

## LISTING PARTICULARS

**AZ RAIF I FCP-RAIF – Absolute Performing Assets**  
**and**  
**AZ RAIF I FCP-RAIF – Absolute Non-Performing Assets**  
**(together, the “Sub-funds”)**

**Admission to trading for an unlimited number of Class A Units of each of the Sub-funds to the Official List and to trading on the professional segment of the Euro MTF Market of the Luxembourg Stock Exchange**

**12 March 2021**

The management company of **AZ RAIF I FCP-RAIF** (the “**Fund**”), the umbrella fund of each of the Sub-funds, Azimut Investments S.A. (the “**Management Company**”) is responsible for the information contained in this document. To the best of the knowledge and belief of the Management Company (who has taken reasonable care to ensure that such is the case), the information contained in this document is at its date in accordance with the facts and does not omit anything likely to affect the import of such information.

The Listing Particulars are composed of this cover document, the Prospectus dated 12 March 2021 including the Sub-fund Factsheets (the “**Prospectus**”) and the management regulations of the Fund dated 22 October 2020 (the “**Management Regulations**”). Terms not defined herein have the same meaning as in the Prospectus.

As of the date of these Listing Particulars, the Fund has the following sub-funds:

- AZ RAIF I – Corporate Cash Plus
- AZ RAIF I – Flexible Credit
- AZ RAIF I – Structured Credit Bridge
- AZ RAIF I – Absolute Performing Assets
- AZ RAIF I – Absolute Non-Performing Assets
- AZ RAIF I – Direct Lending

Application has been made to the Luxembourg Stock Exchange for the listing of an unlimited number of Class A Units of each of the Sub-funds (the “**Class A Units**”) to be listed on the Official List of the Luxembourg Stock Exchange and to be admitted to trading on the professional segment of the Euro MTF Market of the Luxembourg Stock Exchange. References in this cover document to the Class A Units being “listed” (and all related references) shall mean that the Class A Units have been “listed” on the Official List of the Luxembourg Stock Exchange and admitted to trading on the professional segment of the Euro MTF Market of the Luxembourg Stock Exchange.

The Fund does not expect that an active secondary market will develop in the Class A Units on the professional segment of the Euro MTF Market of the Luxembourg Stock Exchange. The Fund also does not undertake that it will maintain the listing of the Class A Units on the Luxembourg Stock Exchange at all times.

The admission of the Class A Units to the Official List and to trading on the professional segment of the Euro MTF Market of the Luxembourg Stock Exchange does not constitute a warranty or representation by the Luxembourg Stock Exchange as to the competence of the service providers to or any other party connected with the Fund or the suitability of the Sub-fund for investment or for any other purpose.

Potential investors are referred to section “4. General risk factors” on page 16 and followings of the Prospectus as well as section “11. Specific Risks of the Sub-fund” included in each Sub-fund’s Factsheet appended as Appendix I respectively Appendix II (as applicable) to the Prospectus.

If you are in any doubt about the contents of these Listing Particulars you should consult your stockbroker, bank manager, legal counsel, accountant or other financial adviser.

Subscription and acquisition of Class A Units are reserved to Professional Investors within the meaning of Annex II of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended from time to time.

These Listing Particulars constitute a prospectus for purposes of Part IV of the Luxembourg law on prospectus for securities dated 16 July 2019. No person has been authorized to give any information which is not contained in or not consistent with this Prospectus or any other document entered into in relation to the Class A Units or any information supplied by the Fund or such other information as in the public domain and, if given or made, such information must not be relied upon as having been authorized by the Fund, the Management Company or any of them.

## PROSPECTUS

March 2021

AZ RAIF I

35, avenue Monterey

L - 2163 Luxembourg

Grand Duchy of Luxembourg

a mutual investment umbrella fund (*fonds commun de placement* - FCP) organised under the laws of the Grand Duchy of Luxembourg as a reserved alternative investment fund (*fonds d'investissement alternative réservé* – RAIF)

The Prospectus should be accompanied by the Fund's most recent annual report (if available). Only information contained in the Prospectus and financial statements shall be provided.

**IMPORTANT INFORMATION: AZ RAIF I QUALIFIES AS A RESERVED ALTERNATIVE INVESTMENT FUND, WHICH IS NOT SUBJECT TO THE PRUDENTIAL SUPERVISION OF THE COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER ("CSSF"), THE LUXEMBOURG SUPERVISORY AUTHORITY FOR THE FINANCIAL SECTOR, OR ANY OTHER LUXEMBOURG SUPERVISORY AUTHORITY. CONSEQUENTLY, THIS PROSPECTUS HAS NOT BEEN APPROVED BY THE CSSF AND WILL NOT BE SUBMITTED TO THE CSSF OR ANY OTHER LUXEMBOURG SUPERVISORY AUTHORITY FOR APPROVAL.**

**THE FUND QUALIFIES AS AN ALTERNATIVE INVESTMENT FUND WITHIN THE MEANING OF THE LUXEMBOURG LAW OF 12 JULY 2013 ON ALTERNATIVE INVESTMENT FUND MANAGERS, AS AMENDED FROM TIME TO TIME.**

---

## DEFINITIONS

---

For the purposes of the Prospectus and its appendices, the following expressions have the following meanings:

"1915 Law"	the Luxembourg law of 10 August 1915 on commercial companies, as amended from time to time.
"Administrative Rights"	the voting rights described in the main part of the Prospectus and notably in sections 6.2, 10 and 21 of the Prospectus and attached only to certain Units of the Fund as specified within each Sub-fund Factsheet.
"Administrator"	the administrative agent, the paying agent, the registrar and transfer agent of the Fund which is BNP Paribas Securities Services, <i>Luxembourg branch</i> .
"AIF"	alternative investment fund within the meaning of article 1 (49) of the AIFM Law.
"AIFM Directive"	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, as amended.
"AIFM Law"	the Luxembourg law of 12 July 2013 as amended, implementing the AIFM Directive in Luxembourg, as amended.
"AIFM Provisions"	the AIFM Directive, supplemented by its implementing provisions including Commission Regulation, the AIFM Law, as well as any applicable regulations, binding guidelines, circulars or positions of the European Securities and Markets Authority and/or the CSSF.
"Auditor"	Ernst & Young, Société cooperative acting in its capacity as qualified independent auditor ( <i>réviseur d'entreprises agréé</i> ) of the Fund
"Board" or "Board of Directors"	the board of directors of the Company.
"Business Day"	each day that is not (i) a Saturday or a Sunday or (ii) a day on which banks are authorized or required to close in Luxembourg; or (iii) a day on which the markets in which all or part of investments of the Fund are quoted, listed or dealt in are closed; or (iv) such other day or days as the Company may decide from time to time.

<b>"Capital Call"</b>	the notification by the Company to Investors to subscribe for Units and pay the corresponding issue price for such Units as per the terms of the relevant subscription agreements.
<b>"Central Administration Agreement"</b>	the central administration agreement between the Company acting on behalf of the Fund and the Administrator.
<b>"Class"</b>	one or more separate classes of Units of no par value in a Sub-fund.
<b>"Commission Regulation"</b>	Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFM Directive.
<b>"Commitment"</b>	means, with respect to each Investor, the amount for which that Investor has agreed, by entering into a subscription agreement, to subscribe Units in the Fund and to honor Capital Calls in that respect.
<b>"Company" or the "Management Company"</b>	Azimut Investments S.A., acting as management company and as alternative investment fund manager of the Fund.
<b>"CSSF"</b>	<i>Commission de Surveillance du Secteur Financier.</i>
<b>"Defaulting Investor"</b>	means any Investor that fails for any reason (i) to advance an amount which is the subject of a Capital Call, or (ii) to perform or observe any other term, covenant, condition, representation or warranty set out in its subscription agreement.
<b>"Depository"</b>	BNP Paribas Securities Services, <i>Luxembourg</i> branch acting as depository of the Fund within the meaning of the AIFM Provisions.
<b>"Eligible Investors"</b>	mean Investors who qualify as well-informed investors within the meaning of Article 2 of the RAIF Law i.e. Institutional Investors, Professional Investors and Other Well-Informed Investors.
<b>"EU"</b>	European Union.
<b>"Euro" or "EUR"</b>	the legal currency of the European Monetary Union.
<b>"External Valuer"</b>	a legal or natural person independent from the AIF, the AIFM and any other persons with close links to the AIF or the AIFM performing the valuation function as defined in Article 19 of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on alternative investment fund managers.
<b>"FATF"</b>	Financial Action Task Force.
<b>"First Subscription Day"</b>	with reference to each Sub-fund means the Business Day designated by the Company upon which the Units of that sub-fund will be firstly

	issued and Unitholders admitted to the Fund, following the closing of the Initial Offer Period and receipt by Investors of Capital Calls from the Company.
<b>"Fund"</b>	<b>AZ RAIF I.</b>
<b>"Initial Offer Period"</b>	as defined in chapter 12 "Unit Issue and Subscription Price".
<b>"Institutional Investors"</b>	mean Investors who qualify as institutional investors according to the Luxembourg laws and regulations.
<b>"Investment Adviser"</b>	an entity appointed by the Company to provide investment advisory services with respect to one or more Sub-funds if and as further specified in the relevant Sub-fund Factsheet.
<b>"Investment Manager"</b>	an entity appointed by the Company to carry out all or part of the portfolio management duties with respect to one or more Sub-funds if and as further specified in the relevant Sub-fund Factsheet.
<b>"Investors"</b>	any person who contemplates to subscribe for Units of one or more Sub-funds or to make Commitments and, where the context requires, shall include that person as a Unitholder.
<b>"Management Fee"</b>	fee payable by the Fund to the Company as described in this Prospectus.
<b>"Management Regulations"</b>	the Fund's management regulations, effective as of 22 October 2020.
<b>"Market Timing"</b>	any market timing practice within the meaning of CSSF circular 04/146 or as that term may be amended or revised by the CSSF in any subsequent circular, i.e., an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same Luxembourg undertaking for collective investment within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the methods of determination of the net asset value of the undertaking for collective investment.
<b>"Net Asset Value"</b>	the net asset value of the Fund, a Sub-fund, a Class or per Unit as determined in accordance with the relevant provisions of the Prospectus.
<b>"OECD"</b>	Organization for Economic Cooperation and Development.
<b>"Other Well-Informed Investors"</b>	Any Investor who within the meaning of Article 2 of the RAIF Law (a) has confirmed in writing that he adheres to the status of "well-informed investor", and (b) (i) invests a minimum of EUR 125,000 in

	<p>the Fund, or (ii) has been the subject of an assessment made by a credit institution within the meaning of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, by an investment firm within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC or by a management company within the meaning of 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) or by an authorised alternative investment fund manager within the meaning of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No. 1060/2009 and (EU) No. 1095/2010 (hereinafter "Directive 2011/61/EU"), certifying his expertise, his experience and his knowledge to adequately appraise an investment in the reserved alternative investment fund.</p> <p>The conditions set forth above are not applicable to the members of the Board of Directors and other persons who intervene in the management of the Fund.</p>
<b>"Performance Fee"</b>	a variable fee that may be payable, if applicable, to the Company or a specific Class of Unit in accordance with the relevant Sub-fund Factsheet.
<b>"PRIIPs KID"</b>	Key information document within the meaning of the PRIIPs Regulation.
<b>"PRIIPs Regulation"</b>	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs).
<b>"Professional Investors"</b>	mean Investors who qualify as professional investors within the meaning of Annex II of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended from time to time.
<b>"Prospectus"</b>	this prospectus as amended or supplemented from time to time.

"RAIF Law"	the Luxembourg Law dated 23 July 2016 relating to reserved alternative investment funds, as amended.
"RBO"	the Luxembourg beneficial owners register created pursuant to the Law of 13 January 2019 establishing a register of beneficial owners.
"Redemption Price"	as defined in section 13.5 "Unit Redemption".
"RESA"	the Luxembourg <i>Recueil Electronique des Sociétés et Associations</i> .
"RCS"	The Luxembourg Business Register ( <i>Registre de Commerce et des Sociétés of Luxembourg</i> ).
"Sub-fund"	a separate compartment, within the Fund, as defined in article 49 of the RAIF Law, with its specific portfolio of assets and liabilities separate from the portfolio of assets and liabilities of other Sub-funds of the Fund.
"Sub-fund Factsheet"	a factsheet describing the features of a Sub-fund in the Appendices to this Prospectus.
"Subscription Price"	as defined in section 12.9 "Unit Issue and Subscription Price".
"Transfer Agent"	BNP Paribas Securities Services, <i>Luxembourg branch</i> .
"UCI"	undertaking for collective investment, i.e. undertaking the sole objective of which is the collective investment in securities, financial instruments and other assets.
"UCITS"	undertakings for collective investment in transferable securities authorised in accordance with Directive 2009/65/EC, as may be amended from time to time.
"Units" or "Unit"	a registered unit or registered units of no par value of any Class.
"Unitholder(s)"	a holder of Units.
"Unitholders with Administrative Rights"	Unitholders holding Units with Administrative Rights.
"Valuation Day"	a day as of which the Net Asset Value per Unit or Class is determined, as specified in the relevant Sub-fund Factsheet.



**AZ RAIF I** (the "**Fund**"), created and managed by Azimut Investments S.A. (the "**Company**") is officially registered as a mutual fund – reserved alternative investment fund (*fonds commun de placement – fonds d'investissement alternatif réservé*) under the RAIF Law. The Fund qualifies as an alternative investment fund within the meaning of article 1(39) of the AIFM Law. Azimut Investments S.A. acts as management company and as external alternative investment fund manager of the Fund within the meaning of article 1(49) of the AIFM Law.

The Board of Directors has taken all the necessary steps to ensure that the information provided in the Prospectus is true and accurate and that no significant details have been omitted that would lead to an incorrect interpretation of the information provided.

Any information or indication not contained in this Prospectus or in the financial statements that form an integral part thereof shall be considered unauthorised. Neither the delivery of this Prospectus nor the offer, issue or sale of Units of the Fund constitute a statement of the accuracy of the information provided in this Prospectus after the Prospectus reporting date (it being understood that pursuant to the RAIF Law, essential elements of this Prospectus shall be kept up to date when new securities are issued to new Investors). This Prospectus shall thus be updated in due course to incorporate any significant changes, including in particular the launch of any new Sub-fund. It is therefore recommended that Unitholders request information from the Company regarding any further Prospectus publications.

Each Investor must be aware that subscription for or acquisition of one or more Units implies its complete and automatic adherence (i) to the content of the Prospectus and (ii) to the fact that any amendment conveyed to the Prospectus following an acceptable and validly implemented procedure described in the paragraphs of section 26 "*Procedures for amending the Prospectus*" shall bind and be deemed approved by all Investors.

Any information which the Company is under a mandatory obligation (i) to make available to Investors before investing in the Fund, including any material change thereof and updates of this Prospectus' essential elements, or (ii) to disclose (the case being periodically) to Investors (each such information under (i) or (ii) being hereafter referred to as a "**Mandatory Information**") shall be validly made available or disclosed to Investors via and/or at any of the legally acceptable information means listed in the Management Regulations (the "**Information Means**").

In principle, this Prospectus mentions the specific relevant Information Means via and/or at which an Investor may access any Mandatory Information that is not available or disclosed in this Prospectus. If this were not the case, Investors acknowledge that the relevant Information Means is available or disclosed at the registered office of the Company.

No Investor will be allowed to invoke or claim the unavailability or non-disclosure of any Mandatory Information if this Mandatory Information was contained in this Prospectus or was available or disclosed via and/or at the relevant Information Means available or disclosed at the registered office of the Company.

Investors and potential buyers of Units are advised to inform themselves of any taxation consequences, legal controls, foreign exchange restrictions and exchange control regulations to which they may be subject in their respective countries of domicile, citizenship or residence, and which may be applied to the subscription, purchase, ownership or sale of Units.

**Investors should refer to the information contained in the Data Protection section.**

Units in certain Sub-funds may be offered to Investors in the EU/EEA who do not qualify as a professional client or who are not, on request, treated as a professional client within the meaning of Annex II of MiFID II ("**Non-Professional Investors**"). In this respect, key information documents in accordance with the PRIIPs Regulation ("**PRIIPs KIDs**") will be prepared for those Sub-funds and/or Classes of Units which are offered to Non-Professional Investors. In respect of those Sub-funds, PRIIPs KIDs will be provided to Non-Professional Investors in the EU/EEA (free of charge) before a subscription to Units by such Investors

is accepted. The PRIIPs KIDs, when issued, can also be obtained at the registered office of the Fund. **THE COMPANY DOES NOT AUTHORISE PRACTICES ASSOCIATED WITH MARKET TIMING AND RESERVES THE RIGHT TO REJECT APPLICATIONS FOR SUBSCRIPTIONS OR CONVERSIONS FROM INVESTORS SUSPECTED OF ENGAGING IN SUCH PRACTICES AND TO UNDERTAKE, WHERE APPLICABLE, THE NECESSARY MEASURES TO PROTECT OTHER INVESTORS IN THE FUND. IN THE EVENT THAT AN APPLICATION IS PLACED BY AN INVESTOR SUSPECTED OF ENGAGING IN MARKET TIMING PRACTICES, THE COMPANY RESERVES THE RIGHT TO REJECT ANY SUBSEQUENT SUBSCRIPTION APPLICATIONS FROM SAID INVESTOR.**

DEFINITIONS .....	4
1. ESTABLISHMENT – LEGAL FORM .....	16
2. FUND OBJECTIVES .....	16
3. INVESTMENT POLICY AND RESTRICTIONS .....	16
3.1. Risk diversification rules .....	17
4. GENERAL RISK FACTORS .....	18
4.1. Risks linked to changes in value of securities .....	18
4.2. Risks linked to securities liquidity .....	18
4.3. Risks linked to the currency in which securities are denominated .....	18
4.4. Risks linked to emerging markets .....	19
4.5. Risks linked to investment in other UCIs .....	19
4.6. Risks linked to investment in derivative products .....	19
4.7. Risks linked to tax .....	20
4.8. Risks linked to default of a borrower .....	22
5. RISK MANAGEMENT PROCESS .....	22
6. MANAGEMENT AND ADMINISTRATION .....	23
6.1. Management Company of the Fund .....	23
6.2. Removal of the Company .....	24
6.3. External Valuer .....	24
6.4. Distributors .....	25
6.5. Investment Manager(s) .....	25
6.6. Investment Adviser(s) .....	25
7. FUND AUDITOR .....	25
8. DEPOSITARY .....	26
8.1. On c) cash flow monitoring .....	27
9. ADMINISTRATOR .....	27
10. UNITHOLDER RIGHTS AND MEETINGS OF UNITHOLDERS .....	28
11. UNIT CLASSES .....	29
12. UNIT ISSUE AND SUBSCRIPTION PRICE .....	29
12.1. Initial Offer Period .....	30
12.2. Initial Issue of Units .....	30
12.3. Initial Subscription Price .....	30
12.4. Minimum Initial Subscription and Holding Amounts .....	30
12.5. Methods of Communication .....	30
12.6. Subsequent Subscriptions .....	31
12.7. Unit Fractions .....	31
12.8. Prior Notice Requirements .....	31

12.9.	Subscription Price Per Unit.....	31
12.10.	Payment of Initial Subscription Price and Subscription Price.....	32
12.11.	Subscription in kind .....	32
12.12.	Acceptance of Subscriptions .....	32
12.13.	Suspension of Subscriptions .....	32
12.14.	Luxembourg Anti-Money Laundering and Prevention of Terrorism Financing Regulations .....	32
<b>13.</b>	<b>UNIT REDEMPTION .....</b>	<b>33</b>
13.1.	Redemption Procedure .....	33
13.2.	Prior Notice Requirements.....	34
13.3.	Minimum Holding Amount.....	34
13.4.	Redemption Charge.....	34
13.5.	Redemption Price per Unit.....	34
13.6.	Payment of Redemption Proceeds.....	35
13.7.	Redemptions in kind.....	35
13.8.	Suspension of Redemptions .....	35
13.9.	Irrevocability of Redemption Requests.....	35
13.10.	Compulsory Redemption.....	36
<b>14.</b>	<b>CONVERSIONS .....</b>	<b>37</b>
14.1.	Irrevocability of Conversion Requests.....	37
14.2.	Conditions.....	37
<b>15.</b>	<b>NET ASSET VALUE.....</b>	<b>38</b>
15.1.	Definition of assets .....	38
<b>16.</b>	<b>SUSPENSION OF NET ASSET VALUE CALCULATION, SUBSCRIPTIONS, REDEMPTIONS AND CONVERSIONS.....</b>	<b>40</b>
<b>17.</b>	<b>INCOME DISTRIBUTION .....</b>	<b>42</b>
<b>18.</b>	<b>CHARGES, EXPENSES AND COSTS BORNE BY THE FUND .....</b>	<b>43</b>
<b>19.</b>	<b>FINANCIAL YEAR .....</b>	<b>44</b>
<b>20.</b>	<b>FINANCIAL STATEMENTS AND REPORTS.....</b>	<b>44</b>
<b>21.</b>	<b>MANAGEMENT REGULATIONS.....</b>	<b>45</b>
<b>22.</b>	<b>DURATION, MERGER, LIQUIDATION AND CLOSURE OF FUND OR OF SUB-FUNDS OR OF A CLASS .....</b>	<b>45</b>
22.1.	The Fund .....	45
22.2.	The Sub-funds.....	46
<b>23.</b>	<b>LEGAL ACTION .....</b>	<b>47</b>
<b>24.</b>	<b>TAX TREATMENT .....</b>	<b>48</b>
24.1.	Taxation .....	48
24.2.	Taxation of the Fund .....	48
24.3.	Withholding tax .....	48

24.4.	Taxation of the Investors.....	48
24.5.	Automatic Exchange of Information .....	49
24.6.	United States ("US") Tax Withholding and Reporting under the Foreign Account Tax Compliance Act ("FATCA") .....	50
<b>25.</b>	<b>DOCUMENTS FOR INSPECTIONS .....</b>	<b>51</b>
<b>26.</b>	<b>PROCEDURES FOR AMENDING THE PROSPECTUS .....</b>	<b>52</b>
<b>27.</b>	<b>LIQUIDITY RISK MANAGEMENT .....</b>	<b>53</b>
<b>28.</b>	<b>FAIR AND PREFERENTIAL TREATMENT .....</b>	<b>53</b>
<b>29.</b>	<b>CONFLICTS OF INTEREST .....</b>	<b>54</b>
<b>30.</b>	<b>HISTORICAL PERFORMANCES .....</b>	<b>54</b>
<b>31.</b>	<b>EXECUTION POLICY .....</b>	<b>54</b>
<b>32.</b>	<b>VOTING STRATEGIES .....</b>	<b>54</b>
<b>33.</b>	<b>REMUNERATION .....</b>	<b>54</b>
<b>34.</b>	<b>INDUCEMENTS.....</b>	<b>54</b>
<b>35.</b>	<b>INVESTMENT IN SECURITIZATION POSITIONS.....</b>	<b>55</b>
<b>36.</b>	<b>DATA PROTECTION .....</b>	<b>55</b>

## **AZ RAIF I**

### ***Company***

Azimut Investments S.A.  
35, avenue Monterey  
L-2163 Luxembourg  
Grand Duchy of Luxembourg

### ***Board of Directors of the Company***

#### ***Chairman of the Board of Directors***

**Alessandro Zambotti**, Chief Financial Officer of Azimut Holding S.p.A. and Board member of AZ International Holdings S.A., Azimut Holding S.p.A., CGM Italia SGR S.p.A., Azimut Libera Impresa SGR S.p.A. and Vice-president of Azimut Capital Management SGR S.p.A.

### ***Members of the Board of Directors***

- **Giorgio Medda** General Manager of Azimut Investments S.A., Co-CEO and Board member of Azimut Holding S.p.A., Board member of AZ International Holdings S.A., Board member of Azimut Portfoy A.S. and Board member of Azimut (DIFC) Limited
- **Claudio Basso**, Senior Fund Manager and Chief Investment Officer of Azimut Investments S.A., Board member of AZ International Holdings S.A., AZ Life Dac and CGM Azimut Monaco S.A.M.
- **Ramon Spano**, Senior Fund Manager of Azimut Investments S.A.
- **Marco Vironda**, Fund Manager of Azimut Investments S.A.
- **Giuseppe Pastorelli**, Senior Portfolio Manager of Azimut Investments S.A.
- **Saverio Papagno**, Senior Analyst of Azimut Investments S.A.
- **Davide Rallo**, Head of Legal and Products of Azimut Investments S.A.
- **Paul Roberts**, Board member of Azimut Investments S.A.

### ***Administrative Agent, Paying Agent, Registrar and Transfer Agent***

BNP Paribas Securities Services, *Luxembourg branch*  
60, avenue J. F. Kennedy  
L - 1855 Luxembourg  
Grand Duchy of Luxembourg

### ***Depositary***

BNP Paribas Securities Services, Luxembourg branch  
60, avenue J. F. Kennedy  
L - 1855 Luxembourg  
Grand Duchy of Luxembourg

### ***Auditor of the Fund***

Ernst & Young *Société coopérative*  
35E avenue John F. Kennedy, Luxembourg,  
L-1855 Luxembourg

Grand-Duchy of Luxembourg

***Auditor of the Company***

PricewaterhouseCoopers, *Société cooperative*

2, rue Gerhard Mercator

L-2182 Luxembourg

Grand Duchy of Luxembourg

***Legal Adviser to the Fund***

Elvinger Hoss Prussen, *société anonyme*

2, Place Winston Churchill

L-1340 Luxembourg

Grand Duchy of Luxembourg

## 1. ESTABLISHMENT – LEGAL FORM

The Fund is a mutual fund established under Luxembourg law, pursuant to the RAIF Law, created in accordance with the Management Regulations approved on 31 October 2019, effective as of 31 October 2019, and amended for the last time on 22 October 2020, by the Board of Directors and a notice of its deposit with the RCS has been published in the RESA.

As a mutual fund, the Fund has no legal personality. Its assets belong to its Investors (joint owners) and are (and shall remain) separate from those of the Company and any other investment fund managed by the Company.

The Fund is formed by a collection of assets belonging jointly to its Investors, managed in the sole interest of said Investors by the Company according to the principle of risk-spreading.

The Fund has a variable capital, the amount of which shall at all times be equal to the Net Asset Value of the Fund.

The Fund has been set up with multiple compartments (each a "**Sub-fund**") and each Sub-fund corresponds to a distinct part of the assets and liabilities of the Fund. The features and investment policies of each Sub-fund are described in the relevant Sub-fund Factsheet. The Company may create at any time new Sub-funds within the Fund. Upon creation of each new Sub-fund, this Prospectus will be updated accordingly with detailed information on each new Sub-fund. The Company may liquidate any Sub-fund and distribute its net assets amongst its Unitholders in proportion to the Units held, as described in section 22 "Duration, merger, liquidation and closure of Fund or of Sub-funds".

The base currency of the Fund is the EUR and the financial statements of the Fund will be presented in EUR.

The Fund qualifies as an AIF within the meaning of the AIFM Law and the Company is its external alternative investment fund manager ("**AIFM**").

