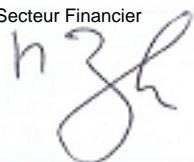


VISA 2019/156368-2240-0-PC

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

Luxembourg, le 2019-05-08

Commission de Surveillance du Secteur Financier

A handwritten signature in blue ink, appearing to be 'h3h', is written over a faint rectangular stamp.

# GESTIELLE INVESTMENT SICAV

A « Société d'Investissement à Capital Variable »  
organised under the Laws of the Grand Duchy of Luxembourg

## PROSPECTUS

April 2019

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Distribution of this Prospectus is not authorised unless it is accompanied, when available, by the latest annual report and any subsequent semi-annual report. These reports form an integral part of this Prospectus.

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## NOTICE

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GESTIELLE INVESTMENT SICAV (the "Company") is an open-ended investment company registered on the official list of collective investment undertakings pursuant to part I of the Luxembourg law of 17 December 2010 on collective investment undertakings (the "Law of 2010"). It should be noted that such registration does not imply approval by any Luxembourg authority of the contents of this Prospectus or the portfolios of securities held by the Company.

The shares of the Company are offered on the basis of the information and representations contained in this Prospectus. Any information or representation given or made by any distributor, selling agent or other person not contained herein or in the documents referred to herein should be regarded as unauthorised and should accordingly not be relied upon.

The Directors of the Company have taken all reasonable care to ensure that at the date of this Prospectus the information contained herein is accurate and true in all material respects and that there are no other material facts the omission of which would make misleading any statement herein, whether of fact or opinion. The Directors of the Company accept responsibility accordingly.

To reflect material changes, this document may be updated from time to time and potential investors are recommended to enquire at the offices of the Company as to the issue of any subsequent and more recent Prospectus.

The distribution of the Prospectus and the offering of the Shares may be restricted in certain jurisdictions. This Prospectus does not constitute an offer or solicitation in a jurisdiction where such offer or solicitation is unlawful or the person making the offer or solicitation is not qualified to do so or a person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person into whose possession this Prospectus comes and of any person wishing to apply for Shares in the Company to inform themselves about and to observe all applicable laws and regulations relating to the relevant jurisdictions.

Statements made in this Prospectus are based on the law and practice currently in force in the Grand Duchy of Luxembourg and are subject to changes therein.

A subscription of a subscriber residing in a country which has not adhered to the Financial Action Task Force (FATF) regulation on money laundering will only be taken into consideration if the Application Form is accompanied by the identification documents of the subscriber duly certified by the local authorities of his country of residence. The list of the countries that comply with the FATF regulations is available upon request at the registered office of the Company or can be consulted on the Internet under <http://www.oecd.org/>.

Prospective investors who are in any doubt about the contents of this Prospectus, the KIID and the annual or semi-annual reports (as far as the latter have been issued) of the Company should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser and should in particular take appropriate advice as to the possible tax consequences, legal requirements, foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, holding or disposal of Shares.

In particular, the Shares have not been registered and will not be registered under the United States Securities Act of 1933, as amended (nor has the Company been registered under the United States Investment Company Act of 1940, as amended) and may not be offered or sold, directly or indirectly, in the United States of America, its territories or possessions or areas subject to its jurisdiction, or to citizens or residents thereof.

In addition, the Shares may only be offered, sold or otherwise transferred to or held by or through Exempt Beneficial Owners, Active Non-Financial Foreign Entities, US Persons (within the meaning of FATCA) that are not Specified US Person or Financial Institutions that are not Nonparticipating Financial Institutions, as each defined by the intergovernmental agreement concluded between Luxembourg and the United States of America on 28 March 2014 for the purposes of FATCA (the "IGA" and the "Eligible Investors").

It should be remembered that the value of the Shares and the income from them can fall as well as rise and that accordingly the amount realised by a Shareholder on the redemption of Shares may be less than the original investment made. Past performance of the Company may not be construed as a guarantee of future (successful) results.

The date of this Prospectus is April 2019.

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## DEFINITIONS

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The following definitions apply throughout the Prospectus:

<b>Appendix(ces)</b>	Each appendix to the Prospectus; Appendix I sets out list of sub-custodians and Appendix II sets out certain specific details for the each of the Sub-Funds.
<b>Articles</b>	The articles of incorporation of the Company as may be supplemented or amended from time to time.
<b>Benchmark Regulation</b>	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as amended from time to time.
<b>Board of Directors</b>	The board of directors ( <i>conseil d'administration</i> ) of the Company.
<b>Business Day</b>	Any day on which banks are open for business in Luxembourg.
<b>Class</b>	One or more classes of Shares within a Sub-Fund, whose assets shall be commonly invested according to the investment objective of that Sub-Fund, but where a specific sales and/or redemption charge structure, fee structure, distribution policy, Reference Currency or hedging policy shall be applied.
<b>CoCo or CoCos</b>	Subordinated contingent capital securities, instruments issued by banking institutions to increase their capital buffers in the framework of new banking regulations.
<b>Company</b>	Gestielle Investment SICAV
<b>Consolidation Currency</b>	The consolidation currency of the Company, being the EUR.
<b>Controlling Persons</b>	The natural persons who exercise control over an entity. In the case of a trust, the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.
<b>CSSF</b>	The <i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg supervisory authority of the financial sector.
<b>Director</b>	A member of the Board of Directors of the Company.
<b>EU</b>	The European Union.
<b>EUR</b>	All references to "EUR" in the Prospectus are to the legal currency of the countries participating in the Economic and Monetary Union.
<b>FATCA</b>	The provisions of the Hiring Incentives to Restore Employment Act (Hire Act) of 18 March 2010 commonly referred to as the Foreign Account Tax Compliance Act (FATCA).
<b>FATF</b>	The Financial Action Task Force on Money Laundering.
<b>Financial Year</b>	Starts on the first day of March in each year and ends on the last day of February of the following year.
<b>IGA</b>	The intergovernmental agreement concluded between Luxembourg and the United States of America on 28 March 2014 to improve international tax compliance and with respect to FATCA.
<b>Institutional Investors</b>	Institutional investors as defined from time to time by the Regulatory Authority in Luxembourg.  The Company will refuse the issue of Institutional Class of Shares where there is insufficient evidence that the organisation or the company to which these Shares are issued is an institutional investor. In considering the qualification of a subscriber as an

	institutional investor, the Board of Directors shall give due consideration to the guidelines or recommendations (if any) of the Regulatory Authority in Luxembourg.
<b>Investment Fund, or UCI</b>	Undertakings for collective investment (UCIs), collectively referring to Regulated Funds and Unregulated Funds, as defined hereafter.
<b>KIID</b>	The Key Investor Information Document(s). In addition to this Prospectus a Key Investor Information Document of each Class within a Sub-Fund is made available at the registered office of the Company and in the website ( <a href="http://www.banquehavilland.com/">http://www.banquehavilland.com/</a> ).
<b>Law of 2010</b>	The Luxembourg law of 17 December 2010 on undertakings for collective investment, as may be amended.
<b>Management Company “Investment Manager”</b>	ANIMA Società di Gestione del Risparmio, Corso Garibaldi 99, I – 20121 Milan, Italy
<b>Minimum Holding</b>	A minimum number of Shares or amount in Reference Currency, which a Shareholder must hold in a given Sub-Fund or Class. The Minimum Holding however only applies in the case of redemption or conversion requests for Shares held in that Sub-Fund or Class.
<b>Minimum Subscription</b>	A minimum number of Shares or amount in Reference Currency, which a Shareholder must subscribe in a Sub-Fund or Class.
<b>Net Asset Value (also NAV)</b>	The Net Asset Value of a given Sub-Fund or Class is computed on each Valuation Day by subtracting from the total value of its assets an amount equal to all its liabilities, divided by the total number of Shares of that Sub-Fund or Class outstanding on that Valuation Day.
<b>OECD</b>	The Organisation for Economic Co-operation and Development.
<b>Performance fee</b>	A performance-related remuneration to which the Investment Manager shall be entitled as detailed for each Sub-Fund in the relevant section of Appendix II.
<b>Reference Currency</b>	The currency in which the Net Asset Value of a given Sub-Fund or Class is expressed.
<b>Regulatory Authority</b>	The Luxembourg authority or its successor in charge of the surveillance of the undertakings for collective investment in the Grand Duchy of Luxembourg.
<b>Share</b>	A share of any Sub-Fund or Class in the capital of the Company.
<b>Shareholder</b>	The holder of one or more Shares in the capital of the Company.
<b>Small percentage</b>	Up to 6%.
<b>Sub-Fund</b>	An individual Sub-Fund of the Company, linked to a portfolio of assets invested according to a specific investment policy.
<b>Subscription Price</b>	The Net Asset Value per Share of a Sub-Fund or Class on a given Valuation Day, plus, as the case may be, a sales fee as detailed for each Sub-Fund in Appendix II to this Prospectus.
<b>USD</b>	US Dollars, the currency of the United States of America.
<b>Valuation Day</b>	Each Business Day unless otherwise defined in the relevant section of Appendix II to this Prospectus.
<b>UCI</b>	An undertaking for collective investment.
<b>UCITS</b>	An undertaking for collective investment of the open-ended type, which is recognised as an Undertaking for Collective Investments in Transferable Securities within the meaning of the first and second indent of Article 1.2 (a) and (b) of the EU Directive 2009/65/EC of 13 July 2009, as amended.
<b>UCITS Directive</b>	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) (recast), as may be amended from time to time.



# PROSPECTUS

## 1. PRINCIPAL FEATURES OF GESTIELLE INVESTMENT SICAV

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The information set out under this section is a summary of the principal features of the Company and should be read in conjunction with the entire text of this Prospectus.

### 1.1. Structure

GESTIELLE INVESTMENT SICAV (the "Company") is an open-ended investment company with variable capital, incorporated in the Grand Duchy of Luxembourg as a "Société Anonyme" on the basis of the law of 10 August 1915 on Commercial Companies (the "law of 1915") and qualifies as a "Société d'Investissement à Capital Variable" ("SICAV") on the basis of part I of the Law of 2010. The Company was formerly known as *Novara Aquilone Sicav*.

The Company was created on the initiative of Banca Popolare di Novara S.p.A, which merged into Banco BPM S.p.A. (formerly Banco Popolare Società Cooperativa), Piazza Meda n. 4, I – 20121 Milan (Italy).

The Company is structured to provide to investors a variety of different portfolios ("Sub-Funds") of specific assets in various Reference Currencies. This "umbrella" structure enables investors to select from a range of Sub-Funds, the Sub-Fund(s) which best suit their individual requirements and thus make their own strategic allocation by combining holdings in various Sub-Funds of their own choosing. Each such Sub-Fund shall be designated by a generic name.

Further, the Shares of each Sub-Fund may, as the Board of Directors shall so determine from time to time, be issued in one or more classes of Shares (each such class being referred to herein as a "Class"), whose assets shall be commonly invested pursuant to a specific investment policy of the respective Sub-Fund, but where a specific sales and redemption charge structure, fee structure, distribution policy, hedging policy, Reference Currency or other specificity is applied to each such Class. The Directors may at any time create additional Sub-Funds and/or Classes. In such event, this Prospectus shall be amended accordingly.

The specific characteristics and investment objectives of each Sub-Fund are defined in the relevant section of Appendix II to this Prospectus. Each such section of Appendix II forms an integral part of the Prospectus.

### 1.2. Investment objective

The objective of the Company is to provide investors with a variety of Sub-Funds investing in a wide range of securities or other legally acceptable assets on a world-wide basis and featuring a diverse array of investment objectives, including capital growth and income, whilst retaining the administrative advantages of one single corporate entity.

The specific investment policy of each Sub-Fund is set out in the relevant section of Appendix II to this Prospectus.

The Company aims to provide subscribers with a choice of Sub-Funds investing in a wide range of transferable securities and money market instruments and featuring a diverse array of investment objectives.

The Company shall always comply with the limits set forth in section "Investment Restrictions" of this Prospectus. In addition, for the purpose of efficient portfolio management, in order to enhance the investment objective and/or as a matter of hedging strategies, the Board of Directors may, for each Sub-Fund, make use of techniques and instruments as detailed in section "Risk Management" of this Prospectus.

### 1.3. The Shares

The assets of its various Sub-Funds represent the Company's capital. Subscription proceeds by investors are invested in assets of the relevant Sub-Fund.

The Board of Directors may decide, from time to time, to create and issue for each Sub-Fund different Share classes (each such class being referred to herein as a "Class") with different subscription, conversion and/or redemption criteria, dividend policies, fee structures, category of investors, Reference Currencies and/or hedging policies, marketing countries or other particular features, but whose assets shall be commonly invested pursuant to the specific investment policy of the respective Sub-Fund.

Shares may be issued as either "I" Share Class, "R" Share Class, and "R2" Share Class.

Class I is available only to Institutional Investors whilst Class R and Class R2 are available for all investors.

The ultimate decision whether an Institutional Investor qualifies for the I Share Class is at the discretion of the Company or the Management Company.

Additional information as to the Classes of Shares of a given Sub-Fund, if any, may be obtained from the Appendix II to this Prospectus.

As from 15 September 2014, the Shares may be issued in registered form only.

Subscribers will be deemed to have requested that their Shares be issued in registered form without share certificates and that a confirmation of shareholding will be issued and delivered instead. Registered Shares may be issued with fractions up to 3 decimals.

Upon request and against payment by the shareholder of all incurred expenses, share certificates may be issued in physical form. The Board of Directors reserves the right to issue share certificates in denominations of 1 or more shares, however fractions of shares, will not be issued in certificate form.

Delivery of share certificates to Shareholders, if specifically requested, is made at the risk and at the expense of those Shareholders. Unless instructions have been received to the contrary, share certificates are delivered to the address quoted by the applicant(s) on the application form, or to the first-named applicant in the case of joint applicants.

The Company however recommends that subscribers hold the Shares in registered non-certificated form for the purposes of security and ease of dealing. The Shares so issued may be redeemed, converted or transferred upon written instruction to the Company. If share certificates have been issued, any request for redemption or conversion must be accompanied by the respective certificates, and, if coupon sheets have been issued, by the entire set of associated coupons as at the date of the request for conversion or redemption.

The ownership of Shares is evidenced by possession of the share certificate(s), including the associated coupons (if any), or by an entry in the Company's register of Shareholders. The Company shall consider the person in whose name the Shares are registered as their full owner.

Each Share includes the right to a share in the profits and results of the respective Sub-Fund or Class. Each entire Share entitles its owner to a vote, which he may exercise at the general meeting of Shareholders or at other meetings of the respective Sub-Fund, either in person or through a proxy. The Shares do not include rights of priority or subscription rights. Nor are they now or will they in the future be associated with any outstanding options or special rights.

In the case of joint applicants, the Company is authorised to accept instructions relating to voting rights, transfers, conversions and redemptions from the first-named applicant in the application unless it receives instructions to the contrary

The Shares are transferable without restriction unless the Board of Directors has restricted ownership of the Shares to specific persons or organisations.

### 1.4. Stock Exchange Listing

The Board of Directors may decide to list the Shares of the Sub-Funds or Classes, as and when issued, on the Luxembourg Stock Exchange. Details are set out for each Sub-Fund in the relevant section of Appendix II to this Prospectus.



## 2. MANAGEMENT AND ADMINISTRATION

Directors	<p><b>Mr. Davide SOSIO (Chairman)</b> Chief Financial Officer and HR Director, Anima Holding S.p.A. Corso Garibaldi, 99 I -20121 Milan Italy</p> <p><b>Mr. Francesco BETTI</b> Deputy General Manager, ANIMA S.G.R. S.p.A. Corso Garibaldi,99 20121 Milan Italy</p> <p><b>Mr. Fabrizio ARMONE</b> Head of Investor Relations, Anima Holding S.p.A. Corso Garibaldi, 99 I -20121 Milan Italy</p> <p><b>Mr. Nicolaus BOCKLANDT</b> Independent Director 6B, route de Trèves, L-2633 Senningerberg Luxembourg</p> <p><b>Mr. Giorgio LANFRANCHI</b> Head of Development and Operational Support, ANIMA S.G.R. S.p.A. Corso Garibaldi, 99 20121 Milan Italy</p>
Registered Office	60, Avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
Management Company	<p>ANIMA SGR S.p.A. Corso Garibaldi 99, I-20121 Milan Italy</p> <p>Board of Directors of the Management Company:</p> <p><b>Livio Raimondi</b> Chairman (independent director) Milan Italy</p> <p><b>Marco Carreri</b> Director Milan Italy</p> <p><b>Alessandro Melzi d'Eril</b> Director Milan Italy</p> <p><b>Gianfranco Venuti,</b> Director Milan Italy</p> <p><b>Vladimiro Ceci</b> Director</p>

	<p>Rome Italy</p> <p><b>Maurizio Biliotti</b> Director Milan Italy</p> <p><b>Francesca Pasinelli</b> Director Milan Italy</p> <p>The Administrative Agent function is delegated to</p> <p>RBC Investor Services Bank S.A. 14, Porte de France L-4360 Esch-sur-Alzette Grand Duchy of Luxembourg</p> <p>The Transfer Agent function, including the registrar duties, is delegated to</p> <p>RBC Investor Services Bank S.A. 14, Porte de France L-4360 Esch-sur-Alzette Grand Duchy of Luxembourg</p>
Distributor	<p>Banque Havilland S.A. 35A, Avenue J.F. Kennedy L - 1855 Luxembourg Grand Duchy of Luxembourg</p>
Sales Agent for Italy	<p>Banco BPM S.p.A. Piazza Meda, n. 4 I – 20121 Milan Italy</p>
Depository	<p>Banque Havilland S.A. 35A, Avenue J.F. Kennedy L - 1855 Luxembourg Grand Duchy of Luxembourg</p>
Global Sub-Custodian	<p>Banco BPM S.p.A. Piazza Meda, n. 4 I – 20121 Milan Italy</p>
Auditor	<p>Deloitte Audit S.à.r.l 56, rue de Neudorf L-2220 Luxembourg Grand Duchy of Luxembourg</p>

### 3. GENERAL INFORMATION

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#### 3.1. The Company

GESTIELLE INVESTMENT SICAV is an open-ended investment company with variable capital, incorporated in the Grand Duchy of Luxembourg as a "société anonyme" on the basis of the law of 10 August 1915 on Commercial Companies (the "law of 1915") and qualifies as a "Société d'Investissement à Capital Variable" ("SICAV") on the basis of Part I of the Law of 2010. The Company was formerly known as *Novara Aquilone Sicav*.

The Company was incorporated in Luxembourg on 7 April 1998 for an unlimited period. Articles of Incorporation (the "Articles") were last amended effective on September 7, 2015. The Restated Articles of Incorporation of the Company have been registered with the "Registre de Commerce et des Sociétés". The Company is registered with the "Registre de Commerce et des Sociétés", Luxembourg under number B-63851.

The Articles of Incorporation of the Company are on file with the "Registre de Commerce et des Sociétés" of Luxembourg, where they may be consulted and where copies may be obtained upon payment of the Registrar's costs.

The capital of the Company is represented by Shares of no par value and shall at any time be equal to the total net assets of the Company. The minimum capital of the Company shall be EUR 1,250,000- and must be reached within six months following the date of the registration of the Company in Luxembourg on the official list of collective investment undertakings.

The financial year ("Financial Year") of the Company starts on the first day of March of each year and ends on the last day of February of the following year.

#### 3.2. The Board of Directors

The Board of Directors is responsible, while observing the principle of risk diversification, for laying down the investment policy of the Sub-Funds and for monitoring the business activity of the Company. It may carry out all acts of management and administration on behalf of the Company; in particular purchase, sell, subscribe or exchange any securities and exercise all rights directly or indirectly attached to the Company's portfolio of assets.

In the definition of the investment policy of each Sub-Fund, the Board of Directors may be assisted by one or several professional investment advisers. In addition, and subject to approval of the Supervisory Authority, the Board of Directors may delegate its functions, privileges and duties to one or several investment managers whom it may consider appropriate, provided that the Board of Directors shall always remain liable and responsible for any loss or omission on the part of such person, firm or corporation as if such act or omission was its own, except in the case of error of judgement or erroneous construction of law on the part of such person, firm or corporation or committed in good faith in the performance of the duties delegated to it. The supervision and ultimate responsibility of such person, firm or corporation shall lie with the Board of the Directors of the Company.

The list of the members of the Board of Directors as well as of the other administrating bodies of the Company may be found under "Management and Administration" above and in the periodic reports as published by the Company.

#### 3.3. The Management Company

The Board of Directors appointed Aletti Gestielle SGR S.p.A. as management company to serve as its designated management company under chapter 15 of the Law of 2010 and pursuant to an agreement dated October 14, 2013 and entered into by and between the Company and Aletti Gestielle SGR S.p.A. (the "Management Company Agreement"). Further to the absorption of Aletti Gestielle SGR S.p.A. by Anima SGR S.p.A., effective as from 1 December 2018, Anima SGR S.p.A. became the management company of the Fund. As from this date, the Management Company took over the rights and liabilities of Aletti Gestielle SGR S.p.A..

The Management Company must at all time act honestly and fairly in conducting its activities in the best interest of the shareholders and in conformity with the Law of 2010, the Prospectus and the Articles.

The Management Company is a public limited company ("Società per azioni") incorporated in Italy in 1984 and authorised by the Bank of Italy. The Management Company is a 100% direct subsidiary of ANIMA Holding S.p.A. Ordinary shares of ANIMA Holding S.p.A. are listed on the the *Mercato Telematico Azionario* of the Italian Stock Exchange.

The Management Company is licensed as a company regulated by the Law of Italy D.Lgs. 58/98 and it is authorised to offer collective portfolio management services via the provision of freedom of services within the meaning of the EU Directive 2009/65/EC of 13 July 2009, as amended, under regulatory number 8, Register of UCITS Management Companies and under regulatory number 6, Register of Alternative Investment Fund Managers.

Within the framework of its objective, the Management Company is invested with broader powers to carry out any management and administrative activities related to UCITS.

It is responsible for portfolio management, administrative (Administrative Agent, Transfer Agent and Registrar) and marketing (distribution) activities.

In accordance with the Law of 2010, the Management Company is authorised to delegate its functions, powers and obligations, or part thereof, to any person or company that it deems appropriate, provided the prospectus is updated in advance. However, the Management Company holds ultimate responsibility for activities carried out by its delegate(s).

The Management Company or any of its delegates are entitled to charge fees for the different services they provide, which are payable by the Company to the Management Company as detailed below.

The Management Company shall receive management fees as payment for its services, expressed as an annual percentage of the average net asset value.

These fees shall be payable by the Company at the end of each month and cover portfolio management, administrative and marketing activities (as defined in Appendix II of the Law of 2010). These fees are detailed under point 14.2.

The Management Company is entitled to receive fees in accordance with usual market practice, pursuant to the "Contrat de désignation de société de gestion" between the Company and the Management Company.

Investors are invited to consult the annual reports of the Company for further information on the fees paid to the Management Company or to its delegates as remuneration for their services.

The Management Company will have a remuneration policy that complies with the following principles:

- a. the remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or Articles of Incorporation;
- b. it is in line with the business strategy, objectives, values and interests of the Management Company and the Fund and of the Shareholders, and includes measures to avoid conflicts of interest;
- c. if and to the extent applicable, the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the Sub-Funds in order to ensure that the assessment process is based on the longer-term performance of the Sub-Funds and their investment risks and that the actual payment of performance-based components of remuneration is spread over the same period; and
- d. 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.

#### 3.3.1. Portfolio Management function

The Board of Directors of the Company is responsible for the investment policy of the different Sub-Funds of the Company. The Management Company was appointed by the Company to implement the investment policies of the different Sub-Funds.

The Management Company will be requested among others to exercise on behalf of the Company all voting rights attached to transferable securities constituting the assets of the Company.

In remuneration for the Portfolio Management function, the Management Company shall receive investment management fees, expressed as an annual percentage of the average net assets of the Sub-Funds, the rates of which are given in the Appendix II.

The Management Company shall also be entitled to a Performance Fee as detailed for each Sub-Fund in the relevant section of Appendix II.

These fees shall be payable by the Company at the end of each month.

#### 3.3.2. Delegation of the Administrative Agent function

As of the date of the Prospectus, the Administrative function (as defined in Appendix II of the Law of 2010) - namely the activities of Administrative Agent and Transfer Agent, including registrar duties - is delegated by the Management Company.

The Management Company has delegated all Administrative Agent activities of the Company to RBC Investor Services Bank S.A. on the basis of a delegation agreement dated October 14, 2013. This agreement may be terminated by each party subject to prior written notice of 90 days.

RBC Investor Services Bank S.A. is responsible for the accounting of the Company, the calculation and publication of the net asset value of shares of each of the Sub-Funds in accordance with the Law of 2010 and the Articles of Association of the Company, and, in general, carrying out on behalf of the Company all administrative and accounting functions required by the Law of 2010 and related to the administrative management of the Company.

RBC Investor Services Bank S.A. shall receive Administrative Agent fees as payment for its services, pursuant to the agreement between the Administrative Agent and the Management Company and in accordance with usual market practice.

These fees shall be payable by the Company at the end of each month.

#### 3.3.3. Delegation of the Transfer Agent function (including the registrar duties)

The Management Company has delegated all Transfer Agent functions (including registrar duties) of the Company to RBC Investor Services Bank S.A. on the basis of a delegation agreement dated October 14, 2013. This agreement may be terminated by each party subject to prior written notice of 90 days.

RBC Investor Services Bank S.A. is responsible for processing subscription, redemption and conversion requests for the shares of the Company, as well as maintaining the shareholders register.

RBC Investor Services Bank S.A. shall receive Transfer Agent fees as payment for its services, pursuant to the agreement between the Transfer Agent and the Management Company and in accordance with usual market practice.

These fees shall be payable by the Company at the end of each month.

#### 3.3.4. Marketing function

The Marketing function involves coordinating the distribution of shares of the Company through entities appointed by the Management Company (hereinafter referred to as the "Distributors/Nominees").

Distribution/Nominee agreements may be concluded between the Management Company and the various Distributors/Nominees.

In accordance with these agreements, the Distributor/Nominee shall be recorded in the shareholders register rather than the clients who have invested in the Company.

These agreements shall allow, among other things, for a client who invests in the Company through a Distributor/Nominee to carry out at any time a transfer of shares subscribed via the Distributor/Nominee to his name, provided the client's own name is recorded in the shareholders register once the transfer request has been made by the Distributor/Nominee.

Shareholders may subscribe shares directly from the Company, without having to subscribe via a Distributor/Nominee.

If appointed as a Distributor/Nominee, the latter must apply the anti-money laundering procedures set out in clause 4.4 of the Prospectus. The appointed Distributor/Nominee must be a Financial Sector Professional situated in a country submitted to obligations relating to the fight against money laundering and terrorist financing equivalent to the obligations of the Luxembourg law or of the European Directive (UE) 2015/849.

The list of nominees is available free of charge to investors wishing to obtain a copy at the registered office of the Management Company.

Pursuant to an agreement dated October 14, 2013 Banque Havilland Institutional Services S.A., formerly named Banco Popolare Luxembourg S.A., has been appointed Distributor of the Shares of the Company. The Distributor may in turn conclude contractual arrangements with financial institutions ("the Selling Agents") for the distribution of the Shares. Banque Havilland Institutional Services S.A. was absorbed on 2 October 2017 by Banque Havilland S.A., domiciled 35A, Avenue J.F. Kennedy, L – 1855 Luxembourg.

The agreement between the Management Company and the Distributor provides that it will remain in force for an unlimited period and that it may be terminated by either party at any time upon notice. For its services, the Distributor shall receive (a) fee(s), the details of which are set forth in section "Charges and Expenses".

Shares may also be purchased directly from the Company.

### 3.4. Depositary

Banque Havilland Institutional Services S.A., formerly named Banco Popolare Luxembourg S.A., ("the Depositary") has been appointed as the depositary to provide depositary, custodial, settlement and certain other associated services to the Company. Banque Havilland Institutional Services S.A. was absorbed on 2 October 2017 by Banque Havilland S.A., domiciled 35A, Avenue J.F. Kennedy, L – 1855 Luxembourg.

The Depositary was incorporated in Luxembourg in May 1994 under number B 47.796 as a “société anonyme” and has its registered office at 35A, Avenue J.F. Kennedy, L – 1855 Luxembourg, Grand Duchy of Luxembourg. It has engaged in banking activities since its incorporation.

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

- a) ensure that the issue, redemption and cancellation of Shares effected by the Company or on its behalf are carried out in accordance with the Law of 2010, the Articles and the Prospectus;
- b) ensure that the value per Share of the Company is calculated in accordance the Law of 2010, the Articles and the Prospectus;
- c) carry out, or where applicable, cause any sub-custodian or other custodial delegate to carry out the instructions of the Company or the Management Company unless they conflict with the Law of 2010, the Articles and the Prospectus;
- d) ensure that in transactions involving the assets of the Company, the consideration is remitted to it within the usual time limits; and
- e) ensure that the income of the Company is applied in accordance with the Law of 2010, the Articles and the Prospectus.

The Depositary may entrust all or part of the assets of the Company that it holds in custody to such sub-custodians as may be determined by the Depositary from time to time. Except as provided in the UCITS Directive, the Depositary’s liability shall not be affected by the fact that it has entrusted all or part of the assets in its care to a third party.

The Depositary shall assume its functions and responsibilities in accordance with the UCITS Directive as further described in a separate depositary agreement entered into with the Company (please see the section describing the depositary agreement for further details).

