of the decision of the Board to proceed to change the Benchmark and will be offered the option to redeem their Shares in the Sub-Fund free or charge during a period of one month. The Prospectus will be updated in case of a change of the Benchmark.

The Performance Fee will be calculated and accrued on each Valuation Day and shall be paid out annually. The Performance Fee is calculated separately with respect to each Class, and is also calculated and payable as of the date of redemption with respect to any Shares that are redeemed. The net increase in the Net Asset Value per Class includes realised and unrealised gains and losses as well as all income and expenses of the Sub-Fund.

The Performance Fee will be paid out of the assets of the Sub-Fund to the Investment Manager and the Investment Adviser on the basis of allocation rules as agreed from time to time in writing between the Investment Manager and the Investment Adviser. As of the date of this Prospectus, 50% of the Performance Fee is paid to the Investment Manager and 50% of the Performance Fee is paid to the Investment Adviser.

#### **XII. DISTRIBUTOR(S)**

The Management Company has delegated the distribution of the Sub-Fund to Square Capital LLP (the **Global Distributor**), a limited liability partnership formed under the laws of the United Kingdom with registered office at 9-10 Savile Row, London W1S 3PF, United Kingdom.

The Global Distributor, with the consent of the Management Company, may appoint sub-distributors from time to time.

The Global Distributor will not receive a Distribution Fee.

#### **XIII. SUB-FUND LAUNCHING EXPENSES**

In accordance with Chapter 18.2, the Sub-Fund will bear all costs, expenses and disbursements attributable to its launch.

#### **XIV. VALUATION DAY**

The Net Asset Value of the Sub-Fund is calculated on a weekly basis as of each Wednesday (each, a **Valuation Day**). If such day is not a Business Day, the Valuation Day will be the next following Business Day.

Estimated Net Asset Values of the Sub-Fund will be calculated on a daily basis for risk management purposes. For the avoidance of doubt, estimated Net Asset Values will be used for risk management purposes only and investors are only entitled to request the subscription, conversion or redemption of Shares of the Sub-Fund on the basis of the Net Asset Value calculated as at a Valuation Day, in accordance with the first paragraph.

**XV. SUBSCRIPTION DAY**

The Sub-Fund's Subscription Day is on each Valuation Day.

**XVI. REDEMPTION DAY**

The Sub-Fund's Redemption Day is on each Valuation Day

**XVII. ONGOING SUBSCRIPTIONS**

Save as otherwise decided by the Board, subscription applications must be received by the Administrative Agent before 3 p.m. (Luxembourg time) the Business Day preceding the applicable Valuation Day and shall be processed, if they are accepted, on the basis of the Net Asset Value determined as at that Valuation Day. Applications notified after this deadline will be processed on the following Valuation Day. The subscription price of each Share is payable by bank transfer within three (3) Business Days of actual Valuation Day.

**XVIII. REDEMPTIONS**

Save as otherwise decided by the Board, requests for redemption must be received by the Administrative Agent before 3 p.m. (Luxembourg time) the Business Day preceding a Valuation Day and shall be processed, providing all documents confirming the redemption have been received by the Administrative Agent, on the basis of the Net Asset Value determined as at that Valuation Day. Any requests notified after this deadline will be processed on the following Valuation Day.

The redemption price will be paid within three (3) Business Days of the relevant Valuation Day. The redemption proceeds may be converted into any freely convertible currency, upon the request of the investor and at his/her/its expense.

**XIX. CONVERSIONS**

Shares of the Sub-fund may not be converted into Shares of another Classes or Sub-fund.

**XX. DISTRIBUTION OF DIVIDENDS**

This Sub-Fund will only issue accumulation Shares.

**XXI. STOCK EXCHANGE LISTING**

The Sub-Fund's Shares are not listed on any Stock Exchange.

**XXII. GLOBAL EXPOSURE**

The Sub-Fund uses the Commitment Approach to monitor its global exposure.