## 2. FUND OBJECTIVES

The main objective of the Fund is to offer Unitholders the possibility to engage in the professional management of a portfolio of assets managed in accordance with the principle of risk spreading.

The Fund may also use/invest in techniques and financial derivative instruments as further detailed in the relevant Sub-fund Factsheet.

The Company shall manage the assets of each Sub-fund to meet the established investment policy and objective of each Sub-fund as set forth in each Sub-fund's factsheet in Appendix I. It may not, however, guarantee that it will succeed in reaching these targets in view of stock market fluctuations and other risks involved with investment in assets listed in the investment policies of each Sub-fund as shown in the relevant Sub-fund Factsheet.

## 3. INVESTMENT POLICY AND RESTRICTIONS

The Fund is subject to the following general investment restrictions. The investment policy of a Sub-fund may be subject to different or additional investment restrictions than those provided below, in which case such different or additional restrictions are disclosed in the relevant Sub-fund Factsheet.



### 3.1. Risk diversification rules

1. A Sub-fund shall in principle not invest more than 30% of its assets in securities of the same kind issued by the same issuer.

This rule shall however not apply:

- to investments in securities issued or guaranteed by a member state of the OECD or by its local authorities or by public international bodies with a European Union, regional or global scope;
- to investments in underlying UCIs offering comparable safeguards in terms of risk spreading to those applicable to the Fund.

For the purpose of the application of this restriction, each sub-fund of an underlying UCI with multiple sub-funds shall be considered as a separate issuer, provided that the principle of segregation toward third parties at the level of the various sub-funds is ensured.

2. A Sub-fund shall in principle not hold directly short positions equivalent to more than 30% of its assets on securities of the same kind issued by the same issuer.
3. When using directly financial derivative instruments, a comparable level of risk spreading must be observed by a Sub-fund through an appropriate diversification of the underlying assets. To the same extent, the counterparty risk in an over-the-counter operation must, if necessary, be limited by taking into consideration the quality and the qualification of such counterparty.
4. Any Sub-fund may depart from the diversification restrictions above for a period of twelve 12 months from its launch (the "**Ramp-Up Period**").
5. If any of the above percentages are exceeded as a result of the exercise of subscription rights or as a result of any events other than the making of investments, the situation shall be remedied taking due account of the interests of the Unitholders.

#### 3.1.1. Borrowings and access to leverage

In case any Sub-fund has the possibility to borrow, this will be described in the relevant Sub-fund's factsheet in Appendix I.

#### 3.1.2. Use of total return swaps and securities financing transactions

If a Sub-fund uses total return swaps or securities financing transactions as defined in Regulation (EU) 2015/2365 on transparency of securities financing transaction and of reuse and amending Regulation (EU) No 648/2012 (the "**SFT Regulation**") all the information required by the SFT Regulation will be available upon request at the registered office of the Fund.

### 3.1.3. **Cross-Sub-funds' investments**

A Sub-fund (the "**Investing Sub-fund**") may subscribe, acquire and/or hold securities to be issued or issued by one or more other Sub-funds (each, a "**Target Sub-fund**") without the Fund being subject to the requirements of 1915 Law, with respect to the subscription, the acquisition and/or the holding by a company of its own shares, under the condition however that:

- the Target Sub-fund does not, in turn, invest in the Investing Sub-fund; and
- for as long as these securities are held by the Investing Sub-fund, their value will not be taken into consideration for the calculation of the Net Asset Value of the Fund.

## 4. GENERAL RISK FACTORS

Investment in any Sub-fund carries with it a degree of risk, including, but not limited to, those referred to below and in the relevant Sub-fund Factsheet.

Prospective Investors should review the Prospectus in its entirety and consult with their legal tax and financial advisors prior to making an investment decision.

There can be no assurance that the Sub-funds will achieve their investment objectives and past performance should not be seen as a guide, nor as a guarantee of future returns. An investment may also be affected by any changes in exchange control regulation, tax laws, withholding taxes and economic or monetary policies.

The following risks must, amongst others, be considered:

### 4.1. **Risks linked to changes in value of securities**

The change in security value is linked to the peculiar characteristics of the issuer (financial standing, economical expectations within its sector), and the reference markets trend. For shares, the change in value is determined by the evolution of securities markets; for fixed-income securities, the change in value is affected by the evolution of interest rates on money and financial markets.

### 4.2. **Risks linked to securities liquidity**

Securities liquidity depends on the characteristics of the market on which they are traded. In general, the securities traded on regulated markets are more liquid and, as such, involve less risk as they can be more easily sold.

Securities that are not traded on a regulated market involve therefore higher risks. It should also be noticed that the fact that a security is not listed on a regulated market makes the assessment of its value more difficult since any such valuation is discretionary.

### 4.3. **Risks linked to the currency in which securities are denominated**

There may be considerable exchange rate fluctuations between the different currencies in which securities and the investments of the Sub-funds are denominated and the reference currency of the Sub-funds which can negatively impact the net asset value of the Sub-funds.

#### **4.4. Risks linked to emerging markets**

Transactions on emerging markets make the Investor take considerable additional risks, as the regulation of these markets does not provide for the same guarantees as far as protection of Investors is concerned. The risks linked to the political-economic situation of the issuer's country of origin must be considered, too.

In some countries there is a risk of asset expropriation, confiscation tax, political or social instability or diplomatic developments which could affect investments in those countries. Information on certain securities and certain money market instruments and financial instruments may be less accessible to the public and entities may not be subject to requirements concerning auditing of accounts, accounting or recording comparable to those some Investors are used to. While generally increasing in volume, some financial markets have, for the most part, substantially less volume than most developed markets and securities of many companies are less liquid and their prices are more volatile than securities of comparable companies in larger markets. In many of these countries, there are also very different levels of supervision and regulation of markets, financial institutions and issuers, in comparison to more developed countries. In addition, requirements and limitations imposed in some countries to investments by foreigners may affect the performance of some Sub-funds. Any change in laws or currency control measures subsequent to an investment can make the repatriation of funds more difficult. Risk of loss due to lack of adequate systems for the transfer, pricing, accounting and custody of securities may also occur. The risk of fraud related to corruption and organised crime is significant.

Systems to settle transactions in emerging markets may be less well organised than in more developed countries. There is a risk that the settlement of transactions be delayed and that assets or securities of the Sub-funds are jeopardised because of the failure of such systems. In particular, market practice may require that payment be made before receipt of the securities purchased or that a security be delivered before the price is received. In such cases, default of a broker or bank through which the transaction was to be made will result in a loss for the Sub-funds that have invested in such securities.

#### **4.5. Risks linked to investment in other UCIs**

Investments in other UCIs entail for the Sub-funds, indirectly, the same risks that those described above and below in relation to the assets in which the UCIs invest. In addition, UCIs may generally suspend net asset value calculation or apply gate redemptions in the circumstances described in their offering documents, which may negatively impact the Sub-fund.

Investment in other UCIs can lead to duplication of certain costs and expenses charged to a Sub-fund and such investments can generate a double withdrawal of costs and fees which are levied at Sub-fund level and at the level of UCIs in which a Sub-fund invests.

#### **4.6. Risks linked to investment in derivative products**

Derivative products involve a number of risks and constraints. The risks of these products heavily depend on the positions taken by a Sub-fund. In some cases the loss is limited to the aggregate amount invested, while in other cases it may exceed the aggregate amount invested into the position.

The use of financial derivative instruments such as futures contracts, options contracts, warrants, forward, swaps, cat swap, longevity swap and swaptions, involves greater risks. The ability to successfully use such instruments depends on the ability of managers to accurately assess the insurance risks embedded in the instruments and/or to anticipate changes in stock prices, interest rates, exchange rates or other economic factors as well as in the accessibility of liquid markets. If managers' forecasts are wrong, or if the derivatives do not work as expected, this may result in greater losses than if these derivatives were not used.

In some cases, the use of the above instruments can have a leverage effect. This leverage adds additional risks because the losses may be disproportionate to, or exceed, the amount invested in these instruments. These instruments are highly volatile and their market values may be subject to significant fluctuations.

#### **4.7. Risks linked to tax**

##### **a) Change in tax law, practice and interpretation**

Laws and any other rules or customary practices relating to tax, or its interpretation in relation to the Fund, its direct or indirect assets and any investment in the Fund may change during the life of the Fund. In particular, both the level and basis of taxation may change. Additionally, the interpretation and application of tax rules and customary practice to the Fund, its direct or indirect assets and the Investors by any taxation authority or court may differ from that anticipated by the Company. This could significantly affect returns to Investors.

##### **b) Tax considerations differ for each Investor**

The tax position of Investors in the Fund may differ according to the Investor's particular financial and tax situations. The tax structuring of the Fund or its investments may not be tax efficient for any particular prospective Investor. No undertaking is given that amounts distributed or allocated to Investors will have any particular characteristics or that any specific tax treatment will be enjoyed.

##### **c) Taxes imposed in other jurisdictions**

Investors, the Fund and/or any vehicle in which the Fund has a direct or indirect interest may be subject to tax in jurisdictions in which any such vehicles are located and/or investments are made or in jurisdictions where the Company operates, any of which jurisdictions may change their tax laws (or the interpretation of such laws), possibly with retroactive effect. Moreover, withholding tax or branch tax may be imposed on earnings of the Fund from Investments in such jurisdictions. In addition, local tax incurred in such jurisdictions may not be creditable to or deductible by the Investors in their respective jurisdictions.

d) Anti-Tax Avoidance Directive ("ATAD")

Investors will have to consider various standards as set forth by the EU. In particular, the EU developed the Anti-Tax Avoidance Package – so called Anti-Tax Avoidance Directive ("**ATAD I**") and the Hybrid Mismatches with Third Countries Directive ("**ATAD II**"), setting out certain minimum standards recommended in line with the Base Erosion and Profits Shifting ("**BEPS**") action plans that EU member states need to adhere to.

The law transposing ATAD I into the Luxembourg Legislation applicable as of 1 January 2019, covers inter alia EU anti-hybrid rules.

The purpose of the ATAD II is to extend the anti-hybrid rules under ATAD I. In particular, where ATAD I includes rules on hybrid mismatches between Member States, ATAD II adds rules on mismatches with third countries that apply to all taxpayers that are subject to corporate tax in one or more member states, including permanent establishments in one or more member states of entities resident for tax purposes in a third country.

Rules on reverse hybrid mismatches also apply to all entities treated as transparent for tax purposes by a member state. Hybrid mismatch rules aim to eliminate non-taxation (and/or long-term taxation deferral) by investors, in situations where a corresponding tax deduction is given in the EU to a Fund entity. More specifically, ATAD II extends the hybrid mismatch definition of ATAD I (which covers situations of double deductions or deduction without a corresponding inclusion in the taxable basis as a result of the hybrid nature of the relevant entities or hybrid financial instruments) to include mismatches resulting from arrangements involving permanent establishments, hybrid transfers, imported mismatches, and reverse hybrid entities. In addition, ATAD II includes rules on tax residency mismatches. The mismatches covered are only those that arise between head office and permanent establishment, between permanent establishments, between associated enterprises and those resulting from structured arrangements. Mismatches that pertain to hybrid entities are only covered where one of the associated enterprises has effective control over the other associated enterprises.

Deductions without corresponding inclusion arising from the tax (exempt) status of a payee or the fact that an instrument benefits from the terms of a special regime should fall outside the scope of the hybrid mismatch rules. Moreover, the definition of associated enterprises as per ATAD II has been also extended to make reference to the "acting together" concept, hence potentially capturing all investors in the Fund regardless of their prorated interest.

ATAD II was formally adopted by the Council of European Union on 28 May 2017 and therefore Member States had to transpose this into domestic law by 31 December 2019, and the provisions should become applicable with effect from 1 January 2020. Provisions requiring the taxation of income not otherwise taxed due to reverse hybrids mismatches will need to be transposed by 31 December 2021 and applied as from 1 January 2022, whereas provisions denying the deduction of payment to reverse hybrids entered application as from 1 January 2020.

The impact on the Fund and/or on the Investors of the ATAD II cannot yet be accurately determined pending local legislation implementing these rules. However, it cannot be excluded that the Fund may

acquire Investments in a way that would bring the Investment into the scope of these directives in particular the anti-hybrid rules.

This may have an impact on the tax position of the Fund and its Investors. "Transparent" fund vehicles could eventually become taxable entities, depending on how investor tax regimes treat them.

Investment returns for the Fund may be impacted, not just at target investment level, depending on how investor tax regimes treat the fund vehicle(s), entities controlled by the Fund, and/or financing instruments or payments within the fund structures.

#### **4.8. Risks linked to default of a borrower**

In the context of investment in private debt, the loan may be granted to a borrowing entity which may not have any credit rating from major agencies and in some cases may present some probability of default

### **5. RISK MANAGEMENT PROCESS**

The Company will employ a risk-management process which enables it to measure, manage and monitor in an appropriate manner the risk of the positions and their contribution to the overall risk profile of each Sub-fund.

Under the AIFM Directive, the risk exposure of AIFs must be calculated both with the gross method and the commitment method.

The leverage level calculated under the commitment method allows to take into account netting arrangements, sums the value of all physical positions, the notionals of all derivative instruments, takes into account any leverage generated through securities lending or borrowing and reverse repurchase agreements, but excludes derivatives that are used within hedging arrangements and derivatives that do not generate any incremental leverage.

The leverage level calculated under the gross method does not take into account any netting or hedging arrangement, sums the value of all physical positions, the notionals of all derivative instruments, takes into account any leverage generated through securities lending or borrowing and reverse repurchase agreements, but excludes cash and cash equivalents held in the base currency of the Fund and/or the Sub-funds.

The total maximum level of leverage through borrowings and derivative instruments employed by each Sub-fund is disclosed in the relevant Sub-fund factsheet. Any changes thereto, the nature of rights granted for the reuse of collateral and the nature of any guarantee granted under leveraging arrangements will, inter alia, be disclosed either through the annual accounts, or through the Fund's website, if any, or by email and/or by post or other. Such information is also available upon request during usual business hours on any Business Day in Luxembourg at the registered office of the Fund.

Regarding asset-backed securities the Company will consider only the market value of these securities for contribution of the commitment and gross leverage.

The Company is further responsible of the management of conflicts of interest, according to Article 13 of the AIFM Law.

## **6. MANAGEMENT AND ADMINISTRATION**

### **6.1. Management Company of the Fund**

The Fund is managed by the Company, acting in its name and on behalf of the Fund and its Unitholders.

The Company is a public limited liability company (*société anonyme*) established under Luxembourg Law on 24 December 1999 and named "Azimut Investments S.A.". The Company's registered office is located at 35, Avenue Monterey, L-2163 Luxembourg, Grand Duchy of Luxembourg. The Company's articles of association (the "**Articles of Association**") were filed with the Register of the Commerce and Companies on 21 January 2000 and published in the Luxembourg *Mémorial C, Recueil des Sociétés et Associations* on 15 March 2000.

The Articles of Association were amended for the last time on 22 May 2020 with publication in the RESA on 5 June 2020.

The Company is registered under number B 73.617 with the RCS.

According to its Articles of Association, the Company has an initial issued corporate capital of one million one hundred and twenty five thousand Euro (EUR 1,125,000.-) divided into one thousand one hundred and twenty-five (1,125) registered shares with a nominal value of one thousand Euro (EUR 1,000.-) each, fully paid-up.

As at the date of this Prospectus, the Company acts as management company for other investment funds (approximately 135 sub-funds), the list of which is available, upon request at the registered office of the Company.

The business purpose of the Company is (i) the collective management of UCITS established under Luxembourg or foreign law, pursuant to Directive 2009/65/EC as amended or replaced as well as other undertakings for collective investment or mutual funds under Luxembourg law and/or foreign law that are not included in said directive and (ii) the collective management of AIF's established under Luxembourg or foreign law, pursuant to the AIFM Directive. The Company is approved by the CSSF as authorised AIFM within the meaning of the AIFM Provisions.

The Company performs, for the Fund, mainly, management functions, risk management functions, administration functions and marketing/distribution functions.

The Company has nevertheless delegated, under its responsibility and ultimate control, the functions of central administration of the Fund, including the accounting of the Fund, calculation of the Net Asset Value, subscription, redemption and conversion services and registration of Units to BNP Paribas Securities Services, *Luxembourg branch*, which also supervises the delivery of all announcements, statements, notices and other documents to Unitholders. All delegations shall be carried in accordance with the AIFM Provisions. Information about conflicts of interest that may arise from such delegations is available at the registered office of the Company.

The Company may also delegate all or part of its portfolio management duties with respect to each Sub-Fund as further detailed in the relevant Sub-fund Factsheet.

Where applicable, the name of the delegate(s) as well as the fees payable to such delegate(s) are disclosed in the Sub-fund Factsheets.

The rights and obligations of the delegate(s) are determined by one or more contracts (the "**Delegation Agreement(s)**").

The Company has entered into agreements with third parties according to which the intermediaries pay for goods and services (e.g. research, advisory, IT) received by the Company. All goods and services included in these agreements are required for the performance of the Company's investment fund management activity. The contractual conditions and methods used for these services ensure that transactions performed on behalf of the Fund never take place under unfavourable conditions, given that the intermediary is committed to obtaining "best execution" conditions for the Company.

The Company may carry out any activities connected directly or indirectly to, and/or deemed useful and/or necessary for, the accomplishment of its objectives, remaining, however, within the limitations set forth in, but to the furthest extent permitted by, the provisions of its governing laws and regulations.

In accordance with the requirements of Article 9.7 of the AIFM Directive, the AIFM is holding additional own funds which are appropriate to cover potential liability risks arising from professional negligence. More information regarding this cover may be obtained at the Company's registered office.

## **6.2. Removal of the Company**

The Company may be removed and replaced by another management company and alternative investment fund manager by a decision of the general meeting of Unitholders with Administrative Rights taken with a majority of at least seventy five percent (75%) of the votes validly cast of the Unitholders with Administrative Rights present or represented at such meeting with a seventy five percent (75%) quorum requirement (of the net assets held by the Unitholders with Administrative Rights) at the first meeting called to consider a resolution or, if such quorum requirements are not met at such first meeting, then with a fifty percent (50%) quorum requirement (of the net assets held by the Unitholders with Administrative Rights) for any succeeding meeting called to consider such resolution.

## **6.3. External Valuer**

In compliance with the AIFM Law, the Company may appoint, in respect of a specific Sub-fund, an External Valuer. Any appointment of an External Valuer will be described in more detail in the relevant Sub-fund Factsheet.

The assignment, renewal and revocation of the mandate given to any External Valuer are decided by the Company.

The External Valuer shall submit to the Company, in accordance with applicable laws and regulations, of a report estimating the value of financial instruments that are part of the relevant Sub-fund's assets ("**Valuation Reports**"), on the terms agreed with the Company. The External Valuer may be appointed by the Company to value only a determined portion of the assets of a Sub-fund, in which case the



Company is responsible for the determination of the value of the remaining investments of the relevant Sub-fund.

Without prejudice to the assignment as given to an External Valuer, the Company may assign duties to parties other than the External Valuer to support the work of the same in relation to specific matters.

In preparing in the previous Valuation Reports, the External Valuer will apply the Valuation principles set forth in section 15. "Net Asset Value" below.

#### **6.4. Distributors**

The Company can appoint distributors in the countries where Units are traded (the "**Distributors**").

The Distributors shall receive due compensation. In accordance with the local laws of the countries in which Units are distributed, the Distributors may, with the Company's permission, act as nominee on behalf of Investors (nominees are intermediaries which liaise between Investors and their chosen UCIs).

In this role, the Distributors shall subscribe or redeem the Units in their own name but, as nominee, shall act on behalf of the Investor. That said, unless otherwise specified by local legislation, Investors are entitled to invest directly in the Fund without using the service of a nominee.

#### **6.5. Investment Manager(s)**

The Company may delegate all or part of its portfolio management duties with respect to each Sub-fund to one or more Investment Managers if and as further detailed in the relevant Sub-fund Factsheet.

Where applicable, the name of Investment Manager(s) as well as the fees payable to such Investment Manager(s) are disclosed in the Sub-fund Factsheets.

The rights and obligations of the Investment Manager(s) are determined by one or more contracts (the "**Investment Management Agreement(s)**").

#### **6.6. Investment Adviser(s)**

The Company or the Investment Managers (if any) may also appoint one or more Investment Advisers to provide investment advice in relation to one or more Sub-fund(s) as further detailed in the relevant Sub-fund Factsheet.

Where applicable, the name of Investment Adviser(s) as well as the fees payable to such Investment Adviser(s) are disclosed in the Sub-fund Factsheets.

The rights and obligations of the Investment Advisor(s) are determined by one or more Investment Advisory Agreements (the "**Investment Advisory Agreement(s)**")

### **7. [FUND AUDITOR](#)**

The Fund's financial reports and accounts are audited by Ernst & Young, Société coopérative with registered office at 35E avenue John F. Kennedy, Luxembourg, L-1855 Luxembourg, Grand Duchy of Luxembourg in its position as the Fund Auditor.

The Auditor must carry out the duties provided by the RAIF Law and the AIFM Law. In this context, the main mission of the Auditor is to audit the accounting information given in the annual report of the Fund.

The Auditor is also subject to certain reporting duties vis-à-vis the regulators as more fully described in the AIFM Provisions and the RAIF Law.

## 8. DEPOSITARY

BNP Paribas Securities Services, Luxembourg Branch has been appointed Depositary of the Fund under the terms of a written agreement between BNP Paribas Securities Services, Luxembourg Branch and the Company acting on behalf of the Fund.

BNP Paribas Securities Services Luxembourg is a branch of BNP Paribas Securities Services SCA, a wholly-owned subsidiary of BNP Paribas SA. BNP Paribas Securities Services SCA is a licensed bank incorporated in France as a *Société en Commandite par Actions* (partnership limited by shares) under No.552 108 011, authorised by the *Autorité de Contrôle Prudentiel et de Résolution* (ACPR) and supervised by the *Autorité des Marchés Financiers* (AMF), with its registered address at 3 rue d'Antin, 75002 Paris, acting through its Luxembourg Branch, whose office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg, and is supervised by the CSSF.

The Depositary performs three types of functions, namely (i) the oversight duties (as defined in Art 19(9) of the AIFM Law, (ii) the monitoring of the cash flows of the Fund (as set out in Art 19(7) of the AIFM Law and (iii) the safekeeping of the Fund's assets (as set out in Art 19(8) of the AIFM Law.

Under its oversight duties, the Depositary is required to:

- (1) ensure that the sale, issue, repurchase, redemption and cancellation of Unit effected on behalf of the Fund are carried out in accordance with the RAIF Law or with the Fund's Management Regulations,
- (2) ensure that the value of the Units is calculated in accordance with the RAIF Law and the Fund's Management Regulations,
- (3) carry out the instructions of the Company acting on behalf of the Fund, unless they conflict with the RAIF Law or the Fund's Management Regulations,
- (4) ensure that in transactions involving the Fund's assets, the consideration is remitted to the Fund within the usual time limits;
- (5) ensure that the Fund's revenues are allocated in accordance with the RAIF Law and its Management Regulations.

The overriding objective of the Depositary is to protect the interests of the Unitholders, which always prevail over any commercial interests.

In the event that conflicts of interest do arise, the Depositary will undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Fund and the Unitholders are fairly treated.

The Depositary may delegate to third parties the safe-keeping of the Fund's assets subject to the conditions laid down in the applicable laws and regulations and the provisions of the depositary agreement. The process of appointing such delegates and their continuing oversight follows the

highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment. Such delegates must be subject to effective prudential regulation (including minimum capital requirements, supervision in the jurisdiction concerned and external periodic audit) for the custody of financial instruments. The Depositary's liability shall not be affected by any such delegation.

The Company acting on behalf of the Fund may release the Depositary from its duties with ninety (90) days written notice to the Depositary. Likewise, the Depositary may resign from its duties with ninety (90) days written notice to the Company. In that case, a new depositary must be designated to carry out the duties and assume the responsibilities of the Depositary, as defined in the agreement signed to this effect. The replacement of the Depositary shall happen within two months.

It is to be noted that in the case of voluntary withdrawal of the Depositary or of its removal by the Company acting on behalf of the Fund or in the case where the Depositary no longer fulfils the conditions set forth in paragraphs 2 and 3 of the Article 5 of the RAIF Law or in the case of insolvency of the Depositary, the directors of the Company acting on behalf of the Fund must take all necessary measures in order to replace the Depositary by another depositary which fulfils the conditions required by the above-mentioned paragraphs in compliance with the RAIF Law. If the Depositary has not been replaced within two (2) months, the directors of the Company acting on behalf of the Fund shall, within three (3) months following the withdrawal of the Depositary, request the District Court dealing with commercial matters to pronounce the dissolution and liquidation of the Company in compliance with the RAIF Law.

#### **8.1. On c) cash flow monitoring**

In accordance with the AIFM Law and the Depositary Bank Agreement, the Depositary is obliged to perform certain monitoring duties with regard to cash flows as follows:

- reconciling all cash flows and conducting such reconciliation on a daily basis;
- identifying cash flows which in its professional judgment are significant and in particular those which may possibly not be in keeping with the Fund's transactions. The Depositary will conduct its verification on the basis of the previous day's transaction statements;
- ensuring that all bank accounts within the Fund's structure have been opened in the name of the Fund or the Depositary on behalf of the Fund;
- ensuring that the relevant banks are EU or comparable banking institutions; and
- ensuring that the monies that have been paid by the Unitholders have been received and recorded on cash accounts and have then been recorded either on cash accounts or third-party accounts.

#### **9. ADMINISTRATOR**

Pursuant to the Central Administration Agreement, the Company has appointed BNP Paribas Securities Services, *Luxembourg* branch as administrative, registrar and transfer agent of the Fund.

BNP Paribas Securities Services, *Luxembourg* branch, is in charge of processing of the issue, redemption and conversion of the Units and settlement arrangements thereof, keeping the register of the Fund's Unit holders, calculating the Net Asset Value, maintaining the records, verifying that Investors qualify as

Well-Informed Investors under the RAIF Law and other general functions as more fully described in the Central Administration Agreement.

In consideration of the services rendered, the Administrator receives a fee as detailed in section 18 of this Prospectus.

#### **10. UNITHOLDER RIGHTS AND MEETINGS OF UNITHOLDERS**

In accordance with the RAIF Law, Units are exclusively restricted to Eligible Investors.

Any Eligible Investor, be it/her/him a natural or legal entity, may become a Unitholder and may acquire one or more Units of the various Sub-funds by paying the subscription price calculated based on and according to the methods indicated in sections 12 "Unit Issue and Subscription Price" and 15 "Net Asset Value" and in the relevant Sub-fund Factsheet.

Unitholders have the right to joint ownership of the Fund's assets. By subscribing Units, Unitholders accept the terms of the Prospectus and the Management Regulations and any amendments thereof.

For each Sub-fund, each of the Units is indivisible. The joint owners, as well as remaindermen and usufructuaries of Units shall be represented by a single person for dealing with the Company and Depositary. Unit rights may not be exercised unless the said conditions have been met.