Banco BPM S.p.A. (formerly named Banco Popolare Società Cooperativa) has been appointed as Global Sub-Custodian.

#### *The Depositary Agreement*

The Company has appointed the Depositary as depositary under a depositary agreement dated 7 December 2017 with effective date as of 16 June 2016 (such agreement as amended from time to time, the “Depositary Agreement”).

The Depositary shall perform all the duties and obligations of a depositary under the UCITS Directive as outlined in the Depositary Agreement.

The Depositary Agreement may be terminated by any party on 90 days’ notice in writing.

Before expiration of any such notice period, the Company shall propose a new depositary which fulfils the requirements of the UCITS Directive and to which the Company’s assets shall be transferred and which shall take over its duties as the Company’s depositary from the Depositary. The Company will use best endeavours to find a suitable replacement depositary, and until such replacement is appointed the Depositary shall continue to perform its services under the Depositary Agreement.

The Depositary will be responsible for the safekeeping of the Company’s assets which includes except as agreed otherwise, holding in custody all financial instruments that can be registered in a financial instrument account opened in the Depositary’s books and all financial instruments that can be physically delivered to the Depositary. For other assets, the Depositary is responsible for the ownership verification of such assets. The Depositary is also responsible for the cash flow monitoring and oversight in accordance with the Directive. In carrying out its role as depositary, the Depositary shall act independently from the Company and solely in the interest of the Company and its investors.

The Depositary is liable to the Company or its investors for the loss of a financial instrument held in custody by the Depositary or any of its delegates. The Depositary shall however, not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary is also liable to the Company or its investors for all other losses suffered by them as a result of the Depositary’s negligent or intentional failure to properly fulfil its duties in accordance with the UCITS Directive.

### *Conflicts of Interest*

As part of the normal course of global custody business, the Depositary may from time to time have entered into arrangements with other clients, funds or other third parties for the provision of safekeeping and related services. Within a multi-service banking group, from time to time conflicts may arise between the Depositary and its safekeeping delegates, for example, where an appointed delegate is an affiliated group company and is providing a product or service to a fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related custodial products or services it provides to the funds, for instance foreign exchange, securities lending, pricing or valuation services. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will at all times have regard to its obligations under applicable laws including Article 25 of the UCITS Directive.

Accordingly, potential conflicts of interests which may arise must be appropriately identified, managed and disclosed. In order to meet such regulatory requirements in relation to such conflicts of interests, the Depositary has in place procedures which ensure that it is acting in the best interests of the shareholders. A key element of ensuring the Depositary acts in the best interests of investors is the operational and organisational separation between the depositary function and the other services provided by the Depositary's affiliates.

Sub-custodians have been appointed in certain eligible markets in which the Company may invest, the identities of which can be found under Appendix I.

It is therefore possible that the Depositary (or any of its affiliates) and/or its delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with those of the Company and/or other entities for which the Depositary (or any of its affiliates) acts.

Notwithstanding whether an affiliate company or a third party sub-custodian has been appointed, the Depositary has undertaken and shall undertake regular due diligence reviews on such sub-custodians utilising identical standard questionnaires and checklists allowing it to manage any conflicts of interests that may potentially arise.

The Depositary does not anticipate that there would be any specific conflicts of interest arising as a result of any delegation to any of the delegates referred to under Appendix I.

If however a conflict of interests arises, the Depositary will have regard in such event to its obligations under the Depositary Agreement and the UCITS Directive and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly and in the best interests of shareholders collectively so far as practicable, having regard to its obligations to other clients.

Where the arrangements under the conflicts of interest policies are not sufficient to manage a particular conflict, the Depositary will inform the Fund of the nature of the conflict so the Company can choose whether to continue to do business with the Depositary.

Any of the information disclosed with regard to the Depositary, and in particular in case a conflict of interest arises, will be updated on due time and such up-to-date information is available to investors upon request in writing from the Depositary.

#### 3.5. Auditor

Deloitte Audit S.à.r.l, which registered office is located 56, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg, has been appointed as auditor of the Company's transactions, accounts and annual reports.

#### 3.6. Data Protection

Shareholders and/or prospective Shareholders should note that, by virtue of making an investment in the Company and the associated interactions with the Company and its affiliates and delegates (including completing the application form, and including the recording of electronic communications or phone calls where applicable), or by virtue of providing the Company with personal information on individuals connected with the Shareholder and/or prospective Shareholder (which may include, where the Shareholder and/or prospective Shareholder is a legal person, individuals subscribing in their capacity as nominees, intermediaries, authorised participants, directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents or in other such capacities), such Shareholder and/or prospective Shareholders will be providing the Company and its affiliates and delegates with certain personal information related to individuals which constitutes personal data within the meaning of the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "GDPR").

In accordance with the applicable Luxembourg data protection law and the GDPR (together, the "Data Protection Law"), the Company, acting as data controller (the "Data Controller"), collects, stores and processes, by electronic or other means, the data supplied by Shareholders and/or prospective Shareholders for the purpose of fulfilling

the services required by the Shareholders and/or prospective Shareholders and complying with its legal and regulatory obligations.

Shareholders and/or prospective Shareholders are advised to refer to the relevant sections of the application forms for further information regarding the following matters in relation to data protection:

- details on the personal information which constitutes personal data within the meaning of the GDPR which the investors may need to provide the Company or its delegates acting on its behalf with (the "Personal Data");
- identification of the entities to which Personal Data is disclosed which may act as data controller(s) or processor(s) in respect of this Personal Data;
- description of the lawful purposes for which the Personal Data may be used, namely (i) where this is necessary for the performance of the contract to purchase Shares in the Company; (ii) where this is necessary for compliance with a legal obligation to which the Company is subject (i.e. AML/KYC obligations); and/or (iii) where this is necessary for the purposes of the legitimate interests of the Company or a third party and such legitimate interests are not overridden by the Shareholder and/or prospective Shareholder's interests, fundamental rights or freedoms;
- details on the transmission of Personal Data, including (if applicable) to entities located outside the European Economic Area;
- details of data protection measures taken by the Company;
- an outline of the various data protection rights of individuals as data subjects under the GDPR;
- information on the Company's policy for retention of Personal Data;
- contact details for further information on data protection matters.

## **4. APPLICATION FOR SHARES**

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### **4.1. Procedure**

Applications for subscriptions of Shares should be made directly to the Company and/or the Transfer Agent of the Company in Luxembourg or to the Distributor (Banque Havilland S.A.) or Sales Agent who will pass them on to the Transfer Agent. However, processing of the applications received through the Company, the Distributor or Sales Agents will only commence once they are received by the Transfer Agent in Luxembourg. The Distributor may conclude contractual arrangements with financial institutions for the distribution of Shares.

Prospective investors must submit their application under their own name or through an authorised member of the company, whose authority must be demonstrated. If a person with power of attorney signs an application or confirmation, the power of attorney must be included with the application. Notwithstanding the foregoing, an application may be accepted if a bank on behalf of or apparently on behalf of another natural person or legal entity signs it.

In case of joint applicants, the application must include the signatures of all applicants.

The Company retains the right to reject any application for subscription in full or in part. If an application is rejected in full or in part, the subscription amount or the corresponding balance is transferred to the first-named applicant within 10 days of the decision of non-acceptance.

No Shares of any Sub-Fund will be issued during any period when the calculation of the Net Asset Value of the relevant Sub-Fund is suspended by the Company as described in section "Suspension of the Determination of the Net Asset Value".

The Board of Directors of the Company may decide to set up saving plans to be offered to existing or potential investors. The Board may determine the terms and conditions of such saving plans (fix the minimum amounts as well as the frequency of payments, etc.). These terms and conditions shall provide the right for the investors to terminate at any time their participation in such saving plans and to claim direct title to the Shares of the Company.

After the close of the initial offering period for Shares in a Sub-Fund, Shares are issued according to this Prospectus and the respective section of Appendix II, at a price (the "Subscription Price") equal to the Net Asset Value per Share of the relevant Sub-Fund or Class, plus a sales fee as detailed for each Sub-Fund in the Appendix II to this Prospectus.

Except otherwise provided for in the relevant section of Appendix II to this Prospectus, applications for subscriptions received by the Transfer Agent of the Company in Luxembourg on a Valuation Day before 4:30 p.m. Luxembourg time shall be dealt with at the respective Subscription Price prevailing on that Valuation Day. Any application received thereafter will be processed on the next Valuation Day.

A subscription fee (percentage of the subscribed amount) as specified in the Appendix II to this Prospectus may be payable by investors, in favour of the Distributor. In case a Sub-Fund is a Master, the relevant Feeder will not pay any subscription fee.



The Company draws the attention on 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 Shareholders' register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

In addition, the Shares may only be offered, sold or otherwise transferred to or held by or through Eligible Investors.

#### 4.2. Minimum investment

For each Sub-Fund and/or Class, the Board of Directors may fix a minimum subscription in number of Shares or amount in Reference Currency ("Minimum Subscription") for investments made by investors. In addition, the Board of Directors may fix a Minimum Subscription for subsequent subscriptions made by existing Shareholders in that same Sub-Fund or Class ("Minimum Subsequent Subscription").

The Board of Directors may also define from time to time, for a given Sub-Fund or Class, a Minimum Holding requirement in number of Shares or amount in Reference Currency (the "Minimum Holding") for Shareholders, which will, however, only apply for redemption or conversion requests for Shares held in that Sub-Fund or Class.

If the Minimum Holding requirement is not met, the Company may decide to ask for the redemption of the remaining Shares of a given Shareholder or may invite him to convert his Shares in another Class of the same Sub-Fund or in a Class of another Sub-Fund so as to comply with the Minimum Holding requirement and the investor eligibility criteria.

Such Minimum Subscription and Minimum Holding requirements are detailed for each Sub-Fund in the relevant section of Appendix II to this Prospectus. The Directors have the right to waive such requirements for any investors fully or partly.

#### 4.3. Payments

Payment of the Subscription Price shall be made within 3 Business Days following the applicable Valuation Day. Subscription moneys are payable in the Reference Currency of the relevant Sub-Fund or, in the base currency of the relevant class of shares (if applicable). Application in any other major freely convertible currency will be accepted but in such case, the conversion costs will be borne by the investor. However, the Board of Directors may, for each Sub-Fund or Class, determine additional currencies (hereinafter the "Payment Currencies") in which the Subscription Price may be paid. Such Payment Currencies are indicated for each Sub-Fund in the relevant section of Appendix II to this Prospectus. Payments must be made either by cheque or by bank transfer to the bank account of the Company with the Depositary, as indicated in the Application Form. Any payment must clearly identify the name of the respective Sub-Fund or Class, the investor wishes to invest in.

Transfer of funds should be made under arrangements giving the Company notice of the amount transferred and the value date at which it will be available. When payment is made by cheque, Shares will not be issued until cleared funds are received.

#### 4.4. General provisions

Measures aimed towards the prevention of money laundering, as provided by the laws of the Grand Duchy of Luxembourg are under the supervision of the Transfer Agent and may require a detailed verification of the applicant's identity. Depending on the circumstances of each application, a detailed verification might not be required where:

- (i) the applicant makes the payment from an account held in the applicant's name at a recognised financial institution or
- (ii) the application is made through a recognised intermediary.

These exceptions will only apply if the financial institution or intermediary referred to above are located in a country recognised by the Transfer Agent as having equivalent anti-money laundering regulations as stipulated by the Financial Action Task Force (FATF). The list of the countries, which comply with the FATF regulation is available upon request at the registered office of the Company or can be consulted in the Internet under <http://www.oecd.org/>.

By way of example, an individual may be required to produce a copy of a passport or identification card duly certified by a notary public, together with evidence of his/her address such as a utility bill or bank statement and date of birth. In the case of corporate applicants this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business addresses of all directors.

Shares cannot be attributed to the applicant unless full details of registration and money laundering have been completed. Shares cannot be redeemed or converted unless their attribution has been completed.

The Company and/or the Transfer Agent reserves the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Company may refuse to accept the application and will not be liable for any interest, costs or compensation.

The Company and/or the Transfer Agent reserves the right to reject an application, for any reason, in whole or in part in which event the application monies or any balance thereof will be returned without unnecessary delay to the applicant by transfer to the applicant's designated account or by post at the applicant's risk. In such event, the Company will not be liable for any interest, costs or compensation.

Investor information may be disclosed by the Company, the Management Company, the Registrar or any other agent used by them to external parties such as the Company's sponsor, the Company's authorized distributors or as deemed necessary by the Company, the Management Company, the Registrar or any other agent used by them for the provision of enhanced shareholders' related services and, particularly in the case of Registrar, for the delegation of data processing activities as part of its Transfer and Registrar Agent duties. The applicant is further informed when investor information (subject to the application of local laws and/or regulations) is being used outside Luxembourg, and therefore being potentially subject to the scrutiny of regulatory and tax authorities outside Luxembourg. When investor information is transferred to countries which are not deemed as equivalent in terms of data protection regulation, it is legally required that the Company, the Management Company, the Registrar or any other agent takes appropriate measures.

## **5. REDEMPTION OF SHARES**

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### **5.1. General**

Any Shareholder has the right at any time to have all or part of its Shares redeemed by the Company.

Redemption requests shall be made directly to the Company and/or the Transfer Agent of the Company in Luxembourg or to the Distributor or Sales Agents who will pass them on to the Transfer Agent. However, processing of the requests received through the Company, Distributor or Sales Agents will only commence once they are received by the Transfer Agent in Luxembourg.

Any request for redemption shall be irrevocable except during any period during which the determination of the Net Asset Value of the relevant Sub-Fund is suspended by the Company, as described in section "Suspension of the determination of the Net Asset Value". In the absence of revocation, redemptions will be effected on the first applicable Valuation Day following the end of the suspension.

The Redemption Price of Shares may be higher or lower than the Subscription Price initially paid by the Shareholder at the time of subscription, depending on whether the Net Asset Value of the Sub-Fund has appreciated or depreciated.

A redemption fee (percentage of the Redemption Price) as specified in the Appendix II to this Prospectus may be payable by Shareholders, in favour of the Distributor. In case a Sub-Fund is a Master, the relevant Feeder will not pay any redemption fee.

If the Minimum Holding in a Sub-Fund or Class, as set out in the relevant section of Appendix II, is not maintained due to a transfer or redemption of Shares, the Company may compulsorily redeem the remaining Shares at their current Redemption Price and make payment of the redemption proceeds to the respective Shareholder.

Furthermore, in case the Company discovers that any Shares are not held by a Shareholder that is an Eligible Investor, the Company may charge such Shareholder with any taxes or penalties imposed on the Company or any Sub-Fund attributable to such Shareholder's non-compliance under the IGA and FATCA, and the Company may, in its sole discretion, redeem such Shares.

### **5.2. Procedure**

Redemption requests must state the number of Shares, (or the amount to be redeemed) their form, the Class and the name of the Sub-Fund, as well as necessary references enabling the payment of the redemption proceeds. For redemption payments, the Transfer Agent will take into account the currency in which the relevant Sub-Fund is denominated.

If shares certificates have been issued, redemption requests must be accompanied by the shares certificates, the appropriate coupons (if any), and the documents that evidence a transfer of Shares (if any).

Except otherwise provided for in the relevant section of Appendix II to this Prospectus, provided that all the documents and information evidencing the redemption as mentioned herein have been received by the Transfer

Agent of the Company in Luxembourg on a Valuation Day before 4:30 p.m. Luxembourg time, redemption requests shall be dealt with on that Valuation Day at the Redemption Price of the relevant Sub-Fund prevailing on that Valuation Day. Any redemption requests received thereafter will be processed on the next following Valuation Day.

### 5.3. Payments

The Redemption Price is payable in the Reference Currency of the relevant Sub-Fund or Class, provided that all the documents evidencing the redemption as mentioned above have been received by the Transfer Agent. A Shareholder may however request payment in another currency, provided that the Reference Currency of the relevant Sub-Fund or Class is freely convertible into that currency. The required foreign exchange transaction shall be arranged on behalf of and at the expense of the Shareholder.

The Redemption Price shall be paid no later than 3 Business Days from the relevant Valuation Day or from the date on which the redemption request details and Share certificates (if any) have been received by the Company, whichever is the later date.

### 5.4. Suspension of Redemption

Redemption of Shares may be suspended by the Company as described in the section "Suspension of the determination of the Net Asset Value".

Furthermore, if for a given Valuation Day, redemption and conversion requests represent more than 10% of the currently issued Shares of a specific Sub-Fund, the Directors may decide that part or all of such redemption or conversion requests will be deferred as the Board of Directors considers to be in the best interest of the Sub-Fund until the corresponding assets of the Company are sold. On the Valuation Day following the end of such deferral, these redemption and conversion requests, will take precedence over requests received subsequently and will be met in the order as they arrived, provided that they have not been revoked in writing. Such writing revocation should be approved by the Board of Directors and be in the best interest of the shareholders of the Sub-Fund. The applicable Net Asset Value will be the one prevailing on the Valuation Day following the end of the deferral.

If the Board of Directors regards the determination of a Sub-Fund's Net Asset Value as not appropriate or reasonably practicable, or if assets of a Sub-Fund cannot be liquidated in timely fashion so as to meet redemption requests without a significant adverse impact on the Sub-Fund, redemptions or conversions may be suspended or deferred beyond the times indicated above or may be paid in kind, or partly in cash and partly in kind, provided that all redemptions submitted for a given Valuation Day will be made on the same basis.

## **6. CONVERSION OF SHARES**

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### 6.1. General

Any Shareholder may request the conversion of all or part of his Shares of any Sub-Fund and/or Class (the "Initial Sub-Fund") into Shares of any other existing Sub-Fund and/or Class (the "New Sub-Fund") on any Valuation Day that is common to the Initial and the New Sub-Fund (the "Common Valuation Day"). Conversion will be subject to the restrictions on investor eligibility criteria and on the minimum investment in each Class of Shares as set out in the Appendix II to this Prospectus.

A conversion fee (percentage of the converted amount), as specified in the Appendix II to this Prospectus, may be payable by Shareholders, in favour of the Distributor. In case a Sub-Fund is a Master, the relevant Feeder will not pay any conversion fee.

Conversion requests shall be made directly to the Transfer Agent of the Company in Luxembourg or to a Distributor or other Sales Agent who will pass them on to the Transfer Agent. However, processing of the requests received through the Company /the Distributor/other Sales Agents will only commence once they are received by the Transfer Agent in Luxembourg.

Any request for conversions shall be irrevocable, except during any period when the determination of the Net Asset Value of the relevant Sub-Fund is suspended by the Company, as described in section "Suspension of the determination of the Net Asset Value". In the absence of revocation, conversions will occur as of the first applicable Common Valuation Day after the end of suspension.

If the minimum Holding in a Sub-Fund or Class, as set out in the relevant section of Appendix II, is not maintained due to a conversion of Shares, the Company may compulsorily redeem the remaining Shares at their current Net Asset Value and make payment of the redemption proceeds to the respective Shareholders.

### 6.2. Procedure

Conversion requests must state the number and Sub-Fund name and Class of the Shares to be converted as well as the Class of the Shares to be issued in the new selected Sub-Fund. If more than one New Sub-Fund is

selected, the proportion or, alternatively, amount or number of Shares to be converted out of the Initial Sub-Fund must also be indicated.

If Share certificates have been issued, conversion requests must be accompanied by the Share certificates, the appropriate coupons (if any) and the documents that evidence a transfer of Shares (if any).

Except otherwise provided for in the relevant section to Appendix II to this Prospectus, conversion requests received by the Transfer Agent of the Company in Luxembourg on a Common Valuation Day before 4:30 p.m., Luxembourg time, shall be dealt with at the applicable Net Asset Value per Share of that Common Valuation Day. Any conversion requests received thereafter will be processed on the next Common Valuation Day. The Board of Directors reserves the right to reject conversion requests at its sole discretion.

A conversion order may require the conversion of currency from one Sub-Fund to another. In such event, the number of Shares of the New Sub-Fund obtained on a conversion will be affected by the net foreign currency exchange rate, if any, applied to the conversion. The Company has established the following formula to determine the number of Shares of the New Sub-Fund into which the Shares of the Initial Sub-Fund will be converted:

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

with

- A being the number of Shares of the New Sub-Fund (or Class) to be issued;
- B being the number of Shares of the Initial Sub-Fund (or Class) to be converted;
- C being the Net Asset Value per Share of the Initial Sub-Fund (or Class) less any taxes, commissions or other fees;
- D being the Net Asset Value per Share of the New Sub-Fund (or Class) plus any taxes, commissions or other fees;
- E being the conversion fee, if any, as described in the relevant section of Appendix II to this Prospectus;
- F being the exchange rate of the Reference Currencies of the 2 Sub-Funds;

Fractions of Shares of the New Sub-Fund may be issued to registered Shareholders.

If the Minimum Holding in a Sub-Fund or Class, as set out in the relevant section of Appendix II, is not maintained due to a conversion of Shares, the Company may compulsorily redeem the remaining Shares at their current Redemption Price and make payment of the redemption proceeds to the respective Shareholder.

## **7. PREVENTION OF MARKET TIMING AND LATE TRADING PRACTICES**

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The Company does not allow investments which are associated with late trading or market timing practices, as such practices may adversely affect the interests of the shareholders.

### **7.1. Market Timing**

In general, Market Timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts Shares of the same UCI within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value of the UCI.

Accordingly, the Board of Directors may, whenever it deems it appropriate, cause the Transfer Agent to reject an application for subscription and/or switching of Shares from investors whom the Directors consider market timer and may, if necessary, take appropriate measures in order to protect the interests of the other investors. For these purposes, the Board of Directors may consider an investor's trading history and the Transfer Agent may combine Shares which are under common ownership or control.

### **7.2. Late Trading**

In general, Late Trading is to be understood as the acceptance of a subscription, conversion or redemption order after the time limit fixed for accepting orders (cut-off time) on the relevant day and the execution of such order at the price based on the Net Asset Value applicable to such same day.

Therefore, the subscriptions, conversions or redemptions are dealt with at an unknown Net Asset Value.

## **8. NET ASSET VALUE**

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### 8.1. Determination of the Net Asset Value

The Net Asset Value per Share will be calculated, except in circumstances of suspensions as described hereafter, for each Sub-Fund on each Valuation Day, at least twice a month, as determined in the relevant section of Appendix II to this Prospectus. If such a Valuation Day is not a Luxembourg bank business day ("Business Day"), the Net Asset Value per Share will be calculated on the next Business Day.

The Net Asset Value shall be expressed in the Reference Currency of the relevant Sub-Fund or Class as a per Share figure. It shall be determined as being the total value of the assets of a Sub-Fund less its liabilities, divided by the number of Shares outstanding for the relevant Sub-Fund or Class in the respective numbers of portfolio entitlements attributable to the Classes.

However the Board of Directors may determine, for each Sub-Fund, other currencies in which the Net Asset Value per Share may be expressed. Such currencies, as the case may be, are indicated in the relevant section of Appendix II.

Portfolio entitlements are allocated to or deducted from a particular Class on the basis of:

- (a) the funds contributed to the common portfolio of the Sub-Fund or paid out of the common portfolio by reasons of issues or redemptions of Shares of that Class,
- (b) the amounts paid into or out of the relevant common portfolio upon disposition or acquisition of Shares of that Class, upon payment of Class specific liabilities, or upon realisation of profits, losses or income on Class specific assets, and
- (c) dividends or other distributions paid out of that Class of Shares.

The value of the total number of portfolio entitlements attributed to a particular Class on the given Valuation Day plus the value on that date of the class specific assets and liabilities relating to that Class represents the total Net Asset Value attributable to that Class of Shares on that Valuation Day. The Net Asset Value per Share of that Class equals the total Net Asset Value on that date divided by the total number of outstanding Shares of that Class.

The basic accounting principles for determining the Net Asset Value of the Sub-Funds are set forth in the Articles of Incorporation, the material provisions of which provide as follows:

- (1) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Directors may consider appropriate in such case to reflect the true value thereof.

The value of any cash on deposit may alternatively also be determined on the basis of a straight line interest accrual method.

- (2) The value of securities which are quoted or dealt in on any stock exchange shall be in respect of each security, the last available closing prices on the principal market on which such securities are traded, and where appropriate, the middle market price on the stock exchange which is normally the principle market for such security.
- (3) Securities dealt in on another regulated market are valued in a manner as near as possible to that described in the preceding paragraph.
- (4) In the event that any of the securities held in any portfolio on the relevant Valuation Day are not quoted or dealt in on a stock exchange or another regulated market or, for any of the securities, no price quotation is available, or if the price as determined pursuant to sub-paragraphs 2) and/or 3) is not in the opinion of the Board of Directors representative of the fair market value of the relevant securities, the value of such securities will be determined based on the reasonably foreseeable sales price determined prudently and in good faith.
- (5) All other assets will be valued at their respective fair values as determined in good faith by the Directors in accordance with generally accepted valuation principles and procedures.

If, since the last Valuation Day, there has been a material change in the quotations on the markets on which a substantial portion of the investments of the Company attributable to a particular Sub-Fund is listed or dealt in, the Directors may, in order to safeguard the interests of the Shareholders and the Company, cancel the first valuation and carry out a second valuation.

The Board of Directors, at its discretion, may permit some other method of evaluation to be used if it considers that such valuation better reflects the fair value of any asset.

The value of the assets denominated in a currency other than the Reference currency of the relevant Sub-Fund or Class will be translated at the rates of exchange prevailing in Luxembourg at the time of the determination of the corresponding Net Asset Value.

The total Net Asset Value of the Company is equal to the sum of the net assets of the various activated Sub-Funds translated into EUR at the rates of exchange prevailing in Luxembourg on the relevant Valuation Day.

The capital of the Company shall at any time be equal to the total Net Asset Value of the Company. The minimum capital of the Company, as required by the Law of 2010, shall be EUR 1,250,000.-.

## 8.2. Suspension of Net Asset Value determination

The Company may suspend the determination of the Net Asset Value of Shares of any particular Sub-Fund and/or the issue and redemption of the Shares in such Sub-Fund as well as the conversion from and to Shares of such Sub-Fund:

- (a) during any period when any of the principal markets or stock exchanges on which a substantial portion of the investments of any Sub-Fund of the Company from time to time is quoted or dealt in, or when the foreign exchange markets corresponding to the currencies in which the net asset value or a considerable portion of the Company's assets are denominated, is closed otherwise than for ordinary holidays, or during which dealings thereon are restricted or suspended, provided that the closing of such exchange or such restriction or suspension affects the valuation of the investments of the Company quoted thereon;
- (b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of assets owned by any Sub-Fund of the Company would be impracticable or such disposal or valuation would be detrimental to the interests of shareholders;
- (c) during any breakdown in the means of communication or computation normally employed in determining the price or value of any of the investments attributable to any Sub-Fund or the current prices or values on any market or stock exchange;
- (d) when for any other reason the prices of any investments owned by the Company cannot promptly or accurately be ascertained;
- (e) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of Shares of any Sub-Fund or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares of any Sub-Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange;
- (f) during any period when the Company is being liquidated or as from the date on which notice is given of a meeting of Shareholders at which a resolution to liquidate the Company is proposed;
- (g) following the suspension of the calculation of the net asset value per share/unit at the level of a Master in which a Portfolio invests in its quality of Feeder of such Master; or
- (h) following the suspension of the issue, redemption and/or conversion of shares/units, at the level of a Master in which a Portfolio invests in its quality of Feeder of such Master

Such suspension as to any Sub-Fund shall have no effect on the determination of the Net Asset Value, the issue, redemption and conversion of the Shares of any other Sub-Fund, if the circumstances referred to above do not exist in respect of the other Sub-Funds.

Any such suspension shall be published, upon the Board's decision, if appropriate. Investors having submitted an application form as well as Shareholders having submitted conversion or redemption requests will be notified of any suspension in writing.

## **9. INVESTMENT OBJECTIVES AND POLICIES - RISK FACTORS**

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### 9.1. Investment Objective of the Company

The overall investment objective of the Company is to achieve long-term capital appreciation and growth through investments in world-wide equity, bond and other fixed or variable income markets. For each Sub-Fund, the Company will define additional investment criteria and targets, such as a particular geographic, sectorial or other

specific investment objectives. The specific investment policy and objective is detailed for each Sub-Fund in the relevant section of Appendix II to this Prospectus.

The Company aims to provide subscribers with a choice of Sub-Funds investing in a wide range of transferable securities and money market instruments and featuring a diverse array of investment objectives.

The Company will generally not invest in securities markets or securities issues where the level and quality of fundamental investment research together with the degree of liquidity in the market or the specific issue suggest that such an investment commitment may be of a speculative nature.

The overall objective of the Company is to seek to minimise risk exposure through diversification.

The Company gives the subscribers direct access to professionally managed and diversified portfolios. Individual subscribers may participate in an investment with a substantial amount of funds invested; they are therefore able to take advantage of investment terms normally only available to larger professional investors.

The Company may also seek to protect and enhance the asset value of its different Sub-Funds through hedging strategies consistent with the Company's investment objectives by utilising in general derivatives like currency options, forward contracts and futures contracts as detailed in section "Risk Management" of this Prospectus.

Trading in futures and options can achieve high profits but also entails high risks. The options and futures markets are extremely volatile, the price trend resulting from offer and demand on these markets being subject to certain accidental factors which are difficult to foresee.

The investments of the Company are subject to normal market fluctuations and, accordingly, it should be emphasised that the price of shares in any of the Sub-Funds, and their income, can vary.