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<p style="text-align: center;"><b>DATA SHEET</b></p> <p style="text-align: center;"><b>Forum One – Latin American Corporate Credit Investment Grade</b></p>
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The information contained in this Data Sheet must be read in conjunction with the complete text of the Prospectus of Forum One. This Data Sheet relates exclusively to the sub-fund Forum One – Latin American Corporate Credit Investment Grade (the "Sub-Fund").

#### **I. OBJECTIVE, INVESTMENT POLICY AND RESTRICTIONS**

The Sub-Fund's objective is to seek capital appreciation and income in the mid to long-term by investing in Latin American corporate credit, particularly in issuers with investment grade rating. The Sub-Fund will invest a minimum of 90% of its assets in Latin American corporate bonds with investment grade rating. The remaining will be invested in cash and cash equivalents, and/or in bonds below investment grade rating. For the avoidance of doubt, the Investment Manager will not solely or mechanically rely on credit ratings issued by credit rating agencies and will apply its own analysis of the creditworthiness of issuers, in particular it will apply a fundamental credit analysis approach along its investment process to assess the credit quality of the issuers and issues in which the Sub-Fund invests.

The Sub-Fund will monitor its level of market exposure based on the Beta of the portfolio (relative to the JP Morgan CEMBI Broad Diversified Latin American Investment Grade index), which is a common measure of the volatility of a portfolio in comparison to the market. The Sub-Fund will keep this metric in a range between 0.7 and 1.3 in order to avoid both, excessive and suboptimal risk in its portfolio.

The Sub-Fund will not make use of efficient portfolio management techniques or securities financing transactions (i.e., securities lending and (reverse) repos including total return swaps) and financial derivative instruments.

The Sub-Fund will not use leverage.

The Sub-Fund will not invest in contingent convertible bonds.

#### **II. SUB-FUND'S RISK PROFILE**

The Sub-Fund will be concentrated in Latin American investment grade corporate debt securities and as a result, the value of these securities may go down as well as up in response to the performance of individual companies and general market conditions.

- The value of debt securities may change significantly depending on economic and interest rate conditions as well as the credit worthiness of the issuer.
- Issuers of debt securities may fail to meet payment obligations or the credit rating of debt securities may be downgraded.
- These risks are typically increased for emerging market debt securities. Emerging markets may be subject to increased political, regulatory and economic instability, less developed custody and settlement practices, poor transparency and greater financial risks. Emerging market securities may also be subject to higher volatility and lower liquidity than non emerging market securities.

#### **III. TYPICAL INVESTOR PROFILE**

The Sub-Fund is suitable for Institutional Investors and high net worth individual investors who understand and are able to bear the risks of an investment in the Sub-Fund, including the risk of losing all or substantial part 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.

#### **IV. CLASSES OF SHARES AVAILABLE IN THE SUB-FUND**

The Sub-Fund will issue two Classes, as follows:

	<b>Class A</b>	<b>Class I</b>
<b>Valuation Currency</b>	USD	USD
<b>Type of investors</b>	Retail Investors	Institutional Investors
<b>Minimum holding requirement</b>	USD5,000**	USD100,000**
<b>Minimum initial subscription amount</b>	USD5,000**	USD1,000,000**

<b>ISIN</b>	LU1487301993	LU1487302884
<b>Accumulation / Distribution</b>	Accumulation	Accumulation
<b>Initial offering price</b>	USD100	USD100
<b>Subscription fee</b>	Up to 3%*	N/A
<b>Redemption fee</b>	N/A	N/A
<b>Investment Management Fee</b>	Up to 1.25% p.a.	Up to 1.0% p.a.
<b>Global Fee***</b>	Up to 0.25%	Up to 0.25%
<b>Dilution adjustment</b>	N/A	N/A
<b>Conversion fee</b>	N/A	N/A
<b>Subscription tax rate</b>	0.05%	0.01%

\* To be paid out to distributors, as the case may be.

\*\* The minimum holding amount and the minimum initial subscription amount may be waived by the Investment Manager at its discretion.

\*\*\* With a minimum amount of EUR50,000.00 p.a. as from year two.