Annual general meetings of Unitholders of Sub-Funds whose Unitholders have Administrative Rights shall be held at the registered office of the Company or any other place in the Grand-Duchy of Luxembourg as may be specified in the notice of the meeting at a date and time decided by the Company being no later than six months after the end of the Fund's previous financial year. At the annual general meetings of Unitholders with Administrative Rights, the annual accounts with respect to the relevant Sub-Fund shall be approved by the majority of the votes cast. The convening notice indicates the place and the practical arrangements for providing the annual accounts of the relevant Sub-Fund, as well as the report of the approved statutory auditor and the management report with respect to the relevant Sub-Fund to Unitholders. The first annual general meeting of Unitholders with Administrative Rights will be held in 2021.

Other general meetings of Unitholders with Administrative Rights may be held at such place and time as may be specified in the convening notices of general meetings of Unitholders with Administrative Rights. Any resolution of a general meeting of Unitholders with Administrative Rights creating rights or obligations of the Fund vis-à-vis third parties must be approved by the Company.

Notices of any general meeting of Unitholders with Administrative Rights are sent by registered mail to Unitholders with Administrative Rights at least eight (8) calendar days prior to such meeting. Such notice will indicate the time and place of the meeting of Unitholders with Administrative Rights, the conditions of admission, the agenda and the requirements with regards to the necessary quorum and majorities at such meeting.

The requirements for attendance, quorum and majorities at the meetings of Unitholders with Administrative Rights will be those specified in the Management Regulations and/or the Prospectus. Unless otherwise provided in the Management Regulations or this Prospectus, decisions at general meetings of Unitholders with Administrative Rights are taken at the majority of the votes cast.

In addition, the notice of any general meeting of Unitholders with Administrative Rights may provide that the quorum and the majority at this general meeting shall be determined according to the Units issued and outstanding at midnight on the fifth day preceding the general meeting (the "**Record Date**"), whereas the right of a Unitholder with Administrative Rights to attend a general meeting of Unitholders with Administrative Rights and to exercise the voting rights attached to his/its/her Units shall be determined by reference to the Units held by this Unitholder as at the Record Date.

Each Unit with Administrative Rights is entitled to one vote. Fractional Units shall carry no voting rights except to the extent their number, held by a Unitholder with Administrative Rights, is such that they represent a whole Unit, in which case they confer a voting right.

Meetings of Unitholders with Administrative Rights shall be called by the Company, or by Unitholders with Administrative Rights holding a minimum of ten per cent (10%) of the of the net assets held by the Unitholders with Administrative Rights.

The rights of Unitholders with Administrative Rights and those of Unitholders without Administrative Rights are further described in the Management Regulations.

## **11. UNIT CLASSES**

The Board may decide to issue different Classes within each Sub-fund as further detailed in the relevant Sub-fund Factsheet.

These types of Units may vary in terms of fee rates, reference currency, hedging policy, type of Investors, protection features or in terms of any other distinctive features.

Units will be issued in registered form only and no Unit certificates shall be issued to Investors.

## **12. UNIT ISSUE AND SUBSCRIPTION PRICE**

By investing in the Fund, investors confirm having received a copy of the Management Regulations, the most recent audited financial statements, the most recent Prospectus, the subscription agreement and the documents incorporated by reference therein.

Commitments for subscriptions to Units in the various Sub-Funds may be accepted by the Company on any Business Day, as further detailed in the relevant Sub-fund Factsheet.

Direct subscriptions for Units in the various Sub-funds may be made as further detailed in the relevant Sub-fund Factsheet.

Commitments for subscriptions and/or direct subscriptions may be processed via the Administrator in accordance with the provisions specified in the relevant Sub-fund Factsheet. The Company may appoint other institutions to receive subscription agreements to be transmitted to the Administrator for processing.

Investors shall receive, upon their admission to the Fund (and the relevant Sub-fund), written confirmation of their Commitment or subscription amount (as the case may be), including, among other things, information concerning the amount invested, the amount of the commissions applied (total and individual

items), the class of Units assigned, the number of Units assigned, the unit value to which the same are subscribed).

Any subscription taxes, fees and charges are payable by the Investor. Any subscription fees are normally collected by Distributors, by the Company or the Administrator, upon instruction from the Company.

#### **12.1. Initial Offer Period**

Unless otherwise determined by the Company in its sole and absolute discretion or if otherwise disclosed in the Sub-fund Factsheet, applications for subscriptions may be made during the initial offer period specified for each Sub-fund and/or Class in the relevant Sub-fund Factsheet (the "**Initial Offer Period**"). Any Initial Offer Period may be extended or terminated earlier by the Board acting in its sole discretion, provided that Investors shall be duly informed of such decision.

The Board reserves the right to delay the launch of a Sub-fund.

Each Sub-Fund has a duration specified in the relevant Sub-Fund Factsheet. If a Sub-Fund has a limited duration, the Company may decide to extend the duration of any Sub-Fund according to the terms specified in the relevant Sub-Fund Factsheet.

Investors may be admitted as Unitholders to the relevant Sub-Fund, as further described in the relevant Sub-fund Factsheet.

#### **12.2. Initial Issue of Units**

Units will be allotted on the First Subscription Day or such other Business Day as may be determined by the Company at the initial subscription price specified in the relevant Sub-fund Factsheet (the "**Initial Subscription Price**"), plus any applicable subscription fee and charge.

If the Company is of the opinion that it is not in the interests of Investors or commercially viable to proceed with the launch of any Sub-fund, the Company may determine in its sole and absolute discretion not to launch the relevant Sub-fund and, as the case may be, return subscription monies paid by Investors or inform Investors that they are relieved from and no longer bound by their Commitment.

#### **12.3. Initial Subscription Price**

During any Initial Offer Period, the subscription price per Unit of each Class is the Initial Subscription Price as determined by the Company, plus any applicable subscription fee and charges, which may be waived by the Company in its absolute discretion, and/or usual dealing charges.

The Initial Subscription Price is made available at the registered office of the Company and/or specified in the relevant Sub-fund factsheet.

#### **12.4. Minimum Initial Subscription and Holding Amounts**

The Board may set and waive in its sole discretion a minimum initial investment amount and a minimum ongoing holding amount per Class in each Sub-fund for each registered Unitholder, to be specified in the relevant Sub-fund Factsheet.

#### **12.5. Methods of Communication**

For an Investor's initial application for subscription or Commitment to subscribe Units of any Class, the original subscription agreement must be received by the Administrator before the applicable subscription deadline specified in the relevant Sub-fund Factsheet.

Subsequent applications for Units may be sent via the mean indicated within the most recent subscription or Commitment pack (a copy of which may be obtained upon request from the Company or the Administrator) and must be received by the Administrator before the applicable subscription deadline specified in the relevant Sub-fund Factsheet.

#### **12.6. Subsequent Subscriptions**

Unless otherwise provided for in the relevant Sub-fund Factsheet, additional applications for subscriptions or Commitments can be made if and as specified in the relevant Sub-fund Factsheet for the Class concerned (or on such other days as the Board may from time to time determine), subject to any prior notice requirements as may be specified in the relevant Sub-fund Factsheet.

The Board may discontinue generally, or in respect of one or more specific jurisdictions where the Units are offered, the issue of new Units in any Sub-fund or Class at any time in its sole discretion and to the extent applicable.

The Board may set and waive in its discretion a minimum subsequent subscription amount, to be specified in the relevant Sub-fund Factsheet.

The Company has the discretion to close the Sub-funds for subscription and/or Commitments as it considers appropriate.

#### **12.7. Unit Fractions**

Unit fractions may be issued up to three decimal places.

#### **12.8. Prior Notice Requirements**

The Board may in its discretion refuse to accept any subscription agreements received after any relevant deadline as specified in the relevant Sub-fund Factsheet.

#### **12.9. Subscription Price Per Unit**

For subscriptions made after the Initial Offer Period -where allowed in the relevant Sub-fund Factsheet in the subscription price per Unit of each Class (the "**Subscription Price**") will be determined as specified in the relevant Sub-fund Factsheet increased by any applicable initial subscription fee and charges as specified in the relevant Sub-fund Factsheet.

Pursuant to the Management Regulations, in determining the Subscription Price, the Board has discretion to increase the Net Asset Value per Unit by the addition of appropriate fiscal and sales/dealing charges.

The details of such subscription fee and charges will be disclosed in the relevant Sub-fund Factsheet.

If Units are issued on a commitment-based approach, the determination of the Subscription Price and the relevant equalisation procedure (if any) will be detailed for each Sub-Fund in the relevant Sub-fund Factsheet

#### **12.10. Payment of Initial Subscription Price and Subscription Price**

Units are issued by the Administrator subject to payment of the subscription price to the Depositary.

Payment shall be made via bank transfer to the Depositary in the reference currency of the Sub-fund or Class (if different) concerned.

The Initial Subscription Price and Subscription Price of the Units subscribed must be received in cleared funds by the Depositary or its agent in the currency of the concerned Class of Units within the time limit specified for each Sub-fund in its relevant Sub-fund Factsheet.

Unless otherwise specified in the relevant Sub-fund Factsheet, no interest will be paid on payments received prior to the closing date of any Initial Offer Period or prior to any Valuation Day.

Prospective investors who are in breach of their respective payment obligations in relation to the Units subscribed (the "Defaulting Investors") shall not be admitted as Unitholders in the Fund. The Company has the right to request both judicial and extrajudicial recovery of the damages suffered in relation to the non-fulfilment of the payment obligations. The Defaulting Investor shall also be obliged to reimburse to the Fund or the Company any fees and costs directly incurred by the Fund or the Company in connection with the default.

#### **12.11. Subscription in kind**

The Company may, at its own discretion and in accordance with the Management Regulations, accept contribution in kind, in exchange for subscription payment if deemed in the interest of Unitholders.

In particular, in such case, the assets contributed must be valued in a report issued by the Auditor, to the extent required by Luxembourg law. Any costs incurred in connection with a contribution in kind shall be borne by the subscribing Unitholder or by a third party, but will not be borne by the Fund unless the Board considers that the subscription in kind is in the interest of the Fund or made to protect the interests of the Fund.

#### **12.12. Acceptance of Subscriptions**

The Company reserves the right to accept or refuse any application for subscription or Commitment application in whole or in part. To the extent that any Investor is subject to any investment restrictions or limitations, these should be disclosed at the time of the applications.

#### **12.13. Suspension of Subscriptions**

The Company will suspend the issue of Units of any Sub-fund or Class whenever the determination of the Net Asset Value of such Sub-fund or Class is suspended.

The Company may also suspend the offer of Units at any time or from time to time either generally, or in respect of one or more jurisdictions in which the Units are offered.

#### **12.14. Luxembourg Anti-Money Laundering and Prevention of Terrorism Financing Regulations**

Pursuant to international rules and Luxembourg laws and regulations (comprising but not limited to the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as



amended, the Grand Ducal Regulation dated 1 February 2010, as well as circulars and regulations of the supervising authority, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes.

As a result of such provisions, the registrar agent of a Luxembourg undertaking for collective investment must ascertain the identity of the Investors in accordance with Luxembourg laws and regulations. Accordingly, the Administrator may require, pursuant to its risks based approach, Investors to provide proof of identity. In any case, the Administrator may require, at any time, additional documentation to comply with applicable legal and regulatory requirements.

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

In case of delay or failure by an Investor to provide the documents required, the application for subscription or the commitment to subscribe may not be accepted and, to the extent applicable, the payment of any proceeds and/or dividends may not be processed. Neither the Fund/the Company, nor the Administrator have any liability for delays or failure to process transactions as a result of the Investor or the subscriber providing no or only incomplete documentation.

In addition, the Board, or any delegate thereof, will further provide the RBO created pursuant to the Law of 13 January 2019 establishing a register of beneficial owners with relevant information about any Unitholder or, as applicable, beneficial owner(s) thereof, qualifying as beneficial owner of the Fund within the meaning of the Luxembourg law of 12 November 2004 on the fight against money laundering and financing of terrorism. Such information will be made available to the general public through access to the RBO, as required by, and under the conditions set forth in the Luxembourg anti-money laundering laws and regulations.

Unitholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

From time to time, Unitholders may be asked to supply additional or updated identification documents in accordance with clients' on-going due diligence obligations according to the relevant laws and regulations.

Where the Units are subscribed through an intermediary acting on behalf of its customers, enhanced due diligence measures will be undertaken in accordance with Article 3 of the CSSF Regulation N° 12-02.

### **13. [UNIT REDEMPTION](#)**

#### **13.1. Redemption Procedure**

Prospective Investors should refer to the relevant Sub-fund Factsheet, as regards applicable restrictions or limitations that may apply to the redemption of the relevant Units.

The Company may create closed-ended Sub-funds and open-ended Sub-funds. The relevant Sub-funds' Factsheets specify whether the relevant Sub-fund is a closed-ended or an open-ended Sub-fund and the rules, which will therefore apply to the relevant Sub-fund in respect of the redemption of Units.

Subject to the restrictions provided in this Prospectus and the relevant Sub-fund Factsheet, any Unitholder may apply for the redemption of some or all of his Units.

Units will be redeemed at a price based on the Net Asset Value per Unit determined as at the relevant Valuation Day, as specified in the relevant Sub-fund Factsheet.

If the value of a Unitholder's holding on the relevant Valuation Day is less than the fixed amount which the Unitholder has applied to redeem, the Unitholder will be deemed to have requested the redemption of all of its Units.

Redemption applications must be sent to the Administrator or other institutions appointed for this purpose in accordance with the provisions specified in the relevant Sub-fund Factsheet. Valid applications must specify the number of Units or the amount to be redeemed and the relevant Sub-fund and class of Unit to be redeemed.

Investors should note that the Redemption Price (as defined below) and hence redemption proceeds payable on redemption may be affected by the fluctuations in value of the Sub-fund's underlying investments during the period between the submission of a redemption request and the date as of which the Redemption Price is calculated.

#### **13.2. Prior Notice Requirements**

The Company will, unless otherwise decided in its discretion refuse to accept any application for redemption received after the redemption deadline by which such application is due as specified in the relevant Sub-fund Factsheet.

Such applications will be dealt with on the next following Valuation Day.

#### **13.3. Minimum Holding Amount**

The Company may at any time decide to compulsorily redeem all Units from any Unitholder whose holding is less than the minimum holding amount specified in the relevant Sub-fund Factsheet.

Before any such compulsory redemption or switching, each Unitholder concerned will receive one months' prior notice to increase his holding above the applicable minimum holding amount at the applicable Net Asset Value per Unit.

#### **13.4. Redemption Charge**

In each Class of each Sub-fund, a redemption charge payable to the Sub-fund, as set out in the relevant Sub-fund Factsheet, may be charged or waived in whole or in part at the discretion of the Company, as specified in the relevant Sub-fund Factsheet.

#### **13.5. Redemption Price per Unit**

The redemption price per Unit of each Class (the "**Redemption Price**") is the Net Asset Value per Unit of such Class determined as at the relevant Valuation Day, reduced by any applicable redemption charge, fees, taxes and stamp duties.

### **13.6. Payment of Redemption Proceeds**

Payment of redemption proceeds will normally be made to the registered Unitholder following the redemption request provided that all relevant original redemption documentation has been received by the Administrator.

Redemption proceeds will be paid by bank transfer in the reference currency of the Sub-fund or Class (if different) within the number of Business Days indicated in the factsheet of each Sub-fund and following the calculation of the Net Asset Value applicable to establish the amount of redemption unless otherwise provided in the relevant Sub-fund Factsheet.

### **13.7. Redemptions in kind**

In exceptional circumstances, the Company may, with the prior consent of a redeeming Unitholder, satisfy a redemption request by transferring assets of the Fund to such redeeming Unitholder. The assets transferred will be equal in value to the value of the holding to be redeemed. The nature and type of underlying investments to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other Unitholders.

The valuation used in respect of such transfers shall be confirmed by a special report of the Auditor to the extent legally or regulatory required. The Company will ensure that the transfer of assets in cases of such redemptions will not be detrimental to the remaining Unitholders by pro-rating the redemption as far as possible across the entire portfolio of assets.

The specific costs for such redemptions in kind, in particular the costs of the special audit report, will have to be borne by the redeeming Unitholder or by a third party, but will not be borne by the Fund unless the Board considers that the redemption in kind is in the interest of the Fund or made to protect the interests of the Fund.

### **13.8. Suspension of Redemptions**

Redemption of Units of any Sub-fund or Class will be suspended whenever the determination of the Net Asset Value of such Sub-fund or Class is suspended.

In the event that the amount of the redemption application(s) – direct or referred to conversion between Sub-funds – is equal to or higher than 10% of the Net Asset Value of the Sub-fund in question and if the Company deems that the redemption may be detrimental to the interests of the other Unitholders as a whole, the Company may, if necessary, reserve the right to suspend the redemption application, or declare that part or all of such units for redemption or conversion will be deferred on a pro rata basis for a period that the Company considers to be in the best interests of the Fund.

Nonetheless, the redemption application may in the meantime be revoked by the Unitholder, free of charge. Any redemption request received by the Company during any suspension will be satisfied as of the following Valuation Day after the suspension has been lifted using the relevant Net Asset Value as at that Valuation Day (subject to any applicable notification requirement), unless the request has been withdrawn prior to that day.

### **13.9. Irrevocability of Redemption Requests**

In normal circumstances, except in the event of a suspension of the determination of the Net Asset

Value of the relevant Sub-fund or Class or deferral of a Unitholder's request, applications for redemptions of Units are irrevocable and may not be withdrawn by any Unitholder.

In the event of such a suspension, the Unitholders of the relevant Sub-fund or Class, who have made an application for redemption of their Units, may give written notice to the Company that they wish to withdraw their application. Further, the Company may at its discretion, taking due account of the principle of equal treatment among Unitholders, decide to accept any withdrawal of an application for redemption.

#### **13.10. Compulsory Redemption**

The Company will have the right to compulsorily redeem Units of a Unitholder where the aggregate Net Asset Value of his Units is less than the minimum holding amount indicated in relevant Sub-fund Factsheet and after giving one month prior notice to the Unitholder to increase his holding above the applicable minimum holding amount.

The Company shall have power to impose or relax the restrictions on any Units or Sub-fund (other than any restrictions on transfer of Units, but including the requirement that Units be issued only in registered form), but not necessarily on all Units within the same Sub-fund, as it may think necessary for the purpose of ensuring that no Units in the Fund or no Units of any Sub-fund in the Fund are acquired or held by or on behalf of:

- a) any person in breach of the law or requirements of any country or governmental or regulatory authority (if the Company shall have determined that the Company, the Fund, any investment adviser, any investment manager, any Unitholder or any Connected Person (as defined in the Management Regulations) would suffer any disadvantage as a result of such breach), or
- b) any person in circumstances which in the opinion of the Company might result in the Company, the Fund, any investment advisor, any investment manager or the Unitholders incurring any liability to taxation or suffering any other pecuniary disadvantage which they might not otherwise have incurred or suffered, including a requirement for the Fund, the Company, any investment adviser or any investment manager to register under any securities or investment or similar laws or requirements of any country or authority, or market timing and/or late trading practices, or
- c) any person who, in the opinion of the Company, does not qualify as an Eligible Investor.

The Company shall have the power to compulsory redeem Units in the circumstances under a), b) and c) above.

The Company is also entitled to compulsorily redeem all Units of a Unitholder:

- where a Unitholder has transferred or attempted to transfer any portion of its Units in violation of the Prospectus and/or of the Management Regulations; or
- where any of the representations or warranties made by a Unitholder in connection with the acquisition of Units was not true when made or has ceased to be true; or
- where a Unitholder (i) has filed a voluntary petition in bankruptcy; (ii) has been adjudicated bankrupt or insolvent, or has had entered against it an order for relief, in any bankruptcy

or insolvency proceeding; (iii) has filed a petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation; (iv) has filed an answer or other pleading admitting or failing to contest the material allegations of a petition filed against him in any proceeding of this nature; or (v) has sought, consented to or acquiesced in the appointment of a trustee, receiver or liquidator of such Unitholder or of all or any substantial part of the Unitholder's properties; or

- in any other circumstances in which the Company determines in its absolute discretion that such compulsory redemption would avoid material legal, pecuniary, tax, economic, proprietary, administrative or other disadvantages to the Fund.

#### **14. CONVERSIONS**

A conversion operates by way of redemption of Units of the converted Class and the simultaneous issue of Units of the invested Class. Requests for conversion will be processed in accordance with the same cut off time and procedure applicable to the redemption and subscription for Units detailed in the relevant Sub-fund factsheet.

If not otherwise disclosed in the relevant Sub-Fund Factsheet, Unitholders may ask, subject to approval by the Board, to convert all or part of the Units which they hold in a Class of a given Sub-Fund:

- into Units of another Class in the same Sub-fund; or
- into Units of the same Class of another Sub-fund; or
- into Units of another Class of another Sub-fund.

No conversion fee will be charged.

##### **14.1. Irrevocability of Conversion Requests**

Any request for conversion shall be irrevocable and may not be withdrawn by any Unitholder in any circumstances, except in the event of a suspension of the determination of the Net Asset Value of the relevant Sub-fund or Class.

In the event of a suspension, the Fund will process the conversion requests on the first applicable Valuation Day following the end of the period of suspension.

##### **14.2. Conditions**

Acceptance of any application for conversion is contingent upon the satisfaction of any conditions (including any minimum subscription and prior notice requirements and payment of all costs and expenses due) applicable to the Class into which the switch is to be effected.

If as a result of a switch, the value of a Unitholder's holding in the new Class would be less than any minimum holding amount specified in the relevant Sub-fund Factsheet, the Board may decide not to accept the conversion request.

If as a result of a conversion, the value of a Unitholder's holding in the original Class would become less than the minimum holding amount specified in the relevant Sub-fund factsheet, the Company may decide that such Unitholder shall be deemed to have requested the conversion of all of his Units from the original Class to the new Class.

The Company reserves the right to change the frequency of conversions or make amendments thereto.

## **15. NET ASSET VALUE**

For each Sub-fund, the Net Asset Value of each Unit of each Class is established by the Administrator, according to a timescale set in the relevant Sub-fund Factsheet, unless exceptional circumstances referred to under section 16 "Suspension of Net Asset Value calculation, subscription, redemption and conversions" below occur.

The Net Asset Value per Unit is expressed in the reference currency of the relevant Class.

The Net Asset Value per Unit is obtained by dividing the net assets attributable to the relevant Class by the number of outstanding Units of that Class.

### **15.1. Definition of assets**

The Company shall establish total net assets for each Sub-fund.

The Fund constitutes a single entity. Nonetheless, it should be noted that in the relations between Unitholders, each Sub-fund is considered as a separate entity composed of a group of separate assets with their own objectives and represented by one or more separate Classes. Moreover, with regards to third parties, and more precisely in regards to the Fund's creditors, each Sub-fund shall bear exclusive responsibility for its own commitments.

In order to establish the different groups of net assets:

- a) if a Sub-fund issues two or more Classes, the assets attributable to such Classes shall be invested in common pursuant to the specific investment objective, policy and restrictions of the Sub-fund concerned;
- b) within any Sub-fund, the Company may determine to issue Classes subject to different terms and conditions, including, without limitation, Classes subject to (i) a specific distribution policy entitling the holders thereof to dividends or no distributions, (ii) specific subscription and redemption charges, (iii) a specific fee structure (iv) a specific hedging policy and/or (v) other distinct features;
- c) the net proceeds from the issue of Units of a Class in relation to a specific Sub-fund are to be applied in the books of the Fund to that Class and the assets and liabilities and income and expenditure attributable thereto are applied to such Class subject to the provisions set forth below;
- d) where any income or asset is derived from another asset, such income or asset is applied in the books of the Fund to the same Sub-fund or Class as the asset from which it was derived and on each revaluation of an asset, the increase or diminution in value is applied to the relevant Sub-fund or Class;
- e) where the Fund incurs a liability which relates to any asset of a particular Sub-fund or Class or to any action taken in connection with an asset of a particular Sub-fund or Class, such liability is allocated to the relevant Sub-fund or Class;
- f) if any asset or liability of the Fund cannot be considered as being attributable to a particular Sub-fund or Class, such asset or liability will be allocated to all the Sub-funds or Classes pro rata to their respective Net Asset Values, or in such other manner as the Company, acting in good faith, may decide;

- g) upon the payment of distributions to the holders of any Class, the Net Asset Value of such Class shall be reduced by the amount of such distributions; and
- h) a Sub-fund factsheet may specifically provide for other grounds of allocation of assets from a Class of a Sub-fund to another Class of the same Sub-fund.

The assets of each Sub-fund are valued as of each Valuation Day, as defined in the relevant Sub-fund Factsheet, as follows:

- a) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable and payables, 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 Company may consider appropriate in such case to reflect the true value thereof;
- b) liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis;
- c) the value of securities and/or financial derivative instruments which are quoted, traded or dealt in on any stock exchange (including quoted securities of closed-ended underlying funds) shall be based on the latest available price or, if not available or otherwise inaccurate, as quoted by an independent broker and each security traded on any other regulated market, shall be valued in a manner as similar as possible to that provided in relation to quoted securities;
- d) for non-quoted securities or securities and/or financial derivative instruments not traded or dealt in on any stock exchange or other regulated market (including non-quoted securities of closed-ended underlying funds), as well as quoted or non-quoted securities on such other market for which no valuation price is readily available, or securities for which the quoted prices are, in the opinion of the Company, not representative of the fair market value, the value thereof shall be determined prudently and in good faith by the Company
- e) securities issued by any open-ended underlying funds (whether or not quoted on a stock exchange) shall be valued based on their last available net asset value or price, whether estimated or final, as reported or provided by such funds or their agents; for those open-ended underlying funds for which a single net asset value is calculated and which are also listed on a stock exchange, the price used will be the single net asset value as reported or provided by such funds or their agents, whether estimated or final, and not the ones listed on a stock exchange. This net asset value may differ from that quoted on the relevant stock exchange; and
- f) the liquidation value of forward or options contracts not traded on exchanges or on other organised markets shall mean their net liquidation value determined, pursuant to the policies established or approved by the Company, on a basis consistently applied for each different variety of contracts. The liquidation value of forward or options contracts traded on exchanges or other organised markets shall be based upon the last available settlement prices of these contracts on exchanges and organised markets on which the particular contracts are traded on behalf of the Fund; provided that if a forward or options contract could not be liquidated on the day with respect to which the net asset value is being determined, the basis for determining the liquidation value of such contract shall be such value as the Company may deem fair and reasonable;

- g) liquid ILS will be valued by quotes provided by one or more market makers, dealers or brokers specialised in these types of securities;
- h) illiquid ILS will be valued prudently and in good faith;
- i) private debt securities will be valued at cost subject to satisfactory impairment test based on dedicated threshold defined in the valuation policy of the Company taking in consideration the potential underlying guarantees;
- j) all other assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Company.

Whilst the Company reserves the right to use published final valuations using the latest available price in respect of each investment in order to calculate the Net Asset Value, in view of the limited frequency with which such valuations may be provided, and the delays in obtaining such information, the Company also reserves the right to use more recent valuations where this is considered appropriate. Such valuations may be based on an estimate of a more recent price of any unit or share in an underlying fund in which the Fund invests obtained from or calculated on the basis of more recent information received from the underlying fund or any of its service providers or agents. Consequently, valuations in respect of the Units may be based largely or entirely on estimates.