The Company shall always comply with the limits set forth in section "Investment Restrictions" of this Prospectus. In addition, for the purpose of efficient portfolio management, in order to enhance the investment objective and/or as a matter of hedging strategies, the Board of Directors may, for each Sub-Fund, make use of techniques and instruments as detailed in section "Risk Management" of this Prospectus.

## 9.2. Investment Risks

**The investments of the Company are subject to normal market fluctuations and, accordingly, it should be emphasised that the price of assets in any of the Sub-Funds and the income from them, can fluctuate. Changes in exchange rates may also cause the value of Shares in the investor's base currency to go up or down.**

**Although the Board of Directors makes every effort to achieve the investment objectives of the Company and its Sub-Funds to the best of its knowledge, no guarantee can be given as to whether the investment objectives will be achieved. As a result, the Net Asset Value of the Shares may be higher or lower, and therefore different levels of positive as well as negative income may be earned.**

### 9.2.1. Emerging countries risks

**Investors should in particular be aware of a number of special risk factors related to investment in securities from emerging countries. This is due principally to the economic and political development process which some of these countries are undergoing. Furthermore, these are markets with a small market capitalisation, which tend to be volatile and illiquid. In addition, the past performance of these markets does not constitute a guide as regards their future performance. Other factors (exchange rate fluctuations, stock exchange controls, taxes, restrictions on foreign capital investment and repatriation, etc.) may also affect the marketability of the securities and the income derived therefrom, and it cannot be ruled out that these factors may strongly influence the solvency of some issuers or even lead to their insolvency.**

**These companies may in addition be subject to considerably less state supervision and less differentiated legislation. Their accounting and auditing do not always match western standards.**

**The emerging countries targeted by the Company may include countries of the former communist bloc, including Russia. The Sub-Funds may integrate a high level of country risk (perceived weakness in the jurisdiction's AML/CTF legal and operational regime, existence of sanctions against the country). Investments in these different countries may involve specific political, economic and financial risks, resulting in a strong influence on the liquidity of the investments made. Moreover, such investments are exposed to additional risks which are difficult to calculate and which would not be associated with investments in OECD countries or other emerging countries.**

**Investments in some emerging countries and, in particular, some countries of the former communist bloc are also exposed to higher risks in respect of the possession and custody of securities. Ownership of companies is for the most part determined by registration in the books of the Company or its registrar (who is not, however, an agent of the custodian nor liable to the latter). Certificates evidencing the ownership of companies are frequently not held by the custodian, any of its correspondents or an**

efficient central depository. As a result and due to lack of efficient regulation by government bodies, the Company may lose the possession of or the registration of Shares in companies through fraud, serious faults or negligence. Debt instruments involve a higher custody risk as, in accordance with market practice, such paper is held by local institutions which are not, however, always sufficiently insured against loss, theft, destruction or insolvency while holding the assets.

Potential investors should therefore be aware of all these risks which may be associated with an investment in any of the Sub-Funds which invest predominantly or accessorially in emerging countries.

#### **9.2.2. High-yield Securities Risks**

Potential investors should also be aware that investments in high-yield securities rated below B- (S&P) or equivalent rating involve greater risks than higher quality securities, including price volatility, and may be questionable as to principal and interest payments and are very speculative. Investors shall be aware of the risks linked to certain high-risk investments that certain sub-funds are authorised to make. Compared to higher-rated securities, lower-rated high yield securities generally tend to be more affected by economic and legislative developments, changes in the financial condition of their issuers, have a higher incidence of default and be less liquid. A sub-fund that invests in these securities may, in addition, continue to earn the same level of interest income while its net asset value diminishes due to portfolio losses. As a result, the yield of the sub-fund may increase despite actual loss of principal.

Potential investors shall also be aware that depending on the strategy implemented, a Sub-fund may be exposed to greater risk than a Sub-Fund implementing traditional investment strategies.

#### **9.2.3. Investments in Financial Derivative Instruments Risks**

A Sub-fund's use of Financial Derivative Instruments ("FDI") such as futures, options, warrants, forwards, swaps and swaptions involves increased risks. Some FDI may require an initial amount to establish a position in such derivative instrument which is much smaller than the exposure obtained through this derivative, so that the transaction is "leveraged" or "geared". A relatively small movement of market prices may then result in a potentially substantial impact, which can prove beneficial or detrimental to the Sub-fund. However, unless otherwise specified in the relevant Sub-fund documentation, leveraged derivatives are not used to create leverage at the Sub-Fund level.

FDI are highly volatile instruments and their market values may be subject to wide fluctuations. If the FDI do not work as anticipated, the Sub-fund could suffer greater losses than if the Sub-fund had not used the FDI.

Instruments traded in over-the-counter markets may trade in smaller volumes and their price may be more volatile than those of instruments traded in regulated markets.

Trading in those FDI may imply a range of risks including (but not limited to) counterparty risk, hedging disruption, taxation risk, regulatory risk, operational risk, and liquidity risk. These risks can materially affect a FDI and could lead to an adjustment or even the early termination of the FDI transaction.

A Sub-fund may be exposed to a counterparty risk resulting from the use of over-the-counter FDI or efficient portfolio management techniques. The Sub-fund may be exposed to the risk of bankruptcy, settlement default or any other type of default of the counterparty related to any trading transaction or agreement entered into by the Sub-fund.

In case of default of the counterparty, the relevant transaction or agreement can be early terminated. With respect to OTC FDI and/or efficient portfolio management techniques, the Sub-fund will then endeavour its best efforts to reach its investment objective by entering into, if necessary, another equivalent transaction or agreement, in the market conditions which will prevail during the occurrence of such event. The realisation of this risk could in particular have impacts on the capacity of the Sub-fund to reach its investment objective.

The Board of Directors will endeavour to minimise these risks through the number and spreading of investments of the assets of the Sub-Fund.

#### **9.2.4. Investments in equity securities risks**

A Sub-Fund may invest in equity securities. The risks associated with investments in equity securities are high, because the investment performance of equity securities depends upon factors which are difficult to predict. Such factors include the possibility of sudden or prolonged market declines and risks associated with individual companies. The fundamental risk associated with any equity portfolio is the risk that the value of the investments it holds might decrease in value.

Where the equity securities are traded in a developing securities market, the choice of investments may be limited as compared with other developed securities markets. The trading volumes of a developing securities market may be much lower than those in developed markets. The prices of the equity securities invested by a Sub-Fund and the Net Asset Value of that Sub-Fund may be adversely affected if the



markets for the equity securities are illiquid. Further, market volatility may result in significant fluctuations in the prices of the equity securities held by a Sub-Fund and hence in the value of the Sub-Fund. Potential illiquidity and volatility may have an adverse impact on the prices of the equity securities in which a Sub-Fund may invest.

#### 9.2.5. Investment in distressed securities risks

A Sub-Fund may hold distressed securities. These securities may have become the subject of bankruptcy proceedings or in repayment default or have low credit ratings assessed by a credit rating agency. Distressed securities are speculative and involve significant risk. They may frequently not produce income while they are outstanding and may require the Sub-Fund to bear certain extraordinary expenses in order to protect and recover its holding. This may diminish a Sub-Fund's ability to achieve income for its Shareholders. A Sub-Fund may be subject to significant uncertainty as to the outcome of any plan in respect of the distressed securities (liquidation, re-organisation, exchange offer etc.) and ultimately the value derived from the distressed securities or from other assets or securities resulting from an exchange offer or reorganization.

#### 9.2.6. Investment in contingent convertible bond (CoCos)

A Sub-Fund may hold contingent convertible bonds (often referred to as "CoCo" or "CoCos"). A CoCo is a type of debt security, issued by a financial institution, that may be converted into equity or could be forced to suffer a write down of principal upon the occurrence of a pre-determined event ("the trigger event") depending in particular of the capital ratio levels of the issuer of such contingent convertible bonds ("trigger levels") and can be exposed to several risks (including but not limited to):

- **Conversion risk:** contingent convertible bonds are complex financial instruments in respect of which, trigger levels (and thus exposure to conversion risk) differ widely. In particular, conversion may cause the value of the investment to fall significantly and irreversibly, and in some cases even to zero.
- **Trigger level risk:** the trigger event is ordinarily linked to the financial position of the issuer and therefore the conversion is likely to occur as a result of a deterioration of the relative capital strength of the underlying. The relative risk associated with different contingent convertibles will depend on the distance between the current capital ratio and the effective trigger level. It is likely that the conversion to equity would occur at a share price, which is lower than when the bond was issued or purchased.
- **Liquidity risk:** in stressed market conditions, the liquidity profile of the issuer can deteriorate significantly and it may be difficult to find a ready buyer which means that a significant discount may be required in order to sell it.
- **Capital structure inversion risk:** in the case of a principal write down contingent convertible bond, it is possible that the holder could take a write down before equity holders, which is contrary to the typical capital structure hierarchy.
- **Liquidity risk:** in stressed market conditions, the liquidity profile of the issuer can deteriorate significantly and it may be difficult to find a ready buyer which means that a significant discount may be required in order to sell it.
- **Write down risk:** The investment in contingent convertible bond may also result in material losses to the relevant Sub-Fund as the bond may suffer capital market loss by decreasing the face value ("write-down") on the occurrence of certain trigger events. In this event, holders of contingent convertible bonds will suffer losses ahead of holders of equity securities issued by the same issuer, contrary to the classic order of capital structure hierarchy where equity holders are expected to suffer the loss before debt holders.
- **Call extension risk:** contingent convertible bonds can also be issued as perpetual bonds (i.e. bonds without a maturity date), while these will have call dates, there is no guarantee that the issue will be called on this date and there is a possibility that the bond may never be called resulting in a total loss of the original capital investment.
- **Unknown/uncertainty risk:** contingent convertible bonds are a relatively new instrument and the trigger events are generally untested, therefore it is uncertain how the asset class will perform in stressed market conditions and risk to capital, and volatility could be significant.
- **Coupon cancellation risk:** coupon payments may be discretionary and can be cancelled at any time, for any reason.
- **Industry concentration risk:** to the extent that investments are concentrated in a particular industry, the contingent convertible bonds investors will be susceptible to loss due to adverse occurrences affecting that industry.

- Valuation risk: Investment in contingent convertible bonds may have a higher yield, however, they can carry higher risk than investment in traditional debt instruments/convertibles and in certain cases equities; the volatility and risk of loss can be significant.

Generally, convertible securities are subject to the risks associated with both fixed income securities and equities, namely credit, price and interest rate risk.

#### 9.2.6. Regulatory risks

In addition, the Company may be subject to regulations imposed by foreign regulators, in particular, the Hiring Incentives to Restore Employment Act (the "Hire Act") which was enacted into U.S. law in March 2010. It includes provisions generally known as FATCA. FATCA provisions generally impose a reporting to the Internal Revenue Service ("IRS") of non-U.S. financial institutions that do not comply with FATCA and U.S. persons' (within the meaning of FATCA) direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Failure to provide the requested information will lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends.

Under the terms of FATCA, the Company will be treated as a Foreign Financial Institution (within the meaning of FATCA - "FFI"). As such the Company may require all Shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations.

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

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

#### 9.2.7. Custody risks

Furthermore, potential investors should note that certain risks exist in relation to assets held in custody. Any bankruptcy or other serious failure affecting the Depository could place at risk of loss those assets a Sub-Fund has deposited there (typically most or all assets). The risk of loss is higher for cash deposits, which are not segregated from other assets deposited with the Depository in the way that non-cash assets are. If the Depository uses sub-custodians in other countries where the Sub-Fund invests, a Sub-Fund's assets are subject to similar risks at the sub-custodian level. In countries where custodial or settlement systems are not fully developed, there may be a risk that investments are not returned by the Depository. The Sub-Fund may invest from time to time in a country where the Depository has no correspondent. In such a case, the Depository may in its sole discretion identify and appoint after satisfactory due diligence a local custodian. This process may take time and deprive in the meantime the Sub-Fund of investment opportunities. The Depository may remove at its sole discretion, in the best interest of the investors, any sub-custodian whenever it identified material risks and certain aspects of country risk associated with certain markets for which the Depository believes that special investment-related risks are present (see above). In doing so, the price at which such assets will be sold may be lower than the price the Company would have received in normal circumstances, potentially affecting the performance of the relevant Sub-Funds.

## 10. INVESTMENT RESTRICTIONS

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The Directors shall, based upon the principle of risk spreading, have power to determine the corporate and investment policy for the investments and the course of conduct of the management and business affairs of each Sub-Fund.

**By making use of its power to determine the investment policy of each Sub-Fund, the Board of Directors has resolved the following investment restrictions that apply, in principle, for each Sub-Fund, provided that it is not decided and indicated otherwise in respect of any particular Sub-Fund in the relevant section of Appendix II to this Prospectus.**

In order to comply with the laws and regulations of the countries where the Shares are offered or placed, the Board of Directors may from time to time impose further investment restrictions to all or several Sub-Funds as

shall be compatible with or be in the interest of the Shareholders. Such investment restrictions, if there are, will be set out for each Sub-Fund in the relevant section of Appendix II to this Prospectus.

Each Sub-Fund shall be regarded as a separate UCITS for the purpose of this paragraph:

1. The investments of each Sub-Fund must comprise only one or more of the following.
  - A. transferable securities and money market instruments admitted to or dealt in on a regulated market, as listed below.
  - B. transferable securities and money market instruments dealt in on another market in a Member State that is regulated, operates regularly and is recognised and open to the public.
  - C. transferable securities and money market instruments admitted to the official listing on a stock exchange in a Non-Member State or dealt in on another market in a Non-Member State which is regulated, operates regularly and is recognised and open to the public.
  - D. recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or dealing on a regulated market listed below or another regulated market referred to in paragraphs (A) to (C) of this section, and that such admission is secured within one year of issue.
  - E. units of UCITS or other UCI, whether or not established in a Member State, provided that the following conditions are satisfied:
    1. such other UCI are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;
    2. the level of protection for unitholders in such other UCI is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS Directive;
    3. the business of the other UCI is reported in semi-annual and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period; and
    4. no more than 10% of the assets of the UCITS or the other UCI whose acquisition is contemplated can, according to their constitutive documents, be invested in aggregate in units of other UCITS or other UCI.
  - F. deposits with credit institution which has its registered office in a Member State or a credit institution located in a third-country which is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law, which are repayable on demand or have the right to be withdrawn and maturing in no more than twelve months.
  - G. financial derivative instruments, including equivalent cash-settled instruments, listed on a stock exchange or dealt in on a regulated market listed below or another regulated market referred to in paragraphs (A) to (C) of this section, or financial derivative instruments dealt in over-the-counter (OTC) provided that:
    1. the underlying consists of assets covered by this section 1 including instruments with one or more characteristics of those assets, and/or financial indices, interest rates, foreign exchange rates or currencies, in which a Sub-Fund may invest according to its investment objective;
    2. the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and
    3. the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the Company.
  - H. money market instruments other than those dealt in on a regulated market listed below or dealt in on another market in a non-Member State which is regulated, operates regularly and is recognised and open to the public, provided that the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and that such instruments are:

1. issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in case of a federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong;
2. issued by an undertaking any securities of which are listed on a stock exchange or dealt in on a regulated market listed below or another regulated market referred to in paragraphs (A) to (C) of this section;
3. issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or
4. issued by other bodies provided that investments in such instruments are subject to investor protection equivalent to that set out in paragraphs (H)(1) to (H)(3) of this section and provided that the issuer is a company whose capital and reserves amount to at least EUR 10,000,000 and which presents and publishes its annual accounts in accordance with Directive 2013/34/EU, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

Each Sub-Fund may invest up to 10% of its net assets in transferable securities and money market instruments other than those identified in paragraphs (A) to (D) and (H) of this section.

For this purpose, the Company may in particular purchase the above mentioned assets on any regulated market in Europe, America, Africa, Asia and Oceania.

2. A Sub-Fund may hold ancillary liquid assets.

3.1 A Sub-Fund may invest no more than 10% of its net assets in transferable securities and money market instruments issued by the same issuing body.

The Company may not invest more than 20% of the net assets of any Sub-Fund in deposits made by the same issuer. The risk exposure to a counterpart of the Sub-fund in an over-the-counter derivative transaction may not exceed 10 % of its assets when the counterpart is a credit institution defined under paragraph 1.5 or 5% of its assets in other case.

3.2 Moreover, the total value of the transferable securities and money market instruments held by a Sub-Fund in the issuing bodies in each of which it invests more than 5% of its net assets must not exceed 40% of the value of its total net assets. This limitation does not apply to deposits and over-the-counter derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid in previous paragraph, the Company may not combine:

- investments in transferable securities or money market instruments issued by a single body,
- deposits made with a single issuer, and/or
- exposures arising from over-the-counter derivative transactions undertaken with a single issuer

in excess of 20% of its assets.

3.3 The limit of 10% laid down in item 3.1 above may be a maximum of 35% in respect to the transferable securities or money market instruments which are issued or guaranteed by a member State of the European Union (a "Member State"), its local authorities, by another Eligible State or by public international bodies of which one or more Member States are members.

3.4 The limit of 10% laid down in item 3.1 above may be of a maximum of 25% for certain debt securities if they are issued by a credit institution whose registered office is situated in an EEC Member State and which is subject, by virtue of law, to particular public supervision for the purpose of protecting the holders of such debt securities. In particular, the amounts resulting from the issue of such debt securities must be invested pursuant to the law in assets which sufficiently cover, during the whole period of validity of such debt securities, the liabilities arising therefrom and which are assigned to the preferential repayment of capital and accrued interest in the case of default by the issuer.

If a Sub-Fund invests more than 5% of its assets in such debt securities and issued by the same issuer, the total value of such investments may not exceed 80% of the value of the Sub-Fund's assets.

3.5 The transferable securities and money market instruments referred to in items 3.3 and 3.4 are not taken into account for the purpose of applying the limit of 40 % referred to in paragraph 3.2.

The limits set out in items 3.1, 3.2, 3.3 and 3.4 may not be combined; thus investments in transferable securities or money market instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with items 3.1, 3.2, 3.3 and 3.4 shall under no circumstances exceed in total 35 % of the assets of the Sub-Fund.

Companies which are included in the same group for the purpose of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in the section 3.

The Company may cumulatively invest up to 20% of its assets in transferable securities and money market instruments within the same group.

#### 4 Limits concerning index sub-funds

4.1 Without prejudice to the limits laid down in item 7, the limits laid down in item 3.1 are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body, when the investment policy of a sub-fund is to replicate the composition of a certain stock or bond index which is recognised by the CSSF.

4.2 The limit laid down in item 4.1 is raised to 35% where that proves to be justified by exceptional market conditions in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

**5. Notwithstanding items 3.1 to 3.5 above, where a Sub-Fund has invested in accordance with the principle of risk spreading in transferable securities issued or guaranteed by a Member State, by its local authorities, or by another member State of the OECD or by public international bodies of which one or more Member States are members (collectively, "Public Issuers"), such Sub-Fund is authorized to invest up to 100% of its net assets in such securities, provided that the Sub-Fund holds securities from at least six different issues and securities from any one issue do not account for more than 30% of its total net assets.**

6.1 A Sub-Fund may acquire the units of UCITS and/or other UCIs referred to in item 1.4 provided that no more than 20% of its assets are invested in a single UCITS or other UCI.

For the purposes of applying this investment limit, each sub-fund of a UCI with multiple sub-funds, shall be considered as a separate issuer, provided that the principle of segregation of liabilities of the different compartments is ensured in relation to third parties.

6.2 Investments made in units of UCIs other than UCITS may not exceed, in aggregate, 30 % of the assets of the Sub-Fund.

When a Sub-Fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in items 3.1 to 3.5.

6.3 When a Sub-Fund invests in other UCITS or UCIs directly or indirectly managed by the Management Company or managed by an entity to which the Management Company is related by virtue of (i) common management, (ii) common control, or (iii) a direct or indirect interest of more than 10 percent of share capital or voting rights, only a reduced management fee (maximum 0.25% per annum) will be perceived. In addition, the Management Company or the entity to which it is related will not charge any subscription or redemption fees on account of the Sub-Fund's investment in the units of such other UCITS and/or UCIs.

7. The Company may not acquire:

7.1 any Shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body; nor

7.2 more than

- 10% of the non-voting Shares of any single issuing body;
- 10% of the debt securities of any single issuing body;
- 25% of the units/ Shares of any single collective investment undertaking;
- 10% of the money market instruments of any single issuer.

7.3 The limits laid down in the second, third and fourth indents of 7.2 may be disregarded at the time of acquisition if, at that time, the gross amount of debt securities or money market instruments or the net amount of the securities in issue cannot be calculated.

7.4 The limits referred in sub-paragraphs 7.1 to 7.3 above shall not apply to:

- transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;
- transferable securities and money market instruments issued by a non-member state of the EU;

- transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members;
- Shares held by one or more investment companies in the capital of subsidiary companies carrying on only the business of management, advice or marketing exclusively on its behalf, in the country where the subsidiary is located, in regard to the redemption of units at the request of unitholders.

8. Each Sub-Fund will further not:

- 8.1 make investments in or enter into transactions involving precious metals or certificates representing them;
- 8.2 purchase or sell real estate or any option, right or interest therein, provided that a Sub-Fund may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein;
- 8.3 purchase any securities on margin (except that a Sub-Fund may obtain such short-term credit as may be necessary for the clearance of purchases and sales of securities) or make short sales of transferable securities and money market instruments or maintain a short position; deposits or other accounts in connection with option, forward or futures contracts, permitted within the limits referred to under the chapter "Risk Management" hereafter, are not considered margin for this purpose;
- 8.4 make loans to other persons or act as guarantor on behalf of third parties or assume, endorse or otherwise become directly or indirectly or contingently liable for, or in connection with, any obligation or indebtedness of any person in respect of borrowed monies, provided that for the purpose of this restriction the acquisition of Eligible Transferable Securities in fully or partly paid form shall not be deemed to be the making of a loan or to be prohibited by this clause;
- 8.5 borrow other than amounts which do not in the aggregate exceed 10% of its total net assets and then only as a temporary measure.

A Sub-Fund will not purchase securities while borrowings are outstanding except to fulfil prior commitments and/or exercise subscription rights.

By way of derogation, the Company may borrow up to 10% of its assets, provided that the borrowing is to make possible acquisition of immovable property essential for the direct pursuit of the business. In this case, these borrowings and those referred to in the 1 paragraph of this item may not in any case in total exceed 15% of its assets.

- 8.6 mortgage, pledge, hypothecate or in any manner encumber as security for indebtedness, any securities owned or held by a Sub-Fund, except as may be necessary in connection with the borrowings mentioned in item 8.5 above, and then such mortgaging, pledging, hypothecating or encumbering may not exceed 10% of the Sub-Fund's total net assets taken at market value; the deposit of securities or other assets in a separate account in connection with option or futures transactions shall not be considered as a mortgage, pledge, hypothecation or encumbrance for this purpose.

9. Master-Feeder structures:

- 9.1 Any Sub-Fund which acts as a feeder fund (the "Feeder") of a master fund shall invest at least 85% of its assets in shares/units of another UCITS or of a sub-fund of such UCITS (the "Master"), which shall neither itself be a feeder fund nor hold units/shares of a feeder fund. The Feeder may not invest more than 15% of its assets in one or more of the following:
  - ancillary liquid assets in accordance with Article 41 (2), second paragraph of the Law of 2010;
  - financial derivative instruments, which may be used only for hedging purposes, in accordance with Article 41 (1) (g) and Article 42 (2) and (3) of the Law of 2010; and
  - movable and immovable property which is essential for the direct pursuit of the Company's business.
- 9.2 When a Feeder invests in the shares/units of a Master which is managed, directly or by delegation by the Management Company or by any other company with which such Management Company is linked by common management or control, or by a substantial direct or indirect holding, the Management Company or such other company may not charge subscription or redemption fees on account of the Feeder investment in shares/units of the Master.
- 9.3 The maximum level of the management fees that may be charged both to the Feeder and to the Master is disclosed in this Prospectus. The Company indicates the maximum proportion of management fees charged both the Sub-Fund itself and to the Master in its annual report. The Master shall not charge subscription or redemption fees for the investment of the Feeder into its shares/units or the disinvestment thereof.

If the limitations described above are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, the Board of Directors must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interest of its Shareholders.

## 11. RISK MANAGEMENT

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For each Sub-Fund, the Management Company's board of directors decides on the method to be applied to calculate the overall risk arising from the use of derivative products. The Company may carry out transactions involving derivatives, whether for the purposes of efficient portfolio management or risk hedging. Under no circumstances shall such transactions cause the Sub-Fund to diverge from its investment objectives.

The use of derivatives may increase or decrease the Company's volatility by increasing or decreasing its risk exposure.

The Company may make use of derivatives instruments traded as well as on regulated markets as over the counter.

The Company may, for example, trade on the futures, options and swaps markets.

The Company may also employ techniques and instruments which are intended to provide cover against currency exchange risks in the context of the management of its assets and liabilities, as well as in order to enhance return on investments.

There can be no guarantee that the Company will achieve the objective sought from the use of the techniques and instruments as described here below.

Total risk arising from derivatives may be calculated through the commitment approach ("Commitment Approach") or the Value-at-Risk Approach ("VaR Approach") as described for each Sub-Fund in Part B of this Prospectus.

### **Commitment approach**

The Company may invest in derivatives provided that the total risk arising from financial instruments does not exceed the Sub-Fund's total assets. The calculation methods used comply with the requirements set out in CSSF circular 11/512.

The total risk borne by the Company's Sub-Funds may not exceed 200% of net asset value.

The total risk arising from financial instruments is calculated using the liability method – i.e. it is the result of converting positions in financial instruments into equivalent positions in the underlying assets, in accordance, where applicable, with their respective sensitivities.

Derivatives used to hedge the portfolio reduce the overall risk incurred by a given Sub-Fund.

Long and short positions in the same underlying asset or in assets with a historically significant correlation may be offset.

Where a security or money market instrument includes a derivative, the latter must be taken into account when applying the requirements of this section.

Where a Sub-Fund makes use of indexed derivatives, these investments are not combined for the purposes of calculating the limits set out in section 10.

### **VaR approach**

A VaR model is used to quantify the maximum potential loss that could be incurred by the Sub-Fund's portfolio under normal market conditions. This loss is estimated over a given period of time and at a given confidence interval (as set out in CSSF circular 11/512).

The Board of Directors may choose between two calculation methods:

#### **Relative VaR limit:**

The total risk arising from all portfolio positions calculated on a VaR basis may not exceed twice the VaR of a benchmark portfolio with the same market value as the Sub-fund. This investment limit applies to all UCITS for which a benchmark portfolio may be adequately defined. The methods for choosing this benchmark portfolio comply with the requirements set out in CSSF circular 11/512.

### **Absolute VaR limit:**

The total risk arising from all portfolio positions calculated on a VaR basis may not exceed an absolute VaR of 20%. This VaR must be calculated on the basis of an analysis of the investment portfolio and a pre-defined risk profile.

The VaR method used is set out in each Sub-Fund's fact sheet.

#### b) Trading on currency markets

Sub-Funds may enter into forward foreign exchange transactions for the purposes of efficient portfolio management or risk hedging in line with each Sub-Fund's investment policy. However, in so doing, Sub-Funds may not deviate from their investment objectives. These transactions may not be combined with transactions described above in respect of total exposure limits.

#### c) Counterparty risk in respect of over-the-counter derivatives

The Company's counterparty risk in an over-the-counter derivative transaction may not exceed 10% of its net assets where the counterparty is a credit institution referred to in section 10, point 1.5, or 5% of its assets in other cases. The use of collateral may enable the risk to be reduced accordingly.

## **12                    TECHNIQUES AND INSTRUMENTS**

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The Company will not use for the time being securities financing transactions (as such terms are defined in Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse) other than total return swaps. Securities financing transactions include in particular repurchase transactions, securities lending and borrowing, as well as buy-sell back or sell-buy back transactions. This Prospectus would be amended prior to the use of such instruments and transactions should the Company intend to use them. As further specified in the Appendix II for each Sub-Fund, some Sub-Funds may invest into financial derivative instruments that are traded 'over-the-counter' or OTC including, without limitation, total return swaps or other financial derivative instruments with similar characteristics, in accordance with the conditions set out in this section and the investment objective and policy of the Sub-Fund.

### 12.1.    Efficient portfolio management techniques

The Company is authorised to make use of techniques and instruments consisting of securities and money market instruments as described herebelow.

The use of these transactions cannot result in a change to its investment objectives or result in further risks being taken that are higher than the risk profile set out in this prospectus.

#### 12.1.1.    Securities lending

The Company may lend the securities in its portfolio to a borrower directly or through a standardised lending system organised by a recognised securities settlement service or a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF to be equivalent to those stated in community legislation and specialising in this type of transaction.

As part of securities lending transactions, the Company must receive sureties meeting the requirements of CSSF circular 14/592.

These lending transactions may relate to 100% of the total asset value of the securities in the portfolio.

The Company must ensure that it maintains the amount of securities lending at an appropriate level or must be able to request the return of the loaned securities, such that it is able at all times to meet its repurchase obligations, and must ensure that these transactions do not compromise the management of the Company's assets in accordance with its investment policy.