#### V. VALUATION CURRENCY

The Valuation Currency of the Sub-Fund is the USD and the Net Asset Value will be calculated and subscriptions and redemptions will be made in the Valuation Currency of the relevant Class.

#### VI. INITIAL SUBSCRIPTION

The initial subscription period for Shares of each Class in the Sub-Fund occurred between 12 December 2016 and 30 December 2016 at 6 pm (Luxembourg time). The Shares were issued at an initial subscription price of USD100 per Share. The subscription amount was paid with value of 31 December 2016.

#### VII. INVESTMENT MANAGER

The Management Company has delegated the investment management of the Sub-Fund to BCI Asset Management AGF (the **Investment Manager**), a financial institution supervised by the Chilean Securities and Insurance Supervisor (*Superintendencia de Valores y Seguros*) with registered office at Calle Magdalena 140, 8th floor, Las Condes, Santiago de Chile, Chile.

#### VIII. INVESTMENT MANAGEMENT FEE

The Investment Manager will be entitled to receive out of the assets of the Sub-Fund an Investment Management Fee in respect of each Class at a rate p.a as set out in Chapter IV above.

The Investment Management Fee is based on the average of the value of the Net Asset Value of the relevant Class over the relevant period and is payable quarterly in arrears.

#### IX. DISTRIBUTOR(S)

The Management Company has delegated the distribution of the Sub-Fund to BCI Asset Management AGF, a financial institution supervised by the Chilean Securities and Insurance Supervisor (*Superintendencia de Valores y Seguros*), with registered office at Calle Magdalena 140, 8th floor, Las Condes, Santiago de Chile (the **Global Distributor**).

The Global Distributor will not receive a Distribution Fee.

#### X. SUB-FUND LAUNCHING EXPENSES

In accordance with Chapter 18.2, the Sub-Fund will bear all costs, expenses and disbursements attributable to its launch.

#### XI. VALUATION DAY

The Net Asset Value of the Sub-Fund is calculated on each Business Day in Luxembourg (each, a **Valuation Day**) and the relevant Net Asset Value will be published on the first Business Day after such Valuation Day.

If such day is not a Business Day, the Valuation Day will be the next following Business Day.

## **XII. SUBSCRIPTION DAY**

The Sub-Fund's Subscription Day is on each Valuation Day.

## **XIII. REDEMPTION DAY**

The Sub-Fund's Redemption Day is on each Valuation Day.

## **XIV. ONGOING SUBSCRIPTIONS**

Save as otherwise decided by the Board, subscription applications must be received by the Administrative Agent before 3 p.m. (Luxembourg time) the relevant Valuation Day and shall be processed, if they are accepted, on the basis of the Net Asset Value determined as at that Valuation Day. Applications notified after this deadline will be processed on the following Valuation Day. The subscription price of each Share is payable by bank transfer within 3 Business Days of actual Valuation Day.

## **XV. REDEMPTIONS**

Save as otherwise decided by the Board, requests for redemption must be received by the Administrative Agent before 3 p.m. (Luxembourg time) the relevant Valuation Day and shall be processed, providing all documents confirming the redemption have been received by the Administrative Agent, on the basis of the Net Asset Value determined as at that Valuation Day. Any requests notified after this deadline will be processed on the following Valuation Day.

The redemption price will be paid within 3 Business Days of the relevant Valuation Day. The redemption proceeds may be converted into any freely convertible currency, upon the request of the investor and at his/her/its expense.

## **XVI. CONVERSIONS**

Shares of the Sub-fund may be converted into Shares of another Classes or Sub-fund. Save as otherwise decided by the Board, conversion applications must be received by the Administrative Agent before 3 p.m. (Luxembourg time) the relevant Valuation Day and shall be processed, if they are accepted, on the basis of the Net Asset Value determined as at that Valuation Day. Applications notified after this deadline will be processed on the following Valuation Day.

## **XVII. DISTRIBUTION OF DIVIDENDS**

The Sub-Fund will only issue accumulation Shares.

## **XVIII. STOCK EXCHANGE LISTING**

The Sub-Fund's Shares are not listed on any Stock Exchange.