To the extent that the Company considers that it is in the best interests of the Unitholders given the size of a Sub-fund or Class, prevailing market conditions and/or the level of subscriptions and redemptions in the Sub-fund or Class, the net asset value of the Sub-fund or Class may be calculated on a bid offer spread basis for Unit issues and redemptions using securities bid or offer prices and adjusted in respect of any dealing charges and sales commissions.

The value of assets denominated in a currency other than the reference currency of a Sub-fund or Class (if different) shall be determined by taking into account the rate of exchange prevailing at the time of the determination of the Net Asset Value.

In instances where the value of an investment cannot be determined in accordance with the valuation procedures specified above or in instances where the Company or its agents determines that it is impracticable or inappropriate to determine the value of an asset or amount of a liability in accordance with the above procedures, the price will be a fair and reasonable value as determined in good faith and on a prudent basis in such manner as the Company or its agents may prescribe in accordance with the accounting procedures applicable to the Fund. The Board of Directors will exercise its reasonable judgment in determining the values to be attributed to assets and liabilities.

With regard to the protection of Unitholders in case of net asset value calculation error and correction of the consequences resulting from non-compliance with the investment rules applicable to the Fund, the Board intends to comply with the principles and rules set forth in CSSF Circular 02/77 of 27 November 2002.

#### **16. SUSPENSION OF NET ASSET VALUE CALCULATION, SUBSCRIPTIONS, REDEMPTIONS AND CONVERSIONS**

The Company is authorised to temporarily suspend calculation of the Net Asset Value per Unit of one or more Sub-funds, as well as subscriptions, redemptions and conversions of Units of the said Sub-funds, in the following cases:



- a) during any period when any market or stock exchange, which is the principal market or stock exchange on which a material part of the assets of the Fund attributable to such Sub-fund(s) for the time being are quoted or dealt in, is closed, other than for legal holidays, or during which dealings are substantially restricted or suspended, provided that such restriction or suspension affects the valuation of the investments of the Fund;
- b) during any period when any market of a currency in which a material part of assets of one or more Sub-funds is denominated is closed for periods other than legal holidays, or during which trading is substantially restricted or suspended provided that such restriction or suspension affects the valuation of the investments of the Fund;
- c) during any period when dealing in the units/shares of any underlying vehicle in which such Sub-fund(s) may be invested are restricted or suspended;
- d) during the existence of any state of affairs which constitutes an emergency, in the opinion of the Company, or when, as a result of political, economic, military, terrorist or monetary events or any circumstances outside the control, responsibility and power of the Company acting on behalf of the Fund, disposal of the underlying assets of such Sub-fund(s) is not reasonably practicable without being seriously detrimental to Unitholders' interests or if, in the opinion of the Company, a fair price cannot be calculated for those assets;
- e) during any breakdown in the means of communication normally employed in determining the price or value of any of such Sub-fund(s)'s investments or the current prices or value on any market or stock exchange;
- f) if the Fund or a Sub-fund is being or may be wound up, liquidated or merged, from the date on which the Company has decided or the notice is given of a proposed resolution to that effect;
- g) when for any other reason the prices of any investments owned by the Fund attributable to such Sub-fund(s) cannot promptly or accurately be ascertained (including the suspension of the calculation of the net asset value of an underlying undertaking for collective investment or other investment vehicle);
- h) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of Units or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Units cannot, in the opinion of the Company, be effected at normal rates of exchange;
- i) any other circumstance or circumstances where a failure to do so might result in a Sub-fund, the Fund or the Unitholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the Fund, the Sub-fund or the Unitholders might not otherwise have suffered;
- j) if in the opinion of the Company, the effect of such redemptions would be to seriously impair the Fund's ability to operate or to jeopardise its tax status;
- k) during any period when any breakdown occurs in the IT means normally used to determine the net asset value per Unit of one or more Sub-funds; or
- l) any other circumstances beyond the control of the Company.

The Company may, in any of the cases listed above, also suspend the issue and/or redemption and/or conversion of Units without suspending the calculation of the Net Asset Value.

If required by law, a notice of the beginning and of the end of any period of suspension will be sent to the Unitholders or published in a newspaper or via any other media as may be decided by the Company from time to time.

Any suspension declared shall take effect at such time as the Company shall declare which may be at any time prior to, during or after the relevant Valuation Day, and shall continue until the Company declares the suspension to be at an end.

Notice will likewise be given to any applicant or Unitholder as the case may be applying for purchase, redemption, or conversion of Units in the Sub-fund(s) concerned.

Upon suspension of the calculation of the Net Asset Value, applicants or existing Unitholders may give notice that they wish to withdraw their application for subscription or request for redemption or conversion of Units, as applicable, in respect of any Valuations Days affected by the suspension. If no such notice is received by the Company, applications for redemption or conversion as well as any application for subscription will be dealt on the Valuation Day following the end of the period of suspension at the subscription price per Unit or Redemption Price, as applicable, then prevailing.

The Company reserves the right to withhold payment from persons whose Units have been redeemed prior to such suspension until such suspension is lifted.

In addition, the Company has the right to suspend the Net Asset Value calculation of a Sub-fund for up to one (1) month without the requirement to give notice to Unitholders when, in its opinion, a significant proportion (which is likely to be fifty per cent or more) of the assets of the Sub-fund cannot be valued on an equitable basis and such difficulty is expected by the Company to be overcome within that period. The Company will take all reasonable steps to bring any period of suspension to an end as soon as possible.

The Company is authorised to temporarily suspend calculation of the Net Asset Value per Unit of one or more Sub-funds, as well as subscriptions, redemptions and conversions of Units of the said Sub-funds, in exceptional circumstances that may adversely affect the interests of the Unitholders, or in the event of too many requests of redemption of the Units of a given Sub-fund, the Company reserves the right to establish the value of the said Sub-fund only after having sold the required assets on behalf of the Sub-fund. Under these circumstances, pending subscription and redemption applications shall be processed based on the first Net Asset Value thus calculated.

## **17. INCOME DISTRIBUTION**

The Company decides how to allocate the annual net profit of the Fund based on year-end accounts as at 31 December of each year.

The Company reserves the right to distribute the net assets of each Sub-fund up to the minimum legal net assets. The nature of the distribution shall be disclosed in the financial reports.

The Company may distribute interim dividends, within the limits provided by law.

Dividends and interim dividends shall be paid at a time and place established by the Company.

Dividends and interim dividends distributed but not collected by the Investor within five years of payment are no longer payable to Investor and shall be paid to the corresponding Sub-fund.

Dividends held by the Depositary on behalf of Unitholders in the respective Sub-funds shall not bear any interest.

#### **18. CHARGES, EXPENSES AND COSTS BORNE BY THE FUND**

Each Sub-fund pays the Company a Management Fee for the performance of its duties as management company and AIFM of the Fund as indicated in the relevant Sub-fund Factsheet.

Each Sub-fund may pay to the Company or to a specific Class of Unit a Performance Fee which, if applicable, is detailed for each Sub-fund in the relevant Sub-fund Factsheet.

The following expenses shall be borne by the Fund:

- set up fees, including expenses for its establishment and authorisation from the competent authorities, costs for preparation, translation, printing and distribution of reports, as well as any other document required by law and regulations in force in the countries in which the Fund is traded (where applicable);
- registration tax calculated and payable on a quarterly basis based on the net asset value determined at the end of each quarter, as well as amounts due to supervisory authorities;
- any stock-exchange fees including listing and filing fees;
- all taxes and duties due by the Fund;
- trading costs, fees and expenses deriving from transactions involving the Sub-funds' portfolio;
- for Sub-funds that invest in units of other UCITS and/or UCIs, the expenses on the assets of the UCITS and/or other UCIs invested in are borne indirectly by the Sub-funds;
- extraordinary costs arising in particular from assessments or procedures aimed at protecting the interest of Investors;
- expenses for the publication of the net asset value and all notices to Investors;
- expenses incurred for the IT, software licenses and database and info provider systems specifically used for the management of the Fund;
- expenses linked to the membership (including for the account) of the Fund in trade associations, including those linked to the participation on behalf of the Fund to such trade associations' meetings and conferences;
- expenses for external risk level assessment and reporting;
- auditor's fees;
- fees paid to the Depositary and the Administrator (including in its capacity as Registrar, Transfer Agent) and Paying Agent of the Fund. In addition, the Depositary and the Administrator are entitled to be reimbursed by each Sub-fund for their reasonable out-of-pocket expenses and disbursements, including for the Depositary charges of any correspondents;
- fees paid to the External Valuer (if any);
- publication costs for notices to Unitholders in the countries where the Fund is traded;
- expenses linked to legal and tax advisers' fees borne in the interest of the Fund.

All general expenses described above borne by the Fund are preliminarily deducted from the Fund's current earnings and, if these prove insufficient, from realised capital gains and, where necessary, from Fund assets.

The following expenses shall be borne by the Company:

- expenses for the day to day running of its operations; and
- fees of the Company's auditors.

The exact level of fees and expenses charged to the Fund will be disclosed in the Fund's annual financial statements.

## **19. FINANCIAL YEAR**

The Fund's financial year ends on 31 December of each year. The first financial year of the Fund will start on the date of its constitution and will close on 31 December 2020.

## **20. FINANCIAL STATEMENTS AND REPORTS**

The Fund shall publish annual financial statements as of 31 December of each year. The financial report shall be available, within six months from the end of the period to which it relates, to Unitholders at the registered offices of the Company and the Depositary.

The Net Asset Value of each Sub-fund Unit is available in Luxembourg at the registered offices of the Company.

Any changes to the Management Regulations are filed with the RCS and their publication in the RESA is made by way of a notice advising of the deposit of the document with the RCS.

So long as units of a Sub-fund are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the professional segment of the Euro MTF Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, in case the provisions of the Prospectus or the relevant Listing Particulars will have to be amended in order to reflect changes to the Management Regulations, the Company will either (i) make available a notice to be published on the website of the Luxembourg Stock Exchange, [www.bourse.lu](http://www.bourse.lu), or by other means permitted by the Luxembourg Stock Exchange or, as the case may be, (ii) prepare new Listing Particulars to be approved by the Luxembourg Stock Exchange.

The Auditor must carry out the duties provided by the RAIF Law and the AIFM Law. In this context, the main mission of the Auditor is to audit the accounting information given in the annual report.

The Auditor is also subject to certain reporting duties vis-à-vis the regulators as more fully described in the AIFM Provisions.

All reports, letters and other documents, valuations and statements as well as any other document referred to in this Prospectus are available to Unitholders at the registered office of the Company.

## **21. MANAGEMENT REGULATIONS**

The rights and duties of Unitholders as well as those of the Company and the Depositary are established by the Management Regulations.

The subscription or acquisition of Units implies acceptance of the Management Regulations by the Unitholders.

Any change to the Management Regulations needs to be approved at a general meeting of Unitholders with Administrative Rights. Any resolution of a general meeting of Unitholders with Administrative Rights to the effect of amending the Management Regulations must be passed with (i) a presence quorum of fifty percent (50%) of the Units issued to Unitholders with Administrative Rights at the first call and, if not achieved, with no quorum requirement for the second call; and (ii) the approval of a majority of at least two-thirds (2/3) of the votes validly cast by the Unitholders with Administrative Rights present or represented at the meeting and (iii) the consent of the Company.

In the absence of Units with Administrative Rights, the Management Company may, subject to Luxembourg law, amend the Management Regulations in whole or in part at any time.

The amendments will become effective upon publication of a notice of their deposit with the RCS, Luxembourg in the RESA or upon any other date provided for in the amending documents.

## **22. DURATION, MERGER, LIQUIDATION AND CLOSURE OF FUND OR OF SUB-FUNDS OR OF A CLASS**

### **22.1. The Fund**

The Fund is established for an unlimited duration.

The dissolution of the Fund shall be decided by the general meeting of Unitholders. Any resolution of a general meeting of Unitholders to the effect of the liquidation must be passed with (i) a presence quorum of fifty percent (50%) of the net assets of the Fund at the first call and, if not achieved, with no quorum requirement for the second call; and (ii) the approval of a majority of at least two-thirds (2/3) of the votes validly cast by the Unitholders present or represented at the meeting. In such case, each Unit in the Fund (whether it has Administrative Rights or not) is entitled to one vote.

If the last Sub-Fund within the Fund comes to its term, the term of such Sub-fund shall trigger the dissolution of the Fund.

In the event of dissolution, the liquidation shall be carried out by the Company or by one or more external liquidators to be appointed by the Unitholders of the Fund.

No Units may be issued after the date of such decision of the Company. The Company will, however, not be precluded from redeeming or, if permitted, switching all or part of the Units of Unitholders, at their request, at the applicable Net Asset Value (taking into account actual realisation prices of investments as well as realisation expenses in connection with such dissolution), as from the date on which the resolution to dissolve the Fund has been taken until its effectiveness, provided that such redemption or conversion does not affect the equal treatment among Unitholders.

In the event of the liquidation of the Fund, the Company or the appointed liquidator(s) shall realise the assets of the Fund in the best interests of the Unitholders, and the Depositary shall distribute the net liquidation proceeds, after deduction of liquidation charges and expenses, to the Unitholders in the proportion of the respective rights of each Class, all in accordance with the instructions of the Company.

Liquidation proceeds that could not be distributed to the persons entitled thereto at the close of liquidation shall be deposited with the *Caisse de Consignation* (or CDC) in Luxembourg until the applicable prescription period shall have elapsed.

## **22.2. The Sub-funds**

Each Sub-fund is launched for a duration set-out in the relevant Sub-fund Factsheet. If a Sub-fund is launched with a limited duration, the Company may decide to extend the duration of the relevant Sub-fund subject to the provisions of this Prospectus.

A Sub-fund or a Class may be terminated by decision of the Company if the Net Asset Value of a Sub-fund or a Class does not reach or fall below a level that the Board deems to make its management overly difficult, or in the event of special circumstances beyond its control, such as political, economic, or military emergencies, or if the Company should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Sub-fund or a Class to operate in an economically efficient manner, and with due regard to the best interests of Unitholders, that a Sub-fund or a Class should be terminated. In such event, the assets of the Sub-fund or the Class shall be realized, the liabilities discharged and the net proceeds of realization distributed to Unitholders in proportion to their holding of Units in that Sub-fund or Class and such other evidence of discharge as the Company may reasonably require. This decision will be notified to Unitholders as required. No Units shall be redeemed after the date of the decision to liquidate the Sub-fund or a Class. Assets, which could not be distributed to Unitholders upon the close of the liquidation of the Sub-fund concerned, will be deposited with the *Caisse de Consignation* in Luxembourg on behalf of their beneficiaries.

If allowed by applicable laws, a Sub-fund or a Class may merge with one or more other Sub-funds or Classes in the above-mentioned circumstances by decision of the Company. This decision will be notified to Unitholders as required. Each Unitholder of the relevant Sub-fund or a Class shall be given the option, within a period to be determined by the Company, but not being less than one month, and specified in said notice, to request free of any redemption charge either the repurchase of its Units or the exchange of its Units against Units of any Sub-fund or a Class not concerned by the merger. If allowed under applicable laws, a Sub-fund may be contributed to another Luxembourg investment fund or an investment fund established in the European Economic Area and subject to equivalent supervision by decision of the Company in the event of special circumstances beyond its control, such as political, economic, or military emergencies, or if the Company should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Sub-fund to operate in an economically efficient manner, and with due regard to the best interests of Unitholders, that a Sub-fund should be contributed to another fund. This decision will be notified to Unitholders as required. Each Unitholder of the relevant Sub-fund shall be given the possibility within a period to be determined by the Company, but not being less than one month, and specified in said notice, to request, free of any redemption charge, the repurchase of its Units. At the close of such period, the contribution shall be binding for all Unitholders who did not request redemption. When a Sub-fund is contributed to another investment fund, the valuation of the Sub-fund's assets shall be verified by an auditor who shall issue a written report at the time of the contribution, to the extent legally or regulatory required.

If the Company determines that it is in the interests of the Unitholders of the relevant Sub-fund or Class or that a change in the economic or political situation relating to the Sub-fund or Class concerned has occurred which would justify it, the reorganization of one Sub-fund or Class, by means of a division into two or more sub-funds or classes of the Fund may take place if allowed under applicable laws. This decision will be notified to Unitholders as required. The notification will also contain information about the two or more new Sub-funds or Classes. The notification will be made at least one month before the date on which the reorganization becomes effective in order to enable the Unitholders to request the sale of their Units, free of charge, before the operation involving division into two or more Sub-funds or Classes becomes effective.

Notwithstanding the powers conferred to the Company in the foregoing paragraphs:

- a) in a closed-ended Sub-fund or a) in the event that the cost-free redemption is not possible because the assets of the Sub-fund are illiquid, the Company shall seek a prior approval for a merger or a division of Sub-funds or Classes by a decision of the general meeting of Unitholders passed with (i) at least three quarters (3/4) of the votes attached to all Units issued by the Sub-fund (or where applicable, in the relevant Class) and validly cast by those present or represented at the meeting; and (ii) a presence quorum requirement of at least three quarters (3/4) of the net assets of the Sub-fund (or where applicable, of the relevant Class). In such case, each Unit in the relevant Sub-fund (whether it has Administrative Rights or not) is entitled to one vote.
- b) in a closed-ended Sub-fund, the Company shall seek a prior approval for a liquidation of a Sub-fund or Class prior to its term disclosed in the Sub-fund Factsheet by a decision of the general meeting of Unitholders passed with (i) at least two thirds (2/3) of the votes attached to all Units issued by the Sub-fund (or where applicable, in the relevant Class) and validly cast by those present or represented at the meeting; and (ii) a presence quorum requirement of at fifty percent (50%) of the net assets of the Sub-fund (or where applicable, of the relevant Class). In such case each Unit in the relevant Sub-fund (whether it has Administrative Rights or not) is entitled to one vote.

### **23. [LEGAL ACTION](#)**

All disputes regarding enforcement of the Management Regulations shall be governed by Luxembourg law and subject to the jurisdiction of the District Court of Luxembourg.

According to EU regulation 1215/2012 of 12 December 2012 on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters, a judgement given in a Member State of the European Union shall, if enforceable in that Member State, in principle (a few exceptions are provided for in EU Regulation 1215/2012) be recognised in the other Member State of the European Union without any special procedure being required and shall be enforceable in the other Member States of the European Union when, on the application of any interested party, it has been declared enforceable there.

## **24. TAX TREATMENT**

### **24.1. Taxation**

The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of units and is not intended as tax advice to any particular Investor or potential Investor. Prospective Investors should consult their own professional advisers as to the implications of buying, holding or disposing of units and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Luxembourg.

The following is based on the Company's understanding of certain aspects of the law and practice currently in force in Luxembourg. There can be no guarantee that the tax position at the date of this Prospectus or at the time of an investment will endure indefinitely.

### **24.2. Taxation of the Fund**

The Fund is subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.01% per annum, based on the Net Asset Value of each Sub-fund at the end of the relevant quarter, calculated and paid quarterly.

An exemption from subscription tax may apply under certain circumstances.

### **24.3. Withholding tax**

Distributions by the Fund as well as liquidation proceeds and capital gains derived therefrom are made free and clear from withholding tax in Luxembourg.

### **24.4. Taxation of the Investors**

From a Luxembourg tax perspective, the Fund as a co-ownership between the Investors without legal personality, is in principle fully tax transparent. Investors in the Fund will be subject to tax on the income and capital gains derived from the investment in accordance with the laws in force in their country of residence.

Under current legislation, Investors are not subject to any capital gains, income or withholding tax in Luxembourg except for those domiciled, resident or having a permanent establishment in Luxembourg.

As a matter of administrative practice, capital gains derived from the Fund by Unitholders domiciled, resident or having a permanent establishment in Luxembourg are not subject to tax in Luxembourg if realized at least six (6) months after the subscription or purchase of the units and provided that the investment in the Fund does not represent a substantial shareholding, unless the Investor claims the strict application of the tax transparency of the Fund and will be regarded as having realized the profits and losses on the underlying investment in the Fund. The Investors are deemed realizing themselves the profits and losses of the Fund at the time the Fund realized them. Distributions made by the Fund will be subject to income tax.

Non-Luxembourg residents are not subject to any capital gains, income or withholding tax unless not protected by a tax treaty, who hold through the Fund more than 10% of a Luxembourg company and have their units in the Fund redeemed less than 6 months after subscription of the units in the Fund.

The Fund collects the income generated after deduction of any withholding tax in the relevant countries. From a Luxembourg tax perspective, any potential entitlement to reduction in the rate of applicable withholding taxes depends on the status of the Investors, as the Fund is a co-ownership between the Investors. Where an Investor is exempt from tax in his/her/its country of residence, or is eligible for treaty relief under a double tax



treaty concluded between his/her/its country of residence and the country where the security is located, it may be possible to obtain a full or partial refund of his/her/its proportionate share of the withholding tax suffered by the Fund.

## 24.5. Automatic Exchange of Information

### CRS

The OECD has developed a common reporting standard ("**CRS**") to achieve a comprehensive and multilateral automatic exchange of information on a global basis.

On 29 October 2014, Luxembourg signed the OECD's multilateral competent authority agreement ("**Multilateral Agreement**") to automatically exchange information under the CRS. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation ("**DAC2**") was adopted to implement the CRS among the EU Member States. The CRS and the DAC2 were implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("**CRS Law**").

The CRS Law requires Luxembourg financial institutions to identify their financial account holders (including certain entities and their controlling persons) and establish if they are fiscally resident in (i) an EU Member State other than Luxembourg or (ii) a jurisdiction which has signed the Multilateral Agreement and which is identified in the list of reportable jurisdictions published by Grand Ducal Decree ("**CRS Reportable Accounts**"). The first official list of CRS reportable jurisdictions was published on 24 March 2017 and is updated from time to time. Luxembourg financial institutions will then report the information on such CRS Reportable Accounts to the Luxembourg tax authorities (*Administration des Contributions Directes*), which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the Fund may require its Unitholders to provide information or documentation in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status; and report information regarding a Unitholder and his/her/its account holding in the Fund to the Luxembourg tax authorities (*Administration des Contributions Directes*) if such an account is deemed a CRS Reportable Account under the CRS Law.

By investing in the Fund, the Unitholders acknowledge that (i) the Fund is responsible for the processing of the personal data provided for in the CRS Law; (ii) the personal data will inter alia be used for the purposes of the CRS Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and to the tax authorities of CRS reportable jurisdictions; (iv) responding to CRS-related questions is mandatory; and (v) the Unitholders have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

The Fund reserves the right to refuse any subscription for Units if the information provided or not provided does not satisfy the requirements under the CRS Law.

Prospective investors should consult their professional advisor on the individual impact of the CRS.

### DAC6

On 25 May 2018, the EU Council adopted a directive (2018/822 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation) that imposes a reporting obligation on parties involved in transactions that may be associated with aggressive tax planning ("**DAC6**").

More specifically, the reporting obligation will apply to cross-border arrangements that, among others, satisfy one or more "hallmarks" provided for in DAC6 (the "**Reportable Arrangements**").

In the case of a Reportable Arrangement, the information that must be reported includes the name of all relevant taxpayers and intermediaries as well as an outline of the Reportable Arrangement, the value of the

Reportable Arrangement and identification of any member states likely to be concerned by the Reportable Arrangement.

The reporting obligation in principle rests with persons that design, market or organise the Reportable Arrangement and professional advisors (intermediaries). However, in certain cases, the taxpayer itself can be subject to the reporting obligation.

The information reported will be automatically exchanged between the tax authorities of all Member States.

DAC6 must be implemented in the domestic laws of the Member States by 31 December 2019 and will only apply from 1 July 2020 with the first reporting deadline being 31 August 2020. However, at that time, it will be necessary to report the Reportable Arrangements the first step of which was implemented between 25 June 2018 and 1 July 2020<sup>1</sup>.

In light of the broad scope of DAC6, transactions carried out by the Fund may fall within the scope of DAC6 and thus be reportable (subject however to the way DAC6 will be implemented into national laws).

#### 24.6. United States ("US") Tax Withholding and Reporting under the Foreign Account Tax Compliance Act ("FATCA")

The Foreign Account Tax Compliance Act ("**FATCA**"), a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the US ("foreign financial institutions" or "FFIs") to pass information about "Financial Accounts" held by "Specified US Persons", directly or indirectly, to the US tax authorities, the Internal Revenue Service ("**IRS**") on an annual basis. A 30% withholding tax is imposed on certain US source income of any FFI that fails to comply with this requirement. On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("**Luxembourg IGA**") with the United States of America and a memorandum of understanding in respect thereof. The Fund would hence have to comply with this Luxembourg IGA as implemented into Luxembourg law by the Law of 24 July 2015 relating to FATCA (the "**FATCA Law**") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Fund may be required to collect information aiming to identify its financial account holders (including certain entities and their controlling persons) that are Specified US Persons for FATCA purposes ("**FATCA Reportable Accounts**"). Any such information on FATCA Reportable Accounts provided to the Company will be shared with the Luxembourg tax authorities (*Administration des Contributions Directes*) which will exchange that information on an automatic basis with the IRS. The Company acting on behalf of the Fund intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Fund. The Company will continually assess the extent of the requirements that FATCA and notably the FATCA Law place upon it.

To ensure the Fund's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Company, in its capacity as the Fund's management company, may:

---

<sup>1</sup> Directive 2020/876 (EU) of 24 June 2020 gives Member States the possibility to implement a postponement of the filing and exchanging information with regard to DAC6 due to the COVID-19 pandemic. As a result of the foregoing it is expected that the Member States will post-pone the reporting obligation under DAC6 – currently being 1 June 2020 - for a period of 6 months (i.e., to 1 January 2021). The same is applicable for the deadline for filing reportable arrangements linked to the transition period (reportable arrangements the first step of which was implemented between 25 June 2018 and 1 July 2020). Luxembourg government formally enacted such postponement via the law of 24 July 2020. The beginning of application of DAC6 should, however, remain, 1 July 2020 and the reportable arrangements made during the postponement period will have to be reported by the time the deferral has terminated.

- a) request information or documentation, including W-9 or W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a unit's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such Unitholder's FATCA status;
- b) report information concerning a Unitholder and his account holding in the Fund to the Luxembourg tax authorities (*Administration des Contributions Directes*) if such account is deemed a FATCA Reportable Account under the FATCA Law and the Luxembourg IGA;
- c) report information to the Luxembourg tax authorities (*Administration des Contributions Directes*) concerning payments to Unitholders with FATCA status of a non-participating foreign financial institution;
- d) deduct applicable US withholding taxes from certain payments made to a Unitholder by or on behalf of the Fund in accordance with FATCA, the FATCA Law and the Luxembourg IGA; and
- e) divulge any such personal information to any immediate payer of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

The Company, on behalf of the Fund, shall communicate any information to the Investor according to which (i) the Fund is responsible for the processing of the personal data provided for in the FATCA Law; (ii) the personal data will inter alia be used for the purposes of the FATCA Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and to the IRS; (iv) responding to FATCA-related questions is mandatory; and (v) the Investor has a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

The Fund reserves the right to refuse any application for units if the information provided by a potential Investor does not satisfy the requirements under FATCA, the FATCA Law and the Luxembourg IGA.

Prospective investors should consult their professional advisor on the individual impact of FATCA.