#### 12.1.2.    Repurchase transactions

##### **Purchase of securities with repurchase option**

The Company may, in the capacity of buyer, enter into repurchase transactions consisting of the purchase of securities whose conditions grant the seller (counterparty) the right to repurchase from the Company the securities sold at a price and within a period specified by the two parties when the agreement is concluded. Over the term of the repurchase agreement, the Company may not sell the securities covered by the agreement before the counterparty exercises this right to repurchase the securities or the repurchase period expires, unless the Company has other means of coverage.



The type of securities subject to repurchase transactions as well as the counterparties must meet the requirements stated in CSSF circular 08/356.

Securities purchased under repurchase agreements must comply with the Company's investment policy and must, along with the other securities the Company has in its portfolio, globally meet the Company's investment restrictions.

#### **Sale of securities with repurchase option**

The Company may, in the capacity of seller, enter into repurchase transactions consisting of the sale of securities whose conditions grant the Company the right to repurchase from the buyer (the counterparty) the securities sold at a price and within a period specified by the two parties when the agreement is concluded.

The type of securities subject to repurchase transactions as well as the counterparties must meet the requirements stated in CSSF circular 08/356.

The Company must, on the maturity date of the term of the repurchase agreement, have the necessary assets, if required, to pay the agreed return price to the Company.

#### 12.1.3 Repurchase agreements and reverse repurchase agreements

##### **Reverse repurchase transactions**

The Company may enter into reverse repurchase transactions for which on maturity the seller (counterparty) is required to take back the asset contained in the repurchase agreement and the Company is required to return the asset contained in the reverse repurchase agreement.

The type of securities contained in the repurchase agreement and the counterparties must meet the requirements stated in CSSF circular 08/356.

Securities contained in reverse repurchase agreements must comply with the Company's investment policy and must, along with the other securities the Company has in its portfolio, globally meet the Company's investment restrictions.

For the term of the reverse repurchase agreement transaction, the Company may not sell or use the securities which are contained in this contract as a pledge/guarantee unless the Company has other means of coverage.

##### **Repurchase transactions**

The Company may enter into repurchase transactions for which on maturity the Company is required to take back the asset contained in the repurchase agreement and the seller (counterparty) is required to return the asset contained in the reverse repurchase agreement.

The type of securities contained in the repurchase agreement and the counterparties must meet the requirements stated in CSSF circular 08/356.

The Company must, on expiration of the term of the repurchase agreement, have the necessary assets to pay the agreed return price to the counterparty.

#### 12.1.4 Counterparty risk and sureties received

The Company must ensure that the counterparty risk for the transactions referred to in points 12.1.1, 12.1.2 and 12.1.3 be kept to a limit in accordance with the requirements of CSSF circular 14/592.

The sureties received during the course of the transactions referred to under points 12.1.1, 12.1.2 and 12.1.3 must meet the requirements of CSSF circular 14/592 in terms of valuation, type of eligible products and investment restrictions. The value of these sureties must at any time be equal to at least 102% of the value of the securities loaned.

#### 12.1.5 Reinvestment of sureties received

The reinvestment of sureties received must comply with the requirements of CSSF circular number 14/592. The reinvestment must be taken into consideration when calculating the Company's total risk, particularly if it creates leverage.

### 12.2. Use of financial derivative instruments

A Sub-Fund may seek to implement a particular investment objective using financial derivative instruments. In such a case the Investment Manager may, on behalf of the Sub-Fund, trade financial derivative instruments dealt on a Regulated Market ("Exchange Traded Derivatives") and/or enter into OTC derivatives with a counterparty.

### 12.2.1. Exchange Traded Derivatives

Exchange Traded Derivative contracts include financial futures and listed options. The counterparty of a Sub-Fund in such contracts is the clearing house of the relevant exchange where the Exchange Traded Derivative is traded. Therefore these transactions are excluded when calculating counterparty risk limitations, provided that they are executed on a market with a clearing house that complies with the following conditions:

- backed by an appropriate completion guarantee;
- conducts daily valuation of the market values of the positions on financial derivative instruments; and
- makes margin calls at least once a day.

To enter into such Exchange Traded Derivative, the Sub-Fund may be required to provide initial and/or maintenance margin as specified by the relevant exchange where applicable. Failure to comply with such margin requirements may result in the liquidation of the concerned Exchange Traded Derivative contracts at the sole discretion of the exchanges or agents representing them.

### 12.2.2 OTC derivatives (including the swap agreements)

OTC derivative contracts include swaps, such as total return swaps, forward contracts, contracts for differences and options (as further described below). OTC derivative agreements shall be entered into with Approved Counterparties. The counterparties to any OTC financial derivative transactions, such as total return swaps, contracts for difference or other financial derivative instruments with similar characteristics, entered into by a Sub-Fund, are selected from a list of counterparties approved by the Management Company. The counterparties will be institutions which are either credit institutions with a registered office in an EU member state or investment firms, which are authorised under the MiFID directive or an equivalent set of rules or are recognised financial institutions and subject to prudential supervision. The counterparties will have no discretion over the composition or management of the relevant Sub-Fund's portfolio or over the underlying of the financial derivative instruments. The list of approved counterparties may be amended by the Management Company. The identity of the counterparties will be disclosed in the annual report of the Company.

All OTC derivatives must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA) Master Agreement (the "ISDA Master Agreement"). The Company enters into OTC derivative transactions for the relevant Sub-Fund via a duly authorized member of the Board of Directors signing the ISDA Master Agreement and related credit support annex (the "CSA"), as well as any swap confirmations under these documents. Changes to the terms of OTC derivative transactions are effected in the same way. The Company can also enter into OTC derivative transactions (and/or change the terms of such transactions) via the Investment Manager signing the above documents, under the delegation of investment management functions granted by the Board of Directors to the Management Company and, further, to the Investment Manager.

The ISDA Master Agreement will include the standard and customary termination provisions under that ISDA Master Agreement (or similar agreement), as well as additional termination events that are specific to the Sub-Fund, if any. In particular, a swap agreement entered into by the Company in respect of a Sub-Fund may be terminated by the relevant swap counterparty, where, as a result of existing, announced or new legal or regulatory framework, or any interpretation thereof by an authority with competent jurisdiction, (i) such swap counterparty is unable to hedge, in whole or part, the relevant swap transaction, or (ii) such swap counterparty incurs additional costs to carry out such hedging (each such event being a "Hedging Disruption Early Unwind Event"). The full definition of Hedging Disruption Early Unwind Event will further be detailed in the swap agreement (if any) in respect of each Sub-Fund. The swap agreement(s) can be provided to Shareholders upon request.

Some Sub-Funds may enter into total return swaps. A total return swap is an agreement in which one party (total return payer) transfers the total economic performance of a reference obligation to the other party (total return receiver). Total economic performance includes income from interest and fees, gains or losses from market movements, and credit losses.

Total return swaps entered into by a Sub-Fund may be in the form of funded and/or unfunded swaps. An unfunded swap means a swap where no upfront payment is made by the total return receiver at inception. A funded swap means a swap where the total return receiver pays an upfront amount in return for the total return of the reference asset and can therefore be costlier due to the upfront payment requirement.

All revenue arising from total return swaps, net of direct and indirect operational costs and fees, will be returned to each Sub-Fund.

Where a Sub-Fund uses total return swaps, the underlying consists of instruments and indices in which the Sub-Fund may otherwise invest directly according to its investment objective and investment policy.

### 12.2.3 Counterparty risk related to OTC derivatives and efficient portfolio management techniques

Counterparty risk limits

The combined risk exposure to a counterparty of a Sub-Fund in OTC derivative transactions and efficient portfolio management techniques (which include repurchase, reverse repurchase and securities lending transactions) may not exceed (i) 10 % of the Sub-Fund's assets, when the counterparty is a credit institution or (ii) 5 % of its assets in other cases.

In addition, the net exposure of a Sub-Fund to a counterparty arising from OTC derivative transactions and efficient portfolio management techniques shall be taken into account in the 20% limit of maximum investments in a single entity, as described under "Investment Restrictions" above.

#### Collateral policy

Risk exposure to a counterparty to OTC derivatives and/or efficient portfolio management techniques will take into account collateral provided by the counterparty in the form of assets eligible as collateral under applicable laws and regulations, as summarized in this section. All assets received by the Company on behalf of a Sub-Fund in the context of efficient portfolio management techniques are considered as collateral for the purpose of this section.

Where the Company on behalf of a Sub-Fund enters into OTC financial derivative transactions (including a swap agreement) and/or efficient portfolio management techniques, all collateral received by the Sub-Fund must comply with the criteria listed in ESMA Guidelines 2014/937 in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

**The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund. By way of derogation, a Company may take an exposure up to 100% of its Net Asset Value in transferable securities and money market instruments issued or guaranteed by a Public Issuer (as defined under section "Investment Restrictions" above), provided that such securities are part of a basket of collateral comprised of at least six different issues and the securities from any one issue do not account for more than 30% of the Company's Net Asset Value. Reinvested cash collateral will be diversified in accordance with this requirement. Cash collateral received in the context of securities lending will not be reinvested.**

Permitted types of collateral comprise (i) liquid assets and/or (ii) sovereign OECD bonds, and/or (iii) bonds issued or guaranteed by first class issuers offering an adequate liquidity.

In respect of any Sub-Fund which has entered into OTC derivatives and/or efficient portfolio management techniques, investors in such Sub-Fund may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

The Company will determine the required level of collateral for OTC financial derivatives transactions and efficient portfolio management techniques by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. In particular, under current market conditions, reverse repurchase agreements will generally be collateralised within a range from 100% and 110% of their notional amount. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time. Securities lending transactions will be collateralized, on a daily basis, from cash collateral amounting at least 102% of their current market value.

Collateral will be valued, on a daily basis, using available market prices and taking into account appropriate discounts depending, notably, of price volatility and the credit quality of the issuer of the collateral. The daily valuation of the collateral may lead to daily margin calls.

The valuation will take into account appropriate discounts which will be determined by the Company for each asset class based on its haircut policy. The policy, established in accordance with the CSSF Circular 14/592, takes into account a variety of factors, depending on the type of issuer of the collateral, the credit quality of the issuer of the collateral and the maturity. Due to these factors, the Company expects to apply the following haircuts:

Sovereign OECD bonds:

<b>Maturity</b>	<b>rating from AAA to A-</b>	<b>rating from BBB + to BBB-</b>	<b>less than BBB-</b>
0-1 year	1.50%	6.50%	not eligible
1-3 years	2.50%	7.50%	not eligible
3-5 years	3.50%	8.50%	not eligible
5-7 years	4.00%	9.00%	not eligible
7-10 years	5.00%	10.00%	not eligible
more than 10 years	not eligible	not eligible	not eligible

Bonds issued or guaranteed by first class issuers offering an adequate liquidity:

<b>Maturity</b>	<b>rating from AAA to A-</b>	<b>rating from BBB + to BBB-</b>	<b>less than BBB-</b>
0-1 year	6.50%	13.00%	not eligible
1-3 years	9.00%	26.50%	not eligible
3-5 years	11.50%	36.50%	not eligible
5-7 years	13.50%	40.00%	not eligible
7-10 years	15.50%	42.50%	not eligible
More than 10 years	not eligible	not eligible	not eligible

No haircut will generally be applied to cash collateral.

Where there is a title transfer, collateral received will be held by the Depositary (or a sub-custodian thereof) on behalf of the relevant Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

Non-cash collateral received cannot be sold, reinvested or pledged. Cash collateral received can only be placed on deposit with eligible credit institutions, except for cash collateral received in the context of securities lending, which cannot be reinvested.

A Sub-Fund may incur a loss in reinvesting the cash collateral it receives. Such a loss may arise due to a decline in the value of the investment made with cash collateral received. A decline in the value of such investment of the cash collateral would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty at the conclusion of the transaction. The Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.

The above provisions apply subject to any further guidelines issued from time to time by ESMA amending and/or supplementing ESMA Guidelines 2014/937 and/or any additional guidance issued from time to time by the Regulatory Authority in relation to the above.

## **13. DIVIDENDS**

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The Company intends to declare dividends in relation to distributing shares in accordance with the provisions of Appendix II for each Sub-Fund.

The general meeting of Shareholders will set the amount of the dividend, upon the proposal of the Board of Directors and within the limits provided by law and in compliance with the articles of incorporation.

A dividend payment may entail a partial repayment of the invested capital when the return during the holding period is less than the dividend amount.

The Company may also declare interim dividends.

The specific dividend policy of each Sub-Fund is described in the relevant section of Appendix II to this Prospectus.

## **14. CHARGES AND EXPENSES**

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### **14.1. Setting-up costs**

The Company bears the costs of its incorporation, including without limitation the costs of introduction with the regulatory and stock exchange authorities, notarial charges, the cost of preparing and printing this Prospectus and share certificates, and any other fees and costs incurred in connection with the establishment and launching of the Company. These costs has been estimated at approximately EUR 12.395,- and may be written off over a period of up to five years. The expenditure involved in establishing the Company still outstanding may only be written off by the Sub-Funds launched at the same time as the Company was established.

The fees and costs incurred in connection with the establishment and launch of any additional Sub-Fund shall be borne by the relevant Sub-Fund and shall be amortized over the first five (5) Financial Years following the launch of that Sub-Fund.

Fees and expenses that cannot be attributed to one single Sub-Fund will either be ascribed to all Sub-Funds on an equal basis or will be prorated on basis of the net asset value of each Sub-Fund, if the amount and cause justify doing so.

#### 14.2. Fees charged in relation to the activities of the Management Company- Management fee

As remuneration for its services, the Management Company will receive from the Company out of its assets a Management Fee at a maximum annual rate applicable on the average net assets (as determined according to section "Net Asset Value") as specified in the Appendix II to this Prospectus. Such Management Fee will be computed and paid as indicated in clause 3.3.

#### 14.3. Investment Management fee

In remuneration for its services in relation to the Portfolio Management function, the Management Company shall receive from the Company out of its assets a monthly Investment Management Fee corresponding to a percentage per annum of the average net assets of each Sub-Fund as specified in the Sub-Fund Appendix II.

The Management Company shall also be entitled to a Performance Fee as detailed for each Sub-Fund in the relevant section of Appendix II.

#### 14.4. Central Administration, Registrar and Transfer Agent fees

The Company will pay to the Central Administration Agent and Registrar and Transfer Agent annual fees which will vary up to a maximum of 0,5 % of the Net Asset Value at the Company level subject to a minimum fee per Sub-Fund of EUR 20,100 and a minimum fee of EUR 3,000 at the Company level. These fees are payable on a monthly basis and do not include any transaction related fees and costs of sub-custodians or similar agents. The Central Administration as well as the Registrar and Transfer Agent are also entitled to be reimbursed of reasonable disbursements and out of pocket expenses which are not included in the above mentioned fees.

The amount paid by the Company to the Central Administration Agent and Registrar and Transfer Agent will be mentioned in the annual report of the Company.

#### 14.5. Depositary fees

The Company pays fees to Banque Havilland S.A., for its rendering of services as Depositary, which are calculated on the average of the net assets of the Company as follows:

- 0.040% per annum on the assets up to EUR 1,000,000,000,-
- 0.033% per annum on the assets above EUR 1,000,000,000,-

These fees are payable on a monthly basis in arrears and do not include any transaction related fees and costs of sub-custodians or similar agents. The Depositary is also entitled to be reimbursed of any reasonable disbursements and out of pocket expenses which are not included in the above mentioned fees.

#### 14.6. Distribution fees

The Distributor shall receive from the Company of its assets a Distribution Fee corresponding to a percentage per annum of the average net assets of each the Sub-Fund, payable quarterly in arrears, as specified in the Appendix II to this Prospectus.

#### 14.7. Other expenses

The Company bears all its operating expenses, including without limitation the expenses associated with the offering and sale of its Shares, the costs of buying and selling securities and prime brokerage expenses, governmental charges, legal, auditing and outside pricing fees, director fees, expenses of its Board of Directors and Shareholder meetings, interest, printing, reporting and publication expenses, corporate expenses, any taxes, insurance premiums and extraordinary expenses, paying agency fees, postage, telephone, telex and facsimile, etc.

In certain countries, shareholders may be charged with additional amounts in connection with the duties and services of local paying agents, correspondent banks or similar entities.

#### 14.8. Allocation of liabilities

All fees, costs and expenses payable by the Company are charged against income in the first instance, and any remaining amounts are charged against capital. Any charges and costs attributable to a specific Sub-Fund will be allocated directly to that Sub-Fund.

Any charges and costs that cannot be directly attributable to a specific Sub-Fund will be allocated equally to the various Sub-Funds in proportion to their respective net assets.

#### 14.9. Fees related to Master-Feeder structures

Should a Sub-Fund qualify as a Feeder, a description of all remuneration and reimbursement of costs payable by the Feeder by virtue of its investment in shares of the Master, as well as the aggregate charges of both the

Feeder and the Master, shall be disclosed in the appendices to the Prospectus. In its annual report, the Company shall include a statement on the aggregate charges of both the Feeder and the Master.

Should a Sub-Fund qualify as a Master, the feeder will not be charged any subscription fees, redemption fees or contingent deferred sales charges, conversions fees, from the Master.

## 15. TAXATION IN LUXEMBOURG

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The following summary is based on the law and practice applicable in the Grand Duchy of Luxembourg as at the date of this Prospectus and is subject to changes in law (or interpretation) later introduced, whether or not on a retroactive basis. Shareholders should inform themselves of, and when appropriate, consult their professional advisors with regards to the possible tax consequences of subscription for buying, holding, exchanging, redeeming or otherwise disposing of Shares under the laws of their country of citizenship, residence, domicile or incorporation.

Shareholders might be resident for tax purposes in different countries. Consequently, no attempt is made in this Prospectus to summarise the taxation consequences for each Shareholder subscribing, converting, holding or redeeming or otherwise acquiring or disposing of Shares. These consequences will vary in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile or incorporation and with a Shareholder's personal circumstances. Investors should be aware that the residence concept used under the respective headings applies for Luxembourg tax assessment purposes only. Any reference in this Section 15 to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only.

Shareholders should also note that a reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), as well as personal income tax (*impôt sur le revenu*). Shareholders may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax and the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply in addition.

### 15.1. The Company

Under current law and practice, which may change from time to time, the Company is not liable to any Luxembourg income tax.

However, the Company is liable in Luxembourg to an annual subscription tax (*taxe d'abonnement*) of 0.05% of the net assets relating to the Share Classes R of any Sub-Fund.

This percentage is reduced to 0.01% *p.a.* notably for:

- the Share Classes I of any Sub-Fund;
- the Share Classes of any Sub-Fund having for exclusive object to invest in money market instruments and the placing of deposits with credit institutions.

This tax is payable quarterly and calculated on the basis of the net assets of the Sub-Funds at the end of the relevant quarter.

No subscription tax is paid on the part of the assets of any Sub-Fund invested in other Luxembourg undertakings for collective investment to the extent that such undertaking for collective investment has already been subject to the subscription tax provided for in Article 174 of the Law of 2010 or in Article 68 of the amended law of 13 February 2007 on specialised investment funds.

The Company is liable to a fixed registration duty of EUR 75,- on the registration of its incorporation or of any amendments to its Articles. No stamp duty or other tax is payable in Luxembourg on the issue of Shares in the Company.

Capital gains, dividends and interest payments originating in other countries may be subject to withholding taxes in the countries of origin. The Company collects the income produced by the securities in its portfolio after deduction of any withholding tax in the relevant countries.

The Company is considered in Luxembourg as a taxable person for value added tax ("VAT") purposes without input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Company could potentially trigger VAT and require the VAT registration of the Company in Luxembourg so as to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

No VAT liability arises in principle in Luxembourg in respect of any payments by the Company to its Shareholder, to the extent such payments are linked to their subscription to the Shares and therefore do not constitute the consideration received for taxable services supplied.

#### 15.2. The Shareholders

Under current legislation and practice, Shareholders are not subject to any capital gains, income, withholding, inheritance or other taxes in Luxembourg (except for Luxembourg resident Shareholders or non-resident Shareholders having a permanent establishment or a permanent representative in Luxembourg and for certain former residents of Luxembourg owning more than 10% of the share capital of the Company).

#### 15.3. FATCA Foreign Account Tax Compliance Act

Being established in Luxembourg and subject to the supervision of the CSSF in accordance with the Law of 2010, the Company will be treated as an FFI for FATCA purposes.

On 28 March 2014, Luxembourg has entered into a Model I IGA. The Company will try to be considered as a Deemed-Compliant FFI within the meaning of the IGA, under the category of collective investment vehicle (the "CIV"). The CIV status implies the Shares of the Company to be offered, sold or otherwise transferred to or held by or through FATCA Eligible Investors only.

In addition, the IGA foresees the obligation for the Company to regularly assess the status of its Shareholders. To this end, the Company will need to obtain and verify information on all of its Shareholders. Upon request of the Company, each Shareholder shall agree to provide certain information, including, in case of a NFFE (within the meaning of FATCA), the direct or indirect owners above a certain threshold of ownership of such Shareholder, along with the required supporting documentation. Similarly, each Shareholder shall agree to actively provide to the Company within thirty days any information like for instance a new mailing address or a new residency address that would affect its status.

In certain conditions when the Shareholder does not provide sufficient information, the Company will take actions to comply with FATCA. This may result in the obligation for the Company to disclose the name, address and taxpayer identification number (if available) of the Shareholder as well as information like account balances, income and capital gains (non-exhaustive list) to its local tax authority under the terms of the applicable IGA.

Although the Company will attempt to satisfy any obligation imposed on it to maintain its FATCA status of CIV under the IGA, and more generally to avoid imposition of FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as result of the FATCA regime, the value of the Shares held by the Shareholder may suffer material losses. A failure for the Company to obtain such information from each Shareholder and to transmit it to the Luxembourg authorities may trigger the 30% withholding tax to be imposed on payments of U.S. source incomes and on proceeds from the sale of property or other assets that could give rise to U.S. source interest and dividends.

Any Shareholder that fails to comply with the Company's documentation requests may be charged with any taxes imposed on the Company attributable to such Shareholder's failure to provide the information and the Company may, in its sole discretion, redeem the Shares of such Shareholder, in particular if such Shareholder does not qualify as an Eligible Investor.

Shareholders who invest through intermediaries are reminded to check if and how their intermediaries will comply with this U.S. withholding tax and reporting regime.

#### 15.4. Common Reporting Standard

The Company may be subject to the Standard for Automatic Exchange of Financial Account Information in Tax matters (the "Standard") and its Common Reporting Standard (the "CRS") as set out in the Luxembourg Law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation law (the "CRS Law").

Under the terms of the CRS Law, the Company is likely to be treated as a Luxembourg Reporting Financial Institution. As such, as of 30 June 2017 and without prejudice to other applicable data protection provisions as set out in the Company documentation, the Company will be required to annually report to the Luxembourg tax authority (the "LTA") personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) certain investors as per the CRS Law (the "Reportable Persons") and (ii) Controlling Persons of certain non-financial entities ("NFEs") which are themselves Reportable Persons. This information, as exhaustively set out in Chapter 1 Article 4 of the CRS Law (the "Information") and further in Section 3.6. "Data Protection", will include Personal Data related to the Reportable Persons.

The Company's ability to satisfy its reporting obligations under the CRS Law will depend on each investor providing the Company with the Information, along with the required supporting documentary evidence. In this context, the investors are hereby informed that, as further described under Section 3.6. "Data Protection" as Data Controller, the Company will process the Information for the purposes as set out in the CRS Law. The investors

undertake to inform their Controlling Persons, if applicable, of the processing of their Information and Personal Data by the Company.

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

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

Any investor that fails to comply with the Company's Information or documentation requests may be held liable for penalties imposed on the Company and attributable to such investor's failure to provide the Information or subject to disclosure of the Information by the Company to the LTA. Such investor failure to comply with the Company's Information or documentation requests shall be an obstacle to the entry into or to the continuation of the relationship between the Company and the investor.

As detailed under Section 3.6. "Data Protection", each investor notably has a right to access his/her/its Information and may ask for the Information to be rectified where it is inaccurate or incomplete by writing to the Company at the following address: 60, Avenue J.F. Kennedy, L - 1855 Luxembourg, Grand Duchy of Luxembourg.

## **16. MEETINGS AND REPORTS**

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The annual general meeting of Shareholders of the Company is held at the place indicated in the convening notice on the second Wednesday of the month of June of each year at 11.00 a.m., or if any such day is not a bank business day in Luxembourg, on the next following bank business day in Luxembourg. The first annual general meeting was held in 1999.

Notices of all general meetings will be published in the Mémorial, Recueil des Sociétés et Associations, of Luxembourg (the "Mémorial") and in at least one Luxembourg newspaper (to the extent required by Luxembourg law), and in such other newspapers as the Board of Directors may decide on, and will be sent by mail to the holders of registered Shares at least 8 days prior to the meeting at their addresses in the register of Shareholders. When registered Shares only have been issued, the notices to Shareholders may be made by registered mail only. Such notices will include the agenda and specify the time and place of the meeting and the conditions of admission, and will refer to the requirements of Luxembourg law with regard to the necessary quorum and majorities required for the meeting. The requirements as to attendance, quorum and majorities at all general meetings will be those laid down in Articles 67 and 67-1 of the law of 10 August 1915 (as amended) of the Grand Duchy of Luxembourg and in the Articles of Incorporation of the Company.

Each share is entitled to one vote.

Fractions of Shares however participate in the distribution of dividends (if any) or in the distribution of the liquidation proceeds.

Resolutions of meetings of Shareholders will apply to the Company as a whole and to all Shareholders of the Company, provided that any amendment affecting the rights attached to one Class of Shares of any Sub-Fund(s) and the rights of the holders of such Class of Shares may further be submitted to a prior vote of the Shareholders of the relevant Class of Shares as far as the Shareholders of the Company(s) in question are present or represented.

Except as otherwise required by law or as otherwise provided in the Articles of Incorporation of the Company, resolutions at a meeting of Shareholders duly convened will be passed by a simple majority of the votes cast.

Votes cast shall not include votes in relation to shares represented at the meeting but in respect of which the shareholders have not taken part in the vote or have abstained or have returned a blank or invalid vote.

The Company is liable in its entirety for all the obligations of the Sub-Funds, unless other terms have been specifically agreed with its creditors.

The Board of Directors may determine all other conditions that must be fulfilled by the Shareholders in order for them to take part in any Shareholder's meeting.

The financial year ("Financial Year") of the Company starts on the first day of March in each year and ends on the last day of February of the following year.



The audited annual reports will be published within 4 months after the end of the Financial Year and the unaudited semi-annual reports will be published within 2 months after the end of the relevant period. Such reports will be made available at the registered office of the Company during normal business hours.

## **17. LIQUIDATION AND MERGER**

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### **17.1. Liquidation - dissolution of the Company**

The Company is incorporated for an indefinite duration. If the capital of the Company falls below two-thirds of the minimum capital required by the Law of 2010, the Directors must submit the question of the dissolution of the Company to a general meeting of Shareholders for which no quorum shall be prescribed and which shall decide on the matter by a simple majority of the Shares represented at the meeting.

If the capital of the Company falls below one-fourth of minimum capital required, the Directors must submit the question of the dissolution of the Company to a general meeting of Shareholders for which no quorum shall be prescribed; dissolution may be resolved by Shareholders holding one-fourth of the Shares represented at the meeting.

Such meeting must be convened so that it is held within a period of forty days from the ascertainment that the total Net Asset Value of the Company has fallen below two-thirds or one-fourth of the minimum capital, as the case may be.

In the event of voluntary liquidation, the operations shall be conducted by one or several liquidators, who shall be appointed by extraordinary general meeting of Shareholders which shall also determine their powers and compensation.

The net product of the liquidation (or also "liquidation proceeds") relating to each Sub-Fund shall be distributed to the Shareholders in the relevant Sub-Fund in the proportion of the number of Shares which they hold in such Sub-Fund.

The Board of Directors may also decide to dissolve any Sub-Fund or any Class and liquidate the assets thereof.

In particular, the Board of Directors may decide to dissolve a Sub-Fund or Class and to compulsorily redeem all the Shares of such Sub-Fund or Class:

- if the net assets of a given Sub-Fund or Class have not reached, or fallen below, EUR 10,000,000.-
- in such cases where substantial unfavourable changes of the social, political or economical situation in countries where investments for the relevant Sub-Fund or Class are made, or Shares of the relevant Sub-Fund or Class are distributed

The decision of the liquidation will be published as appropriate prior to the effective date of the liquidation. Unless the Board of Directors decides otherwise in the interests of or to keep equal treatment between the Shareholders, the Shareholders of the Sub-Fund or Class concerned may continue to redeem or convert their Shares free of charge (but taking into account actual realization prices of investments, realization expenses and liquidation costs) prior to the date effective for the compulsory redemption.

Notwithstanding the powers conferred to the Board of Directors above, the Shareholders of any one or all Classes issued in any Sub-Fund may at a general meeting of such Shareholders, upon proposal of the Board of Directors, redeem all the Shares of the relevant Class or Classes or Sub-Fund. There shall be no quorum requirements for such general meeting of Shareholders which shall decide by resolution taken by simple majority of the Shares present and represented and validly voting.

Shareholders will receive from the Depositary their pro rata portion of the net assets of the Company, Sub-Fund or Class, as the case may be, in accordance with Law of 1915 and the Articles.

Liquidation proceeds not claimed immediately by Shareholders will be deposited with the Luxembourg Caisse de Consignation to be held for the benefit of such Shareholders, pursuant to article 146 of the 2010 Law.

All redeemed Shares shall be cancelled.