## **XIX. GLOBAL EXPOSURE**

The Sub-Fund uses the Commitment Approach to monitor its global exposure.

<p style="text-align: center;"><b>DATA SHEET</b> <b>Forum One – Key Capital Ocho</b></p>
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The information contained in this Data Sheet must be read in conjunction with the complete text of the Prospectus of Forum One. This Data Sheet relates exclusively to the sub-fund Forum One – Key Capital Ocho (the "Sub-Fund").

## **I. OBJECTIVE, INVESTMENT POLICY AND RESTRICTIONS**

### **Investment Objective**

The objective of the Sub-Fund is primarily to achieve long term capital growth of its assets and increase the value of the invested capital through investments in equity and equity-related securities without restriction in terms of geographical, industrial or sector diversification, but with a special emphasis on companies based in OECD countries and BRIC Countries (Brazil, Russia, India and China).

The Sub-Fund may also generate returns by selling short term options on selected equities.

### **Investment Policy**

In order to achieve this objective, and without prejudice to the provisions of the main part of the Prospectus, the Sub-Fund will invest in the following asset classes:

- From 0% to 100% of its net assets in equity or equity-related securities. The exposure to equity markets will at any given moment be established according to the 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. For the avoidance of doubt, the equity and equity-related securities are, among others, equities, preferred shares, ADR's and equity ETFs.
- The Sub-Fund may also invest in equity derivatives such as options, futures and swaps providing that the global exposure relating to these derivatives instruments does not exceed the total net value of its portfolio.
- Up to 49% of the Sub-Fund's net assets may be invested in Money Market Instruments and other debt instruments.
- The Sub-Fund will not invest in aggregate more than 10% of its assets in the units or shares of other UCITS or UCIs, including eligible exchange traded instruments such as Exchange Traded Funds and Closed Ended Funds. For the avoidance of doubt, any reference herein to ETFs shall be understood as UCITS eligible ETFs and any reference to indexes shall be understood as financial indices within the meaning of article 9 of the Grand-Ducal Regulation.
- There is no limit to the exposure to currencies other than the Valuation Currency.

The Sub-Fund may invest (purchase and write) in listed or OTC financial derivative instruments for hedging and/or investment purposes. These instruments may include, among others, futures, options and swaps. The Sub-Fund's global exposure to derivatives will not exceed 100% of the net assets. The Sub-Fund will not use EPM Techniques.

The Sub-Fund may hold cash and cash equivalents (including Money Market Instruments) on an ancillary basis but the Investment Manager may in case of exceptional market circumstances hold up to 100% of the net assets in cash and cash equivalents.

## **II. SUB-FUND'S RISK PROFILE**

The investments of the Sub-Fund are subject to normal market fluctuation and other risks inherent in investing in securities and there can be no assurance that capital appreciation or distribution payments would occur. The value of investments and the income from them, and therefore the value of the Shares of the Sub-Fund, can and do, go down as well as up and an investor may not get back the amount he invests.

A portion of the Sub-Fund's investments will be in options strategies. Options involve risk and are not suitable for all investors. The uncovered writer of a call option is subject to a risk of infinite loss should the price of the underlying security increase infinitely. The uncovered writer of a put option is subject to a risk of loss equal to the strike price of the put. The Sub-Fund will not engage in uncovered call writing, but will engage in call overwriting (holding a stock in front of a short call position).

In addition to the risks outlined above, Shareholders might be subject to other risks as further set out in Chapter 7 of the main part of the Prospectus.

The foregoing factors are not exhaustive and do not pretend to be a complete explanation of all risks and significant consideration relating to an investment in the Sub-Fund. Accordingly, additional risks and uncertainties not presently known to the Board may also have an adverse effect on the fund's financial condition or results or prospects.

## **III. TYPICAL INVESTOR PROFILE**

The Sub-Fund is suitable for Institutional Investors and retail investors who understand and are able to bear the risks of an investment in the Sub-Fund, including the risk of losing all or substantially all of their investment.

The investors 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.