## **25. DOCUMENTS FOR INSPECTIONS**

The following documents:

- Articles of Association;
- Prospectus;
- Management Regulations;
- Depositary Bank Agreement between the Company and Depositary;
- Central Administration Agreement between the Company and the Administrator; and
- The Fund's financial statements and reports;

shall be available for inspection at the registered office of the Company, where Investors may obtain free copies of the Management Regulations, Prospectus and financial statements and reports.

Any information which the Company is under a mandatory obligation (i) to make available to investors before investing in the Fund, including any material change and updates of this Prospectus essential elements as well as requirements of the Article 21 of the AIFM Law, or (ii) to disclose (periodically or on a regular basis) to investors (each such information under (i) or (ii) shall be validly made available or disclosed to investors via and/or at any of the legally acceptable information means listed in the Management Regulations.

## 26. PROCEDURES FOR AMENDING THE PROSPECTUS

The Company is authorised to amend any provision of the Prospectus, provided such changes are not material to the structure and/or operations of the Fund and its Sub-funds and/or do not require a change of the Management Regulations, as the case may be, as determined by the Company at its sole but reasonable discretion. In such case, the Prospectus will be amended and the Unitholders will be informed thereof, for their information purposes only. For the avoidance of doubt, Unitholders will not be offered the right to request the cost-free redemption of their Units prior to such changes becoming effective. As a matter of example, this Prospectus may notably be amended by the Company without the right for Unitholders to request a cost-free redemption of their Units if such amendment is intended:

- a) to change the name of the Fund and/or the name of the Sub-fund;
- b) to acknowledge any change of the Depositary, Administrator, Registrar and Transfer Agent, Paying Agent, the Auditor;
- c) to implement any amendment of the law and/or regulations applicable to the Fund, the Sub-fund, the Company and their respective affiliates;
- d) as the Company determines in good faith to be advisable in connection with legal, tax, regulatory, accounting or other similar issues affecting one or more of the Unitholders, so long as such amendment does not materially and adversely affect the Unitholders, as determined by the Company in its sole discretion;
- e) to correct any printing, typing or secretarial error and any omissions, provided that such amendment not adversely and significantly affect the interests of the Unitholders or update any factual information;
- f) to make any other change which is for the benefit of, or not materially adverse to the interests of the Unitholders of the Fund; and
- g) to reflect the creation of additional Sub-funds within the Fund.

The Company is authorised to make other amendments to the provisions of the Prospectus (such as the change of the fee structure of the Fund or the Sub-fund or the change of the investment policy of the Sub-funds), provided that such changes shall only become effective and the Prospectus amended accordingly, in compliance with the RAIF Law, to the extent the procedures set forth below have been complied with:

- in an open-ended Sub-fund, provided that there is sufficient liquidity, all Unitholders will be offered a cost-free redemption of their Units within a one (1) month period from the sending of such notice to all Unitholders or Unitholders of the relevant Sub-fund or Class in cases where such amendments are only applicable to Sub-fund or Class. Such changes shall become effective only after the expiry of this one-month period.
- in a closed-ended Sub-fund or in the event that the cost-free redemption is not possible because the assets of the Sub-fund are illiquid, the Unitholders shall not have a right to request cost-free redemption of their Units and the Company shall seek a prior approval of such amendments by a decision of the general meeting of Unitholders passed with (i) at least three quarters (3/4) of the votes attached to all Units issued by the Fund (or where applicable, in the relevant Sub-fund or Class) and validly cast by those present or represented at the meeting; and (ii) a presence quorum requirement of at least three quarters (3/4) of the capital of the Fund (or where applicable, of the

relevant Sub-fund or Class). In such case each Unit in the relevant Sub-fund (whether it has Administrative Rights or not) is entitled to one vote.

If the laws and regulations applicable to the Fund or having an impact on the Fund's operation change (either at Luxembourg level or European level) and such changes require compulsory amendment to the structure of the Fund or its operations, then the Company shall be authorized to amend any provision of this Prospectus. In such case, and provided that such compulsory amendment to the structure or the operations of the Fund does not require the involvement of the Unitholders of the Fund or the Sub-fund, then the Prospectus will be updated and the Unitholders will be informed thereof, for their information purposes only without any other involvement in the decision making process prior to the effectiveness of the above mentioned amendment. For the avoidance of doubt, in this case, the Unitholders will not be offered the right to request the cost-free redemption of their Units prior to the changes becoming effective.

## **27. LIQUIDITY RISK MANAGEMENT**

The Company applies a liquidity risk management system in relation to the Fund. In this context, procedures have been put in place to enable a monitoring of the liquidity risks of the Fund and to ensure that the liquidity profile of the Fund's investment portfolio is such that the Fund can normally meet its Units redemption obligations. Procedures have also been adopted to address redemption rights in exceptional circumstances, which procedures are described in the Management Regulation and this Prospectus. Additional information in this respect is also made available at the registered office of the Company.

## **28. FAIR AND PREFERENTIAL TREATMENT**

Unitholders are being given a fair treatment by ensuring that they are treated in accordance with the applicable requirements of the AIFM Law (and notably in adequately implementing the inducement and conflict of interest policies).

Notwithstanding the foregoing paragraph, any prospective or existing Unitholder may be granted a preferential treatment, or a right to obtain a preferential treatment (a "**Preferential Treatment**") subject to, and in compliance with, the conditions set forth in applicable laws and regulations.

A Preferential Treatment may take any form that is not inconsistent (or incompatible) with the Management Regulations, this Prospectus or with applicable laws and regulations and that may be determined from time to time by, and in the discretion of, the Company.

Whenever a prospective or existing Unitholder obtains a Preferential Treatment, a description of that Preferential Treatment, the type of prospective or existing Unitholders who obtains such preferential treatment and, where relevant, its legal or economic links with the Fund or its AIFM, as well as any material change to this information, may be disclosed or made available to Investors in, via and/or at any of the Information Means; it being understood that availability or disclosure of any information regarding Preferential Treatments may be restricted to the largest extent authorised by applicable laws and regulations.

Notwithstanding the preceding, upon admission to trading of Units of a Sub-fund on the professional segment of the Euro MTF of the Luxembourg Stock Exchange, the Company shall not provide any Investor of the relevant Sub-fund any information or right which would materially influence the decision of the Investor to transfer its Units in the relevant Sub-fund, unless such information is made available to all other Investors.

## **29. CONFLICTS OF INTEREST**

According to the AIFM Directive and Commission Regulation, the Company shall take the reasonable steps to identify conflicts of interest that arise in the course of managing the Fund between the Company (including its managers, employees or any person directly or indirectly linked to the Company by control) and the Fund or its Investors, the Fund or its Investors and another client of the Company (including another alternative investment fund, a UCITS or their investors), and two clients of the Company.

The Company shall maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to identify, prevent, manage and monitor conflicts of interest in order to prevent them from adversely affecting the interests of the Fund and its Investors.

The Company shall segregate, within its own operating environment, tasks and responsibilities which may be regarded as incompatible with each other or which may potentially generate systematic conflicts of interest. The Company shall assess whether its operating conditions may involve any other material conflicts of interest and disclose them to the Investors.

Where organisational arrangements made by the Company to identify, prevent, manage and monitor conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to Investors' interests will be prevented, the Company must clearly disclose the general nature or sources of conflicts of interest to the Investors before undertaking business on their behalf, and develop appropriate policies and procedures.

Investors are informed that, by the sole fact of soliciting an investment or, a fortiori, investing in the Fund, they acknowledge and consent that the information to be disclosed as per the above is provided at the registered office of the Company and that this information will not be addressed personally to them.

## **30. HISTORICAL PERFORMANCES**

If any Fund's historical performance is required to be produced by the Company it will be made available at the registered office of the Company.

## **31. EXECUTION POLICY**

Appropriate information on the execution policy referred to in Article 28 of the Commission Regulation (headed "Placing orders to deal on behalf of AIFs with other entities for execution") and on any material changes to that policy is available at the registered office of the Company.

## **32. VOTING STRATEGIES**

A summary description of the Company's voting strategies and details of the actions taken on the basis of these strategies will be made available to the Investors on their request at the registered office of the Company.

## **33. REMUNERATION**

An overview of the remuneration policy of the Company is available at the registered office of the Company.

The full remuneration policy of the Company is also made available to the Investors on their request at the registered office of the Company.

The members of the Board of Directors of the Company receive remuneration by the Company in line with market rates and in accordance with the Company's remuneration policy. They are not remunerated out of the assets of the Fund.

## **34. INDUCEMENTS**

According to the AIFM Directive and the Commission Regulation, when the Company, in relation to the activities performed when carrying out its functions, either (i) pays a fee or commission or provides a non-monetary benefit to a third party (or a person acting on behalf of a third party) or (ii) is paid a fee or commission or is provided with a non-monetary benefit by a third party (or a person acting on behalf of a third party), the Company shall demonstrate that (a) the existence, nature and amount of the fee, commission or benefit, or, where the amount cannot be ascertained, the method of calculating that amount, is clearly disclosed to the Investors in the Fund in a manner that is comprehensive, accurate and understandable, prior to the provision of the relevant service, and (b) the payment of the fee or commission, or the provision of the non-monetary benefit are designed to enhance the quality of the relevant service and not impair compliance with the Company's duty to act in the best interests of the Fund or its Investors.

Investors are hereby informed that, in case any of the arrangements referred to in the foregoing paragraph takes place, the essential terms of the arrangements relating to the fee, commission or non-monetary benefit in summary form will be made available at the registered office of the Company, and that the Company commits to disclose further details at the request of the Investors.

### **35. INVESTMENT IN SECURITIZATION POSITIONS**

To the extent provided by the AIFM Directive and by the Commission Regulation, when the Company on behalf of the Fund invests in securities positions in the meaning of the AIFM Provisions, information on the Fund's exposures to the credit risk of securitisation and the applicable risk management procedures in this area will be made available at the registered office of the Company.

### **36. DATA PROTECTION**

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

Detailed data protection information is contained in the privacy notice and available at <https://www.azimutinvestments.com/policies> in particular in relation to the nature of the Personal Data processed by the Data Controller and its delegates, service providers or agents, such as (but not limited to) the Auditor, the Global Distributor, other entities directly or indirectly affiliated with the Company and any other third parties who process the Personal Data for providing their services to the Company, acting as data processors (collectively hereinafter referred to as "**Processors**"), the purposes and the legal basis for processing, recipients, safeguards applicable for transfers of Personal Data outside of the European Union and the rights of Data Subjects under certain conditions set out by the Data Protection Laws and/or by applicable guidelines, regulations, recommendations, circulars or requirements issued by any local or European competent authority, such as the Luxembourg data protection authority (the *Commission Nationale pour la Protection des Données* – "**CNPD**") or the European Data Protection Board (including the rights to access to or have Personal Data about them rectified or deleted, ask for a restriction of processing or object thereto, right to portability and right to withdraw consent after it was given, etc.) and how to exercise them.

The full information notice is also available on demand by contacting the Company at <https://www.azimutinvestments.com/>.

To exercise the above rights and/or withdraw his/her consent regarding any specific processing to which he/she has consented, the Data Subject may contact the Company at the following address: Azimut Investments S.A. 35, avenue Monterey, L-2163 Luxembourg, Grand Duchy of Luxembourg.

In addition to the rights listed above, should a Data Subject consider that the Company does not comply with the Data Protection Laws, or has concerns with regard to the protection of his/her Personal Data, the Data Subject is entitled to lodge a complaint with the relevant data protection supervisory authority, i.e. in Luxembourg the CNPD.



---

## APPENDIX I: SUB-FUND FACTSHEET

---

### AZ RAIF I – Absolute Performing Assets

#### **1. INTRODUCTION**

AZ RAIF I – Absolute Performing Assets (the "**Sub-fund**") is designed to offer to Investors a product with a stable absolute return, by investing, with a buy and hold strategy, in a portfolio of debt securities backed by performing assets.

#### **2. DURATION**

The Sub-fund is closed-ended and is established for a duration of seven (7) years from the date the Company, at its own discretion decided that the amounts subscribed reached a level considered to be economically viable for the Sub-fund (the "**Launch Date**") or the end of the Offer Period, as referred to in section 14 below.

The Company may, at its sole discretion, decide to extend the Duration of the Sub-fund by two additional periods of 12 months.

#### **3. INVESTMENT OBJECTIVE**

The main objective of the Sub-fund is to achieve a high single digit return, by investing with a medium term horizon, in a diversified portfolio of fixed income securities, mainly asset backed securities, with ancillary investments in private debt securities or instruments.

#### **4. INVESTMENT POLICY**

The Sub-fund intends to achieve its objective by investing in a diversified range of debt securities, mainly senior and/or subordinated tranches of asset backed securities ("**ABS**") including, without limitation, collateralized debt obligations ("**CDOs**"), collateralized loan obligations ("**CLOs**") and any other structured financial instruments, without rating constraints and normally not rated. The Sub-fund will mainly invest in the mezzanine and junior part of the capital structure of these ABS. The securities in which the Sub-fund may invest will be mainly privately placed and normally will not be listed in a recognized market. The Sub-fund will generally not invest directly in corporate financing, unless the underlying risk is well identified through the link of the receivables to a segregated portfolio of assets.

The portfolio of securities in which the Sub-fund will invest includes, but is not limited to:

- Securitisations of portfolios of performing loans, normally originated by banks or digital platforms, to private individuals or companies, which can be unsecured or secured by real estate or personal guarantee and in some cases carry a guarantee from a Government Institution;
- Securitisations of trade Receivables;
- Securitisations of Inventory Finance;
- Securitisations of Residential Mortgage and Reverse Mortgage;
- Securitisations of Commercial Mortgage;
- Securitisations of Real Estate assets;

- Private Corporate Debt whose cash flows are normally linked to a segregated portfolio of assets.

The allocations across the spectrum of securities indicated above may vary at the discretion of the Company in consideration of market opportunities and conditions.

In addition, the Sub-fund may invest in units of UCIs, subject to the diversification requirements referred to under section 3.1. "Risk diversification rules" in the main part of the Prospectus.

There will be no geographical restrictions, although the Sub-fund will mainly invest in Europe with a focus on Italy.

The Sub-fund may use financial derivative instruments for investment purposes and/or for hedging purposes including among others, Credit Default Swaps ("**CDS**"), futures and options on interest rate and debt securities, and currency forward, transactions, futures and options.

## **5. UNITHOLDER RIGHTS**

All Units issued within this Sub-fund carry Administrative Rights as described in the main part of the Prospectus and further detailed in the Management Regulations.

## **6. DISTRIBUTIONS**

The Sub-fund may discretionarily decide to distribute to investors the Distributable Liquidity as defined below.

For this purpose, the proceeds generated by the assets held by the Sub-fund shall comprise:

- proceeds that the securities are regularly producing (including but not limited to up-front fees, interests, coupons, premiums etc.);
- capital appreciation realized after the disposal of securities;
- principal repayments and prepayments from securities and its underlying instruments.

The proceeds net of (i) set up fees, (ii) the provisions that the Company deems prudent to operate to cover specific risks and costs of the Sub-fund, (iii) any operating fees (including but not limited to: Management Fee, auditor fees, depositary fee, etc) constitute distributable liquidity ("**Distributable Liquidity**").

The Company may decide to proceed with early capital distributions, in its sole and absolute discretion from Distributable Liquidity. The Company will determine at its own discretion the amount of each capital distribution, if any.

For Class A Units, it is the intention of the Company to declare and distribute early capital distributions at the end of each semester, payable in February and August (and for the first time in February 2022).

For Class B Units, early capital distributions may be declared and distributed at the Company's discretion.

## **7. INVESTMENT MANAGEMENT**

The Sub-fund will be managed by Azimut Investments S.A. in line with its investment process.

Azimut Investments S.A. will fully delegate to Azimut Libera Impresa SGR S.p.A. (the "**Investment**

**Manager")** the management of the Sub-fund pursuant to an investment management agreement executed between Azimut Investments S.A. and the Investment Manager, on 5<sup>th</sup> November 2019 and amended from time to time (the "**Investment Management Agreement**").

No joint investment process is foreseen.

The Investment Manager is a company established under the laws of Italy, having its registered office at Via Santa Maria Segreta 7/9, Milan, Italy.

The Investment Manager. is currently one of the main operators in Italy active in the ABS and structured credit sectors, focusing on absolute return strategies in niche markets and contributing to the birth of the European CDO market.

At the time of first issue of this Prospectus, the Investment Manager has close to 1 billion Euro under management invested in Real Estate funds, ABS Funds, CDO of ABS, opportunistic total return investment funds and private investment portfolios. The Investment Manager has contributed to the creation of the CDO of ABS market and is today one of the main players in this field.

The Investment Manager relies on a highly qualified team of several professionals with diverse backgrounds and skill sets.

Pursuant to the provisions of the Investment Management Agreement, the Investment Manager shall perform its duties under the agreement with the skill and care of a professional asset manager with discretionary asset management powers in a like capacity. The Company may hold the Investment Manager liable for any damages incurred as a result of willful default, fraud, gross negligence or breach of its obligations and duties to the Sub-fund or the Company under the agreement while carrying out or failing to carry out the tasks set forth in the agreement.

The rights and obligations of the Investment Manager are defined in the Investment Management Agreement.

The Investment Management Agreement can be terminated, pursuant to the provisions of the agreement, by any of the parties to the agreement, subject to a ninety (90) days prior written notification to be sent by registered post.

## **8. EXTERNAL VALUER**

The Company has appointed Quantyx Advisor Srl, Via Valera 18/C, 20020 Arese (MI) Italy as External Valuer to value the private debt investments.

## **9. ADDITIONAL INVESTMENT CONSIDERATIONS**

### **9.1. Cash and cash equivalents**

The Sub-fund may hold up to 20% of its Net Asset Value in cash and cash equivalents on an ancillary basis. Under exceptional circumstances and where financial markets conditions so require, up to 100% of the assets of the Sub-fund may be held in cash and cash equivalents for a limited period of time.

### **9.2. Foreign exchange hedging**

Investments will principally be made in Euro-denominated securities and instruments, but the Company

may hedge the foreign currency exchange risk resulting from investments which are denominated in currencies other than Euro. To this end, the Company may use financial derivative instruments and other techniques and instruments with the aim of protecting the Units assets against foreign exchange fluctuations.

There is no assurance that these hedging activities will be effective.

### **9.3. Investment Period and Liquidation Period.**

The Investment Period shall begin at the Launch Date and shall continue for a period of two (2) years (the "**Investment Period**").

Two (2) years after the end of the Investment Period, a new period will begin during which the Sub-Fund will liquidate its portfolio. This period will last for three (3) years until the complete liquidation of the Sub-fund's assets (the "**Liquidation Period**").

The thresholds and/or diversification limits described in this Sub-Fund Appendix will not be applicable (i) during the whole Investment Period, corresponding to the period of construction of the Sub-fund portfolio, and (ii) during the Liquidation Period while the Sub-fund will be disinvesting its positions.

The Liquidation Period may be extended at the Company's discretion to match the Duration of the Sub-Fund as described in Section 2.

## **10. LEVERAGE**

Under the AIFM Directive, the exposure of AIFs must be calculated both with the Gross Method and the Commitment Method:

The maximum leverage for the Sub-fund should in principle not exceed:

- (i) 120% of its net assets under the Commitment Method;
- (ii) 180% of its net assets under the Gross Method.

## **11. SPECIFIC RISKS OF THE SUB-FUND**

Investors are advised to carefully consider the risks of investing in the Sub-fund and should refer in relation thereto to the relevant section of the main part of the Prospectus.

Additionally, Investors are advised to carefully consider the following specific risks of investing in this Sub-fund:

### **Risks linked to securities liquidity**

In general, the securities not traded on regulated markets are less liquid and, as such, involve more risks as they are more easily convertible. It should also be noticed that the fact that a security is not listed on a stock exchange makes the assessment of its value more difficult since any such valuation is discretionary.

### **Risks linked to investment in mortgage- or asset-backed securities**

Credit risk: Certain borrowers may default on their loan obligations or the guarantees underlying the loan securities may default. The Sub-fund may partly invest in asset-backed securities which are not guaranteed by a government, which may make the Sub-fund subject to substantial credit risk.

Interest rate risk: Changes in interest rate may have a significant impact on this Sub-fund investing in asset-backed securities. Indeed, should interest rates rise, the investments value of the Sub-fund's portfolio may fall since fixed income securities generally fall in value when interest rates rise. The Sub-fund may face extension risk and prepayment risk, both being a type of interest rate risk:

- During periods of rising interest rates, underlying borrowers may pay off their obligations at a slower pace than expected, thus extending the average life of asset-backed securities. Such increase of the securities' duration may change these securities from short- or intermediate-term into long-term securities and therefore reduce the value of such securities.
- During periods of falling interest rates, asset-backed securities may be prepaid, thus possibly reducing returns because the Sub-fund will have to reinvest the prepayments on asset-backed investments in lower yielding investments.

Liquidity risk: The Sub-fund may face liquidity risk if it cannot sell a security at the most opportunistic time and price. Thus, the Sub-fund may face higher liquidity risk than a Sub-fund investing in other types of securities.

Insolvency risk: Enforcing rights against the underlying assets or collateral may be difficult.

#### **Risks linked to investments in Private Debt**

Investments in Private Debt essentially present exposure to investment risk referring to total downside risk faced by an investor in terms of both their capital and their expected yield, liquidity risk referring to low liquidity of those instruments on the market mitigated by a predictable cash-flows profile and market risk referring to volatility of factors such as currency, interest rates, and inflation rates.

#### **Risks linked to credit default swaps**

A credit default swap allows the transfer of default risk. This allows a Sub-fund to effectively buy insurance on a reference obligation it holds (hedging the investment) or buy protection on a reference obligation it does not physically own in the expectation that the credit will decline in quality. One party, the protection buyer, makes a stream of payments to the seller of the protection, and a payment is due to the buyer if there is a credit event (a decline in credit quality, which will be predefined in the agreement between the parties). If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid. In addition, if there is a credit event and the Sub-fund does not hold the underlying reference obligation, there may be a market risk as the Sub-fund may need time to obtain the reference obligation and deliver it to the counterparty. Furthermore, if the counterparty becomes insolvent, the Sub-fund may not recover the full amount due to it from the counterparty. The market for credit default swaps may sometimes be more illiquid than the bond markets. The Company will mitigate this risk by monitoring in an appropriate manner the use of this type of transaction.

### **Risks linked to investments in structured financial instruments**

Structured financial instruments are backed by, or representing interests in, the underlying investments of various natures. The cash flow on the underlying investments may be apportioned among the newly issued structured financial instruments to create securities with different investment characteristics such as varying maturities, payment priorities or interest rate provisions, and the extent of the payments made with respect to structured investments depends on the amount of the cash flow on the underlying investments. Structured financial instruments may embed leverage and so investments in structured financial instruments may be exposed to higher volatility as direct investments.

### **12. REFERENCE CURRENCY**

The reference currency of the Sub-fund shall be the EUR and the Net Asset Value per Unit will be expressed solely in EUR.

### **13. ELIGIBLE INVESTORS - UNIT CLASSES**

The Sub-fund shall issue Class A Units and Class B Units.

#### **Class A Units:**

Available for subscription by Professional Investors which have been accepted by the Company as defined in the main body of the Prospectus.

#### **Class B Units:**

Reserved for subscription by the Company and/or the Investment Manager or any other persons or entity appointed by the Company, which have contributed to the set up and/or performance of the Sub-fund.

### **14. FREQUENCY OF NET ASSET VALUE CALCULATION**

The Net Asset Value per Unit is calculated on the last business day in each calendar month (the "**Valuation Day**"). An unofficial Net Asset Value per Unit will also be calculated as of the last Business Day of each calendar week (each an "**Unofficial NAV Calculation Date**") for reporting purposes, except when the last Business Day of a week coincides with a Valuation Day.

The Net Asset Value per Unit will be available at the registered office of the Company and the Administrator.

Any reference to Valuation Days(s) in this Sub-fund Factsheet should be construed as to not include any Unofficial NAV Calculation Date(s), and only Valuation Days may also be subscription days for this Sub-fund.

### **15. SUBSCRIPTIONS**

Commitments for subscription of the Units will be accepted during an initial period ending on the earlier of (i) 20 million subscriptions and (ii) 31 December 2021 (the "**Offer Period**") and payment of the subscription proceeds must be made as a lump sum on the second business day following the commitment.

The Offer Period may be extended at the discretion of the Company for a period not exceeding 12

months. Any extension at the Offer Period will be notified, to Investors that have already committed to subscribe.

The minimum investment amount to be subscribed into Class A Units and/or Class B Units of the Sub-Fund is 125,000 EUR.

#### **16. CLASS A UNITS**

The Units are issued at an issue price of 5 EUR per Unit increased, at the discretion of the Company, by an interest calculated at an interest rate of 2% (per year) between the Launch Date and the date the relevant commitment is accepted by the Company. The minimum investment amount to be subscribed into Class A Units of the Sub-fund is 125,000 EUR. Fully paid and issued Class A Units are fully negotiable and transferable on the Luxembourg Stock Exchange to Professional Investors.

The Class A Units bear the ISIN LU2238773035 and the Common Code 223877303. The Units will be serviced by BNP Paribas Securities Services as registrar and transfer agent of the Fund.

The Units are eligible for clearance and settlement by Clearstream Banking S.A..

#### **17. CLASS B UNITS**

Class B Units are reserved to Eligible Investors.

Class B Units will be subscribed at an issue price of 5 EUR per Unit. The minimum investment amount to be subscribed into Class B Units of the Sub-fund is 125,000 EUR.

#### **18. TRANSFERABILITY OF THE UNITS OF THE SUB-FUND**

Units of the Sub-fund may be freely transferred to Eligible Investors, in accordance with the procedures established by the Administrator and subject to compliance with applicable laws and regulations.

#### **19. REDEMPTIONS/ DISTRIBUTION PROCEEDS:**

The Sub-fund is a closed-ended fund.

A Unitholder cannot, on its own initiative, require the Sub-fund to redeem its Units prior the liquidation of the Sub-fund. The Sub-fund may be liquidated seven (7) years from the end of the Offer Period (taking into account possible extensions of the Offer Period as described in Section 14 of the present Sub-fund appendix). The liquidation may be postponed as described in Section **Error! Reference source not found.** of the present Sub-fund Appendix.

##### Class A Units

The Company may redeem, each semester and at its own discretion, a percentage of the Units of the Sub-fund with Distributable Liquidity.

Net distribution proceeds will be paid to Unitholders upon the liquidation of the Sub-fund and distributed, as set forth in the Distribution Proceeds Provisions hereafter.

##### Class B Units

No redemptions are allowed.

Net distribution proceeds will be paid to Unitholders upon the liquidation of the Sub-fund and distributed in proportion of their respective rights, as set forth in the Distribution Proceeds Provisions hereafter.