The dissolution of the last Sub-Fund will result in the liquidation of the Company. Liquidation of the Company shall be carried out in compliance with the Law of 1915 and with the Articles.

If the Board of Directors determines to dissolve any Sub-Fund or any Class and liquidate its assets, the Board of Directors will publish that determination as it determines in the best interest of the Shareholders of such Sub-Fund or Class and in compliance with the Law of 2010.

### **17.2. Merger**

The Board of Directors may decide to proceed with a merger (within the meaning of the Law of 2010) of the assets and liabilities of any Sub-Fund or of the Company with those of (i) another existing Sub-Fund or another sub-fund within another Luxembourg or foreign UCITS (the "New Sub-Fund"), or of (ii) another Luxembourg or foreign UCITS (the "New UCITS"), and to designate the Shares of the Sub-Fund concerned or the Company as shares of the New Sub-Fund or the New UCITS, as applicable. Such a merger shall be subject to the conditions and procedures imposed by the Law of 2010, in particular concerning the common draft terms of merger and the information to be provided to the Shareholders. Where the Company is the absorbed entity which, thus, ceases to exist, the general meeting of Shareholders of the Umbrella Fund must approve the merger and decide on its effective date. Such resolution shall be adopted by a simple majority of the votes validly cast with no quorum requirement.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, a merger (within the meaning of the Law of 2010) of the assets and of the liabilities attributable to the Company or any Sub-Fund with those of (i) another Sub-Fund or any New Sub-Fund, or (ii) any New UCITS may be decided upon by a general meeting of Shareholders of the Company or the Sub-Fund concerned. Such resolution shall be adopted by a simple majority of the votes validly cast with no quorum requirement. Such a merger shall be subject to the conditions and procedures imposed by the Law of 2010, in particular concerning the common draft terms of merger and the information to be provided to the Shareholders.

Where the Company or a Sub-Fund is involved in a merger under the circumstances described above, whether as absorbing or absorbed party, Shareholders will be entitled to request, without any charge other than those charged by the Company or the Sub-Fund to meet divestment costs, the redemption of their Shares in the relevant Sub-Fund in accordance with the provisions of the Law of 2010.

The Board of Directors is also entitled to reorganise Classes by changing their characteristics, so as to merge a Class into one or more other Classes. The Company shall give a written notice to the Shareholders of the relevant Class(es) one month prior to the date on which such reorganisation is to become effective, which will indicate the reasons for and the procedure of such reorganisation. The Shareholders of the relevant Class(es) will be entitled to request redemption or switch of their Shares without the payment of any applicable redemption charge (but taking into account actual redemption prices of investments and realisation expenses) prior to the effective date of the reorganisation.

Notwithstanding the powers conferred to the Board of Directors as described in the previous paragraph, the general meeting of Shareholders of a Class may, upon a proposal from the Board of Directors, decide to reorganise Classes by changing their characteristics, so as to merge one or more Classes with one or more other Classes. There shall be no quorum requirements for such general meeting of Shareholders which shall decide by resolution taken by simple majority of those present or represented and voting.

## **18. PUBLICATIONS**

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The Net Asset Values and the issue, conversion and Redemption Prices of the Shares in any Sub-Fund will be made public and available at the registered office of the Company.

The Company will further arrange for regular publication of the Net Asset Values in such newspapers as the Board of Directors may decide on.

## **19. DOCUMENTS AVAILABLE FOR INSPECTION**

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The following documents are made available to the public at the registered office of the Company, during the usual business hours in Luxembourg:

- The Articles.
- The KIIDs.
- The financial reports of the Company.
- The Management Company Agreement.
- The depositary agreement.
- The administration agency agreement.
- The secretarial services agreement.
- The depositary services agreement.

## APPENDICES TO THE PROSPECTUS

## APPENDIX I – LIST OF SUB-CUSTODIANS

COUNTRY	SUB-CUSTODIAN
Australia	Citigroup Pty Limited
Austria	Citibank N.A., Milan Branch
Belgium	Citibank International Limited, London branch
Canada	Citibank Canada
Denmark	Nordea Bank Danmark A/S
Euroclear	Euroclear
Finland	Nordea Bank Finland Plc.
France	Citibank International Limited, London branch
Germany	Citigroup Global Markets Deutschland AG
Greece	Citibank International Limited, Greece branch
Hong Kong	Citibank, N.A., Hong Kong Branch
Ireland	Citibank, N.A., London Branch
Japan	Citibank Japan Limited
Netherlands	Citibank International Limited, London branch
Portugal	Citibank International Limited, Sucursal em Portugal
Spain	Citibank International Limited, Sucursal en Espana
Sweden	Citibank International Limited, Sweden branch
Switzerland	Citibank, N.A., London Branch
United Kingdom	Citibank, N.A., London Branch
USA	Citibank, N.A., New York Offices

## APPENDIX II – THE SUB-FUNDS

# I. GESTIELLE INVESTMENT SICAV – QUANT 1

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## 1. Investment Objectives

The Sub-Fund will seek long-term growth of capital. In seeking to achieve its investment objectives, the Sub-Fund will primarily take long and/or short positions in the global equity markets. The Investment Manager manages a portfolio of positions on companies and a portfolio of investment grade and sub-investment grade fixed income securities of government and corporate issuers.

## 2. Investment Policy

The Investment Manager employs an active management approach, using an internal quantitative methodology. The Investment Manager uses a set of value, growth, quality, momentum and other economic indicators to generate an investment portfolio based on its global security selection and asset allocation models. The Sub-Fund will take long and/or short positions on companies considered attractive and/or unattractive by the Investment Manager and may also gain exposure to fixed income securities on the basis of the asset allocation strategy.

The Sub-Fund is not designed to be market-neutral. The Investment Manager will use a tactical allocation to manage the net exposure to the equity market. For this purpose the Sub-Fund may also invest in derivatives for both hedging and non-hedging strategies, including to implement short positions.

The Sub-Fund's derivative investments may include futures contracts, including futures based on equity or fixed income securities, equity or fixed income indices; swaps, including equity, currency, interest rate and credit default swaps; options, including long and short positions in call options and put options on indices, individual securities or currencies, forward contracts, including currency forwards and non-deliverable forwards; and other instruments, including contracts for differences ("CFDs").

These techniques reduce the exposure to market risk or to a specific sectoral risk. The risk generated by one or more exposures to a downturn in asset prices should not be viewed in isolation but should be considered in the context of the overall portfolio.

The Sub-Fund may hedge the credit exposure using Credit Default Swaps ("CDS"). The Sub-Fund may also employ techniques and instruments which are intended to provide cover against currency exchange risks in the context of the management of its asset and liabilities, as well as in order to enhance return on investments.

The investment universe is global. The Sub-Fund may invest in a wide range of asset classes, including in emerging markets up to 30%. The Sub-Fund may also invest ancillary in mutual funds and sicav.

The sub-investment grade fixed income securities in which the Sub-Fund may invest are at least rated B-.

The Sub-Fund may invest up to 20% of its net assets in contingent convertibles bonds. The global exposure could reach a maximum level of 200%. The Sub-Fund does not invest in asset-backed securities, mortgage-backed securities or distressed securities.

The Investment Manager may use derivatives to obtain synthetic exposure to companies or market. The potential leverage resulting from these derivatives is limited to 100% of the assets. The portfolio's net exposure to equity market risk (long positions less short positions) is between -25% and 50%. This flexible exposure to equity market risk aims to smooth performance volatility and to control the correlation with equity indices. This Sub-Fund may hold cash deposits up to 20%.

The Sub-Fund may use derivatives in compliance with what is provided in section "Risk Management" of the Prospectus and in the interest of an orderly management of its assets and to achieve the target return. Due to their high volatility, futures and options are exposed to greater risks than direct investments in securities.

Specificities linked to the use of financial derivatives instruments:

All OTC derivatives (including swaps) must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA) Master Agreement (the "ISDA Master Agreement"). The Company enters into OTC derivative transactions for the relevant Sub-Fund via a duly authorized member of the Board of Directors signing the ISDA Master Agreement and related credit support annex (the "CSA"), as well as any swap confirmations under these documents. Changes to the terms of OTC derivative transactions are effected in the same way. The Company can also enter into OTC derivative transactions (and/or change the terms of such transactions) via the Investment Manager signing the above documents, under the delegation of investment management functions granted by the Board of Directors to the Management Company and, further, to the Investment Manager.

The ISDA Master Agreement will include the standard and customary termination provisions under that ISDA Master Agreement (or similar agreement).

The risk exposure to a counterparty of the Sub-Fund in OTC derivative transactions may not exceed (i) 10 % of the Sub-Fund's assets, when the counterparty is a credit institution or (ii) 5 % of its assets in other cases.

In addition, the net exposure of the Sub-Fund to a counterparty arising from OTC derivative transactions shall be taken into account in the 20% limit of maximum investments in a single entity, as described under "Investment Restrictions" above.

Risk exposure to a counterparty to OTC derivatives will take into account collateral provided by the counterparty in the form of assets eligible as collateral under applicable laws and regulations.

Where the Company on behalf of a Sub-Fund enters into OTC financial derivative transactions (including a swap agreement), all collateral received by the Sub-Fund must comply with the criteria listed in ESMA Guidelines 2014/937 in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund.

Collateral received will consist in liquid securities such as government securities and/or cash. Cash collateral will not be reinvested. No haircut policy will be applied.

In respect of any Sub-Fund which has entered into OTC derivatives, investors in such Sub-Fund may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

The Company will determine the required level of collateral for OTC financial derivatives by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time.

Collateral will be valued, on a daily basis, using available market prices.

Where there is a title transfer, collateral received will be held by the Custodian (or a sub-custodian thereof) on behalf of the Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

The above provisions apply subject to any further guidelines issued from time to time by ESMA amending and/or supplementing ESMA Guidelines 2014/937 and/or any additional guidance issued from time to time by the Regulatory Authority in relation to the above

### **Risk factors**

The main risk factors of the Sub-Fund are linked to the investment in equity markets.

#### **3. Reference Currency**

EUR

#### **4. Valuation Day**

The Net Asset Value per Share is calculated on each Business Day in Luxembourg.

#### **5. Method used for the determination of the global risk**

The global risk of the Sub-Fund shall be determined by using the Commitment Approach.

#### **6. Profile of the typical investor**

This sub-fund is suitable for institutional and retail investors seeking a long term capital growth. The Sub-Fund is suitable for institutional and retail investors bearing the risks involved in equity markets, and the potential capital losses.

## 7. Main features of the Share Classes

<b>Share Class</b>	<b>R EUR</b>
Reference currency	EUR
ISIN code	LU0757813851
Form of shares	registered
Dividend policy	Capitalisation
Management Company fee	Up to 0.13%
Investment management fee	0.30%
Distribution fee	1.35%
Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR
Minimum holding	500 EUR
Redemption fee	NIL
Conversion fee	Up to 0.50%
Subscription fee	Up to 3%
Listing on Luxembourg Stock Exchange	No



## II. GESTIELLE INVESTMENT SICAV – CEDOLA EUROPLUS

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### 1. Objectives and investment policy

This Sub-Fund will invest its total assets in sovereign and corporate bonds. The securities not denominated in Euro have the currency risk almost fully hedged (at least 90%). This Sub-Fund may invest up to 45% of its asset in high yield issuers with a minimum rating equal to B- at the time of acquisition and up to 45% in issuers of emerging markets worldwide with a minimum rating equal to B- at the time of acquisition, one or more emerging markets countries will bear specific risks as described under 9.2. Investment risks of the Prospectus. After the acquisition, in case of breach due to rating downgrade, the Sub-Fund will restore the correct situation as soon as possible, in the shareholders' interest.

The Sub-Fund may also invest in not-rated issuers for a maximum of 10%. The Sub-Fund may not directly invest in equity securities.

The Sub-Fund targets to realize – in a time horizon of 5 years from the end of the initial subscription period – a return in line with the expressed average of bond securities with similar financial duration (before costs and taxes) included in the portfolio and with its dividend policy. This target is primarily achieved by entering into derivative contracts with primary counterparties. The interest income deriving from debt securities may be partially exchanged with a partial participation of the positive performance of the Dow Jones Eurostoxx 50 price index by means of swap transactions. Should the counterparties to swaps no longer be able to fulfill their obligations, the Sub-Fund would not receive the agreed interest payment nor the promised portion of positive developments of the Dow Jones Eurostoxx 50 price index. In order to limit the inherent counterparty risk of swap transactions, they will be concluded with primary financial institutions which are specialized in such types of transactions and conveniently collateralized.

The initial portfolio is built, diversified by issuers, and composed by bond securities with an average residual maturity correlated to the time horizon of the sub-fund and decreasing with the passing of time.

During the life of the Sub-Fund, it is proceeded with a careful monitoring in order to maintain:

- a mean duration of financial instruments compatible with the time horizon of the Sub-Fund
- the profiles of liquidity of the investments in line with the commitment of income distribution
- a derivatives exposure consistent with the target return.

This Sub-Fund may hold liquidities on an ancillary basis.

This Sub-Fund may enter into transactions relating to futures, swaps, including unfunded total return swaps, and options primarily for currency and interest rate risk hedging purposes. The Sub-Fund may use derivatives for purposes other than hedging in compliance with what is provided in section "Risk Management" of the Prospectus and in the interest of an orderly management of its assets and to achieve the target return. Due to their high volatility, futures, swaps and options are exposed to greater risks than direct investments in securities.

Type of transaction	Under normal circumstances it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-Fund's Net Asset Value indicated below.	The principal amount of the Sub-Fund's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Sub-Fund's Net Asset Value indicated below
Total return swaps	90%	100%

### **Risk factors**

The main risk factors of the Sub-Fund are linked to the investment in high yield securities and emerging markets bonds.

### 2. Reference Currency

EUR

### 3. Valuation Day

The Net Asset Value per Share is calculated on each Business Day in Luxembourg.

### 4. Method used for the determination of the global risk

The global risk of the Sub-Fund shall be determined by using the Commitment Approach.

### 5. Profile of the typical investor

This sub-fund is suitable for institutional and retail investors seeking a medium term capital growth and able to set aside the capital for a period of at least 5 years. The Sub-Fund is suitable for institutional and retail investors bearing the risks involved in high yield and emerging markets securities, and the potential capital losses.

### 6. Main features of the Share Classes

Share Class	R EUR
Reference currency	EUR
ISIN code	LU0923648520
Form of shares	registered
Dividend policy	<p>Distribution shares for the first five years, capitalization shares from the sixth year.</p> <p>During the first two years following the first NAV Date a dividend amount between 0.110 Euro per share (equal to 2.20% of the initial value) and 0.160 Euro per share (equal to 3.20% of the initial value) will be recognized to the shareholders. The final amount will be resolved by the Board prior to the launch of the sub-fund. In the following three years and only in case of positive performance of the Dow Jones Eurostoxx Price Index since the first NAV Date, a dividend amount between 0.170 Euro per share (equal to 3.40% of the initial value) and 0.210 Euro per share (equal to 4.20% of the initial value) will be recognized. In case of negative performance of the Dow Jones Eurostoxx Price Index since the first NAV Date, no dividend will be recognized. The final amount per share will be resolved by the Board of Directors prior to the launch of the sub-fund. During the life of the sub-fund, the Board of Directors may resolve a higher dividend payment under favorable market conditions.</p> <p>The shareholders existing on the day preceding the ex-dividend day are considered entitled for distribution. The ex-dividend days for the first five years will be:</p> <ul style="list-style-type: none"><li>- 17/06/2014</li><li>- 17/06/2015</li><li>- 17/06/2016</li><li>- 17/06/2017</li><li>- 17/06/2018</li></ul> <p>or, if such day is not a Valuation Day, the date to be considered will be the first next Valuation Day.</p>
Initial Price	5 Eur
Subscription Period	<p>From 18/05/2013 to 14/06/2013 included. Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors. Subscribers will be timely informed in writing of such a decision. It is anticipated that once the sub-fund has reached a sufficient size as determined by the Board of Directors, the sub-fund will be closed to further subscriptions. Requests for subscriptions in this sub-fund received after 14/06/2013 or after the extension of the subscription period will not be considered.</p>
First NAV Date	17/06/2013
Start-up fee	Maximum 4% of the Initial Price multiplied by the number of shares outstanding on the first Valuation Day.

	This fee is paid only once, is taken from the Sub-Fund's assets and is amortized over a period of five years. This fee covers the start-up activity of the distributors.
Management Company fee	Up to 0.13%
Investment management fee	0.20%
Distribution fee	0.03%
Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR
Minimum holding	500 EUR
Redemption fee	<p>A redemption fee payable to the Sub-Fund will be applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates during a time horizon as determined by the Board of Directors:</p> <ul style="list-style-type: none"> <li>- 4.00% from 17/06/2013 to (and including) 17/06/2014</li> <li>- 3.20% from 18/06/2014 to (and including) 17/06/2015</li> <li>- 2.40% from 18/06/2015 to (and including) 17/06/2016</li> <li>- 1.60% from 18/06/2016 to (and including) 17/06/2017</li> <li>- 0.80% from 18/06/2017 to (and including) 17/06/2018</li> <li>- zero from 18/06/2018</li> </ul>
Conversion fee	N.A. (Conversions in or out of the Sub-Fund are not allowed)
Listing on Luxembourg Stock Exchange	No

### III. GESTIELLE INVESTMENT SICAV – CEDOLA PLUS

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#### 1. Objectives and Investment Policy

This Sub-Fund will invest its total assets in sovereign and corporate bonds directly or indirectly.

The securities not denominated in Euro have the currency risk almost fully hedged (at least 90%). This Sub-Fund may invest up to 45% of its asset in high yield issuers with a minimum rating equal to B- at the time of acquisition and up to 45% in issuers of emerging markets worldwide with a minimum rating equal to B- at the time of acquisition, one or more emerging markets countries will bear specific risks as described under 9.2. Investment risks of the Prospectus. After the acquisition, in case of breach due to rating downgrade, the Sub-Fund will restore the correct situation as soon as possible, in the shareholders' interest. The Sub-Fund may also invest in not-rated issuers for a maximum of 10%.

The Sub-Fund may not directly invest in equity securities.

The Sub-Fund targets to realize – in a time horizon of 5 years from the end of the initial subscription period – a return in line with the expressed average of bond securities with similar financial duration (before costs and taxes) included in the portfolio and with its dividend policy.

During the first two years, this target is primarily achieved by entering into derivative contracts with primary counterparties. The interest income deriving from debt securities will be partially exchanged with a partial participation of the positive performance of the FTSE MIB price index by means of swap transactions. Should the counterparties to swaps no longer be able to fulfill their obligations, the Sub-Fund would not receive the agreed interest payment nor the promised portion of positive developments of the FTSE MIB price index.

From the third to fifth year: in addition to the direct exposure to a portfolio of corporate and sovereign bonds, the Sub-Fund, through a swap agreement, will exchange a part of the interest income deriving from the debt securities against a fixed rate.

In order to limit the inherent counterparty risk of swap transactions, they will be concluded with primary financial institutions which are specialized in such types of transactions and conveniently collateralized. The counterparty will not assume any discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying of the financial derivative instruments.

After the fifth year, the Sub-Fund will invest directly into short-term corporate and sovereign bonds.

The portfolio is built, diversified by issuers, and composed by bond securities with an average residual maturity correlated to the time horizon of the sub-fund and decreasing with the passing of time.

During the life of the Sub-Fund, it is proceed with a careful monitoring in order to maintain:

- a mean duration of financial instruments compatible with the time horizon of the Sub-Fund
- the profiles of liquidity of the investments in line with the commitment of income distribution
- a derivatives exposure consistent with the target return.

This Sub-Fund may hold liquidities on an ancillary basis.

This Sub-Fund may enter into transactions relating to futures, swaps, including unfunded total return swaps, and options primarily for currency and interest rate risk hedging purposes. The Sub-Fund may use derivatives for purposes other than hedging in compliance with what is provided in section "Risk Management" of the Prospectus and in the interest of an orderly management of its assets and to achieve the target return. Due to their high volatility, futures, swaps and options are exposed to greater risks than direct investments in securities.

Type of transaction	Under normal circumstances it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-Fund's Net Asset Value indicated below.	The principal amount of the Sub-Fund's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Sub-Fund's Net Asset Value indicated below
Total return swaps	90%	100%

Specificities linked to the use of financial derivatives instruments:

All OTC derivatives (including swaps) must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA) Master Agreement (the "ISDA Master Agreement"). The Company enters into OTC derivative transactions for the relevant Sub-Fund via a duly authorized member of the Board of Directors signing the ISDA Master Agreement and related credit support annex (the "CSA"), as well as any swap confirmations under these documents. Changes to the terms of OTC derivative transactions are effected in the same way. The Company can also enter into OTC derivative transactions (and/or change the terms of such transactions) via the Investment Manager signing the above documents, under the delegation of investment management functions granted by the Board of Directors to the Management Company and, further, to the Investment Manager.

The ISDA Master Agreement will include the standard and customary termination provisions under that ISDA Master Agreement (or similar agreement).

The risk exposure to a counterparty of the Sub-Fund in OTC derivative transactions may not exceed (i) 10 % of the Sub-Fund's assets, when the counterparty is a credit institution or (ii) 5 % of its assets in other cases.

In addition, the net exposure of the Sub-Fund to a counterparty arising from OTC derivative transactions shall be taken into account in the 20% limit of maximum investments in a single entity, as described under "Investment Restrictions" above.

Risk exposure to a counterparty to OTC derivatives will take into account collateral provided by the counterparty in the form of assets eligible as collateral under applicable laws and regulations.

Where the Company on behalf of a Sub-Fund enters into OTC financial derivative transactions (including a swap agreement), all collateral received by the Sub-Fund must comply with the criteria listed in ESMA Guidelines 2014/937 in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund.

Collateral received will consist in liquid securities such as government securities and/or cash. Cash collateral will not be reinvested. No haircut policy will be applied.

In respect of any Sub-Fund which has entered into OTC derivatives, investors in such Sub-Fund may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

The Company will determine the required level of collateral for OTC financial derivatives by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time.

Collateral will be valued, on a daily basis, using available market prices.

Where there is a title transfer, collateral received will be held by the Depositary (or a sub-custodian thereof) on behalf of the Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

The above provisions apply subject to any further guidelines issued from time to time by ESMA amending and/or supplementing ESMA Guidelines 2014/937 and/or any additional guidance issued from time to time by the Regulatory Authority in relation to the above.

### **Risk factors**

The main risk factors of the Sub-Fund are linked to the investment in high yield securities and emerging markets bonds.

#### **2. Reference Currency**

EUR

#### **3. Valuation Day**

The Net Asset Value per Share is calculated on each Business Day in Luxembourg.

#### 4. Method used for the determination of the global risk

The global risk of the Sub-Fund shall be determined by using the Commitment Approach.

#### 5. Profile of the typical investor

This sub-fund is suitable for institutional and retail investors seeking a medium term capital growth and able to set aside the capital for a period of at least 5 years. The Sub-Fund is suitable for institutional and retail investors bearing the risks involved in high yield and emerging markets securities, and the potential capital losses.

#### 6. Main features of the Share Classes

Share Class	R EUR
Reference currency	EUR
ISIN code	LU0959837237
Form of shares	registered
Dividend policy	<p>Distribution shares for the first five years, capitalization shares from the sixth year.</p> <p>During the first two years following the first NAV Date and only in case of a performance of the FTSE MIB Price Index higher than 5% since the first NAV Date, a dividend amount between 0.200 Euro per share (equal to 4.00% of the initial value) and 0.350 Euro per share (equal to 7.00% of the initial value) will be recognized to the shareholders. In case of a performance of the FTSE MIB Price Index since the first NAV Date lower than (or equal to) 5%, no dividend will be recognized. The final amount will be resolved by the Board prior to the launch of the sub-fund.</p> <p>In the following two years a dividend amount between 0.100 Euro per share (equal to 2.00% of the initial value) and 0.200 Euro per share (equal to 4.00% of the initial value) will be recognized. The final amount per share will be resolved by the Board of Directors prior to the launch of the sub-fund.</p> <p>For the fifth year It will belong to the Board of Directors to approve the distribution, entirely or in part, of the income earned by the sub-fund during the time horizon starting from the Valuation Day relating to the fourth payment and until a final date as determined by the Board of Directors.</p> <p>During the life of the sub-fund, the Board of Directors may resolve a higher dividend payment under favorable market conditions.</p> <p>The shareholders existing on the day preceding the ex-dividend day are considered entitled for distribution. The ex-dividend days for the first five years will be:</p> <ul style="list-style-type: none"><li>- 30/09/2014</li><li>- 30/09/2015</li><li>- 30/09/2016</li><li>- 30/09/2017</li><li>- 30/09/2018</li></ul> <p>or, if such day is not a Valuation Day, the date to be considered will be the first next Valuation Day.</p>
Initial Price	5 Eur
Subscription Period	<p>From the date in which the Sub-Fund is authorised by the Commission de Surveillance du Secteur Financier to 27/09/2013 included. Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors. Subscribers will be timely informed in writing of such a decision. It is anticipated that once the sub-fund has reached a sufficient size as determined by the Board of Directors, the sub-fund will be closed to further subscriptions. Requests for subscriptions in this sub-fund received after 27/09/2013 or after the extension of the subscription period will not be considered.</p>
First NAV Date	30/09/2013
Start-up fee	<p>Maximum 4% of the Initial Price multiplied by the number of shares outstanding on the first Valuation Day.</p> <p>This fee is paid only once, is taken from the Sub-Fund's assets and is amortized over a period of five years. This fee covers the start-up activity of the distributors.</p>
Management Company fee	Up to 0.13%
Investment management fee	0.20%
Distribution fee	0.03%

Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR
Minimum holding	500 EUR
Redemption fee	A redemption fee payable to the Sub-Fund will be applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates during a time horizon as determined by the Board of Directors: - 4.00% from 30/09/2013 to (and including) 30/09/2014 - 3.20% from 01/10/2014 to (and including) 30/09/2015 - 2.40% from 01/10/2015 to (and including) 30/09/2016 - 1.60% from 01/10/2016 to (and including) 30/09/2017 - 0.80% from 01/10/2017 to (and including) 30/09/2018 - zero from 01/10/2018
Conversion fee	N.A. (Conversions in or out of the Sub-Fund are not allowed)
Listing on Luxembourg Stock Exchange	No

## IV. GESTIELLE INVESTMENT SICAV – CEDOLA RISK CONTROL

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### 1. Objectives and Investment Policy

This Sub-Fund will invest primarily in sovereign and corporate bonds directly.

This Sub-Fund may invest up to 50% of its asset in high yield issuers with a minimum rating equal to B- at the time of acquisition and up to 10% in issuers of emerging markets worldwide with a minimum rating equal to B- at the time of acquisition, one or more emerging markets countries will bear specific risks as described under 9.2. Investment risks of the Prospectus. After the acquisition, in case of breach due to rating downgrade, the Sub-Fund will restore the correct situation as soon as possible, in the shareholders' interest.

The Sub-Fund may also invest in not-rated issuers for a maximum of 10%.

The securities not denominated in Euro have the currency risk almost fully hedged (at least 90%).

The Sub Fund will also have an indirect exposure to a balanced Strategy with target equity markets (Risky Component) and an effective overnight interest rate for the Euro currency (Non Risky Component),.

The Risky Component will consist of the MSCI World Minimum Volatility Net TR (USD) Index while the Non Risky Component will be the Eonia Index (Euro OverNight Index Average).

The Sub Fund will gain exposure to the Risky Component and the Non Risky Component by entering into an equity swap transaction up to 100% of the net assets (Volatility Control Strategy Swap).

In the Strategy, the underlyings: the swap, the Risky Component and the Non Risky Component will be daily rebalanced with the aim to control the volatility. The Strategy implements a predetermined algorithm by which:

- the exposure to the Risky Component is progressively reduced up to 0%, if and when its effective volatility over the last period increases over 6,5%, (and the corresponding exposure to Non Risky Component is increased up to 100%);
- the exposure to the Risky Component is progressively increased up to 100%, if and when its effective volatility over the last period decreases below 5,5%, (and the corresponding exposure to Non Risky Component is decreased down to 0%).

The aim result of the Strategy is an annualized effective volatility around, or below, 6% ("the Target Volatility"). In order to limit the inherent counterparty risk of the swap transaction, it will be entered into with primary financial institutions which are specialized in such types of transactions and conveniently collateralized. The counterparty of the swap could be an entity belonging to the same Group of the Management Company.

The Sub-Fund may hold liquidities from time to time.

After the sixth year, the Sub-Fund will invest directly into short-term corporate and sovereign bonds.

The time horizon of the Sub Fund is 6 years from the end of the initial subscription period.

This Sub-Fund may enter into transactions relating to futures, swaps, including unfunded total return swaps, and options for currency and interest rate risk hedging purposes. The Sub-Fund may use derivatives for purposes other than hedging in compliance with what is provided in section "Risk Management" of the Prospectus and in the interest of an orderly management of its assets and to achieve the target return. Due to their high volatility, futures, swaps and options are exposed to greater risks than direct investments in securities.

Type of transaction	Under normal circumstances it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-Fund's Net Asset Value indicated below.	The principal amount of the Sub-Fund's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Sub-Fund's Net Asset Value indicated below
Total return swaps	90%	100%

Specificities linked to the use of financial derivatives instruments:

All OTC derivatives (including swaps) must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA)



Master Agreement (the "ISDA Master Agreement"). The Company enters into OTC derivative transactions for the relevant Sub-Fund via a duly authorized member of the Board of Directors signing the ISDA Master Agreement and related credit support annex (the "CSA"), as well as any swap confirmations under these documents. Changes to the terms of OTC derivative transactions are effected in the same way. The Company can also enter into OTC derivative transactions (and/or change the terms of such transactions) via the Investment Manager signing the above documents, under the delegation of investment management functions granted by the Board of Directors to the Management Company and, further, to the Investment Manager.