#### IV. CLASSES OF SHARES AVAILABLE IN THE SUB-FUND

The Sub-Fund will issue five Classe(s), as follows:

	<b>Class A*</b>	<b>Class B*</b>	<b>Class C*</b>	<b>Class D*</b>	<b>Class E*</b>
<b>Valuation Currency</b>	EUR	EUR	EUR	USD	USD
<b>Type of investors</b>	Restricted**	retail investors	Institutional investors	retail investors	Institutional investors
<b>Minimum holding requirement (***)</b>	EUR 100	EUR 10,000	EUR 500,000	USD 10,000	USD 500,000
<b>Minimum initial subscription amount (***)</b>	EUR 100	EUR 10,000	EUR 500.000	USD 10,000	USD 500.000
<b>ISIN</b>	LU1531374806	LU1531375365	LU1531376843	LU1531377577	LU1531379276
<b>Accumulation / Distribution</b>	Accumulation	Accumulation	Accumulation	Accumulation	Accumulation
<b>Initial offering price</b>	EUR 100	EUR 100	EUR 100	USD 100	USD 100
<b>Subscription fee</b>	N/A	Up to 1.5%	Up to 1.5%	Up to 1.5%	Up to 1.5%
<b>Redemption fee</b>	Up to 1,5%	Up to 1,5%	Up to 1,5%	Up to 1,5%	Up to 1,5%
<b>Investment Management Fee****</b>	Up to 1.0% p.a.	Up to 1.0% p.a.	Up to 1.0% p.a.	Up to 1.0% p.a.	Up to 1.0% p.a.
<b>Performance Fee for the Investment Manager****</b>	10% as specified below	10% as specified below	10% as specified below	10% as specified below	10% as specified below
<b>Global Fee</b>	Up to 0.25% p.a.	Up to 0.25% p.a.	Up to 0.25% p.a.	Up to 0.25% p.a.	Up to 0.25% p.a.
<b>Dilution adjustment</b>	N/A	N/A	N/A	N/A	N/A
<b>Conversion fee</b>	N/A	N/A	N/A	N/A	N/A
<b>Subscription tax rate</b>	0,05%	0,05%	0,01%	0,05%	0,01%

\* Subscriptions may be accepted by the Investment Manager in its discretion.

\*\* Class A Shares are restricted to the officers, directors and employees from Key Capital Partners, Agencia de Valores, S.A..

\*\*\* The minimum holding amount and the minimum initial subscription amount may be waived by the Investment Manager in its discretion.



\*\*\*\* *The Investment Management may, in accordance with and subject to the conditions set out in item 18.1.4 instruct that all or part of its Investment Management Fee or Performance Fee be paid directly to intermediaries' part of the distribution network of the Global Distributor. It is expected that a part of the Investment Management Fee and Performance Fee will be paid out of the Sub-Fund' assets directly to the Global Distributor (or sub-distributors thereof, if instructed by the Global Distributor to do so).*

## **V. VALUATION CURRENCY**

The Valuation Currency of the Sub-Fund is the EUR and the Net Asset Value will be calculated and subscriptions and redemptions will be made in the Valuation Currency of the relevant Class.

## **VI. INITIAL SUBSCRIPTION**

The initial subscription period for Shares of each Class in the Sub-Fund starts on 16 January and will be closed on 2 February at 6.00 pm (Luxembourg time). The Shares will be issued at an initial subscription price of 100 per Share. The subscription amount must be paid with value of 2 February.

## **VII. INVESTMENT MANAGER**

The Management Company has delegated the investment management of the Sub-Fund to Key Capital Partners, Agencia De Valores, S.A. (the **Investment Manager**), a company incorporated in Spain, whose registered office is at C/ Salustiano Olozaga, 5, 3rd floor, 28001, Madrid, Spain. The Investment Manager is licensed by the Comision Nacional del Mercado de Valores (CNMV) as a portfolio manager and fund management company.

## **VIII. INVESTMENT MANAGEMENT FEE AND PERFORMANCE FEE FOR THE INVESTMENT MANAGER**

The Investment Manager will be entitled to receive out of the assets of the Sub-Fund an Investment Management Fee in respect of each Class at a rate p.a as set out in Section IV above.