Distribution Proceeds Provisions:

The Distributable Liquidity is allocated among the Unitholders according to the following order and criteria (net of the taxes on the Sub-fund and gross of the taxes on the Unitholders):

- i. firstly, to all Unitholders, *pari passu* and in proportion to the Units owned by each one of them, until they have received an amount equal to all the payments made to the Sub-fund for the subscribed Units (it being understood that dividends paid in accordance with Section 5 and amounts paid upon Redemptions made according to Section 15 will be taken into account for this purpose);
- ii. secondly, to the Class A Unitholders, until they have received a preferred return on the amounts contributed at a rate of (3 %) per annum ("**Hurdle Rate**");
- iii. subsequently, the remaining amount will be paid to Class B Unitholders, until the amounts distributed pursuant to this point iii) have reached 10% (ten per cent) of the total amounts distributed to Class A Unitholders as the Hurdle Rate, pursuant to point ii) ("**Catch-up**");
- iv. finally, the remaining amount will be paid:
  - a. 90% (ninety per cent) to the Class A Unitholders, *pari passu* and in proportion to the Class A Units owned by each one of them; and
  - b. 10% (ten per cent) to the Class B Unitholders, *pari passu* and in proportion to the Class B Units owned by each one of them (the "**Carried Interest**").

When the final liquidation report is written, it must be verified that the Unitholders did receive distributions, in accordance with this article. If the Unitholders have not received sufficient distributions, the Unitholders may request payment for the difference applied to the amounts accruing to the Class A and B Units for Catch-up and Carried Interest.

## **20. CONVERSIONS**

Conversion of Units of Class A into Units of Class B, or vice versa, is not permitted.

## **21. FEES**

### Class A Units

#### **Management Fee:**

The Company will receive from the Class A Units a Management Fee at an annual rate of 1.5% based on the Net Asset Value of the Class A Unit at each Valuation Day. The Management Fee will be payable monthly in arrears within 20 Business Days at the end of each month.

The Management Company will pay a portion of the Management Fee to the Investment Manager as detailed in the Investment Management Agreement executed between the parties. The Investment Manager is entitled to receive an amount corresponding to 25% of the net management fees paid to the Management Company.

### Class B Units:



**Management Fee:** Not applicable

Fees for the fund administration, depositary and custodian services are fixed to the maximum amount of 4 basis points of the assets of the Sub-fund.

External Valuer is entitled to receive a maximum fee amount of EUR 40,000 per year.

## **22. LISTING**

The Company will list the Class A Units of the Sub-fund on the professional segment of the multilateral trading facility (the “**MTF**”) operated by the Luxembourg Stock Exchange (the “**Euro MTF**”).

## **23. ADDITIONAL INFORMATION**

So long as the Class A Units of the Sub-fund are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the professional segment of the Euro MTF Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, the Management Company will make available the notices to the public in written form at places indicated by announcements to be published on the website of the Luxembourg Stock Exchange, [www.bourse.lu](http://www.bourse.lu), or by other means permitted by the Luxembourg Stock Exchange.

So long as the Class A Units of the Sub-fund are listed on the Luxembourg Stock Exchange and admitted to trading on the professional segment of the Euro MTF Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, each Unitholder and interested persons are entitled to receive at the registered office of the Management Company free of charge copies of:

- a) the listing particulars prepared with respect to the admission to trading of the Units of the Sub-fund to the Official List and to trading on the professional segment of the Euro MTF Market of the Luxembourg Stock Exchange; and
- b) the documents referred to under section 25 "Documents for Inspections" as set out in the main part of the Prospectus.

The first audited report of the Sub-fund is the annual report as of 31 December 2020.

## **24. LEGAL ENTITY IDENTIFIER ("LEI")**

The LEI number of the Sub-fund is 549300B6JCUHMLQO1Z62.

---

## APPENDIX II: SUB-FUND FACTSHEET

---

### **AZ RAIF I – Absolute Non-Performing Assets**

#### **1. INTRODUCTION**

AZ RAIF I – Absolute Non-Performing Assets (the "**Sub-fund**") is designed to offer to Investors a product with a stable absolute return, by investing, with a buy and hold strategy, in a portfolio of debt securities backed by non-performing assets.

#### **2. DURATION**

The Sub-fund is closed-ended and is established for a duration of seven (7) years from the date the Company, at its own discretion decided that the amounts subscribed reached a level considered to be economically viable for the Sub-fund (the "**Launch Date**") or the end of the Offer Period, as referred to in section 14 below.

The Company may, at its sole discretion, decide to extend the Duration of the Sub-fund by two additional periods of 12 months.

#### **3. INVESTMENT OBJECTIVE**

The main objective of the Sub-fund is to achieve a high single digit return, by investing, with a medium term horizon, in a diversified portfolio of fixed income securities, mainly asset backed securities, with ancillary investments in private debt securities or instruments.

#### **4. INVESTMENT POLICY**

The securities in which the Sub-Fund may invest include, but are not limited to:

- i Asset Backed Securities, either senior or subordinated tranches, related to the securitization of the following categories of non-performing assets
  - a) Non-performing secured loans originated by banks: normally granular portfolios of loans to companies or individuals, backed by real estate;
  - b) Non-performing unsecured loans originated by banks: normally granular portfolios of loans to companies or individuals, without a real state guarantee (might have a personal guarantee);
  - c) Receivables from insolvency proceedings: portfolios of receivables due in relation to Bankruptcy or other insolvency procedures, which can be in different stages of the judicial process, with a non-granular exposure to singularly analyzed positions;
  - d) Non-performing Receivables of Utilities Companies due to unpaid bills;
  - e) Technical provisions from public procurements;
  - f) Healthcare receivables: Credits of companies operating in the healthcare sector versus the Public Administration for goods or services provided to the same Public Administration or to citizens;
  - g) Flows for financial restructurings: the securitization is the instrument to restructure financial positions versus institutional investors.
- ii Corporate Bonds issued to finance non-performing real estate deals.

The securities in which the Sub-fund intends to invest can be selected without rating constraints and will normally be not rated, mainly privately placed and normally will not be listed in a recognized market.

The allocations across the spectrum of securities indicated above may vary at the discretion of the Company in consideration of market opportunities and conditions.

In addition, the Sub-fund may invest in units of UCIs, subject to the diversification requirements referred to under section 3.1. "Risk diversification rules" in the main part of the Prospectus.

There will be no geographical restrictions, although the Sub-fund will mainly invest in Europe with a focus on Italy.

The Sub-fund may use financial derivative instruments for investment purposes and/or for hedging purposes including among others, Credit Default Swaps ("CDS"), futures and options on interest rate and debt securities, and currency forward, transactions, futures and options.

## **5. UNITHOLDER RIGHTS**

All Units issued within this Sub-fund carry Administrative Rights as described in the main part of the Prospectus and further detailed in the Management Regulations.

## **6. DISTRIBUTIONS**

The Sub-fund may discretionarily decide to distribute to investors the Distributable Liquidity.

For this purpose, the proceeds generated by the assets held by the Sub-fund shall compromise:

- a. proceeds that the securities are regularly producing (including but not limited to up-front fees, interests, coupons, premiums etc.);
- b. capital appreciation realized after the disposal of securities;
- c. principal repayments and prepayments from securities and its underlying instruments.

The proceeds net of (i) set up fees, (ii) the provisions that the Company deems prudent to operate to cover specific risks and costs of the Sub-fund, (iii) any operating fees (including but not limited to: Management Fee, auditor fees, depositary fee, etc) constitute distributable liquidity ("**Distributable Liquidity**").

The Company may decide to proceed with capital distributions, in its sole and absolute discretion from Distributable Liquidity. The Company will determine at its own discretion the amount of each capital distribution, if any.

For Class A Units, it is the intention of the Company to declare and distribute early capital distributions at the end of each semester, payable in February and in August (and for the first time in February 2022).

For Class B Units, early capital distributions may be declared and distributed at the discretion of the Company.

## **7. INVESTMENT MANAGEMENT**

The Sub-fund will be managed by Azimut Investments S.A. in line with its investment process.

Azimut Investments S.A. will fully delegate to Azimut Libera Impresa SGR S.p.A. (the "**Investment Manager**") the management of the Sub-fund pursuant to an investment management agreement

executed between Azimut Investments S.A. and the Investment Manager, on 5<sup>th</sup> November 2019 and amended from time to time (the "**Investment Management Agreement**").

No joint investment process is foreseen.

The Investment Manager is a company established under the laws of Italy, having its registered office at Via Santa Maria Segreta 7/9, Milan, Italy.

The Investment Manager is currently one of the main operators in Italy active in the ABS and structured credit sectors, focusing on absolute return strategies in niche markets and contributing to the birth of the European CDO market.

At the time of first issue of this Prospectus, the Investment Manager. has close to 1 billion Euro under management invested in Real Estate funds, ABS Funds, CDO of ABS, opportunistic total return investment funds and private investment portfolios. The Investment Manager has contributed to the creation of the CDO of ABS market and is today one of the main players in this field.

The Investment Manager relies on a highly qualified team of several professionals with diverse backgrounds and skill sets.

Pursuant to the provisions of the Investment Management Agreement, the Investment Managers shall perform its duties under the agreement with the skill and care of a professional asset manager with discretionary asset management powers in a like capacity. The Company may hold the Investment Manager liable for any damages incurred as a result of willful default, fraud, gross negligence or breach of its obligations and duties to the Sub-fund or the Company under the agreement while carrying out or failing to carry out the tasks set forth in the agreement.

The rights and obligations of the Investment Manager are defined in the Investment Management Agreement.

The Investment Management Agreement can be terminated pursuant to the provisions of the agreement, by any of the parties to the agreement, subject to a ninety (90) days prior written notification to be sent by registered post.

## **8. EXTERNAL VALUER**

The Company has appointed Quantyx Advisor Srl, Via Valera 18/C, 20020 Arese (MI) Italy as External Valuer to value the private debt investments.

## **9. ADDITIONAL INVESTMENT CONSIDERATIONS**

### **9.1. Cash and cash equivalents**

The Sub-fund may hold up to 20% of its Net Asset Value in cash and cash equivalents on an ancillary basis. Under exceptional circumstances and where financial markets conditions so require, up to 100% of the assets of the Sub-fund may be held in cash and cash equivalents for a limited period of time.

### **9.2. Foreign exchange hedging**

Investments will principally be made in Euro-denominated securities and instruments, but the Company may hedge the foreign currency exchange risk resulting from investments which are denominated in currencies other than Euro. To this end, the Company may use financial derivative instruments and other techniques and instruments with the aim of protecting the Units assets against foreign exchange fluctuations.

There is no assurance that these hedging activities will be effective.

### **9.3. Investment Period and Liquidation Period.**

The Investment Period shall begin at the Launch Date, and shall continue for a period of two (2) years (the "**Investment Period**"). Two (2) years after the end of the Investment Period, a new period will begin during which the Sub-Fund will liquidate its portfolio. This period will last for three (3) years until the complete liquidation of the Sub-fund's assets (the "**Liquidation Period**").

The thresholds and/or diversification limits described in this Sub-Fund Appendix will not be applicable (i) during the whole Investment Period, corresponding to the period of construction of the Sub-fund portfolio, and (ii) during the Liquidation Period while the Sub-fund will be disinvesting its positions.

The Liquidation Period may be extended at the Company's discretion to match the Duration of the Sub-Fund as described in Section 2.

### **10. LEVERAGE**

Under the AIFM Directive, the exposure of AIFs must be calculated both with the Gross Method and the Commitment Method, the maximum leverage for the Sub-fund should in principle not exceed:

- (i) 120% of its net assets under the Commitment Method;
- (ii) 180% of its net assets under the Gross Method.

### **11. SPECIFIC RISKS OF THE SUB-FUND**

Investors are advised to carefully consider the risks of investing in the Sub-fund and should refer in relation thereto to the relevant section of the main part of the Prospectus.

Additionally, Investors are advised to carefully consider the following specific risks of investing in this Sub-fund:

#### **Risks linked to securities liquidity**

In general, the securities not traded on regulated markets are less liquid and, as such, involve more risks as they are more easily convertible. It should also be noticed that the fact that a security is not listed on a stock exchange makes the assessment of its value more difficult since any such valuation is discretionary.

#### **Risks linked to investment in mortgage- or asset-backed securities**

Credit risk: Certain borrowers may default on their loan obligations or the guarantees underlying the loan securities may default. The Sub-fund may partly invest in asset-backed securities which are not guaranteed by a government, which may make the Sub-fund subject to substantial credit risk.

Interest rate risk: Changes in interest rate may have a significant impact on this Sub-fund investing in asset-backed securities. Indeed, should interest rates rise, the investments value of the Sub-fund's portfolio may fall since fixed income securities generally fall in value when interest rates rise. The Sub-fund may face extension risk and prepayment risk, both being a type of interest rate risk:

- During periods of rising interest rates, underlying borrowers may pay off their obligations at a slower pace than expected, thus extending the average life of asset-backed securities. Such increase of the securities' duration may change these securities from short- or intermediate-term into long-term securities and therefore reduce the value of such securities.
- During periods of falling interest rates, asset-backed securities may be prepaid, thus possibly reducing returns because the Sub-fund will have to reinvest the prepayments on asset-backed

investments in lower yielding investments.

Liquidity risk: The Sub-fund may face liquidity risk if it cannot sell a security at the most opportunistic time and price. Thus, the Sub-fund may face higher liquidity risk than a Sub-fund investing in other types of securities.

Insolvency risk: Enforcing rights against the underlying assets or collateral may be difficult.

#### **Risks linked to investments in Private Debt**

Investments in Private Debt essentially present exposure to investment risk referring to total downside risk faced by an investor in terms of both their capital and their expected yield, liquidity risk referring to low liquidity of those instruments on the market mitigated by a predictable cash-flows profile and market risk referring to volatility of factors such as currency, interest rates, and inflation rates.

#### **Risks linked to credit default swaps**

A credit default swap allows the transfer of default risk. This allows a Sub-fund to effectively buy insurance on a reference obligation it holds (hedging the investment), or buy protection on a reference obligation it does not physically own in the expectation that the credit will decline in quality. One party, the protection buyer, makes a stream of payments to the seller of the protection, and a payment is due to the buyer if there is a credit event (a decline in credit quality, which will be predefined in the agreement between the parties). If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid. In addition, if there is a credit event and the Sub-fund does not hold the underlying reference obligation, there may be a market risk as the Sub-fund may need time to obtain the reference obligation and deliver it to the counterparty. Furthermore, if the counterparty becomes insolvent, the Sub-fund may not recover the full amount due to it from the counterparty. The market for credit default swaps may sometimes be more illiquid than the bond markets. The Company will mitigate this risk by monitoring in an appropriate manner the use of this type of transaction.

#### **Risks linked to investments in structured financial instruments**

Structured financial instruments are backed by, or representing interests in, the underlying investments of various natures. The cash flow on the underlying investments may be apportioned among the newly issued structured financial instruments to create securities with different investment characteristics such as varying maturities, payment priorities or interest rate provisions, and the extent of the payments made with respect to structured investments depends on the amount of the cash flow on the underlying investments. Structured financial instruments may embed leverage and so investments in structured financial instruments may be exposed to higher volatility as direct investments.

#### **Credit and Default Risks**

Debt portfolios are subject to credit risk. Credit risk refers to the likelihood that a debtor company will default in the payment of principal and/or interest on a debt instrument. Financial strength and solvency of a debtor are the primary factors influencing credit risk. In addition, subordination, lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Credit risk may change over the life of an instrument and securities which may be subject to downgrade.

Credit risk in respect of the Sub-fund's direct or indirect investments relate to debtor companies which may turn over-leveraged and whose performance and ability to repay the interest or principal of such debt instruments may (i) fluctuate in time and (ii) be affected by the adverse economic conditions highlighted above. Prospective investors should therefore take into account that such companies may potentially default from their obligations under such debt instruments.

Debt instruments may become non-performing for the reasons highlighted above. Such non-performing debt instruments may require substantial workout negotiations or restructuring that may entail, among other things, a substantial reduction in the interest rate, a substantial write down of the principal of the loan and/or the deferral of payments. In addition, the debtor may incur additional expenses to the extent it is required to seek recovery upon a default on a debt instrument or participate in the restructuring of such instrument.

Although the Sub-fund may exercise voting rights in a pool of lenders with respect to an individual debt instrument, there can be no certainty that it will be able to exercise votes in respect of a sufficient percentage of voting rights with respect to such debt instrument to determine the outcome of such vote.

## **12. REFERENCE CURRENCY**

The reference currency of the Sub-fund shall be the EUR and the Net Asset Value per Unit will be expressed solely in EUR.

## **13. ELIGIBLE INVESTORS - UNIT CLASSES**

The Sub-fund shall issue Class A Units and Class B Units.

### **Class A Units:**

Available for subscription by Professional Investors which have been accepted by the Company as defined in the main body of the Prospectus.

### **Class B Units:**

Reserved for subscription by the Company and/or the Investment Manager or any other persons or entity appointed by the Company, which have contributed to the set up and/or performance of the Sub-fund.

## **14. FREQUENCY OF NET ASSET VALUE CALCULATION**

The Net Asset Value per Unit is calculated on the last business day in each calendar month (the "**Valuation Day**"). An unofficial Net Asset Value per Unit will also be calculated as of the last Business Day of each calendar week (each an "**Unofficial NAV Calculation Date**") for reporting purposes, except when the last Business Day of a week coincides with a Valuation Day.

The Net Asset Value per Unit will be available at the registered office of the Company and the Administrator.

Any reference to Valuation Days(s) in this Sub-fund Factsheet should be construed as to not include any Unofficial NAV Calculation Date(s), and only Valuation Days may also be subscription days for this Sub-fund.

## **15. SUBSCRIPTIONS**

Commitments for subscription of the Units will be accepted during an initial period ending on the earlier of (i) 20 million subscriptions and (ii) 31 December 2021 (the "**Offer Period**") and payment of

the subscription proceeds must be made as a lump sum on the second business day following the commitment.

The Offer Period may be extended at the discretion of the Company for a period not exceeding 12 months. Any extension at the Offer Period will be notified, to Investors that have already committed to subscribe.

#### **16. CLASS A UNITS**

The Units are issued at an issue price of 5 EUR per Unit increased, at the discretion of the Company, by an interest calculated an interest rate of 2% (per year) between the Launch Date and the date the relevant commitment is accepted by the Company. The minimum investment amount to be subscribed into Class A Units of the Sub-fund is 125,000 EUR.

Fully paid and issued Class A Units are fully negotiable and transferable on the Luxembourg Stock Exchange to Professional Investors.

The Class A Units bear the ISIN LU2238773209 and the Common Code 223877320. The Units will be serviced by BNP Paribas Securities Services as registrar and transfer agent of the Fund.

The Units are eligible for clearance and settlement by Clearstream Banking S.A..

#### **17. CLASS B UNITS**

Class B Units are reserved to Eligible Investors.

Class B Units will be subscribed at an issue price of 5 EUR per Unit. The minimum investment amount to be subscribed into Class B Units of the Sub-fund is 125,000 EUR.

#### **18. TRANSFERABILITY OF THE UNITS OF THE SUB-FUND**

Units of the Sub-fund may be freely transferred to Eligible Investors, in accordance with the procedures established by the Administrator and subject to compliance with applicable laws and regulations.

#### **19. REDEMPTIONS / DISTRIBUTION PROCEEDS**

The Sub-fund is a closed-ended fund.

A Unitholder cannot, on its own initiative, require the Sub-fund to redeem its Units prior the liquidation of the Sub-fund. The Sub-fund may be liquidated seven (7) years from the end of the Offer Period (taking into account possible extensions of the Offer Period as described in Section 14 of the present Sub-fund appendix). The liquidation may be postponed as described in Section **Error! Reference source not found.** of the present Sub-fund Appendix.

##### **Class A Units:**

The Company may decide to redeem, each semester and at its own discretion, a percentage of the Units of the Sub-fund with Distributable Liquidity.

Net distribution proceeds will be paid to Unitholders upon the liquidation of the Sub-fund and distributed as set forth in the Distribution Proceeds Provisions hereafter.

##### **Class B Units:**

No Redemptions are allowed.



Net distribution proceeds will be paid to Unitholders upon the liquidation of the Sub-fund and distributed in proportion of their respective rights, as set forth in the Distribution Proceeds Provisions hereafter.

Distribution Proceeds Provisions:

The Distributable Liquidity is allocated among the Unitholders according to the following order and criteria (net of the taxes on the Sub-fund and gross of the taxes on the Unitholders):

- i. firstly, to all Unitholders, *pari passu* and in proportion to the Units owned by each one of them, until they have received an amount equal to all the payments made to the Sub-fund for the subscribed Units (it being understood that dividends paid in accordance with Section 5 and amounts paid upon Redemptions made according to Section 15 will be taken into account for this purpose);
- ii. secondly, to the Class A Unitholders, until they have received a preferred return on the amounts contributed at a rate of (3 %) per annum ("**Hurdle Rate**");
- iii. subsequently, the remaining amount will be paid to Class B Unitholders, until the amounts distributed pursuant to this point iii) have reached 10% (ten per cent) of the total amounts distributed to Class A Unitholders as the Hurdle Rate, pursuant to point ii) ("**Catch-up**");
- iv. finally, the remaining amount will be paid:
  - a. 90% (ninety per cent) to the Class A Unitholders, *pari passu* and in proportion to the Class A Units owned by each one of them; and
  - b. 10% (ten per cent) to the Class B Unitholders, *pari passu* and in proportion to the Class B Units owned by each one of them (the "**Carried Interest**").

When the final liquidation report is written, it must be verified that the Unitholders did receive distributions, in accordance with this article. If the Unitholders have not received sufficient distributions, the Unitholders may request payment for the difference applied to the amounts accruing to the Class A and B Units for Catch-up and Carried Interest.

**20. CONVERSIONS**

Conversion of Units of Class A into Units of Class B, or vice versa, is not permitted.

**21. FEES**

Class A Units:

**Management Fee:**

The Company will receive from the Class A Unit a Management Fee at an annual rate of 1.5% based on the Net Asset Value of the Class A Unit at each Valuation Day. The Management Fee will be payable monthly in arrears within 20 Business Days at the end of each month.

The Management Company will pay a portion of the Management Fee to the Investment Manager as detailed in the Investment Management Agreement executed between the parties. The Investment Manager is entitled to receive an amount corresponding to 25% of the net management fees paid to the Management Company.

Class B Units:

**Management Fee:** Not applicable

Fees for the fund administration, depositary and custodian services are fixed to the maximum amount of 4

basis points of the assets of the Sub-fund.

External Valuer is entitled to receive a maximum fee amount of EUR 40,000 per year.

## **22. LISTING**

The Company will list Class A Units of the Sub-fund on the professional segment of the multilateral trading facility (the “**MTF**”) operated by the Luxembourg Stock Exchange (the “**Euro MTF**”).

## **23. ADDITIONAL INFORMATION**

So long as the Class A Units of the Sub-fund are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the professional segment of the Euro MTF Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, the Management Company will make available the notices to the public in written form at places indicated by announcements to be published on the website of the Luxembourg Stock Exchange, [www.bourse.lu](http://www.bourse.lu), or by other means permitted by the Luxembourg Stock Exchange.

So long as the Class A Units of the Sub-fund are listed on the Luxembourg Stock Exchange and admitted to trading on the professional segment of the Euro MTF Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, each Unitholder and interested persons are entitled to receive at the registered office of the Management Company free of charge copies of:

- a) the listing particulars prepared with respect to the admission to trading of the Units of the Sub-fund to the Official List and to trading on the professional segment of the Euro MTF Market of the Luxembourg Stock Exchange; and
- b) the documents referred to under section 25 "Documents for Inspections" as set out in the main part of the Prospectus.

The first audited report of the Sub-fund is the annual report as of 31 December 2020.

## **24. LEGAL ENTITY IDENTIFIER ("LEI")**

The LEI number of the Sub-fund is 5493004Y6TDWLDAFTT88.

---

### APPENDIX III: MANAGEMENT REGULATIONS

---

**Registre de Commerce et des Sociétés**

Numéro RCS : K2001

Référence de dépôt : L200211019

Déposé et enregistré le 26/10/2020

**AZ RAIF I**  
**RCS Luxembourg K2001**

## **AZ RAIF I**

A mutual fund – reserved alternative investment fund  
established under Luxembourg law and managed by

**Azimut Investments S.A.**  
35, avenue Monterey  
L-2163 Luxembourg  
(R.C.S. Luxembourg B 73 617)  
(the "**Management Company**")

**AMENDED AND RESTATED MANAGEMENT REGULATIONS AS OF 22 OCTOBER 2020**

## MANAGEMENT REGULATIONS OF AZ RAIF I

### 1. The Fund

AZ RAIF I (the "**Fund**") is organised as a mutual fund - reserved alternative investment fund (*fonds commun de placement – fonds d'investissement alternative réservé*) under the Luxembourg law of 23 July 2016 relating to reserved alternative investment funds, and subsequent amendments (hereinafter, the "**Law**") and qualifies as an alternative investment fund within the meaning of article 1(39) of the law of 12 July 2013 on alternative investment fund managers, as amended (the "**2013 Law**").

The Fund is an unincorporated co-ownership of assets managed in the interest of its co-owners (the "**Unitholders**") by Azimut Investments S.A., a public limited liability company (*société anonyme*) established under Luxembourg law (the "**Management Company**"), according to the principle of risk-spreading.

The Fund is an umbrella structure in the sense that it may comprise several sub-funds (each a "**Sub-fund**") whose assets will be segregated from those of the other Sub-fund(s) of the Fund. The Management Company may create closed-ended Sub-funds and open-ended Sub-funds. The Management Company may at any time resolve to set up new Sub-funds and/or create within each Sub-fund one or more class(es) (each a "**Class**") of units (each a "**Unit**"), which may *inter alia* differ as regards their fee structure, reference currency, hedging strategy, target investors or distribution policy.

All the assets of the Fund are entrusted for safekeeping to the depositary bank, BNP Paribas Securities Services, Luxembourg branch (the "**Depositary**"), located in 60, avenue J.F. Kennedy, L-1855, Luxembourg, by virtue of a depositary agreement.

All rights and obligations of the Unitholders and of the Management Company are established by the contract, under the provisions of these management regulations (the "**Management Regulations**"). By the acquisition of Units of the Fund, any Unitholder fully accepts these Management Regulations which determine the contractual relationship between the Unitholders and the Management Company.

### 2. The Management Company and Alternative Investment Fund Manager

The Fund is managed by Azimut Investments S.A., whose registered office is located at 35, avenue Monterey, L-2163 Luxembourg. When managing the Fund, the Management Company acts in its name and on behalf of the Fund and its Unitholders.

The Management Company also acts as alternative investment fund manager ("**AIFM**") of the Fund within the meaning of article 1(46) of the 2013 Law. The Management Company, as designated AIFM of the Fund, will perform all the duties and obligations to which it is compelled by the Directive 2011/61/EU of 8 June 2011 on Alternative Investment Fund Managers (the "**AIFM Directive**"), the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFM Directive and any binding guideline or other delegated act and regulation issued from time to time by the relevant authorities within a EU Member State pursuant to any national laws and regulations (such as the AIFM Law) which are applicable to these Management Regulations (the "**AIFM Rules**"), including, without limitation, all the relevant substance, organisational, operating and transparency obligations. The Management Company shall at all times act in the best interests of the Fund and the Unitholders and shall treat all Unitholders fairly. The Management Company is vested with the broadest powers to administer and manage the Fund, subject to the restrictions set forth in the Management Regulations, on behalf of the Unitholders, including but not limited to, the purchase, sale, subscription, exchange and receipt of assets and the exercise of all the rights attached directly or indirectly to the assets.