The ISDA Master Agreement will include the standard and customary termination provisions under that ISDA Master Agreement (or similar agreement).

The risk exposure to a counterparty of the Sub-Fund in OTC derivative transactions may not exceed (i) 10 % of the Sub-Fund's assets, when the counterparty is a credit institution or (ii) 5 % of its assets in other cases.

In addition, the net exposure of the Sub-Fund to a counterparty arising from OTC derivative transactions shall be taken into account in the 20% limit of maximum investments in a single entity, as described under "Investment Restrictions" above.

Risk exposure to a counterparty to OTC derivatives will take into account collateral provided by the counterparty in the form of assets eligible as collateral under applicable laws and regulations.

Where the Company on behalf of a Sub-Fund enters into OTC financial derivative transactions (including a swap agreement), all collateral received by the Sub-Fund must comply with the criteria listed in ESMA Guidelines 2014/937 in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund.

Collateral received will consist in liquid securities such as government securities and/or cash. Cash collateral will not be reinvested. No haircut policy will be applied.

In respect of any Sub-Fund which has entered into OTC derivatives, investors in such Sub-Fund may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

The Company will determine the required level of collateral for OTC financial derivatives by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time.

Collateral will be valued, on a daily basis, using available market prices.

Where there is a title transfer, collateral received will be held by the Depositary (or a sub-custodian thereof) on behalf of the Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

The above provisions apply subject to any further guidelines issued from time to time by ESMA amending and/or supplementing ESMA Guidelines 2014/937 and/or any additional guidance issued from time to time by the Regulatory Authority in relation to the above.

### **Risk factors**

The main risk factors of the Sub-Fund are linked to the investment in high yield securities, emerging markets bonds and indirect exposure to equity markets

#### **2. Reference Currency**

EUR

#### **3. Valuation Day**

The Net Asset Value per Share is calculated on each Business Day in Luxembourg.

#### **4. Method used for the determination of the global risk**

The global risk of the Sub-Fund shall be determined by using the Commitment Approach.

#### **5. Profile of the typical investor**

This Sub-Fund is suitable for institutional and retail investors seeking a medium term capital growth and able to set aside the capital for a period of at least 6 years.

The Sub-Fund is suitable for institutional and retail investors bearing the risks involved in high yield and emerging markets securities, in indirect exposure to equity markets, and the potential capital losses.

## 6. Main features of the Share Class

Share Class	R EUR
Reference currency	EUR
ISIN code	LU1538890580
Form of shares	registered
Dividend policy	<p>Distribution shares for the first six years, capitalization shares from the seventh year. During the first six years following the first NAV Date, a dividend amount equal to the difference between the price of the Sub-Fund at the day immediately prior to the ex-dividend date and the Initial Price (5 Eur), if positive, will be recognized to the shareholders.</p> <p>In case of a dividend amount greater than 3% of the Initial Price, the amount in excess of 3% will not be recognized and will remain in the Sub-Fund's assets. The shareholders existing on the day preceding the ex-dividend day are considered entitled for distribution. The ex-dividend days for the first six years will be:</p> <ul style="list-style-type: none"> <li>- 1/2/2018</li> <li>- 1/2/2019</li> <li>- 1/2/2020</li> <li>- 1/2/2021</li> <li>- 1/2/2022</li> <li>- 1/2/2023</li> </ul> <p>or, if such day is not a Valuation Day, the date to be considered will be the first next Valuation Day.</p>
Initial Price	5 Eur
Subscription Period	From the date in which the Sub-Fund is authorised by the Commission de Surveillance du Secteur Financier to 1/2/2017 included. Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors. Subscribers will be timely informed in writing of such a decision. It is anticipated that once the sub-fund has reached a sufficient size as determined by the Board of Directors, the sub-fund will be closed to further subscriptions. Requests for subscriptions in this sub-fund received after 1/2/2017 or after the extension of the subscription period will not be considered.
First NAV Date	1/2/2017
Start-up fee	Maximum 3% of the Initial Price multiplied by the number of shares outstanding on the first Valuation Day. This fee is paid only once, is taken from the Sub-Fund's assets and is amortized over a period of five years. This fee covers the start-up activity of the distributors.
Management Company fee	Up to 0.13%
Investment management fee	0.30%
Distribution fee	0.73%
Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR
Minimum holding	500 EUR
Redemption fee	<p>A redemption fee payable to the Sub-Fund will be applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates during a time horizon as determined by the Board of Directors:</p> <ul style="list-style-type: none"> <li>- 3.00% from 1/2/2017 to (and including) 1/2/2018</li> <li>- 2.40% from 2/2/2018 to (and including) 1/2/2019</li> <li>- 1.80% from 2/2/2019 to (and including) 1/2/2020</li> <li>- 1.20% from 2/2/2020 to (and including) 1/2/2021</li> <li>- 0.60% from 2/2/2021 to (and including) 1/2/2022</li> <li>- zero from 2/2/2022</li> </ul>
Conversion fee	N.A. (Conversions in or out of the Sub-Fund are not allowed)
Listing on Luxembourg Stock Exchange	No
Share Class	R2 EUR
Reference currency	EUR

ISIN code	LU01559445793
Form of shares	registered
Dividend policy	<p>Distribution shares for the first six years, capitalization shares from the seventh year. During the first six years following the first NAV Date, a dividend amount equal to the difference between the price of the Sub-Fund at the day immediately prior to the ex-dividend date and the Initial Price (5 Eur), if positive, will be recognized to the shareholders.</p> <p>In case of a dividend amount greater than 2.5% of the Initial Price, the amount in excess of 2.5% will not be recognized and will remain in the sub-fund's assets.</p> <p>The shareholders existing on the day preceding the ex-dividend day are considered entitled for distribution. The ex-dividend days for the first six years will be:</p> <ul style="list-style-type: none"> <li>- 1/8/2017</li> <li>- 1/2/2018</li> <li>- 1/8/2018</li> <li>- 1/2/2019</li> <li>- 1/8/2019</li> <li>- 1/2/2020</li> <li>- 1/8/2020</li> <li>- 1/2/2021</li> <li>- 1/8/2021</li> <li>- 1/2/2022</li> <li>- 1/8/2022</li> <li>- 1/2/2023</li> </ul> <p>or, if such day is not a Valuation Day, the date to be considered will be the first next Valuation Day.</p>
Initial Price	5 Eur
Subscription Period	<p>From 06/02/2017 to 10/03/2017 included.</p> <p>Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors. Subscribers will be timely informed in writing of such a decision. It is anticipated that once the sub-fund has reached a sufficient size as determined by the Board of Directors, the sub-fund will be closed to further subscriptions. Requests for subscriptions in this sub-fund received after 10/3/2017 or after the extension of the subscription period will not be considered.</p>
First NAV Date	13/03/2017
Start-up fee	<p>Maximum 3% of the Initial Price multiplied by the number of shares outstanding on the first Valuation Day.</p> <p>This fee is paid only once, is taken from the Sub-Fund's assets and is amortized over a period of five years. This fee covers the start-up activity of the distributors.</p>
Management Company fee	Up to 0.13%
Investment management fee	0.30%
Distribution fee	0.73%
Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR
Minimum holding	500 EUR
Redemption fee	<p>A redemption fee payable to the Sub-Fund will be applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates during a time horizon as determined by the Board of Directors:</p> <ul style="list-style-type: none"> <li>- 3.00% from 13/03/2017 to (and including) 13/03/2018</li> <li>- 2.40% from 14/03/2018 to (and including) 13/03/2019</li> <li>- 1.80% from 14/03/2019 to (and including) 13/03/2020</li> <li>- 1.20% from 14/03/2020 to (and including) 13/03/2021</li> <li>- 0.60% from 14/03/2021 to (and including) 13/03/2022</li> <li>- zero from 14/03/2022</li> </ul>
Conversion fee	N.A. (Conversions in or out of the Sub-Fund are not allowed)
Listing on Luxembourg Stock Exchange	No

## V. GESTIELLE INVESTMENT SICAV – CEDOLA LINK INFLATION

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### 1. Objectives and Investment Policy

This Sub-Fund will invest primarily in sovereign and corporate bonds directly.

This Sub-Fund may invest up to 50% of its assets in high yield issuers with a minimum rating equal to B- at the time of acquisition and up to 10% in issuers of emerging markets worldwide with a minimum rating equal to B- at the time of acquisition, one or more emerging markets countries will bear specific risks as described under 9.2. Investment risks of the Prospectus. After the acquisition, in case of breach of the above restriction due to a rating downgrade, the Sub-Fund will restore the correct situation as soon as possible, in the shareholders' interest.

The remaining portion of the assets of the Sub-Fund will mainly be invested in investment grade corporate and sovereign bonds of developed countries.

The Sub-Fund may also invest in not-rated issuers for a maximum of 10%.

For securities not denominated in Euro, the currency risk will be almost fully hedged (at least 90%).

The Sub-Fund may gain exposure to inflation by investing in inflation linked bonds. In addition to the bonds portfolio, the Sub Fund, during its time horizon, will also have an indirect exposure to inflation by entering into inflation swap transactions. This exposure will be tactically managed, from 0% to 100% of the net assets, basing on macroeconomic expectations. The inflation indices which underlie these swap transactions are compliant with article 9 of the Grand-Ducal Regulation dated 8 February 2008 and will cover the most important developed countries.

In order to limit the inherent counterparty risk of the swap transactions, these swap transactions will be entered into with primary financial institutions which are specialized in such types of transactions and conveniently collateralized. The counterparty of the swap could be an entity belonging to the same Group of the Management Company.

The Sub-Fund may hold liquidities from time to time.

The time horizon of the Sub Fund is 5 years from the end of the initial subscription period. After the fifth year of its launch, the Sub-Fund will invest directly into short-term corporate and sovereign bonds.

This Sub-Fund may enter into transactions relating to futures, swaps, including unfunded total return swaps, and options for currency and interest rate risk hedging purposes. The Sub-Fund may use derivatives for purposes other than hedging in compliance with what is provided in section "Risk Management" of the Prospectus and in the interest of an orderly management of its assets and to achieve the target return. Due to their high volatility, futures, swaps and options are exposed to greater risks than direct investments in securities.

Type of transaction	Under normal circumstances it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-Fund's Net Asset Value indicated below.	The principal amount of the Sub-Fund's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Sub-Fund's Net Asset Value indicated below
Total return swaps	90%	100%

Specificities linked to the use of financial derivatives instruments:

All OTC derivatives (including swaps) must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA) Master Agreement (the "ISDA Master Agreement"). The Company enters into OTC derivative transactions for the relevant Sub-Fund via a duly authorized member of the Board of Directors signing the ISDA Master Agreement and related credit support annex (the "CSA"), as well as any swap confirmations under these documents. Changes to the terms of OTC derivative transactions are effected in the same way. The Company can also enter into OTC derivative transactions (and/or change the terms of such transactions) via the Investment Manager signing the above documents, under the delegation of investment management functions granted by the Board of Directors to the Management Company and, further, to the Investment Manager.

The ISDA Master Agreement will include the standard and customary termination provisions under that ISDA Master Agreement (or similar agreement).

The risk exposure to a counterparty of the Sub-Fund in OTC derivative transactions may not exceed (i) 10 % of the Sub-Fund's assets, when the counterparty is a credit institution or (ii) 5 % of its assets in other cases.

In addition, the net exposure of the Sub-Fund to a counterparty arising from OTC derivative transactions shall be taken into account in the 20% limit of maximum investments in a single entity, as described under "Investment Restrictions" above.

Risk exposure to a counterparty to OTC derivatives will take into account collateral provided by the counterparty in the form of assets eligible as collateral under applicable laws and regulations.

Where the Company on behalf of a Sub-Fund enters into OTC financial derivative transactions (including a swap agreement), all collateral received by the Sub-Fund must comply with the criteria listed in ESMA Guidelines 2014/937 in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund.

Collateral received will consist in liquid securities such as government securities and/or cash. Cash collateral will not be reinvested. No haircut policy will be applied.

In respect of any Sub-Fund which has entered into OTC derivatives, investors in such Sub-Fund may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

The Company will determine the required level of collateral for OTC financial derivatives by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time.

Collateral will be valued, on a daily basis, using available market prices.

Where there is a title transfer, collateral received will be held by the Depositary (or a sub-custodian thereof) on behalf of the Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

The above provisions apply subject to any further guidelines issued from time to time by ESMA amending and/or supplementing ESMA Guidelines 2014/937 and/or any additional guidance issued from time to time by the Regulatory Authority in relation to the above.

### **Risk factors**

The main risk factors of the Sub-Fund are linked to the investment in high yield securities and, residually, emerging markets bonds

#### **2. Reference Currency**

EUR

#### **3. Valuation Day**

The Net Asset Value per Share is calculated on each Business Day in Luxembourg.

#### **4. Method used for the determination of the global risk**

The global risk of the Sub-Fund shall be determined by using the Commitment Approach.

#### **5. Profile of the typical investor**

This Sub-Fund is suitable for institutional and retail investors seeking a medium term capital growth and able to set aside the capital for a period of at least 5 years.

The Sub-Fund is suitable for institutional and retail investors bearing the risks involved in high yield and emerging markets securities, in indirect exposure to equity markets, and the potential capital losses.

## 6. Main features of the Share Classes

Share Class	R EUR
Reference currency	EUR
ISIN code	LU1573150213
Form of shares	registered
Dividend policy	<p>Distribution shares for the first five years, capitalization shares from the sixth year.</p> <p>During the first five years following the first NAV Date, a dividend amount equal to the difference between the price of the Sub-Fund at the day immediately prior to the ex-dividend date and the Initial Price (5 Eur), if positive, will be recognized to the shareholders.</p> <p>In case of a dividend amount greater than 3% of the Initial Price, the amount in excess of 3% will not be recognized and will remain in the sub-fund's assets.</p> <p>The shareholders existing on the day preceding the ex-dividend day are considered entitled for distribution. The ex-dividend days for the first five years will be:</p> <ul style="list-style-type: none"> <li>- 2/5/2018</li> <li>- 2/5/2019</li> <li>- 2/5/2020</li> <li>- 2/5/2021</li> <li>- 2/5/2022</li> </ul> <p>or, if such day is not a Valuation Day, the date to be considered will be the first next Valuation Day.</p>
Initial Price	5 Eur
Subscription Period	<p>From the date in which the Sub-Fund is authorised by the Commission de Surveillance du Secteur Financier to 21/4/2017 included. Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors. Subscribers will be timely informed in writing of such a decision. It is anticipated that once the sub-fund has reached a sufficient size as determined by the Board of Directors, the sub-fund will be closed to further subscriptions. Requests for subscriptions in this sub-fund received after 21/4/2017 or after the extension of the subscription period will not be considered.</p>
First NAV Date	24/4/2017
Start-up fee	<p>Maximum 2.5% of the Initial Price multiplied by the number of shares outstanding on the first Valuation Day.</p> <p>This fee is paid only once, is taken from the Sub-Fund's assets and is amortized over a period of five years. This fee covers the start-up activity of the distributors.</p>
Management Company fee	Up to 0.13%
Investment management fee	0.30%
Distribution fee	0.55%
Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR
Minimum holding	500 EUR
Redemption fee	<p>A redemption fee payable to the Sub-Fund will be applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates during a time horizon as determined by the Board of Directors:</p> <ul style="list-style-type: none"> <li>- 2.50% from 24/4/2017 to (and including) 24/4/2018</li> <li>- 2.00% from 25/4/2018 to (and including) 24/4/2019</li> <li>- 1.50% from 25/4/2019 to (and including) 24/4/2020</li> <li>- 1.00% from 25/4/2020 to (and including) 24/4/2021</li> <li>- 0.50% from 25/4/2021 to (and including) 24/4/2022</li> <li>- zero from 25/4/2022</li> </ul>
Conversion fee	N.A. (Conversions in or out of the Sub-Fund are not allowed)
Listing on Luxembourg Stock Exchange	No

## VI. GESTIELLE INVESTMENT SICAV – CEDOLA RISK CONTROL MEGATREND

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### 1. Investment Objectives

The Sub-Funds seeks long-term capital appreciation by investing primarily in sovereign and corporate bonds directly whilst also seeking to gain indirect exposure to a strategy balanced with equity markets and an effective overnight interest rate for the Euro currency (the “Strategy”).

### 2. Investment Policy

This Sub-Fund will invest primarily in sovereign and corporate bonds directly.

This Sub-Fund may invest up to 50% of its asset in high yield issuers with a minimum rating equal to B- at the time of acquisition and up to 10% in issuers of emerging markets worldwide with a minimum rating equal to B- at the time of acquisition, one or more emerging markets countries will bear specific risks as described under 9.2. Investment risks of the Prospectus. After the acquisition, in case of breach due to rating downgrade, the Sub-Fund will restore the correct situation as soon as possible, in the shareholders’ interest.

The Sub-Fund may also invest in not-rated issuers for a maximum of 10%.

The securities not denominated in Euro have the currency risk almost fully hedged (at least 90%).

The Sub Fund will also have an indirect exposure to a balanced Strategy with target equity markets (Risky Component) and an effective overnight interest rate for the Euro currency (Non Risky Component).

The Risky Component will consist of the ECPI Global Megatrend 100 Net TR Index while the Non Risky Component will be the Eonia Index (Euro OverNight Index Average). The ECPI Global Megatrend 100 Net TR Index is rebalanced biannually without any effect on the costs incurred by the Strategy. The full calculation methodology of the ECPI Global Megatrend 100 Net TR Index is available, free of charge on the internet site of the provider free of charge on the Internet under: [https://www.ecpigroup.com/wp-content/uploads/rules/ECPI\\_Global\\_Megatrend\\_100\\_VC\\_Equity\\_INDEX\\_RULES.pdf](https://www.ecpigroup.com/wp-content/uploads/rules/ECPI_Global_Megatrend_100_VC_Equity_INDEX_RULES.pdf). The Sub Fund will gain exposure to the Risky Component and the Non Risky Component by entering into an equity swap transaction up to 100% of the net assets (Volatility Control Strategy Swap).

In the Strategy, the underlyings, the swap, the Risky Component and the Non Risky Component will be daily rebalanced with the aim to control the volatility. The Strategy implements a predetermined algorithm by which:

- the exposure to the Risky Component is progressively reduced up to 0%, if and when its effective volatility over the last period increases over 8,5%, (and the corresponding exposure to Non Risky Component is increased up to 100%);
- the exposure to the Risky Component is progressively increased up to 100%, if and when its effective volatility over the last period decreases below 7,5%, (and the corresponding exposure to Non Risky Component is decreased down to 0%).

The aim result of the Strategy is an annualized effective volatility around, or below, 8% (“the Target Volatility”). In order to limit the inherent counterparty risk of the swap transaction, it will be entered into with primary financial institutions which are specialized in such types of transactions and conveniently collateralized. The counterparty of the swap could be an entity belonging to the same Group of the Management Company.

The Sub-Fund may hold liquidities from time to time.

After the sixth year, the Sub-Fund will invest directly into short-term corporate and sovereign bonds.

The time horizon of the Sub Fund is 6 years from the end of the initial subscription period.

This Sub-Fund may enter into transactions relating to futures, swaps, including unfunded total return swaps, and options for currency and interest rate risk hedging purposes. The Sub-Fund may use derivatives for purposes other than hedging in compliance with what is provided in section “Risk Management” of the Prospectus and in the interest of an orderly management of its assets and to achieve the target return. Due to their high volatility, futures, swaps and options are exposed to greater risks than direct investments in securities.

Type of transaction	Under normal circumstances it is generally expected that the principal amount of such transactions will not exceed a proportion of the	The principal amount of the Sub-Fund’s assets that can be subject to the transaction may represent up to a maximum of the
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	Sub-Fund's Net Asset Value indicated below.	proportion of the Sub-Fund's Net Asset Value indicated below
Total return swaps	90%	100%

Specificities linked to the use of financial derivatives instruments:

All OTC derivatives (including swaps) must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA) Master Agreement (the "ISDA Master Agreement"). The Company enters into OTC derivative transactions for the relevant Sub-Fund via a duly authorized member of the Board of Directors signing the ISDA Master Agreement and related credit support annex (the "CSA"), as well as any swap confirmations under these documents. Changes to the terms of OTC derivative transactions are effected in the same way. The Company can also enter into OTC derivative transactions (and/or change the terms of such transactions) via the Investment Manager signing the above documents, under the delegation of investment management functions granted by the Board of Directors to the Management Company and, further, to the Investment Manager.

The ISDA Master Agreement will include the standard and customary termination provisions under that ISDA Master Agreement (or similar agreement).

The risk exposure to a counterparty of the Sub-Fund in OTC derivative transactions may not exceed (i) 10 % of the Sub-Fund's assets, when the counterparty is a credit institution or (ii) 5 % of its assets in other cases.

In addition, the net exposure of the Sub-Fund to a counterparty arising from OTC derivative transactions shall be taken into account in the 20% limit of maximum investments in a single entity, as described under "Investment Restrictions" above.

Risk exposure to a counterparty to OTC derivatives will take into account collateral provided by the counterparty in the form of assets eligible as collateral under applicable laws and regulations.

Where the Company on behalf of a Sub-Fund enters into OTC financial derivative transactions (including a swap agreement), all collateral received by the Sub-Fund must comply with the criteria listed in ESMA Guidelines 2014/937 in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund.

Collateral received will consist in liquid securities such as government securities and/or cash. Cash collateral will not be reinvested. No haircut policy will be applied.

In respect of any Sub-Fund which has entered into OTC derivatives, investors in such Sub-Fund may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

The Company will determine the required level of collateral for OTC financial derivatives by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time.

Collateral will be valued, on a daily basis, using available market prices.

Where there is a title transfer, collateral received will be held by the Depositary (or a sub-custodian thereof) on behalf of the Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

The above provisions apply subject to any further guidelines issued from time to time by ESMA amending and/or supplementing ESMA Guidelines 2014/937 and/or any additional guidance issued from time to time by the Regulatory Authority in relation to the above.

### **Risk factors**

The main risk factors of the Sub-Fund are linked to the investment in high yield securities, emerging markets bonds and indirect exposure to equity markets

### **3. Reference Currency**

EUR

### **4. Valuation Day**



The Net Asset Value per Share is calculated on each Business Day in Luxembourg.

#### 5. Method used for the determination of the global risk

The global risk of the Sub-Fund shall be determined by using the Commitment Approach.

#### 6. Profile of the typical investor

This Sub-Fund is suitable for institutional and retail investors seeking a medium term capital growth and able to set aside the capital for a period of at least 6 years.

The Sub-Fund is suitable for institutional and retail investors bearing the risks involved in high yield and emerging markets securities, in indirect exposure to equity markets, and the potential capital losses.

#### 7. Main features of the Share Classes

Share Class	R EUR
Reference currency	EUR
ISIN code	LU1625146870
Form of shares	registered
Dividend policy	<p>Distribution shares for the first six years, capitalization shares from the seventh year.</p> <p>During the first six years following the first NAV Date, a dividend amount equal to the difference between the price of the Sub-Fund at the day immediately prior to the ex-dividend date and the Initial Price (5 Eur), if positive, will be recognized to the shareholders.</p> <p>In case of a dividend amount greater than 2.5% of the Initial Price, the amount in excess of 2.5% will not be recognized and will remain in the Sub-Fund's assets.</p> <p>The shareholders existing on the day preceding the ex-dividend day are considered entitled for distribution. The ex-dividend days for the first six years will be:</p> <ul style="list-style-type: none"> <li>- 1/8/2018</li> <li>- 1/8/2019</li> <li>- 1/8/2020</li> <li>- 1/8/2021</li> <li>- 1/8/2022</li> <li>- 1/8/2023</li> </ul> <p>or, if such day is not a Valuation Day, the date to be considered will be the first next Valuation Day.</p>
Initial Price	5 Eur
Subscription Period	<p>From the date in which the Sub-Fund is authorised by the Commission de Surveillance du Secteur Financier to 25/7/2017 included. Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors. Subscribers will be timely informed in writing of such a decision. It is anticipated that once the Sub-Fund has reached a sufficient size as determined by the Board of Directors, the Sub-Fund will be closed to further subscriptions. Requests for subscriptions in this Sub-Fund received after 25/7/2017 or after the extension of the subscription period will not be considered.</p>
First NAV Date	26/7/2017
Start-up fee	<p>Maximum 3% of the Initial Price multiplied by the number of shares outstanding on the first Valuation Day.</p> <p>This fee is paid only once, is taken from the Sub-Fund's assets and is amortized over a period of five years. This fee covers the start-up activity of the distributors.</p>
Management Company fee	Up to 0.13%
Investment management fee	0.30%
Distribution fee	0.73%
Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR
Minimum holding	500 EUR
Redemption fee	<p>A redemption fee payable to the Sub-Fund will be applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates during a time horizon as determined by</p>

	<p>the Board of Directors:</p> <ul style="list-style-type: none"> <li>- 3.00% from 26/7/2017 to (and including) 26/7/2018</li> <li>- 2.40% from 27/7/2018 to (and including) 26/7/2019</li> <li>- 1.80% from 27/7/2019 to (and including) 26/7/2020</li> <li>- 1.20% from 27/7/2020 to (and including) 26/7/2021</li> <li>- 0.60% from 27/7/2021 to (and including) 26/7/2022</li> <li>- zero from 27/7/2022</li> </ul>
Conversion fee	N.A. (Conversions in or out of the Sub-Fund are not allowed)
Listing on Luxembourg Stock Exchange	No

## VII. GESTIELLE INVESTMENT SICAV – CEDOLA RISK CONTROL HEALTH CARE

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### 1. Investment Objectives

The Sub-Funds seeks long-term capital appreciation by investing primarily in sovereign and corporate bonds directly whilst also seeking to gain indirect exposure to a strategy balanced with equity markets of the health care sector, and an effective overnight interest rate for the Euro currency (the “Strategy”).

### 2. Investment Policy

This Sub-Fund will invest primarily in sovereign and corporate bonds directly.

This Sub-Fund may invest up to 50% of its asset in high yield issuers with a minimum rating equal to B- at the time of acquisition and up to 10% in issuers of emerging markets worldwide with a minimum rating equal to B- at the time of acquisition, one or more emerging markets countries will bear specific risks as described under 9.2. Investment risks of the Prospectus. After the acquisition, in case of breach due to rating downgrade, the Sub-Fund will restore the correct situation as soon as possible, in the shareholders’ interest.

The Sub-Fund may also invest in not-rated issuers for a maximum of 10%.

The securities not denominated in Euro have the currency risk almost fully hedged (at least 90%).

The Sub Fund will also have an indirect exposure to a balanced Strategy with target equity markets (Risky Component) and an effective overnight interest rate for the Euro currency (Non Risky Component).

The Risky Component will consist of the MSCI World Health Care Net TR Eur Index while the Non Risky Component will be the Eonia Index (Euro OverNight Index Average). The MSCI World Health Care Net TR Eur Index is rebalanced biannually without any effect on the costs incurred by the Strategy. The full calculation methodology of the MSCI World Health Care Net TR Eur Index is available, free of charge on the internet site of the provider free of charge on the Internet under: <https://www.msci.com/index-methodology>.

The Sub Fund will gain exposure to the Risky Component and the Non Risky Component by entering into an equity swap transaction up to 100% of the net assets (Volatility Control Strategy Swap).

In the Strategy, the underlyings, the swap, the Risky Component and the Non Risky Component will be daily rebalanced with the aim to control the volatility. The Strategy implements a predetermined algorithm by which:

- the exposure to the Risky Component is progressively reduced up to 0%, if and when its effective volatility over the last period increases over 10,5%, (and the corresponding exposure to Non Risky Component is increased up to 100%);
- the exposure to the Risky Component is progressively increased up to 100%, if and when its effective volatility over the last period decreases below 9,5%, (and the corresponding exposure to Non Risky Component is decreased down to 0%).

The aim result of the Strategy is an annualized effective volatility around, or below, 10% (“the Target Volatility”). In order to limit the inherent counterparty risk of the swap transaction, it will be entered into with primary financial institutions which are specialized in such types of transactions and conveniently collateralized. The counterparty of the swap could be an entity belonging to the same Group of the Management Company.

The Sub-Fund may hold liquidities from time to time.

After the sixth year, the Sub-Fund will invest directly into short-term corporate and sovereign bonds.

The time horizon of the Sub Fund is 6 years from the end of the initial subscription period.

This Sub-Fund may enter into transactions relating to futures, swaps, including unfunded total return swaps, and options for currency and interest rate risk hedging purposes. The Sub-Fund may use derivatives for purposes other than hedging in compliance with what is provided in section “Risk Management” of the Prospectus and in the interest of an orderly management of its assets and to achieve the target return. Due to their high volatility, futures, swaps and options are exposed to greater risks than direct investments in securities.