The Investment Management Fee is payable monthly in arrears and calculated on the average Net Asset Value of the Sub-Fund over the relevant month.

At the end of each financial year, the Investment Manager receives a special allocation of net profits of the Sub-Fund (the **Performance Fee**) equal to such percentage as set out under Section IV above of the net increase in the Net Asset Value of each outstanding Class during such financial year in excess of any decrease in the Net Asset Value of such Class in any prior financial year which has not previously been recouped (i.e. subject to a high-water mark).

The net increase in the Net Asset Value per Class includes realised and unrealised gains and losses as well as all income and expenses of the Sub-Fund (but not the Performance Fee).

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 year.

The Performance Fee is calculated and accrued on each Valuation Day, and it is payable to the Investment Manager within the following 5 Business Days of:

- the closing date of the financial year; or alternately;
- the termination date of the Investment Management Agreement; or
- the redemption date with respect to any Shares that are redeemed.

## **IX. DISTRIBUTOR(S)**

The Management Company has delegated the distribution of the Sub-Fund to Key Capital Partners, Agencia De Valores, S.A. (the **Global Distributor**).

The Global Distributor, with the consent of the Management Company, may appoint sub-distributors from time to time.

Key Capital Partners shall be remunerated via the Investment Manager Fee, the Performance Fee and the Subscription Fee, if any.

## **X. SUB-FUND LAUNCHING EXPENSES**

In accordance with Chapter 18.2 of the main part of this Prospectus, the Sub-Fund will bear all costs, expenses and disbursements attributable to its launch.

## **XI. VALUATION DAY**

The Sub-Fund's Valuation Day is each Business Day in Luxembourg with the exception of Good Friday and 24 December (Christmas Eve) and the relevant Net Asset Value will be published on the first Business Day after such Valuation Day.

## **XII. SUBSCRIPTION DAY**

The Sub-Fund's Subscription Day is on Tuesday of each week. Should a Tuesday not be a Business Day, then the Subscription Day will be the following Business Day.

## **XIII. REDEMPTION DAY**

The Sub-Fund's Redemption Day is on each Tuesday of each week. Should a Tuesday not be a Business Day, then the Redemption Day will be the next following Business Day.

**XIV. ONGOING SUBSCRIPTIONS**

Save as otherwise decided by the Board, subscription applications must be received by the Administrative Agent before 3pm (Luxembourg time) the Business Day preceding the applicable Subscription Day and shall be processed, if they are accepted, on the basis of the Net Asset Value determined as at that Subscription Day. Applications notified after this deadline will be processed on the following subscription Day. The subscription price of each Share is payable by bank transfer within three (3) Business Days of actual Subscription Day.

**XV. REDEMPTIONS**

Save as otherwise decided by the Board, requests for redemption must be received by the Administrative Agent before 3pm (Luxembourg time) the Business Day preceding a Redemption Day and shall be processed, providing all documents confirming the redemption have been received by the Administrative Agent, on the basis of the Net Asset Value determined as at that Redemption Day. Any requests notified after this deadline will be processed on the following Redemption Day.

The redemption price will be paid within three (3) Business Days of the relevant Redemption Day. The redemption proceeds may be converted into any freely convertible currency, upon the request of the investor and at his/her/its expense.

**XVI. CONVERSIONS**

Conversion of Shares of the Sub-Fund into Shares of another Sub-Fund is not allowed.

Conversion of Shares of a Class into share of another Class of the Sub-Fund is subject to the approval of the Board in its discretion and to Section 17 (Share Conversion) of the main part of the Prospectus.

**XVII. DISTRIBUTION OF DIVIDENDS**

This Sub-fund will only issue accumulation Shares

**XVIII. STOCK EXCHANGE LISTING**

The Sub-Fund's Shares are not listed on any Stock Exchange.

**XIX. GLOBAL EXPOSURE**

This Sub-fund uses the Commitment Approach to monitor its global exposure.