Within the limits provided in these Management Regulations, the Management Company performs the following functions, by means of example and not limited to these:

- Risk management;
- Portfolio management;
- Administration:
  - a) legal and fund management accounting services for the Fund;
  - b) dealing with client requests for information and customer inquiries;
  - c) evaluating the portfolio and establishing the value of Units;
  - d) regulatory compliance control;
  - e) maintenance of Unitholder register;
  - f) dividend distribution, where applicable;
  - g) issue, redemption and conversion of Units;
  - h) contracts settlement;
  - i) record keeping.
- Marketing /Distribution;
- Activities related to the assets of AIFs, namely services necessary to meet the fiduciary duties of the AIFM, facilities management, real estate administration activities, advice to undertakings on capital structure, industrial strategy and related matters, advice and services relating to mergers and the purchase of undertakings and other services connected to the management of the AIF and the companies and other assets in which it has invested.

In relation to its portfolio management function, the Management Company will perform (or, to the extent delegated, supervise the performance of) the day-to-day management of the Fund's investments in order to implement the Fund's investment objective, policy and strategy as set forth in the Fund's prospectus (the "**Prospectus**"), as well as perform (or, to the extent delegated, supervise the performance of) the portfolio management duties and obligations to which the Management Company is compelled by the AIFM Rules to perform (or, to the extent delegated, supervise the performance of).

In relation to its risk management function and to the extent required by the AIFM Rules, the Management Company will establish, implement, regularly review and as the case may be adapt such risk management system (including, where applicable, the liquidity management system) that is necessary in order to identify, measure, manage and monitor appropriately all risks (including, where applicable, the liquidity risk) that are relevant to the Fund's investment strategy and to which the Fund is or may be exposed, as well as perform the risk management duties and obligations to which the Management Company is compelled by the AIFM Rules to perform in view of the Fund's specific features.

If, for exceptional reasons, the Management Company is prevented from fulfilling its functions, it is entitled to temporarily appoint an institution in Luxembourg, at its discretion, that could perform and take all or part of its rights and obligations deriving from these Management Regulations. Moreover, the Management Company has the right to delegate, under its responsibility and ultimate control, all or part of its functions to duly authorised third parties.

The Management Company will cease its role as management company:

1. if its obligations are taken over by another management company and such assignment of obligations is carried out abiding by the law and these Management Regulations;
2. in case of a liquidation of the Fund.

The Management Company may be removed and replaced by another management company and alternative investment fund manager by a decision of the general meeting of Unitholders with Administrative Rights (as defined in Article 5 below) taken with a majority of at least seventy five

percent (75%) of the votes validly cast of the Unitholders with Administrative Rights present or represented at such meeting with a seventy five percent (75%) quorum requirement (of the net assets held by the Unitholders with Administrative Rights) at the first meeting called to consider a resolution or, if such quorum requirements are not met at such first meeting, then with a fifty percent (50%) quorum requirement (of the net assets held by the Unitholders with Administrative Rights) for any succeeding meeting called to consider such resolution.

The Management Company is obliged to fulfil its mandate in the exclusive interests of the Unitholders and abiding by applicable law.

The Management Company may obtain investment information, advice and other services, remuneration of which will be payable out of the assets of the Fund or the relevant Sub-fund(s) as provided in the Fund's Prospectus.

### **3. The Depositary**

BNP Paribas Securities Services, Luxembourg Branch has been appointed Depositary of the Fund between BNP Paribas Securities Services, Luxembourg Branch and the Management Company acting on behalf of the Fund.

BNP Paribas Securities Services Luxembourg is a branch of BNP Paribas Securities Services SCA, a wholly-owned subsidiary of BNP Paribas SA. BNP Paribas Securities Services SCA is a licensed bank incorporated in France as a *Société en Commandite par Actions* (partnership limited by shares) under No.552 108 011, authorised by the *Autorité de Contrôle Prudentiel et de Résolution* (ACPR) and supervised by the *Autorité des Marchés Financiers* (AMF), with its registered address at 3 rue d'Antin, 75002 Paris, acting through its Luxembourg Branch, whose office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg, and is supervised by the CSSF.

The Depositary performs three types of functions, namely (i) the oversight duties (as defined in Art 19(9) of the 2013 Law, (ii) the monitoring of the cash flows of the Fund (as set out in Art 19(7) of the 2013 Law and (iii) the safekeeping of the Fund's assets (as set out in Art 19(8) of the 2013 Law.

Under its oversight duties, the Depositary is required to:

- (1) ensure that the sale, issue, repurchase, redemption and cancellation of Unit effected on behalf of the Fund are carried out in accordance with the Law or with the Fund's Management Regulations,
- (2) ensure that the value of the Units is calculated in accordance with the Law and the Fund's Management Regulations,
- (3) carry out the instructions of the Management Company acting on behalf of the Fund, unless they conflict with the Law or the Fund's Management Regulations,
- (4) ensure that in transactions involving the Fund's assets, the consideration is remitted to the Fund within the usual time limits;
- (5) ensure that the Fund's revenues are allocated in accordance with the Law and its Management Regulations.

The overriding objective of the Depositary is to protect the interests of the Unitholders, which always prevail over any commercial interests.

In the event that conflicts of interest do arise, the Depositary will undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Fund and the Unitholders are fairly treated.

The Depositary may delegate to third parties the safe-keeping of the Fund's assets subject to the conditions laid down in the applicable laws and regulations and the provisions of the depositary agreement. The process of appointing such delegates and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment. Such delegates must be subject to effective prudential regulation (including minimum capital requirements, supervision in the jurisdiction concerned and external periodic audit) for the custody of financial instruments. The Depositary's liability shall not be affected by any such delegation.



The Management Company acting on behalf of the Fund may release the Depositary from its duties with ninety (90) days written notice to the Depositary. Likewise, the Depositary may resign from its duties with ninety (90) days written notice to the Management Company. In that case, a new depositary must be designated to carry out the duties and assume the responsibilities of the Depositary, as defined in the agreement signed to this effect. The replacement of the Depositary shall happen within two months.

It is to be noted that in the case of voluntary withdrawal of the Depositary or of its removal by the Management Company acting on behalf of the Fund or in the case where the Depositary no longer fulfils the conditions set forth in paragraphs 2 and 3 of the Article 5 of the Law or in the case of insolvency of the Depositary, the directors of the Management Company acting on behalf of the Fund must take all necessary measures in order to replace the Depositary by another depositary which fulfils the conditions required by the above-mentioned paragraphs in compliance with the Law. If the Depositary has not been replaced within two (2) months, the directors of the Management Company acting on behalf of the Fund shall, within three (3) months following the withdrawal of the Depositary, request the District Court dealing with commercial matters to pronounce the dissolution and liquidation of the Management Company in compliance with the Law.

#### **4. Investment objective, policy and restrictions**

The investment objective of the Fund is to manage the assets of each Sub-fund for the benefit of its Unitholders in accordance with the investment policy of each Sub-fund, as further described in the Prospectus of the Fund including its appendix (or appendices) (each an "**Appendix**"), and the principle of risk diversification within the limits set forth under "Investment Restrictions" below.

The Fund has been designed to offer Well-Informed Investors (as defined below) the means to participate, through their investments in one or more of the separate Sub-funds, in a selection of securities and other permitted assets consistent with the limits and conditions provided by the Law and set forth in the Prospectus. The Management Company will provide professional management of the assets of each Sub-fund in order to diversify investment risk and to seek to achieve the various financial objectives of the Sub-funds.

The proceeds of the issue of Units relating to each Sub-fund will be invested pursuant to this Article in securities and other permitted assets corresponding to such geographical areas, industrial sectors or monetary zones and to such specific types of equity or debt securities as the Management Company will determine from time to time and disclosed in the Prospectus. In this context the Management Company will specify the investment policy for each Sub-fund in the relevant Appendix, as well as any particular terms and conditions that will have applicability as to such Sub-fund (including a denomination currency other than the reference currency of the Fund).

The Management Company shall, based upon the risks spreading principle, determine from time to time the investment restrictions as further detailed in the Prospectus.

#### **5. Units and Unitholders**

In accordance with the Law, Units are exclusively restricted to Well-Informed Investors (i.e. any institutional or professional investor under the meaning of Luxembourg laws and regulations or, any other investor who (i) adheres in writing to the status of well-informed investor and (ii) (a) invests a minimum of Euro 125,000 or its equivalent in a foreign currency in the Fund or (b) has been the subject of an assessment made by a credit institution within the meaning of Directive 2006/48/EC or an investment firm within the meaning of Directive 2004/39/EC or a management company within the meaning of Directive 2009/65/EC or on alternative investment fund manager within the meaning of Directive 2011/61/EC certifying his/her/its expertise, his/her/its experience and his/her/its knowledge in adequately appraising an investment in the Fund, it being said that the conditions set forth above are not applicable to the members of the board of directors of the Management Company (the "**Board of Directors**") and other persons who intervene in the management of the Fund).

Any Well-Informed Investor, be it/her/him a natural or legal entity, may become a Unitholder and may acquire one or more Units of the various Sub-funds by paying the subscription price disclosed in the Prospectus.

The Management Company may at any time issue Units of different Classes, whose features will be disclosed in the Prospectus. Units have no face value and do not carry any preferential or pre-emption right. All Units of the same Class have equal rights and privileges. Each Unit of the same Class is, upon issue, entitled to participate equally with all other units of such Class in any distribution upon declaration of dividends in respect of such Class.

Units of certain Sub-funds may have voting right ("**Administrative Rights**") if and as specified in these Management Regulations and the Prospectus. Unitholders holding Units with Administrative Rights are referred to as "**Unitholders with Administrative Rights**".

The Management Company may, at any time, at its discretion, temporarily discontinue, cease definitely or limit the issue of Units. The Management Company may also prohibit certain persons or corporate bodies from acquiring units, if such a measure is necessary for the protection of (i) the Unitholders as a whole, (ii) the Fund or (iii) the Unitholders of a Class.

Furthermore, the Management Company may (a) reject at its discretion any application for Units when the Management Company deems it necessary and (b) redeem at any time the Units held by Unitholders who are excluded from purchasing or holding Units and in all other cases as provided for in the Prospectus.

Unitholders also agree to these Management Regulations and any amendments thereof pursuant to Article 18 below.

Unitholders have the rights to joint ownership of the Fund's assets. The joint owners, as well as remaindermen and usufructuaries of Units shall be represented by a single person for dealing in the Fund. Unit rights may not be exercised unless the said conditions have been met.

The Management Company administers and manages the Fund and decides on the investment objectives, restrictions and policies of each Sub-fund. The Management Company determines the course of conduct of the management and business affairs of the Fund and its Sub-funds, in compliance with applicable laws, regulations, these Management Regulations and the Prospectus. All powers not expressly reserved by these Management Regulations and the Prospectus to the meeting of Unitholders with Administrative Rights are with the Management Company.

Annual general meetings of Unitholders of Sub-funds whose Unitholders have Administrative Rights shall be held at the registered office of the Management Company or any other place in the Grand-Duchy of Luxembourg as may be specified in the notice of the meeting at a date and time decided by the Management Company being no later than six months after the end of the Fund's previous financial year. At the annual general meetings of Unitholders of Sub-funds whose Unitholders have Administrative Rights, the annual accounts with respect to the relevant Sub-fund shall be approved by the majority of the votes cast. The convening notice indicates the place and the practical arrangements for providing the annual accounts of the relevant Sub-fund, as well as the report of the approved statutory auditor and the management report with respect to the relevant Sub-fund to Unitholders. The first annual general meeting of Unitholders with Administrative Rights will be held in 2021.

Other general meetings of Unitholders with Administrative Rights may be held at such place and time as may be specified in the convening notices of general meetings of Unitholders with Administrative Rights. Any resolution of a general meeting of Unitholders with Administrative Rights creating rights or obligations of the Fund vis-à-vis third parties must be approved by the Management Company. Notices of any general meeting of Unitholders with Administrative Rights are sent by registered mail to Unitholders with Administrative Rights at least eight (8) calendar days prior to such meeting. Such notice will indicate the time and place of the meeting of Unitholders with Administrative Rights, the conditions of admission, the agenda and the requirements with regards to the necessary quorum and majorities at such meeting. If all Unitholders of the relevant Sub-fund with Administrative Rights are present or represented at a meeting of Unitholders with Administrative Rights and if they state that

they have been informed of the agenda of the meeting, the meeting may be held without prior convening notice or publication.

The requirements for attendance, quorum and majorities at the meetings of Unitholders with Administrative Rights will be those specified in these Management Regulations and/or the Prospectus. Unless otherwise provided in these Management Regulations or the Prospectus, decisions at general meetings of Unitholders with Administrative Rights are taken at the majority of the votes cast.

In addition, the notice of any general meeting of Unitholders with Administrative Rights may provide that the quorum and the majority at this general meeting shall be determined according to the Units issued and outstanding at midnight on the fifth day preceding the general meeting (the "**Record Date**"), whereas the right of a Unitholder with Administrative Rights to attend a general meeting of Unitholders with Administrative Rights and to exercise the voting rights attached to his/its/her Units shall be determined by reference to the Units held by this Unitholder as at the Record Date.

Each Unit with Administrative Rights is entitled to one vote. Fractional Units shall carry no voting rights except to the extent their number, held by a Unitholder with Administrative Rights, is such that they represent a whole Unit, in which case they confer a voting right.

Meetings of Unitholders with Administrative Rights shall be called by the Management Company, or by Unitholders with Administrative Rights holding a minimum of ten per cent (10%) of the of the net assets held by the Unitholders with Administrative Rights.

The rights of Unitholders with Administrative Rights and those of Unitholders without Administrative Rights are further described in the Management Regulations.

#### **6. Form of Units and certificates**

Units will be issued in registered form only in denominations of up to three decimal places (unless otherwise provided in the Prospectus). Fractions of Units will participate pro rata in all distributions made, if any. No Unit certificates shall be issued to investors. Confirmations of holding shall be delivered by the Management Company provided that payment has been received by the Depositary.

All issued Units shall be registered in the register of Unitholders, which shall be kept by the Management Company or by one or more persons designated therefore by the Management Company and such register shall contain the name of each holder of registered Units, his residence or elected domicile so far as notified to the Management Company and the Sub-fund and the number and class of Units held by him.

Every registered Unitholder must provide the Management Company with an address to which all notices and announcements from the Management Company may be sent. Such address will be entered in the register of Unitholders free of charge. In the event of joint holders of Units, only one address will be inserted and any notices will be sent to that address only.

In the event that a Unitholder does not provide an address or notices and announcements are returned as undeliverable to such address, the Management Company may permit a notice to this effect to be entered in the register of Unitholders and the Unitholder's address will be deemed to be at the registered office of the Management Company, or such other address as may be so entered by the Management Company from time to time, until another address shall be provided to the Management Company by such Unitholder. The Unitholder may, at any time, change his address as entered in the register of Unitholders by means of a written notification to the Management Company at its registered office, or at such other address as may be set by the Management Company from time to time.

#### **7. Net asset value**

For each Sub-fund, the net asset value of each Unit is established by the administrator of the Fund, under the responsibility of the Management Company, according to a timescale set in the Prospectus, unless exceptional circumstances (referred to under "Temporary suspension of the net asset value calculation, subscriptions, redemptions and conversions" below) occur.

The net asset value per Unit is expressed in the reference currency of the relevant Class.

The net asset value per Unit is obtained by dividing the net assets attributable to the relevant Class by the number of outstanding Units of that Class.

#### Definition of assets

The Management Company shall establish total net assets for each Sub-fund.

The Fund constitutes a single entity. Nonetheless, it should be noted that in the relations between Unitholders, each Sub-fund is considered as a separate entity composed of a group of separate assets with their own objectives and represented by one or more separate Classes. Moreover, with regards to third parties, and more precisely in regards to the Fund's creditors, each Sub-fund shall bear exclusive responsibility for its own commitments.

In order to establish the different groups of net assets:

- a) if a Sub-fund issues two or more Classes, the assets attributable to such Classes shall be invested in common pursuant to the specific investment objective, policy and restrictions of the Sub-fund concerned;
- b) within any Sub-fund, the Management Company may determine to issue Classes subject to different terms and conditions, including, without limitation, Classes subject to (i) a specific distribution policy entitling the holders thereof to dividends or no distributions, (ii) specific subscription and redemption charges, (iii) a specific fee structure (iv) a specific hedging policy and/or (v) other distinct features;
- c) the net proceeds from the issue of Units of a Class in relation to a specific Sub-fund are to be applied in the books of the Fund to that Class and the assets and liabilities and income and expenditure attributable thereto are applied to such Class subject to the provisions set forth below;
- d) where any income or asset is derived from another asset, such income or asset is applied in the books of the Fund to the same Sub-fund or Class as the asset from which it was derived and on each revaluation of an asset, the increase or diminution in value is applied to the relevant Sub-fund or Class;
- e) where the Fund incurs a liability which relates to any asset of a particular Sub-fund or Class or to any action taken in connection with an asset of a particular Sub-fund or Class, such liability is allocated to the relevant Sub-fund or Class;
- f) if any asset or liability of the Fund cannot be considered as being attributable to a particular Sub-fund or Class, such asset or liability will be allocated to all the Sub-funds or Classes pro rata to their respective net asset values, or in such other manner as the Management Company, acting in good faith, may decide;
- g) upon the payment of distributions to the holders of any Class, the net asset value of such Class shall be reduced by the amount of such distributions; and
- h) the Prospectus may specifically provide for other grounds of allocation of assets from a Class of a Sub-fund to another Class of the same Sub-fund.

The assets of the Fund shall be deemed to include:

- (i) all cash on hand or receivable or on deposit, including any interest accrued thereon;
- (ii) all bills and demand notes and accounts receivable (including proceeds of securities sold but not delivered);
- (iii) all bonds, time notes, shares, stocks, debenture stocks, shares/units in undertakings for collective investment, subscription rights, warrants, options, future contracts and other investments and securities owned or contracted by the Fund;

- (iv) all stock dividends, cash dividends and cash distributions receivable by the Fund (provided that the Management Company may make, on behalf of the Fund, adjustments with regard to fluctuations in the market value of securities caused by trading ex-dividends, ex-rights, or by similar practices);
- (v) all interest accrued on any interest-bearing securities owned by the Fund except to the extent that the same is included or reflected in the principal amount of such security;
- (vi) the preliminary expenses of the Fund and of the Management Company in relation to the Fund insofar as the same have not been written off;
- (vii) property investments or property rights registered in the name of the Fund or the Fund's wholly owned subsidiaries;
- (viii) shareholdings in convertible and other debt securities of real estate companies;
- (ix) all other assets of every kind and nature, including prepaid expenses.

The liabilities of the Fund shall be deemed to include:

- (i) all loans, bills and accounts payable;
- (ii) all accrued or payable administrative expenses (including but not limited to investment advisory fees, performance or management fees, custody fees and corporate agents' fees);
- (iii) all known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid dividends declared by the Management Company on behalf of the Fund where the Valuation Day (as defined below) falls on the record date for determination of the person entitled thereto or is subsequent thereto;
- (iv) an appropriate provision for future taxes based on capital and income on the Valuation Day, as determined from time to time by the Management Company and other provisions if any, authorised and approved by the Board of Directors, covering among others liquidation expenses; and
- (v) all other liabilities of the Fund of whatsoever kind and nature except liabilities represented by Units in the Fund. In determining the amount of such liabilities the Management Company may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period.

Interest on securities and liquid assets as well as on fees and expenses shall be accrued in a manner that the applicable net asset value on any Valuation Day takes into account a calculated amount of interest due to or by the Fund until the payment date applicable for Units issued or redeemed on the relevant Valuation Day.

#### Asset valuation

The assets of each Sub-fund are valued as of each Valuation Day, as defined in the Prospectus with respect to the relevant Sub-fund, as follows:

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

- b) liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis;
- c) the value of securities and/or financial derivative instruments which are quoted, traded or dealt in on any stock exchange (including quoted securities of closed-ended underlying funds) shall be based on the latest available price or, if not available or otherwise inaccurate, as quoted by an independent broker and each security traded on any other regulated market, shall be valued in a manner as similar as possible to that provided in relation to quoted securities;
- d) for non-quoted securities or securities and/or financial derivative instruments not traded or dealt in on any stock exchange or other regulated market (including non-quoted securities of closed-ended underlying funds), as well as quoted or non-quoted securities on such other market for which no valuation price is readily available, or securities for which the quoted prices are, in the opinion of the Management Company, not representative of the fair market value, the value thereof shall be determined prudently and in good faith by the Management Company;
- e) securities issued by any open-ended underlying funds (whether or not quoted on a stock exchange) shall be valued based on their last available net asset value or price, whether estimated or final, as reported or provided by such funds or their agents; for those open-ended underlying funds for which a single net asset value is calculated and which are also listed on a stock exchange, the price used will be the single net asset value as reported or provided by such funds or their agents, whether estimated or final, and not the ones listed on a stock exchange. This net asset value may differ from that quoted on the relevant stock exchange; and
- f) the liquidation value of forward or options contracts not traded on exchanges or on other organised markets shall mean their net liquidation value determined, pursuant to the policies established or approved by the Management Company, on a basis consistently applied for each different variety of contracts. The liquidation value of forward or options contracts traded on exchanges or other organised markets shall be based upon the last available settlement prices of these contracts on exchanges and organised markets on which the particular contracts are traded on behalf of the Fund; provided that if a forward or options contract could not be liquidated on the day with respect to which the net asset value is being determined, the basis for determining the liquidation value of such contract shall be such value as the Management Company may deem fair and reasonable;
- g) liquid ILS will be valued by quotes provided by one or more market makers, dealers or brokers specialised in these types of securities;
- h) illiquid ILS will be valued prudently and in good faith;
- i) private debt securities will be valued at cost subject to satisfactory impairment test based on dedicated threshold defined in the valuation policy of the Management Company taking in consideration the potential underlying guarantees;
- j) all other assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Management Company.

The Management Company may engage and may retain under its responsibility the services of a reputable and independent third-party provider (e.g. valuation agents and/or actuarial consultants) in order to receive an independent external valuation advice of a relevant securities. Such a third-party provider may also be required to be able to demonstrate considerable and relevant experience in the valuation of the types of securities.

Illiquid insurance linked security will be valued by the Management Company prudently and in good faith. For some specific transactions the Management Company might engage the service of a third-party loss adjuster or actuarial firm to estimate the amount of incurred losses that inure a specific position. This shall apply more frequently to the cases where a transformer is used to acquire insurance risks, whose valuations depend also on the loss development of the underlying business.

The Management Company, in its sole discretion, is authorized to apply other valuation principles for all or only some of the assets of the Fund and/or any Sub-fund or Class if it deems that the valuation principles set forth above appear impossible to apply in the circumstances or inappropriate for the asset concerned, provided that one set of rules shall be applied to the valuation of all assets allocated to a specific Sub-fund or Class.

Whilst the Management Company reserves the right to use published final valuations using the latest available price in respect of each investment in order to calculate the net asset value, in view of the limited frequency with which such valuations may be provided, and the delays in obtaining such information, the Management Company also reserves the right to use more recent valuations where this is considered appropriate. Such valuations may be based on an estimate of a more recent price of any unit or share in an underlying fund in which the Fund invests obtained from or calculated on the basis of more recent information received from the underlying fund or any of its service providers or agents. Consequently, valuations in respect of the Units may be based largely or entirely on estimates.

To the extent that the Management Company considers that it is in the best interests of the Unitholders given the size of a Sub-fund or Class, prevailing market conditions and/or the level of subscriptions and redemptions in the Sub-fund or Class, the net asset value of the Sub-fund or Class may be calculated on a bid offer spread basis for Unit issues and redemptions using securities bid or offer prices and adjusted in respect of any dealing charges and sales commissions.

The value of assets denominated in a currency other than the reference currency of a Sub-fund or Class (if different) shall be determined by taking into account the rate of exchange prevailing at the time of the determination of the net asset value.

In instances where the value of an investment cannot be determined in accordance with the valuation procedures specified above or in instances where the Management Company or its agents determines that it is impracticable or inappropriate to determine the value of an asset or amount of a liability in accordance with the above procedures, the price will be a fair and reasonable value as determined in good faith and on a prudent basis in such manner as the Management Company or its agents may prescribe in accordance with the accounting procedures applicable to the Fund.

The Board of Directors will exercise its reasonable judgment in determining the values to be attributed to assets and liabilities.

#### Temporary suspension of the net asset value calculation, subscriptions, redemptions and conversions

1. The Board of Directors is authorised to temporarily suspend calculation of the net asset value per Unit of one or more Sub-funds, as well as subscriptions, redemptions and conversions of Units of the said Sub-funds, in the following cases:

- a) during any period when any market or stock exchange, which is the principal market or stock exchange on which a material part of the assets of the Fund attributable to such Sub-fund(s) for the time being are quoted or dealt in, is closed, other than for legal holidays, or during which dealings are substantially restricted or suspended, provided that such restriction or suspension affects the valuation of the investments of the Fund;
- b) during any period when any market of a currency, in which a material part of assets of one or more Sub-funds is denominated, is closed for periods other than legal holidays, or during which trading is substantially restricted or suspended provided that such restriction or suspension affects the valuation of the investments of the Fund;
- c) during any period when dealing the units/shares of any underlying vehicle in which such Sub-fund(s) may be invested are restricted or suspended;
- d) during the existence of any state of affairs which constitutes an emergency, in the opinion of the Board of Directors, or when, as a result of political, economic, military, terrorist or monetary events or any circumstances outside the control, responsibility and power of the

Management Company acting on behalf of the Fund, disposal of the underlying assets of such Sub-fund(s) is not reasonably practicable without being seriously detrimental to Unitholders' interests or if, in the opinion of the Management Company, a fair price cannot be calculated for those assets;

- e) during any breakdown in the means of communication normally employed in determining the price or value of any of such Sub-fund(s)'s investments or the current prices or value on any market or stock exchange;
- f) if the Fund or a Sub-fund is being or may be wound up, liquidated or merged, from the date on which the Board of Directors has decided or the notice is given of a proposed resolution to that effect;
- g) when for any other reason the prices of any investments owned by the Fund attributable to such Sub-fund(s) cannot promptly or accurately be ascertained (including the suspension of the calculation of the net asset value of an underlying undertaking for collective investment or other investment vehicle);
- h) during any period when the Management Company is unable to repatriate funds for the purpose of making payments on the redemption of Units or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Units cannot, in the opinion of the Management Company, be effected at normal rates of exchange;
- i) any other circumstance or circumstances where a failure to do so might result in a Sub-fund, the Fund or the Unitholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the Fund, the Sub-fund or the Unitholders might not otherwise have suffered;
- j) if in the opinion of the Management Company, the effect of such redemptions would be to seriously impair the Fund's ability to operate or to jeopardise its tax status;
- k) during any period when any breakdown occurs in the IT means normally used to determine the net asset value per Unit of one or more Sub-funds; or
- l) any other circumstances beyond the control of the Board of Directors.

The Management Company may, in any of the cases listed above, suspend the issue and/or redemption and/or conversion of Units without suspending the calculation of the net asset value.