Type of transaction	Under normal circumstances it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-Fund’s Net Asset	The principal amount of the Sub-Fund’s assets that can be subject to the transaction may represent up to a maximum of the proportion of the Sub-
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	Value indicated below.	Fund's Net Asset Value indicated below
Total return swaps	90%	100%

Specificities linked to the use of financial derivatives instruments:

All OTC derivatives (including swaps) must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA) Master Agreement (the "ISDA Master Agreement"). The Company enters into OTC derivative transactions for the relevant Sub-Fund via a duly authorized member of the Board of Directors signing the ISDA Master Agreement and related credit support annex (the "CSA"), as well as any swap confirmations under these documents. Changes to the terms of OTC derivative transactions are effected in the same way. The Company can also enter into OTC derivative transactions (and/or change the terms of such transactions) via the Investment Manager signing the above documents, under the delegation of investment management functions granted by the Board of Directors to the Management Company and, further, to the Investment Manager.

The ISDA Master Agreement will include the standard and customary termination provisions under that ISDA Master Agreement (or similar agreement).

The risk exposure to a counterparty of the Sub-Fund in OTC derivative transactions may not exceed (i) 10 % of the Sub-Fund's assets, when the counterparty is a credit institution or (ii) 5 % of its assets in other cases.

In addition, the net exposure of the Sub-Fund to a counterparty arising from OTC derivative transactions shall be taken into account in the 20% limit of maximum investments in a single entity, as described under "Investment Restrictions" above.

Risk exposure to a counterparty to OTC derivatives will take into account collateral provided by the counterparty in the form of assets eligible as collateral under applicable laws and regulations.

Where the Company on behalf of a Sub-Fund enters into OTC financial derivative transactions (including a swap agreement), all collateral received by the Sub-Fund must comply with the criteria listed in ESMA Guidelines 2014/937 in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund.

Collateral received will consist in liquid securities such as government securities and/or cash. Cash collateral will not be reinvested. No haircut policy will be applied.

In respect of any Sub-Fund which has entered into OTC derivatives, investors in such Sub-Fund may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

The Company will determine the required level of collateral for OTC financial derivatives by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time.

Collateral will be valued, on a daily basis, using available market prices.

Where there is a title transfer, collateral received will be held by the Depositary (or a sub-custodian thereof) on behalf of the Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

The above provisions apply subject to any further guidelines issued from time to time by ESMA amending and/or supplementing ESMA Guidelines 2014/937 and/or any additional guidance issued from time to time by the Regulatory Authority in relation to the above.

### **Risk factors**

The main risk factors of the Sub-Fund are linked to the investment in high yield securities, emerging markets bonds and indirect exposure to equity markets

### **3. Reference Currency**

EUR

#### 4. Valuation Day

The Net Asset Value per Share is calculated on each Business Day in Luxembourg.

#### 5. Method used for the determination of the global risk

The global risk of the Sub-Fund shall be determined by using the Commitment Approach.

#### 6. Profile of the typical investor

This Sub-Fund is suitable for institutional and retail investors seeking a medium term capital growth and able to set aside the capital for a period of at least 6 years.

The Sub-Fund is suitable for institutional and retail investors bearing the risks involved in high yield and emerging markets securities, in indirect exposure to equity markets, and the potential capital losses.

#### 7. Main features of the Share Classes

Share Class	R EUR
Reference currency	EUR
ISIN code	LU1655090998
Form of shares	registered
Dividend policy	<p>Distribution shares for the first six years, capitalization shares from the seventh year.</p> <p>During the first six years following the first NAV Date, a dividend amount equal to the difference between the price of the Sub-Fund at the day immediately prior to the ex-dividend date and the Initial Price (5 Eur), if positive, will be recognized to the shareholders.</p> <p>In case of a dividend amount greater than 3% of the Initial Price, the amount in excess of 3% will not be recognized and will remain in the Sub-Fund's assets.</p> <p>The shareholders existing on the day preceding the ex-dividend day are considered entitled for distribution. The ex-dividend days for the first six years will be:</p> <ul style="list-style-type: none"><li>- 1/10/2018</li><li>- 1/10/2019</li><li>- 1/10/2020</li><li>- 1/10/2021</li><li>- 1/10/2022</li><li>- 1/10/2023</li></ul> <p>or, if such day is not a Valuation Day, the date to be considered will be the first next Valuation Day.</p>
Initial Price	5 Eur
Subscription Period	<p>From the date in which the Sub-Fund is authorised by the Commission de Surveillance du Secteur Financier to 25/9/2017 included. Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors. Subscribers will be timely informed in writing of such a decision. It is anticipated that once the Sub-Fund has reached a sufficient size as determined by the Board of Directors, the Sub-Fund will be closed to further subscriptions. Requests for subscriptions in this Sub-Fund received after 25/9/2017 or after the extension of the subscription period will not be considered.</p>
First NAV Date	26/09/2017
Start-up fee	<p>Maximum 3% of the Initial Price multiplied by the number of shares outstanding on the first Valuation Day.</p> <p>This fee is paid only once, is taken from the Sub-Fund's assets and is amortized over a period of five years. This fee covers the start-up activity of the distributors.</p>
Management Company fee	Up to 0.13%
Investment management fee	0.30%
Distribution fee	0.73%
Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR

Minimum holding	500 EUR
Redemption fee	<p>A redemption fee payable to the Sub-Fund will be applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates during a time horizon as determined by the Board of Directors:</p> <ul style="list-style-type: none"> <li>- 3.00% from 26/09/2017 to (and including) 26/09/2018</li> <li>- 2.40% from 27/09/2018 to (and including) 26/09/2019</li> <li>- 1.80% from 27/09/2019 to (and including) 26/09/2020</li> <li>- 1.20% from 27/09/2020 to (and including) 26/09/2021</li> <li>- 0.60% from 27/09/2021 to (and including) 26/09/2022</li> <li>- zero from 27/09/2022</li> </ul>
Conversion fee	N.A. (Conversions in or out of the Sub-Fund are not allowed)
Listing on Luxembourg Stock Exchange	No

## VIII. GESTIELLE INVESTMENT SICAV – CEDOLA RISK CONTROL HEALTH CARE II

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### 1. Investment Objectives

The Sub-Funds seeks long-term capital appreciation by investing primarily in sovereign and corporate bonds directly whilst also seeking to gain indirect exposure to a strategy balanced with equity markets of the health care sector, and an effective overnight interest rate for the Euro currency (the “Strategy”).

Shareholders should note that, given different market conditions, whilst pursuing its investment objectives, the implementation of the investment policy by the Investment Manager will differ from that of the Cedola Risk Control Healthcare sub-fund. This will result in a different allocation of the Sub-Fund’s assets across sectors or in a different selection of bonds by the Investment Manager as compared to the one of the Cedola Risk Control Healthcare sub-fund.

### 2. Investment Policy

This Sub-Fund will invest primarily in sovereign and corporate bonds directly.

This Sub-Fund may invest up to 50% of its assets in high yield issuers with a minimum rating equal to B- at the time of acquisition and up to 10% in issuers of emerging markets worldwide with a minimum rating equal to B- at the time of acquisition. One or more emerging markets countries will bear specific risks as described under section 9.2. “Investment risks” of the Prospectus. After the acquisition, in case of breach due to rating downgrade, the Sub-Fund will restore the correct situation as soon as possible, in the shareholders’ interest.

The Sub-Fund may also invest in not-rated issuers for a maximum of 10%. The Sub-fund will not invest in distressed securities, nor in securities rated the equivalent of CCC- or below. The securities not denominated in Euro have the currency risk almost fully hedged (at least 90%).

The Sub Fund will also have an indirect exposure to a balanced Strategy with target equity markets (Risky Component) and an effective overnight interest rate for the Euro currency (Non Risky Component).

The Risky Component will consist of the MSCI World Health Care Net TR Eur Index while the Non Risky Component will be the Eonia Index (Euro OverNight Index Average). The MSCI World Health Care Net TR Eur Index is rebalanced biannually without any effect on the costs incurred by the Strategy. The full calculation methodology of the MSCI World Health Care Net TR Eur Index is available, free of charge on the internet site of the provider free of charge on the Internet under: <https://www.msci.com/index-methodology>.

The Sub Fund will gain exposure to the Risky Component and the Non Risky Component by entering into an equity swap transaction up to 100% of the net assets (Volatility Control Strategy Swap).

In the Strategy, the underlyings of the swap, the Risky Component and the Non Risky Component will be daily rebalanced with the aim to control the volatility. The Strategy implements a predetermined algorithm by which:

- the exposure to the Risky Component is progressively reduced up to 0%, if and when its effective volatility over the last period increases over 10,5%, (and the corresponding exposure to Non Risky Component is increased up to 100%);
- the exposure to the Risky Component is progressively increased up to 100%, if and when its effective volatility over the last period decreases below 9,5%, (and the corresponding exposure to Non Risky Component is decreased down to 0%).

The aim result of the Strategy is an annualized effective volatility around, or below, 10% (“the Target Volatility”). In order to limit the inherent counterparty risk of the swap transaction, it will be entered into with primary financial institutions which are specialized in such types of transactions and conveniently collateralized. The counterparty of the swap could be an entity belonging to the same Group of the Management Company.

The Sub-Fund may hold liquidities from time to time.

After the sixth year, the Sub-Fund will invest directly into short-term corporate and sovereign bonds.

The time horizon of the Sub Fund is 6 years from the end of the initial subscription period.

This Sub-Fund may enter into transactions relating to futures, swaps, including unfunded total return swaps, and options for currency and interest rate risk hedging purposes. The Sub-Fund may use derivatives for purposes other than hedging in compliance with what is provided in section “Risk Management” of the Prospectus and in the interest of an orderly management of its assets and to achieve the target return. Due to their high volatility, futures, swaps and options are exposed to greater risks than direct investments in securities.

Type of transaction	Under normal circumstances it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-Fund's Net Asset Value indicated below.	The principal amount of the Sub-Fund's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Sub-Fund's Net Asset Value indicated below
Total return swaps	90%	100%

Specificities linked to the use of financial derivatives instruments:

All OTC derivatives (including swaps) must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA) Master Agreement (the "ISDA Master Agreement"). The Company enters into OTC derivative transactions for the relevant Sub-Fund via a duly authorized member of the Board of Directors signing the ISDA Master Agreement and related credit support annex (the "CSA"), as well as any swap confirmations under these documents. Changes to the terms of OTC derivative transactions are effected in the same way. The Company can also enter into OTC derivative transactions (and/or change the terms of such transactions) via the Investment Manager signing the above documents, under the delegation of investment management functions granted by the Board of Directors to the Management Company and, further, to the Investment Manager.

The ISDA Master Agreement will include the standard and customary termination provisions under that ISDA Master Agreement (or similar agreement).

The risk exposure to a counterparty of the Sub-Fund in OTC derivative transactions may not exceed (i) 10 % of the Sub-Fund's assets, when the counterparty is a credit institution or (ii) 5 % of its assets in other cases.

In addition, the net exposure of the Sub-Fund to a counterparty arising from OTC derivative transactions shall be taken into account in the 20% limit of maximum investments in a single entity, as described under "Investment Restrictions" above.

Risk exposure to a counterparty to OTC derivatives will take into account collateral provided by the counterparty in the form of assets eligible as collateral under applicable laws and regulations.

Where the Company on behalf of a Sub-Fund enters into OTC financial derivative transactions (including a swap agreement), all collateral received by the Sub-Fund must comply with the criteria listed in ESMA Guidelines 2014/937 in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund.

Collateral received will consist in liquid securities such as government securities and/or cash. Cash collateral will not be reinvested. No haircut policy will be applied.

In respect of any Sub-Fund which has entered into OTC derivatives, investors in such Sub-Fund may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

The Company will determine the required level of collateral for OTC financial derivatives by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. The level of collateralisation may vary within the aforementioned range in function of the type of collateral posted at any time.

Collateral will be valued, on a daily basis, using available market prices.

Where there is a title transfer, collateral received will be held by the Depositary (or a sub-custodian thereof) on behalf of the Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

The above provisions apply subject to any further guidelines issued from time to time by ESMA amending and/or supplementing ESMA Guidelines 2014/937 and/or any additional guidance issued from time to time by the Regulatory Authority in relation to the above.

### **Risk factors**

The main risk factors of the Sub-Fund are linked to the investment in high yield securities, emerging markets bonds and indirect exposure to equity markets



### 3. Reference Currency

EUR

### 4. Valuation Day

The Net Asset Value per Share is calculated on each Business Day in Luxembourg.

### 5. Method used for the determination of the global risk

The global risk of the Sub-Fund shall be determined by using the Commitment Approach.

### 6. Profile of the typical investor

This Sub-Fund is suitable for institutional and retail investors seeking a medium term capital growth and able to set aside the capital for a period of at least 6 years.

The Sub-Fund is suitable for institutional and retail investors bearing the risks involved in high yield and emerging markets securities, in indirect exposure to equity markets, and the potential capital losses.

### 7. Main features of the Share Classes

Share Class	R EUR
Reference currency	EUR
ISIN code	LU1708200701
Form of shares	registered
Dividend policy	<p>Distribution shares for the first six years on a semi-annual basis, capitalization shares from the seventh year.</p> <p>During the first six years following the first NAV Date, a dividend amount equal to the difference between the price of the Sub-Fund at the day immediately prior to the ex-dividend date and the Initial Price (5 Eur), if positive, will be recognized to the shareholders.</p> <p>In case of a dividend amount greater than 1.5% of the Initial Price, the amount in excess of 1.5% will not be recognized and will remain in the Sub-Fund's assets.</p> <p>The shareholders existing on the day preceding the ex-dividend day are considered entitled for distribution. The ex-dividend days for the first six years will be:</p> <ul style="list-style-type: none"><li>- 02/07/2018</li><li>- 02/01/2019</li><li>- 02/07/2019</li><li>- 02/01/2020</li><li>- 02/07/2020</li><li>- 02/01/2021</li><li>- 02/07/2021</li><li>- 02/01/2022</li><li>- 02/07/2022</li><li>- 02/01/2023</li><li>- 02/07/2023</li><li>- 02/01/2024</li></ul> <p>or, if such day is not a Valuation Day, the date to be considered will be the first next Valuation Day.</p>
Initial Price	5 Eur
Subscription Period	<p>From the date in which the Sub-Fund is authorised by the Commission de Surveillance du Secteur Financier to <b>12/01/2018</b> included. Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors. Subscribers will be timely informed in writing of such a decision. It is anticipated that once the Sub-Fund has reached a sufficient size as determined by the Board of Directors, the Sub-Fund will be closed to further subscriptions. Requests for subscriptions in this Sub-Fund received after <b>12/01/2018</b> or after the extension of the subscription period will not be considered.</p>
First NAV Date	<b>15/01/2018</b>

Start-up fee	Maximum 3% of the Initial Price multiplied by the number of shares outstanding on the first Valuation Day. This fee is paid only once, is taken from the Sub-Fund's assets and is amortized over a period of five years. This fee covers the start-up activity of the distributors.
Management Company fee	Up to 0.13%
Investment management fee	0.30%
Distribution fee	0.73%
Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR
Minimum holding	500 EUR
Redemption fee	A redemption fee payable to the Sub-Fund will be applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates during a time horizon as determined by the Board of Directors: - 3,00% from 15/01/2018 to 15/01/2019 (included) - 2,40% from 16/01/2019 to 15/01/2020 (included) - 1,80% from 16/01/2020 to 15/01/2021 (included) - 1,20% from 16/01/2021 to 15/01/2022 (included) - 0,60% from 16/01/2022 to 15/01/2023 (included) - zero from 16/01/2023
Conversion fee	N.A. (Conversions in or out of the Sub-Fund are not allowed)
Listing on Luxembourg Stock Exchange	No

# IX. GESTIELLE INVESTMENT SICAV – CEDOLA RISK CONTROL DIGITAL REVOLUTION

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## 1. Investment Objectives

The Sub-Fund seeks medium-term capital appreciation by investing primarily in sovereign and corporate bonds directly whilst also seeking to gain indirect exposure to a strategy balanced with equity markets of the information technology and digital sector, and an effective overnight interest rate for the Euro currency (the “Strategy”).

## 2. Investment Policy

This Sub-Fund will invest primarily in sovereign and corporate bonds directly and indirectly in equities, as further described below..

This Sub-Fund may invest up to 50% of its assets in high yield issuers with a minimum rating equal to B- at the time of acquisition and up to 10% in issuers of emerging markets worldwide with a minimum rating equal to B- at the time of acquisition. One or more emerging markets countries will bear specific risks as described under section 9.2. “Investment risks” of the Prospectus. After the acquisition, in case of breach due to rating downgrade, the Sub-Fund will restore the correct situation as soon as possible, in the shareholders’ interest.

The Sub-Fund may also invest in not-rated issuers for a maximum of 10%. The Sub-Fund will not invest in distressed securities, nor in securities rated the equivalent of CCC- or below. The securities not denominated in Euro have the currency risk almost fully hedged (at least 90%).

The Sub-Fund will also have an indirect exposure to a balanced Strategy with target equity markets (Risky Component) and an effective overnight interest rate for the Euro currency (Non Risky Component).

The Risky Component will consist of the ECPI Digital Revolution ESG Net TR Index while the Non Risky Component will be the Eonia Index (Euro OverNight Index Average). The ECPI Digital Revolution ESG Net TR Index is rebalanced biannually without any effect on the costs incurred by the Strategy. The full calculation methodology of the ECPI Digital Revolution ESG Net TR Index is available, free of charge on the internet site of the provider under: [https://www.ecpigroup.com/wp-content/uploads/rules/ECPI\\_Digital\\_Revolution\\_Equity\\_INDEX\\_RULES.pdf](https://www.ecpigroup.com/wp-content/uploads/rules/ECPI_Digital_Revolution_Equity_INDEX_RULES.pdf). Both ECPI Digital Revolution ESG Net TR Index and the Eonia Index shall be herein collectively referred to as the “Indices” and each an “Index”.

The Sub-Fund will gain exposure to the Risky Component and the Non Risky Component by entering into an equity swap transaction (or equivalent instrument) up to 100% of the net assets (Volatility Control Strategy Swap).

In the Strategy, the underlyings of the swap, the Risky Component and the Non Risky Component will be daily rebalanced with the aim to control the volatility. The Strategy implements a predetermined algorithm by which:

- the exposure to the Risky Component is progressively reduced up to 0%, if and when its effective volatility over the last period increases over 10,5%, (and the corresponding exposure to Non Risky Component is increased up to 100%);
- the exposure to the Risky Component is progressively increased up to 100%, if and when its effective volatility over the last period decreases below 9,5%, (and the corresponding exposure to Non Risky Component is decreased down to 0%).

The aim result of the Strategy is an annualized effective volatility around, or below, 10% (“the Target Volatility”). In order to limit the inherent counterparty risk of the swap transaction, it will be entered into with primary financial institutions which are specialized in such types of transactions and conveniently collateralized.

The Sub-Fund may hold liquidities from time to time.

After the sixth year, the Sub-Fund will invest directly into short-term corporate and sovereign bonds.

The time horizon of the Sub-Fund is 6 years from the end of the initial subscription period.

This Sub-Fund may enter into transactions relating to futures, swaps, including unfunded total return swaps, and options for currency and interest rate risk hedging purposes. The Sub-Fund may use derivatives for purposes other than hedging in compliance with what is provided in section “Risk Management” of the Prospectus and in the interest of an orderly management of its assets and to achieve the target return. Due to their high volatility, futures, swaps and options are exposed to greater risks than direct investments in securities.

Type of transaction	Under normal circumstances it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-Fund's Net Asset Value indicated below.	The principal amount of the Sub-Fund's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Sub-Fund's Net Asset Value indicated below
Total return swaps	90%	100%

Specificities linked to the use of financial derivatives instruments:

All OTC derivatives (including swaps) must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA) Master Agreement (the "ISDA Master Agreement"). The Company enters into OTC derivative transactions for the relevant Sub-Fund via a duly authorized member of the Board of Directors signing the ISDA Master Agreement and related credit support annex (the "CSA"), as well as any swap confirmations under these documents. Changes to the terms of OTC derivative transactions are effected in the same way. The Company can also enter into OTC derivative transactions (and/or change the terms of such transactions) via the Investment Manager signing the above documents, under the delegation of investment management functions granted by the Board of Directors to the Management Company and, further, to the Investment Manager.

The ISDA Master Agreement will include the standard and customary termination provisions under that ISDA Master Agreement (or similar agreement).

The risk exposure to a counterparty of the Sub-Fund in OTC derivative transactions may not exceed (i) 10 % of the Sub-Fund's assets, when the counterparty is a credit institution or (ii) 5 % of its assets in other cases.

In addition, the net exposure of the Sub-Fund to a counterparty arising from OTC derivative transactions shall be taken into account in the 20% limit of maximum investments in a single entity, as described under "Investment Restrictions" above.

Risk exposure to a counterparty to OTC derivatives will take into account collateral provided by the counterparty in the form of assets eligible as collateral under applicable laws and regulations.

Where the Company on behalf of a Sub-Fund enters into OTC financial derivative transactions (including a swap agreement), all collateral received by the Sub-Fund must comply with the criteria listed in ESMA Guidelines 2014/937 in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund.

Collateral received will consist in liquid securities such as government securities and/or cash. Cash collateral will not be reinvested. No haircut policy will be applied.

In respect of any Sub-Fund which has entered into OTC derivatives, investors in such Sub-Fund may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

The Company will determine the required level of collateral for OTC financial derivatives by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. The level of collateralization may vary within the aforementioned range in function of the type of collateral posted at any time.

Collateral will be valued, on a daily basis, using available market prices.

Where there is a title transfer, collateral received will be held by the Depositary (or a sub-custodian thereof) on behalf of the Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

The above provisions apply subject to any further guidelines issued from time to time by ESMA amending and/or supplementing ESMA Guidelines 2014/937 and/or any additional guidance issued from time to time by the Regulatory Authority in relation to the above.

### **Risk factors**

The main risk factors of the Sub-Fund are linked to the investment in high yield securities, emerging markets bonds and indirect exposure to equity markets

### 3. Reference Currency

EUR

### 4. Valuation Day

The Net Asset Value per Share is calculated on each Business Day in Luxembourg.

### 5. Method used for the determination of the global risk

The global risk of the Sub-Fund shall be determined by using the Commitment Approach.

### 6. Profile of the typical investor

This Sub-Fund is suitable for institutional and retail investors seeking a medium term capital growth and able to set aside the capital for a period of at least 6 years.

The Sub-Fund is suitable for institutional and retail investors bearing the risks involved in high yield and emerging markets securities, in indirect exposure to equity markets, and the potential capital losses.

### 7. Main features of the Share Classes

Share Class	R EUR
Reference currency	EUR
ISIN code	LU1732805566
Form of shares	registered
Dividend policy	<p>Distribution shares for the first six years on annual basis, capitalization shares from the seventh year.</p> <p>During the first six years following the first NAV Date, a dividend amount equal to the difference between the price of the Sub-Fund at the day immediately prior to the ex-dividend date and the Initial Price (5 Eur), if positive, will be recognized to the shareholders.</p> <p>In case of a dividend amount greater than 3.0% of the Initial Price, the amount in excess of 3.0% will not be recognized and will remain in the Sub-Fund's assets. In case of dividend of limited amount, the Board of Directors may resolve not to recognize it. In this case, the dividend will remain in the Sub-Fund's assets.</p> <p>The shareholders existing on the day preceding the ex-dividend day are considered entitled for distribution. The ex-dividend days for the first six years will be:</p> <ul style="list-style-type: none"><li>- 28/05/2019</li><li>- 28/05/2020</li><li>- 28/05/2021</li><li>- 28/05/2022</li><li>- 28/05/2023</li><li>- 28/05/2024</li></ul> <p>or, if such day is not a Valuation Day, the date to be considered will be the first next Valuation Day.</p>
Initial Price	5 Eur
Subscription Period	<p>From the date in which the Sub-Fund is authorised by the Commission de Surveillance du Secteur Financier to <b>25/05/2018</b> included. Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors. Subscribers will be timely informed in writing of such a decision. It is anticipated that once the Sub-Fund has reached a sufficient size as determined by the Board of Directors, the Sub-Fund will be closed to further subscriptions. Requests for subscriptions in this Sub-Fund received after <b>25/05/2018</b> or after the extension of the subscription period will not be considered.</p>
First NAV Date	<b>28/05/2018</b>
Start-up fee	<p>Maximum 3.25% of the Initial Price multiplied by the number of shares outstanding on the first Valuation Day.</p> <p>This fee is paid only once, is taken from the Sub-Fund's assets and is amortized over a period of five years. This fee covers the</p>

	start-up activity of the distributors and the Management Company.
Management Company fee	Up to 0.13%
Investment management fee	0.24%
Distribution fee	0.75%
Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR
Minimum holding	500 EUR
Redemption fee	<p>A redemption fee payable to the Sub-Fund will be applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates during a time horizon as determined by the Board of Directors:</p> <ul style="list-style-type: none"> <li>- 3,25% from 28/05/2018 to 28/05/2019</li> <li>- 2,60% from 29/05/2019 to 28/05/2020</li> <li>- 1,95% from 29/05/2020 to 28/05/2021</li> <li>- 1,30% from 29/05/2021 to 28/05/2022</li> <li>- 0,65% from 29/05/2022 to 28/05/2023</li> <li>- zero from 29/05/2023</li> </ul>
Conversion fee	N.A. (Conversions in or out of the Sub-Fund are not allowed)
Benchmark Regulation	<p>The Management Company has adopted a written plan setting out actions, which it will take with respect to this Sub-Fund in the event that the Indexes materially change or cease to be provided (the "<b>Contingency Plan</b>"), as required by article 28(2) of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as may be amended or supplemented from time to time (the "<b>Benchmark Regulation</b>"). Shareholders may access the Contingency Plan at the registered office of the Management Company.</p> <p>The Indices are, as at the date of this Prospectus, provided by the benchmark administrators, ECPI Group S.r.l. (in respect of the ECPI Digital Revolution ESG Net TR Index) and European Money Markets Institute ("EMMI") (in respect of Eonia Index), who are both availing themselves of the transitional arrangements afforded under the Benchmark Regulation and accordingly do not appear on the register of administrators and benchmarks maintained by ESMA pursuant to article 36 of the Benchmark Regulation.</p>
Listing on Luxembourg Stock Exchange	No

## **X. GESTIELLE INVESTMENT SICAV – CEDOLA RISK CONTROL ENERGIE RINNOVABILI**

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### **1. Investment Objectives**

The Sub-Fund seeks medium-term capital appreciation by investing primarily in sovereign and corporate bonds directly whilst also seeking to gain indirect exposure to a strategy balanced with equity markets of the renewable energy sector, and an effective overnight interest rate for the Euro currency (the “Strategy”).

### **2. Investment Policy**

This Sub-Fund will invest primarily in sovereign and corporate bonds directly and indirectly in equities, as further described below.

This Sub-Fund may invest up to 50% of its assets in high yield issuers with a minimum rating equal to B- at the time of acquisition and up to 10% in issuers of emerging markets worldwide with a minimum rating equal to B- at the time of acquisition. One or more emerging markets countries will bear specific risks as described under section 9.2. “Investment risks” of the Prospectus. After the acquisition, in case of breach due to rating downgrade, the Sub-Fund will restore the correct situation as soon as possible, in the shareholders’ interest.

The Sub-Fund may also invest in not-rated issuers for a maximum of 10%. The Sub-Fund will not invest in distressed securities, nor in securities rated the equivalent of CCC- or below as determined by the rating system of the Management Company. The securities not denominated in Euro have the currency risk almost fully hedged (at least 90%).

The Sub-Fund will also have an indirect exposure to a balanced Strategy with target equity markets (Risky Component) and an effective overnight interest rate for the Euro currency (Non Risky Component).

The Risky Component will consist of the ECPI Global Renewable Energy Liquid Equity Net TR EUR Index while the Non Risky Component will be the Eonia Index (Euro OverNight Index Average). The ECPI Global Renewable Energy Liquid Equity Net TR EUR Index is rebalanced biannually without any effect on the costs incurred by the Strategy. The full calculation methodology of the ECPI Global Renewable Energy Liquid Equity Net TR EUR Index is available, free of charge on the internet site of the provider under: [https://www.ecpigroup.com/wp-content/uploads/rules/ECPI\\_Global\\_Renewable\\_Energy\\_INDEX\\_RULES.pdf](https://www.ecpigroup.com/wp-content/uploads/rules/ECPI_Global_Renewable_Energy_INDEX_RULES.pdf). Both ECPI Global Renewable Energy Liquid Equity Net TR EUR Index and the Eonia Index shall be herein collectively referred to as the “Indices” and each an “Index”.

The Sub-Fund will gain exposure to the Risky Component and the Non Risky Component by entering into an equity swap transaction (or equivalent instrument) up to 100% of the net assets (Volatility Control Strategy Swap).

In the Strategy, the underlyings of the swap, the Risky Component and the Non Risky Component will be daily rebalanced with the aim to control the volatility. The Strategy implements a predetermined algorithm by which:

- the exposure to the Risky Component is progressively reduced up to 0%, if and when its effective volatility over the last period increases over 10,5%, (and the corresponding exposure to Non Risky Component is increased up to 100%);
- the exposure to the Risky Component is progressively increased up to 100%, if and when its effective volatility over the last period decreases below 9,5%, (and the corresponding exposure to Non Risky Component is decreased down to 0%).

The aim result of the Strategy is an annualized effective volatility around, or below, 10% (“the Target Volatility”). In order to limit the inherent counterparty risk of the swap transaction, it will be entered into with primary financial institutions which are specialized in such types of transactions and conveniently collateralized.

The Sub-Fund may hold liquidities from time to time.

After the sixth year, the Sub-Fund will invest directly into short-term corporate and sovereign bonds.

The time horizon of the Sub-Fund is 6 years from the end of the initial subscription period.

This Sub-Fund may enter into transactions relating to futures, swaps, including unfunded total return swaps, and options for currency and interest rate risk hedging purposes. The Sub-Fund may use derivatives for purposes other than hedging in compliance with what is provided in section “Risk Management” of the Prospectus and in the interest of an orderly management of its assets and to achieve the target return. Due to their high volatility, futures, swaps and options are exposed to greater risks than direct investments in securities.

Type of transaction	Under normal circumstances it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-Fund's Net Asset Value indicated below.	The principal amount of the Sub-Fund's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Sub-Fund's Net Asset Value indicated below
Total return swaps	90%	100%

Specificities linked to the use of financial derivatives instruments:

All OTC derivatives (including swaps) must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA) Master Agreement (the "ISDA Master Agreement"). The Company enters into OTC derivative transactions for the relevant Sub-Fund via a duly authorized member of the Board of Directors signing the ISDA Master Agreement and related credit support annex (the "CSA"), as well as any swap confirmations under these documents. Changes to the terms of OTC derivative transactions are effected in the same way. The Company can also enter into OTC derivative transactions (and/or change the terms of such transactions) via the Investment Manager signing the above documents, under the delegation of investment management functions granted by the Board of Directors to the Management Company and, further, to the Investment Manager.

The ISDA Master Agreement will include the standard and customary termination provisions under that ISDA Master Agreement (or similar agreement).

The risk exposure to a counterparty of the Sub-Fund in OTC derivative transactions may not exceed (i) 10 % of the Sub-Fund's assets, when the counterparty is a credit institution or (ii) 5 % of its assets in other cases.

In addition, the net exposure of the Sub-Fund to a counterparty arising from OTC derivative transactions shall be taken into account in the 20% limit of maximum investments in a single entity, as described under "Investment Restrictions" above.

Risk exposure to a counterparty to OTC derivatives will take into account collateral provided by the counterparty in the form of assets eligible as collateral under applicable laws and regulations.

Where the Company on behalf of a Sub-Fund enters into OTC financial derivative transactions (including a swap agreement), all collateral received by the Sub-Fund must comply with the criteria listed in ESMA Guidelines 2014/937 in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund.

Collateral received will consist in liquid securities such as government securities and/or cash. Cash collateral will not be reinvested. No haircut policy will be applied.

In respect of any Sub-Fund which has entered into OTC derivatives, investors in such Sub-Fund may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

The Company will determine the required level of collateral for OTC financial derivatives by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. The level of collateralization may vary within the aforementioned range in function of the type of collateral posted at any time.

Collateral will be valued, on a daily basis, using available market prices.

Where there is a title transfer, collateral received will be held by the Depositary (or a sub-custodian thereof) on behalf of the Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

The above provisions apply subject to any further guidelines issued from time to time by ESMA amending and/or supplementing ESMA Guidelines 2014/937 and/or any additional guidance issued from time to time by the Regulatory Authority in relation to the above.

### **Risk factors**

The main risk factors of the Sub-Fund are linked to the investment in high yield securities, emerging markets bonds and indirect exposure to equity markets



### 3. Reference Currency

EUR

### 4. Valuation Day

The Net Asset Value per Share is calculated on each Business Day in Luxembourg.

### 5. Method used for the determination of the global risk

The global risk of the Sub-Fund shall be determined by using the Commitment Approach.

### 6. Profile of the typical investor

This Sub-Fund is suitable for institutional and retail investors seeking a medium term capital growth and able to set aside the capital for a period of at least 6 years.

The Sub-Fund is suitable for institutional and retail investors bearing the risks involved in high yield and emerging markets securities, in indirect exposure to equity markets, and the potential capital losses.

### 7. Main features of the Share Classes

Share Class	R EUR
Reference currency	EUR
ISIN code	LU1846701198
Form of shares	registered
Dividend policy	<p>Distribution shares for the first six years on annual basis, capitalization shares from the seventh year.</p> <p>During the first six years following the first NAV Date, a dividend amount equal to the difference between the price of the Sub-Fund at the day immediately prior to the ex-dividend date and the Initial Price (5 Eur), if positive, will be recognized to the shareholders.</p> <p>In case of a dividend amount greater than 3.0% of the Initial Price, the amount in excess of 3.0% will not be recognized and will remain in the Sub-Fund's assets. In case of dividend of limited amount, the Board of Directors may resolve not to recognize it. In this case, the dividend will remain in the Sub-Fund's assets.</p> <p>The shareholders existing on the day preceding the ex-dividend day are considered entitled for distribution. The ex-dividend days for the first six years will be:</p> <ul style="list-style-type: none"><li>- 01/10/2019</li><li>- 01/10/2020</li><li>- 01/10/2021</li><li>- 01/10/2022</li><li>- 01/10/2023</li><li>- 01/10/2024</li></ul> <p>or, if such day is not a Valuation Day, the date to be considered will be the first next Valuation Day.</p>
Initial Price	5 Eur
Subscription Period	<p>From the date of this Prospectus to <b>24/09/2018</b> included. Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors. Subscribers will be timely informed in writing of such a decision. It is anticipated that once the Sub-Fund has reached a sufficient size as determined by the Board of Directors, the Sub-Fund will be closed to further subscriptions. Requests for subscriptions in this Sub-Fund received after <b>24/09/2018</b> or after the extension of the subscription period will not be considered.</p>
First NAV Date	<b>25/09/2018</b>
Start-up fee	<p>Maximum 3.25% of the Initial Price multiplied by the number of shares outstanding on the first Valuation Day.</p> <p>This fee is paid only once, is taken from the Sub-Fund's assets and is amortized over a period of five years. This fee covers the start-up activity of the distributors and the Management Company.</p>

Management Company fee	Up to 0.13%
Investment management fee	0.24%
Distribution fee	0.75%
Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR
Minimum holding	500 EUR
Redemption fee	<p>A redemption fee payable to the Sub-Fund will be applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates during a time horizon as determined by the Board of Directors:</p> <ul style="list-style-type: none"> <li>- 3,25% from 25/09/2018 to 25/09/2019</li> <li>- 2,60% from 26/09/2019 to 25/09/2020</li> <li>- 1,95% from 26/09/2020 to 25/09/2021</li> <li>- 1,30% from 26/09/2021 to 25/09/2022</li> <li>- 0,65% from 26/09/2022 to 25/09/2023</li> <li>- zero from 26/09/2023</li> </ul>
Conversion fee	N.A. (Conversions in or out of the Sub-Fund are not allowed)
Benchmark Regulation	<p>The Management Company has adopted a written plan setting out actions, which it will take with respect to this Sub-Fund in the event that the Indexes materially change or cease to be provided (the "<b>Contingency Plan</b>"), as required by article 28(2) of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as may be amended or supplemented from time to time (the "<b>Benchmark Regulation</b>"). Shareholders may access the Contingency Plan at the registered office of the Management Company.</p> <p>The Indices are, as at the date of this Prospectus, provided by the benchmark administrators, ECPI Group S.r.l. (in respect of the ECPI Global Renewable Energy Liquid Equity Net TR EUR Index ) and European Money Markets Institute ("EMMI") (in respect of Eonia Index), who are both availing themselves of the transitional arrangements afforded under the Benchmark Regulation and accordingly do not appear on the register of administrators and benchmarks maintained by ESMA pursuant to article 36 of the Benchmark Regulation.</p>
Listing on Luxembourg Stock Exchange	No

# XI. GESTIELLE INVESTMENT SICAV – CEDOLA RISK CONTROL GLOBAL SCIENCE FOR LIFE

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## 1. Investment Objectives

The Sub-Fund seeks medium-term capital appreciation by investing primarily in sovereign and corporate bonds directly whilst also seeking to gain indirect exposure to a strategy balanced with equity markets of the science and health sector, and an effective overnight interest rate for the Euro currency (the “Strategy”).

## 2. Investment Policy

This Sub-Fund will invest primarily in sovereign and corporate bonds directly and indirectly in equities, as further described below.

This Sub-Fund may invest up to 50% of its assets in high yield issuers with a minimum rating equal to B- at the time of acquisition and up to 10% in issuers of emerging markets worldwide with a minimum rating equal to B- at the time of acquisition. One or more emerging markets countries will bear specific risks as described under section 9.2. “Investment risks” of the Prospectus. After the acquisition, in case of breach due to rating downgrade, the Sub-Fund will restore the correct situation as soon as possible, in the shareholders’ interest.

The Sub-Fund may also invest in not-rated issuers and in distressed securities for a maximum of 10%. The securities not denominated in Euro have the currency risk almost fully hedged (at least 90%). The Sub-Fund will not invest in defaulted securities.

The Sub-Fund will also have an indirect exposure to a balanced Strategy with target equity markets (Risky Component) and an effective overnight interest rate for the Euro currency (Non Risky Component).

The Risky Component will consist of the ECPI Global Science for Life Equity Net TR Eur Index while the Non Risky Component will be the Eonia Index (Euro OverNight Index Average). The ECPI Global Science for Life Equity Net TR Eur Index is rebalanced annually without any effect on the costs incurred by the Strategy. The full calculation methodology of the ECPI Global Science for Life Equity Net TR Eur Index is available, free of charge on the internet site of the provider under: [https://www.ecpigroup.com/wp-content/uploads/rules/ECPI\\_Global\\_Science\\_for\\_Life\\_Equity\\_INDEX\\_RULES.pdf](https://www.ecpigroup.com/wp-content/uploads/rules/ECPI_Global_Science_for_Life_Equity_INDEX_RULES.pdf). Both ECPI Global Science for Life Equity Net TR Eur Index and the Eonia Index shall be herein collectively referred to as the “Indices” and each an “Index”.

The Sub-Fund will gain exposure to the Risky Component and the Non Risky Component by entering into an equity swap transaction (or equivalent instrument) up to 100% of the net assets (Volatility Control Strategy Swap).

In the Strategy, the underlyings of the swap, the Risky Component and the Non Risky Component will be daily rebalanced with the aim to control the volatility. The Strategy implements a predetermined algorithm by which:

- the exposure to the Risky Component is progressively reduced up to 0%, if and when its effective volatility over the last period increases over 10,5%, (and the corresponding exposure to Non Risky Component is increased up to 100%);
- the exposure to the Risky Component is progressively increased up to 100%, if and when its effective volatility over the last period decreases below 9,5%, (and the corresponding exposure to Non Risky Component is decreased down to 0%).

The aim result of the Strategy is an annualized effective volatility around, or below, 10% (“the Target Volatility”). In order to limit the inherent counterparty risk of the swap transaction, it will be entered into with primary financial institutions which are specialized in such types of transactions and conveniently collateralized.

The Sub-Fund may hold liquidities from time to time.

After the sixth year, the Sub-Fund will invest directly into short-term corporate and sovereign bonds.

The time horizon of the Sub-Fund is 6 years from the end of the initial subscription period.

This Sub-Fund may enter into transactions relating to futures, swaps, including unfunded total return swaps, and options for currency and interest rate risk hedging purposes. The Sub-Fund may use derivatives for purposes other than hedging in compliance with what is provided in section “Risk Management” of the Prospectus and in the interest of an orderly management of its assets and to achieve the target return. Due to their high volatility, futures, swaps and options are exposed to greater risks than direct investments in securities.

Type of transaction	Under normal circumstances it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-Fund's Net Asset Value indicated below.	The principal amount of the Sub-Fund's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Sub-Fund's Net Asset Value indicated below
Total return swaps	90%	100%

Specificities linked to the use of financial derivatives instruments:

All OTC derivatives (including swaps) must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA) Master Agreement (the "ISDA Master Agreement"). The Company enters into OTC derivative transactions for the relevant Sub-Fund via a duly authorized member of the Board of Directors signing the ISDA Master Agreement and related credit support annex (the "CSA"), as well as any swap confirmations under these documents. Changes to the terms of OTC derivative transactions are effected in the same way. The Company can also enter into OTC derivative transactions (and/or change the terms of such transactions) via the Investment Manager signing the above documents, under the delegation of investment management functions granted by the Board of Directors to the Management Company and, further, to the Investment Manager.

The ISDA Master Agreement will include the standard and customary termination provisions under that ISDA Master Agreement (or similar agreement).

The risk exposure to a counterparty of the Sub-Fund in OTC derivative transactions may not exceed (i) 10 % of the Sub-Fund's assets, when the counterparty is a credit institution or (ii) 5 % of its assets in other cases.

In addition, the net exposure of the Sub-Fund to a counterparty arising from OTC derivative transactions shall be taken into account in the 20% limit of maximum investments in a single entity, as described under "Investment Restrictions" above.

Risk exposure to a counterparty to OTC derivatives will take into account collateral provided by the counterparty in the form of assets eligible as collateral under applicable laws and regulations.

Where the Company on behalf of a Sub-Fund enters into OTC financial derivative transactions (including a swap agreement), all collateral received by the Sub-Fund must comply with the criteria listed in ESMA Guidelines 2014/937 in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund.

Collateral received will consist in liquid securities such as government securities and/or cash. Cash collateral will not be reinvested. No haircut policy will be applied.

In respect of any Sub-Fund which has entered into OTC derivatives, investors in such Sub-Fund may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

The Company will determine the required level of collateral for OTC financial derivatives by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. The level of collateralization may vary within the aforementioned range in function of the type of collateral posted at any time.

Collateral will be valued, on a daily basis, using available market prices.

Where there is a title transfer, collateral received will be held by the Depositary (or a sub-custodian thereof) on behalf of the Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

The above provisions apply subject to any further guidelines issued from time to time by ESMA amending and/or supplementing ESMA Guidelines 2014/937 and/or any additional guidance issued from time to time by the Regulatory Authority in relation to the above.

### **Risk factors**

The main risk factors of the Sub-Fund are linked to the investment in high yield securities, emerging markets bonds and indirect exposure to equity markets

### 3. Reference Currency

EUR

### 4. Valuation Day

The Net Asset Value per Share is calculated on each Business Day in Luxembourg.

### 5. Method used for the determination of the global risk

The global risk of the Sub-Fund shall be determined by using the Commitment Approach.

### 6. Profile of the typical investor

This Sub-Fund is suitable for institutional and retail investors seeking a medium term capital growth and able to set aside the capital for a period of at least 6 years.

The Sub-Fund is suitable for institutional and retail investors bearing the risks involved in high yield and emerging markets securities, in indirect exposure to equity markets, and the potential capital losses.

### 7. Main features of the Share Classes

Share Class	R EUR
Reference currency	EUR
ISIN code	LU1886619805
Form of shares	registered
Dividend policy	<p>Distribution shares for the first six years on annual basis, capitalization shares from the seventh year.</p> <p>During the first six years following the first NAV Date, a dividend amount equal to the difference between the price of the Sub-Fund at the day immediately prior to the ex-dividend date and the Initial Price (5 Eur), if positive, will be recognized to the shareholders.</p> <p>In case of a dividend amount greater than 3.0% of the Initial Price, the amount in excess of 3.0% will not be recognized and will remain in the Sub-Fund's assets. In case of dividend of limited amount, the Board of Directors may resolve not to recognize it. In this case, the dividend will remain in the Sub-Fund's assets.</p> <p>The shareholders existing on the day preceding the ex-dividend day are considered entitled for distribution. The ex-dividend days for the first six years will be:</p> <ul style="list-style-type: none"><li>- 02/01/2020</li><li>- 02/01/2021</li><li>- 02/01/2022</li><li>- 02/01/2023</li><li>- 02/01/2024</li><li>- 02/01/2025</li></ul> <p>or, if such day is not a Valuation Day, the date to be considered will be the first next Valuation Day.</p>
Initial Price	5 Eur
Subscription Period	<p>From the date of this Prospectus to <b>20/12/2018</b> included. Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors. Subscribers will be timely informed in writing of such a decision. It is anticipated that once the Sub-Fund has reached a sufficient size as determined by the Board of Directors, the Sub-Fund will be closed to further subscriptions. Requests for subscriptions in this Sub-Fund received after <b>20/12/2018</b> or after the extension of the subscription period will not be considered.</p>
First NAV Date	<b>21/12/2018</b>
Start-up fee	<p>Maximum 3.25% of the Initial Price multiplied by the number of shares outstanding on the first Valuation Day.</p> <p>This fee is paid only once, is taken from the Sub-Fund's assets and is amortized over a period of five years. This fee covers the start-up activity of the distributors and the Management Company.</p>

Management Company fee	Up to 0.13%
Investment management fee	0.24%
Distribution fee	0.75%
Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR
Minimum holding	500 EUR
Redemption fee	<p>A redemption fee payable to the Sub-Fund will be applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates during a time horizon as determined by the Board of Directors:</p> <ul style="list-style-type: none"> <li>- 3,25% from 21/12/2018 to 21/12/2019</li> <li>- 2,60% from 22/12/2019 to 21/12/2020</li> <li>- 1,95% from 22/12/2020 to 21/12/2021</li> <li>- 1,30% from 22/12/2021 to 21/12/2022</li> <li>- 0,65% from 22/12/2022 to 21/12/2023</li> <li>- zero from 22/12/2023</li> </ul>
Conversion fee	N.A. (Conversions in or out of the Sub-Fund are not allowed)
Benchmark Regulation	<p>The Management Company has adopted a written plan setting out actions, which it will take with respect to this Sub-Fund in the event that the Indexes materially change or cease to be provided (the "<b>Contingency Plan</b>"), as required by article 28(2) of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as may be amended or supplemented from time to time (the "<b>Benchmark Regulation</b>"). Shareholders may access the Contingency Plan at the registered office of the Management Company.</p> <p>The Indices are, as at the date of this Prospectus, provided by the benchmark administrators, ECPI Group S.r.l. (in respect of the ECPI Global Science for Life Equity Net TR Eur Index) and European Money Markets Institute ("EMMI") (in respect of Eonia Index), who are both availing themselves of the transitional arrangements afforded under the Benchmark Regulation and accordingly do not appear on the register of administrators and benchmarks maintained by ESMA pursuant to article 36 of the Benchmark Regulation.</p>
Listing on Luxembourg Stock Exchange	No

## **XII. GESTIELLE INVESTMENT SICAV – CEDOLA RISK CONTROL LONGEVITY**

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### **1. Investment Objectives**

The Sub-Fund seeks medium-term capital appreciation by investing primarily in sovereign and corporate bonds directly whilst also seeking to gain indirect exposure to a strategy balanced with equity investment in companies which are suited for seizing opportunities arising from the increase in life expectancy and an effective overnight interest rate for the Euro currency (the “Strategy”).

### **2. Investment Policy**

This Sub-Fund will invest primarily in sovereign and corporate bonds directly and indirectly in equities, as further described below.

This Sub-Fund may invest up to 50% of its assets in high yield issuers with a minimum rating equal to B- at the time of acquisition and up to 10% in issuers of emerging markets worldwide with a minimum rating equal to B- at the time of acquisition. One or more emerging markets countries will bear specific risks as described under section 9.2. “Investment risks” of the Prospectus. In circumstances where the securities held by the Fund would become downgraded below B- (or equivalent) after the acquisition, the Fund may hold them until maturity. In any case of downgrade, the Sub-Fund may hold up to 10% of its net assets in securities graded below B- (or equivalent).

The Sub-Fund does not invest in un-rated securities and in distressed securities, the latter defined as securities rated below CCC or equivalent.

The Sub-Fund does not invest in defaulted securities. In circumstances where a security defaults after the purchase, the Fund will liquidate the position in a timeframe compatible with the shareholders’ interest.

The Sub-Fund may invest up to 20% of its net assets in contingent convertible bonds.

The securities not denominated in Euro have the currency risk almost fully hedged (at least 90%).

The Sub-Fund will also have an indirect exposure to a balanced Strategy with target equity markets (Risky Component) and an effective overnight interest rate for the Euro currency (Non Risky Component).

The Risky Component will consist of the ECPI Global Longevity Winners Equity Net TR Eur Index while the Non Risky Component will be the Eonia Index (Euro OverNight Index Average). The ECPI Global Longevity Winners Equity Net TR Eur Index is rebalanced semi-annually without any effect on the costs incurred by the Strategy. The full calculation methodology of the ECPI Global Longevity Winners Equity Net TR Eur Index is available, free of charge on the internet site of the provider under: [https://www.ecpigroup.com/wp-content/uploads/rules/ECPI\\_Global\\_Longevity\\_Winners\\_INDEX\\_RULES.pdf](https://www.ecpigroup.com/wp-content/uploads/rules/ECPI_Global_Longevity_Winners_INDEX_RULES.pdf). Both ECPI Global Longevity Winners Equity Net TR Eur Index and the Eonia Index shall be herein collectively referred to as the “Indices” and each an “Index”.

The Sub-Fund will gain exposure to the Risky Component and the Non Risky Component by entering into an unfunded equity swap transaction (or equivalent instrument) up to 100% of the net assets (the “Volatility Control Strategy Swap”).

In the Strategy, the underlyings of the swap, the Risky Component and the Non Risky Component will be daily rebalanced with the aim to control the volatility. The Strategy implements a predetermined algorithm by which:

- the exposure to the Risky Component is progressively reduced up to 0%, if and when its effective volatility over the last period increases over 10,5%, (and the corresponding exposure to Non Risky Component is increased up to 100%);
- the exposure to the Risky Component is progressively increased up to 100%, if and when its effective volatility over the last period decreases below 9,5%, (and the corresponding exposure to Non Risky Component is decreased down to 0%).

The aim result of the Strategy is an annualized effective volatility around, or below, 10% (“the Target Volatility”). In order to limit the inherent counterparty risk of the swap transaction, it will be entered into with primary financial institutions which are specialized in such types of transactions and conveniently collateralized.

The Sub-Fund may hold liquidities from time to time.

After the sixth year, the Sub-Fund will invest directly into short-term corporate and sovereign bonds and will no longer enter into the abovementioned Volatility Control Strategy Swap, unless otherwise decided by the Board of Directors.

The time horizon of the Sub-Fund is 6 years from the end of the initial subscription period.

This Sub-Fund enters into transactions relating to futures, swaps, including unfunded total return swaps, and options for currency and interest rate risk hedging purposes. The Sub-Fund may use derivatives for purposes other than hedging in compliance with what is provided in section "Risk Management" of the Prospectus and in the interest of an orderly management of its assets and to achieve the target return. Due to their high volatility, futures, swaps and options are exposed to greater risks than direct investments in securities.

Type of transaction	Under normal circumstances it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-Fund's Net Asset Value indicated below.	The principal amount of the Sub-Fund's assets that can be subject to the transaction may represent up to a maximum of the proportion of the Sub-Fund's Net Asset Value indicated below
Total return swaps	90%	100%

Specificities linked to the use of financial derivatives instruments:

All OTC derivatives (including swaps) must be executed on the basis of industry accepted documentation/standardized documentation, such as the International Swaps and Derivatives Association (ISDA) Master Agreement (the "ISDA Master Agreement"). The Company enters into OTC derivative transactions for the relevant Sub-Fund via a duly authorized member of the Board of Directors signing the ISDA Master Agreement and related credit support annex (the "CSA"), as well as any swap confirmations under these documents. Changes to the terms of OTC derivative transactions are effected in the same way. The Company can also enter into OTC derivative transactions (and/or change the terms of such transactions) via the Investment Manager signing the above documents, under the delegation of investment management functions granted by the Board of Directors to the Management Company and, further, to the Investment Manager.

The ISDA Master Agreement will include the standard and customary termination provisions under that ISDA Master Agreement (or similar agreement).

The risk exposure to a counterparty of the Sub-Fund in OTC derivative transactions may not exceed (i) 10 % of the Sub-Fund's assets, when the counterparty is a credit institution or (ii) 5 % of its assets in other cases.

In addition, the net exposure of the Sub-Fund to a counterparty arising from OTC derivative transactions shall be taken into account in the 20% limit of maximum investments in a single entity, as described under "Investment Restrictions" above.

Risk exposure to a counterparty to OTC derivatives will take into account collateral provided by the counterparty in the form of assets eligible as collateral under applicable laws and regulations.

Where the Company on behalf of a Sub-Fund enters into OTC financial derivative transactions (including a swap agreement), all collateral received by the Sub-Fund must comply with the criteria listed in ESMA Guidelines 2014/937 in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund.

Collateral received will consist in liquid securities such as government securities and/or cash. Cash collateral will not be reinvested. No haircut policy will be applied.

In respect of any Sub-Fund which has entered into OTC derivatives, investors in such Sub-Fund may obtain free of charge, on request, a copy of the report detailing the composition of the collateral at any time.

The Company will determine the required level of collateral for OTC financial derivatives by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. The level of collateralization may vary within the aforementioned range in function of the type of collateral posted at any time.

Collateral will be valued, on a daily basis, using available market prices.



Where there is a title transfer, collateral received will be held by the Depositary (or a sub-custodian thereof) on behalf of the Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

The above provisions apply subject to any further guidelines issued from time to time by ESMA amending and/or supplementing ESMA Guidelines 2014/937 and/or any additional guidance issued from time to time by the Regulatory Authority in relation to the above.

### **Risk factors**

The main risk factors of the Sub-Fund are linked to the investment in high yield securities, emerging markets bonds and indirect exposure to equity markets

#### **3. Reference Currency**

EUR

#### **4. Valuation Day**

The Net Asset Value per Share is calculated on each Business Day in Luxembourg.

#### **5. Method used for the determination of the global risk**

The global risk of the Sub-Fund shall be determined by using the Commitment Approach.

#### **6. Profile of the typical investor**

This Sub-Fund is suitable for institutional and retail investors seeking a medium term capital growth and able to set aside the capital for a period of at least 6 years.

The Sub-Fund is suitable for institutional and retail investors bearing the risks involved in high yield and emerging markets securities, in indirect exposure to equity markets, and the potential capital losses.

#### **7. Main features of the Share Classes**

<b>Share Class</b>	<b>R EUR</b>
Reference currency	EUR
ISIN code	LU1987099485
Form of shares	registered
Dividend policy	<p>Distribution shares for the first six years on annual basis, capitalization shares from the seventh year.</p> <p>During the first six years following the first NAV Date, a dividend amount equal to the difference between the price of the Sub-Fund at the day immediately prior to the ex-dividend date and the Initial Price (5 Eur), if positive, will be recognized to the shareholders.</p> <p>In case of a dividend amount greater than 3.0% of the Initial Price, the amount in excess of 3.0% will not be recognized and will remain in the Sub-Fund's assets. In case of dividend of limited amount, the Board of Directors may resolve not to recognize it. In this case, the dividend will remain in the Sub-Fund's assets.</p> <p>The shareholders existing on the day preceding the ex-dividend day are considered entitled for distribution. The ex-dividend days for the first six years will be:</p> <ul style="list-style-type: none"> <li>- 24 June 2020</li> <li>- 24 June 2021</li> <li>- 24 June 2022</li> <li>- 24 June 2023</li> <li>- 24 June 2024</li> <li>- 24 June 2025</li> </ul> <p>or, if such day is not a Valuation Day, the date to be considered will be the first next Valuation Day.</p>
Initial Price	5 Eur
Subscription Period	From the date of this Prospectus to <b>21 June 2019</b> included. Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors. Subscribers will be timely informed in writing of such a

	decision. It is anticipated that once the Sub-Fund has reached a sufficient size as determined by the Board of Directors, the Sub-Fund will be closed to further subscriptions. Requests for subscriptions in this Sub-Fund received after <b>21 June 2019</b> or after the extension of the subscription period will not be considered.
First NAV Date	<b>24 June 2019</b>
Start-up fee	Maximum 3.25% of the Initial Price multiplied by the number of shares outstanding on the first Valuation Day. This fee is paid only once, is taken from the Sub-Fund's assets and is amortized over a period of five years. This fee covers the start-up activity of the distributors and the Management Company.
Management Company fee	Up to 0.13%
Investment management fee	0.24%
Distribution fee	0.75%
Performance fee	NIL
Taxation ("taxe d'abonnement")	0.05%
Minimum Investment	500 EUR
Minimum holding	500 EUR
Redemption fee	A redemption fee payable to the Sub-Fund will be applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates during a time horizon as determined by the Board of Directors: - 3,25% from 24 June 2019 to 23 June 2020 - 2,60% from 24 June 2020 to 23 June 2021 - 1,95% from 24 June 2021 to 23 June 2022 - 1,30% from 24 June 2022 to 23 June 2023 - 0,65% from 24 June 2023 to 23 June 2024 - zero from 24 June 2024
Conversion fee	N.A. (Conversions in or out of the Sub-Fund are not allowed)
Benchmark Regulation	<p>The Management Company has adopted a written plan setting out actions, which it will take with respect to this Sub-Fund in the event that the Indexes materially change or cease to be provided (the "<b>Contingency Plan</b>"), as required by article 28(2) of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as may be amended or supplemented from time to time (the "<b>Benchmark Regulation</b>"). Shareholders may access the Contingency Plan at the registered office of the Management Company.</p> <p>The Indices are, as at the date of this Prospectus, provided by the benchmark administrators, ECPI Group S.r.l. (in respect of the ECPI Global Longevity Winners Equity Net TR Eur Index) and European Money Markets Institute ("EMMI") (in respect of Eonia Index), who are both availing themselves of the transitional arrangements afforded under the Benchmark Regulation and accordingly do not appear on the register of administrators and benchmarks maintained by ESMA pursuant to article 36 of the Benchmark Regulation.</p>
Listing on Luxembourg Stock Exchange	No