If required by law, a notice of the beginning and of the end of any period of suspension will be sent to the Unitholders or published in a newspaper or via any other media as may be decided by the Management Company from time to time.

Any suspension declared shall take effect at such time as the Management Company shall declare, which may be at any time prior to, during or after the relevant Valuation Day, and shall continue until the Management Company declares the suspension to be at an end.

Notice will likewise be given to any applicant or Unitholder, as the case may be, applying for purchase, redemption or conversion of Units in the Sub-fund(s) concerned. Upon suspension of the calculation of the net asset value, applicants or existing Unitholders may give notice that they wish to withdraw their application for subscription or request for redemption or conversion of Units, in accordance with the provisions of the Prospectus.

In addition, the Board of Directors has the right to suspend the net asset value calculation of a Sub-fund for the period determined in the Prospectus without the requirement to give notice to Unitholders when, in their opinion, a significant proportion (to be determined by the Board of Directors) of the assets of the Sub-fund cannot be valued on an equitable basis and such difficulty is expected by the Management



Company to be overcome within that period. The Management Company will take all reasonable steps to bring any period of suspension to an end as soon as possible.

2. In exceptional circumstances that may adversely affect the interests of the Unitholders, or in the event of too many requests of redemption of the Units of a given Sub-fund, the Board of Directors reserves the right to establish the value of the said Sub-fund only after having sold the required assets on behalf of the Sub-fund.

In case 2 above, pending subscription and redemption applications shall be executed based on the first net asset value thus calculated.

#### **8. Unit issue and subscription price**

The terms for the issue of Units and the subscription price will be determined by the Management Company and set out in the Prospectus.

Subscription applications must be sent to the transfer agent of the Fund (the "**Transfer Agent**") or other institutions appointed for this purpose in accordance with the provisions specified in the Prospectus.

Unless otherwise provided for in the Prospectus, payment of the issue price shall be made in the currency of the relevant Sub-fund or Class (if different) specified in the Prospectus within the relevant deadline specified in the Prospectus.

The Management Company may, in its own discretion and in accordance with these Management Regulations, accept securities complying with the investment policy of the Sub-fund(s) concerned, in exchange for subscription payment if deemed in the interest of Unitholders.

For all securities accepted as payment for subscription, to the extent legally required, the Depositary shall request an assessment report from the Fund's auditor citing the quantity, denomination and valuation method adopted for such securities. The report shall also establish the total value of the securities expressed in the initial currency and that of the Sub-fund. The applicable exchange rate shall be the last available rate. Securities accepted as payment for subscription are valued in accordance with the relevant provisions under Article 7 above. The Management Company reserves the right to refuse securities in exchange for subscription payment, at its own discretion and without justification.

Any costs incurred in connection with a contribution in kind of the securities will be borne by the subscribing Unitholder.

The Management Company may fix from time to time minimum subscription and holding amounts.

#### **9. Unit Redemption**

The Management Company may create closed-ended Sub-funds and open-ended Sub-funds. The Prospectus specifies whether the relevant Sub-fund is a closed-ended or an open-ended Sub-fund and the rules, which will therefore apply to the relevant Sub-fund in respect of the redemption of Units.

Subject to the restrictions contained in the Prospectus with respect to each Sub-fund, holders of Units may request redemption of their Units on the frequency provided for in the Prospectus for each Sub-fund.

Redemption applications must be sent to the Transfer Agent of the Fund or other institutions appointed for this purpose in accordance with the provisions specified in the Prospectus.

Valid applications must specify the number of Units to be redeemed and the relevant Sub-fund and Class of Unit to be redeemed.

Subject to the restrictions set forth in these Management Regulations and in the Prospectus, the Transfer Agent shall accept redemption applications received on any redemption day (as defined for each Sub-fund in the Prospectus).

Units will be redeemed at the redemption price calculated as at the relevant redemption day, as further detailed in the Prospectus. Redemption lists are closed at the times and on the dates indicated in the Prospectus.

The redemption price per Unit of each Class shall be established based on the net asset value per Unit of such Class calculated as described in Article 7 above, less any fees or charges (including redemption charges) as disclosed in the Prospectus.

Redemption will be performed by the Depositary, in the base currency of the Sub-fund or Class (if different), within a timeline disclosed in the Prospectus.

The Depositary is not obliged to undertake redemptions in the event that legislation, particularly international regulations in force related to foreign exchange rates or events beyond its control, such as strikes, prevent it from transferring or paying the redemption price.

The Management Company employs a liquidity management system and has put in place procedures which enable it to monitor the liquidity risks of each Sub-fund and to ensure that the liquidity profile of each Sub-fund's investment portfolio is such that the Management Company can, on behalf of the Fund, normally meet at all times its obligation to repurchase its Units at the request of Unitholders.

In the event that the amount of the redemption application(s) – direct or referred to conversion between Sub-funds – is equal to or higher than 10% of the net asset value of the Sub-fund in question and if the Management Company deems that the redemption may be detrimental to the interests of the other Unitholders as a whole, the Management Company may, if necessary, reserve the right to suspend the redemption application, or declare that part or all of such units for redemption or conversion will be deferred on a pro rata basis for a period that the Management Company considers to be in the best interests of the Fund. Nonetheless, the redemption application may in the meantime be revoked by the Unitholders, free of charge.

Any redemption request received by the Management Company during any suspension will be satisfied as of the following redemption day after the suspension has been lifted using the relevant net asset value as at that redemption day (subject to any applicable notification requirement), unless the request has been withdrawn prior to that day.

The Management Company will have the right to compulsorily redeem Units of a Unitholder where the aggregate net asset value of his Units is less than the applicable minimum initial holding amount indicated for each Sub-fund in the Prospectus.

The Management Company shall have the power to impose or relax the restrictions on any Units or Sub-fund (other than any restrictions on transfer of Units, but including the requirement that Units be issued only in registered form), but not necessarily on all Units within the same Sub-fund, as it may think necessary for the purpose of ensuring that no Units in the Fund or no Units of any Sub-fund are acquired or held by or on behalf of:

- (a) any person in breach of the law or requirements of any country or governmental or regulatory authority (if the Management Company shall have determined that the Management Company, the Fund, any analyst, any investment advisor or any investment manager of the Fund or any director, associate officer or any employee of any such other company or firm (each a "**Connected Person**"), any Unitholder would suffer any disadvantage as a result of such breach), or
- (b) any person in circumstances which in the opinion of the Management Company might result in the Management Company, any analyst, any investment advisor, any investment manager of the Fund, the Fund or the Unitholders incurring any liability to taxation or suffering any other pecuniary disadvantage which they might not otherwise have incurred or suffered, including a requirement for the Management Company, the Fund or any analyst, or any investment advisor or any investment manager of the Fund to register under any securities or investment or similar laws or requirements of any country or authority, or market timing and/or late trading practices.

- (c) any person who, in the opinion of the Management Company, does not qualify as a Well-Informed Investor.

The Management Company has the power to compulsory redeem Units in the circumstances under (a), (b) and (c) above.

The Management Company is also entitled to compulsorily redeem all Units of a Unitholder:

- (a) where a Unitholder has transferred or attempted to transfer any portion of his Units in violation of the Prospectus and/or of these Management Regulations; or
- (b) where any of the representations or warranties made by a Unitholder in connection with the acquisition of Units was not true when made or has ceased to be true; or
- (c) where a Unitholder (i) has filed a voluntary petition in bankruptcy; (ii) has been adjudicated bankrupt or insolvent, or has had entered against it an order for relief, in any bankruptcy or insolvency proceeding; (iii) has filed a petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation; (iv) has filed an answer or other pleading admitting or failing to contest the material allegations of a petition filed against him in any proceeding of this nature; or (v) has sought, consented to or acquiesced in the appointment of a trustee, receiver or liquidator of such Unitholder or of all or any substantial part of the Unitholder's properties; or
- (d) in any other circumstances in which the Management Company determines in its absolute discretion that such compulsory redemption would avoid material legal, pecuniary, tax, economic, proprietary, administrative or other disadvantages to the Fund.

The Management Company may fix from time to time minimum redemption amounts as set forth in the Prospectus.

In exceptional circumstances, the Management Company may, with the prior consent of a redeeming Unitholder, satisfy a redemption request by transferring assets of the Fund to such redeeming Unitholder. The Management Company will ensure that the transfer of assets in cases of such redemptions will not be detrimental to the remaining Unitholders by pro-rating the redemption as far as possible across the entire portfolio of assets. To the extent legally or regulatorily required, such redemptions will be subject to a special audit report confirming the number, the denomination and the value of the assets which the Management Company will have determined to be transferred in counterpart of the redeemed Units. This audit report will also confirm the way of determining the value of the assets which will have to be identical to the procedure for determining the net asset value of the Units. The specific costs for such redemptions, in particular the cost of the special audit report will be borne by the redeeming Unitholder.

## **10. Conversions**

The provisions regarding conversion shall only be applicable at the time where several Classes exist and where there are no limitations on issues and redemptions of Units.

Any limitations on conversions between specific Classes may be decided by the Management Company and will be described in the Prospectus.

Unless otherwise provided in Prospectus, conversions are subject to the approval of the Management Company.

A conversion of Units will be treated as redemption of Units of the converted Class and a simultaneous purchase of Units of the invested Class.

The price at which Units shall be converted will be determined by reference to the respective net asset value per Unit of the converted and invested Classes on the relevant redemption day and subscription

day (as defined in the Prospectus). Where the converted and invested Classes have different currencies of denomination, the exchange rate used shall be calculated in accordance with the provisions set forth above.

A conversion fee, as set out in the Prospectus, calculated on the basis of the net asset value of the Units to be converted may be charged at the discretion of the Management Company.

If compliance with conversion instructions would result in a residual holding in any one Class of less than the minimum holding of that Class, the Management Company may decide that the Unitholder requiring the conversion shall be deemed to have requested the conversion of all of his Units from the original Class to the new Class.

Further details are provided for in the Prospectus.

## **11. Publications**

The net asset value, the historical performance of the Fund, the issue price and the redemption price per Unit of each Class will be available in Luxembourg at the registered office of the Management Company and the Depositary.

The audited annual reports of the Fund are made available to the Unitholders upon request at the registered offices of the Management Company, the Depositary and any paying agent.

Any notice of the deposit of the amendments to these Management Regulations with the *Registre de Commerce et des Sociétés, Luxembourg* will be published in the *Recueil électronique des sociétés et associations of Luxembourg* ("RESA").

The amendments and any notices to Unitholders may also be published, as the Management Company may decide, in newspapers of countries where the units of the Fund are offered and sold.

## **12. Duration, merger and liquidation of the Fund, a Sub-fund or of a Class**

The Fund shall be established for an unlimited duration.

The dissolution of the Fund shall be decided by the general meeting of Unitholders. Any resolution of a general meeting of Unitholders to the effect of the liquidation must be passed with (i) a presence quorum of fifty percent (50%) of the net assets of the Fund at the first call and, if not achieved, with no quorum requirement for the second call; and (ii) the approval of a majority of at least two-thirds (2/3) of the votes validly cast by the Unitholders present or represented at the meeting. In such case, each Unit in the Fund (whether it has Administrative Rights or not) is entitled to one vote.

If the last Sub-fund within the Fund comes to its term, the term of such Sub-fund shall trigger the dissolution of the Fund.

In the event of dissolution, the liquidation shall be carried out by the Management Company or by one or more external liquidators to be appointed by the Unitholders of the Fund.

Notice of the liquidation will be published in the RESA and in two newspapers, one of which at least must be a Luxembourg newspaper. No Units may be issued after the date of such decision to liquidate the Fund. The Management Company will, however, not be precluded from redeeming or, if permitted, converting all or part of the Units of Unitholders, at their request, at the applicable net asset value (taking into account actual realisation prices of investments as well as realisation expenses in connection with such dissolution), as from the date on which the resolution to dissolve the Fund has been taken until its effectiveness, provided that such redemption or conversion does not affect the equal treatment among Unitholders.

In the event of the liquidation of the Fund, the Management Company or the appointed liquidator(s) shall realise the assets of the Fund in the best interests of the Unitholders, and the Depositary shall distribute the net liquidation proceeds, after deduction of liquidation charges and expenses, to the

Unitholders in the proportion of the respective rights of each Class, all in accordance with the instructions of the Management Company.

Liquidation proceeds that could not be distributed to the persons entitled thereto at the close of liquidation shall be deposited with the *Caisse de Consignation* (or CDC) in Luxembourg until the applicable prescription period shall have elapsed.

Each Sub-fund is launched for an unlimited duration, unless otherwise set-out in the Prospectus. If a Sub-fund is launched with a limited duration, the Management Company may decide to extend the duration of the relevant Sub-fund subject to the provisions of the Prospectus.

A Sub-fund or a Class may be terminated by decision of the Management Company if the net asset value of a Sub-fund or a Class does not reach or fall below a level that the Board of Directors deems to make its management overly difficult, or in the event of special circumstances beyond its control, such as political, economic, or military emergencies, or if the Management Company should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Sub-fund or a Class to operate in an economically efficient manner, and with due regard to the best interests of Unitholders, that a Sub-fund or a Class should be terminated. In such event, the assets of the Sub-fund or the Class shall be realized, the liabilities discharged and the net proceeds of realization distributed to Unitholders in proportion to their holding of Units in that Sub-fund or Class and such other evidence of discharge as the Management Company may reasonably require. This decision will be notified to Unitholders as required. No Units shall be redeemed after the date of the decision to liquidate the Sub-fund or a Class. Assets, which could not be distributed to Unitholders upon the close of the liquidation of the Sub-fund concerned, will be deposited with the *Caisse de Consignation* in Luxembourg on behalf of their beneficiaries.

If allowed under applicable laws, a Sub-fund or a Class may merge with one or more other Sub-funds or Classes in the above-mentioned circumstances by decision of the Management Company. This decision will be notified to Unitholders as required. Each Unitholder of the relevant Sub-fund or a Class shall be given the option, within a period to be determined by the Management Company, but not being less than one month, and specified in said notice, to request free of any redemption charge either the repurchase of its Units or the exchange of its Units against Units of any Sub-fund or a Class not concerned by the merger.

If allowed under applicable laws, a Sub-fund may be contributed to another Luxembourg investment fund or an investment fund established in the European Economic Area and subject to equivalent supervision by decision of the Management Company in the event of special circumstances beyond its control, such as political, economic, or military emergencies, or if the Management Company should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Sub-fund to operate in an economically efficient manner, and with due regard to the best interests of Unitholders, that a Sub-fund should be contributed to another fund. This decision will be notified to Unitholders as required. Each Unitholder of the relevant Sub-fund shall be given the possibility within a period to be determined by the Management Company, but not being less than one month, and specified in said notice, to request, free of any redemption charge, the repurchase of its Units. At the close of such period, the contribution shall be binding for all Unitholders who did not request redemption. When a Sub-fund is contributed to another investment fund, the valuation of the Sub-fund's assets shall be verified by an auditor who shall issue a written report at the time of the contribution, to the extent legally required.

If the Management Company determines that it is in the interests of the Unitholders of the relevant Sub-fund or Class or that a change in the economic or political situation relating to the Sub-fund or Class concerned has occurred which would justify it, the reorganization of one Sub-fund or Class, by means of a division into two or more Sub-funds or Classes of the Fund may take place if allowed under applicable laws. This decision will be notified to Unitholders as required. The notification will also contain information about the two or more new Sub-funds or Classes. The notification will be made at least one month before the date on which the reorganization becomes effective in order to enable the Unitholders to request the sale of their Units, free of charge, before the operation involving division into two or more Sub-funds or Classes becomes effective.

Notwithstanding the powers conferred to the Management Company in the foregoing paragraphs:

a) in a closed-ended Sub-fund or in the event that the cost-free redemption is not possible because the assets of the Sub-fund are illiquid, the Management Company shall seek a prior approval for a merger or a division of Sub-funds or Classes by a decision of the general meeting of Unitholders passed with (i) at least three quarters (3/4) of the votes attached to all Units issued by the Sub-fund (or where applicable, in the relevant Class) and validly cast by those present or represented at the meeting; and (ii) a presence quorum requirement of at least three quarters (3/4) of the net assets of the Sub-fund (or where applicable, of the relevant Class). In such case, each Unit in the relevant Sub-fund (whether it has Administrative Rights or not) is entitled to one vote.

b) in a closed-ended Sub-fund, the Management Company shall seek a prior approval for a liquidation of a Sub-fund or Class prior to its term disclosed in the Prospectus by a decision of the general meeting of Unitholders passed with (i) at least two thirds (2/3) of the votes attached to all Units issued by the Sub-fund (or where applicable, in the relevant Class) and validly cast by those present or represented at the meeting; and (ii) a presence quorum requirement of at fifty percent (50%) of the net assets of the Sub-fund (or where applicable, of the relevant Class). In such case each Unit in the relevant Sub-fund (whether it has Administrative Rights or not) is entitled to one vote.

### **13. Fees and expenses**

Each Sub-fund pays the Management Company a management fee for the performance of its duties as management company and alternative investment fund manager of the Fund as indicated in the Prospectus.

The Management Company may be entitled to receive a performance fee as described in the Prospectus. Subscription fees, if any, are collected by the Management Company. The appointment of placing agents and the remuneration of placing agents are paid out of the subscription fees or any other fees collected by the Management Company.

The following expenses shall be borne by the Fund:

- set up fees, including expenses for its establishment and authorisation from the competent authorities, costs for preparation, translation, printing and distribution of reports, as well as any other document required by law and regulations in force in the countries in which the Fund is traded (where applicable);
- registration tax calculated and payable on a quarterly basis based on the net asset value determined at the end of each quarter, as well as amounts due to supervisory authorities;
- any stock-exchange fees including listing and filing fees;
- all taxes and duties due by the Fund;
- trading costs, fees and expenses deriving from transactions involving the Sub-funds' portfolio;
- for Sub-funds that invest in units of other UCITS and/or UCIs, the expenses on the assets of the UCITS and/or other UCIs invested in are borne indirectly by the Sub-funds;
- extraordinary costs arising in particular from assessments or procedures aimed at protecting the interest of investors;
- expenses for the publication of the net asset value and all notices to investors;
- expenses linked to the membership (including for the account) of the Fund in trade associations, including those linked to the participation on behalf of the Fund to such trade associations' meetings and conferences;

- expenses incurred for the IT, software licenses and database and info provider systems specifically used for the management of the Fund;
- expenses for external risk level assessment and reporting;
- auditor's fees;
- fees paid to the Depositary and the administrator (including in its capacity as registrar, transfer agent and paying agent of the Fund). In addition, the Depositary and the administrator are entitled to be reimbursed by each Sub-fund for their reasonable out-of-pocket expenses and disbursements, including for the Depositary charges of any correspondents;
- fees paid to independent third-party providers (e.g. valuation agents and/or actuarial consultants) in order to receive an independent external valuation advice with respect to the assets of the Fund;
- publication costs for notices to Unitholders in the countries where the Fund is traded;
- expenses linked to legal and tax advisers' fees borne in the interest of the Fund.

All general expenses described above borne by the Fund are preliminarily deducted from the Fund's current earnings and, if these prove insufficient, from realised capital gains and, where necessary, from Fund assets.

The following expenses shall be borne by the Management Company:

- expenses for the day to day running of its operations;
- fees of the Management Company's auditors;
- the analyst's fees; and
- any investment management/advisor fees.

#### **14. Dividend distribution**

The distribution policy for the Fund is disclosed in the Prospectus.

No distribution may be made as a result of which the total net assets of the Fund would fall below the minimum amount provided for by the Law.

Distributions not claimed within five years from their due date will lapse and will revert to the Fund.

#### **15. Preferential treatment of Investors**

Any prospective or existing investor (an "**Investor**" or collectively the "**Investors**") may be accorded a preferential treatment, or a right to obtain a preferential treatment (a "**Preferential Treatment**") subject to, and in compliance with the conditions set forth in applicable laws and regulations.

A Preferential Treatment may consist (i) in the diminution or removal of any applicable fees, (ii) in the partial or total reimbursement or rebate of certain fees, charges and/or expenses, (iii) in preferential terms applicable to any subscription, redemption, conversion or transfer of units (such as shorter or no prior notice, lower or no minimum amount requirements, lower or no gating, reduced or no side-pocketing, tag-along or drag-along rights; the foregoing being illustrative and not exhaustive), (iv) in the possibility of avoiding investment in, or exposure to, certain assets, liabilities or counterparties, (v) in the access to, or increased transparency of information related to certain aspects of the Fund's portfolio or of the Fund's or the Management Company's management or activities (whether past, present and/or future) in general, (vi) in preferential terms in relation to any distribution (whether of dividends, carried interests, liquidation proceeds or of any other amount that may be distributed by the Management Company to Investors), (vii) in certain preferential terms and rights (including veto) in relation to the appointment or removal of members of the Management Company's governing bodies and/or internal

committees, (viii) in the participation to the Fund's or the Management Company's management or activities in general (including participation to their governing bodies and/or internal committees), (ix) in a right to veto, to postpone or to otherwise condition certain decisions or resolutions, (x) in increased or additional voting rights, (xi) in a "most favored nation" (or similar) right, or (xii) in any other advantage or privilege that is not inconsistent with these Management Regulations and/or with applicable laws and regulations and that may be determined from time to time by, and in the discretion of the Management Company.

A Preferential Treatment may be accorded on the basis (i) of the size, nature, timing or any feature of the investment in, or of any commitment taken vis-à-vis the Fund, (ii) of the type, category, nature, specificity or any feature of the Investor or Investors, (iii) of the involvement in, or participation to the Fund's or the Management Company's management or activities (whether past, present and/or future) in general, or (iv) of any other criteria, element or feature that is not inconsistent with these Management Regulations or with applicable laws and regulations and that may be determined from time to time by, and in the discretion of the Management Company.

A Preferential Treatment may (x) take the form (i) of a contractual arrangement, (ii) of a side letter or (iii) of the creation of a specific category or Class of Units, or (y) take any other form or arrangement that is not inconsistent with these Management Regulations or with applicable laws and regulations and that may be determined from time to time by, and in the discretion of, the Management Company.

A Preferential Treatment is not necessarily assorted with the so-called "most favoured nation" clause in favour of all Investors, meaning that, unless otherwise provided to the contrary or required by applicable laws or regulations, the existence or introduction of a Preferential Treatment or the fact that one or more Investors have been accorded a Preferential Treatment does not create a right in favour of any other prospective or existing Investor to claim for its benefit such a Preferential Treatment, even if, in relation to this Investor, all criteria and features on which is based the relevant Preferential Treatment are met, and even if the situation and features of this Investor are similar to any of the Investors to whom this Preferential Treatment has been accorded.

Whenever an Investor obtains a Preferential Treatment, a description of that Preferential Treatment, the type of Investors who obtain such Preferential Treatment and, where relevant, their legal or economic links with the Fund or the Management Company, as well as any material change to this information, may be disclosed or made available to Investors in, via and/or at any of the Information Means listed in Article 16 of these Management Regulations; it being understood that availability or disclosure of any information regarding Preferential Treatment may be restricted to the largest extent authorised by applicable laws and regulations.

## **16. Investor's Information**

Any information or document that the Management Company must or wishes to disclose or be made available to some or all of the Investors shall be validly disclosed or made available to any of the concerned Investors in, via and/or at any of the following information means (each an "**Information Means**"): (i) the Fund's sales documents, offering or marketing documentation, (ii) subscription, redemption, conversion or transfer form, (iii) contract note, statement or confirmation in any other form, (iv) letter, telecopy, email or any type of notice or message, (v) publication in the (electronic or printed) press, (vi) the Fund's periodic report, (vii) the Fund's, Management Company's or any third party's registered office, (viii) a third-party, (ix) internet/a website (as the case may be subject to password or other limitations) and (x) any other means or medium to be freely determined from time to time by the Management Company to the extent that such means or medium comply and remain consistent with these Management Regulations and applicable laws and regulations.

The Management Company may freely determine from time to time the specific Information Means to be used to disclose or make available a specific information or document, provided, however, that at least one current Information Means used to disclose or make available any specific information or document to be disclosed or made available shall at least be indicated in either the Fund's sales documents or at Management Company's registered office.



Certain Information Means (each hereinafter an "Electronic Information Means") used to disclose or make available certain information or document requires an access to internet and/or to an electronic messaging system. By the sole fact of investing or soliciting the investment in the Fund, an Investor acknowledges the possible use of Electronic Information Means and confirms having access to internet and to an electronic messaging system allowing this Investor to access the information or document disclosed or made available via an Electronic Information Means.

By the sole fact of investing or soliciting the investment in the Fund, an Investor (i) acknowledges and consents that the information to be disclosed in accordance with applicable laws and regulations may be provided by means of a website without being addressed personally thereto and (ii) that the address of the relevant website and the place of the website where the information may be accessed is indicated in either the Fund's sales documents or at the Management Company's registered office.

#### **17. Transfer and re-use of assets**

To the maximum extent authorised by applicable laws and regulations, any of the assets of the Fund may be transferred to, and reused by, any third party, including the Fund's Depositary and any prime broker appointed from time to time.

#### **18. Amendment(s) to the management regulations**

Any change to the Management Regulations needs to be approved at a general meeting of Unitholders with Administrative Rights. Any resolution of a general meeting of Unitholders with Administrative Rights to the effect of amending the Management Regulations must be passed with (i) a presence quorum of fifty percent (50%) of the Units issued to Unitholders with Administrative Rights at the first call and, if not achieved, with no quorum requirement for the second call; and (ii) the approval of a majority of at least two-thirds (2/3) of the votes validly cast by the Unitholders with Administrative Rights present or represented at the meeting and (iii) the consent of the Management Company.

In the absence of Units with Administrative Rights, the Management Company may, subject to Luxembourg law, amend the Management Regulations in whole or in part at any time.

Any changes to the Management Regulations shall be filed with the Luxembourg Register of Commerce and Companies and a notice of the deposit of the amendment at this register is published in the RESA.

Unless otherwise provided for by the Management Company, such changes shall enter into effect on the day the amendments are filed with the Luxembourg Register of Commerce and Companies.

#### **19. Audit**

The accounts of the Management Company will be audited by an auditor appointed by the Management Company. The Management Company shall also appoint an auditor who shall, with respect to the assets of the Fund, carry out the duties prescribed by the Law and the 2013 Law.

The accounts of the Fund shall be in Euro. They shall be closed on the 31 December of each year and for the first time on 31 December 2020.

Accounting of the Fund shall be based on the Luxembourg Generally Accepted Accounting Principles (LUX GAAP) or such other generally accepted accounting principles as disclosed in the Prospectus.

#### **20. Statute of Limitation**

The claims of the Unitholders against the Management Company or the Depositary will lapse five years after the date of the event which gave rise to such claims.

#### **21. Indemnity**

The Fund will indemnify the Management Company, its managers, officers and employees and any delegates appointed by the Management Company and their directors, officers or employees against all

expenses, losses, damages, liabilities, demands, charges and claims of any kind or nature whatsoever (including, without limitation, any reasonable legal expenses and costs and expenses relating to investigating or defending any demands, charges and claims) that may be incurred by it or made against it arising out of any action properly taken by the Management Company in accordance with the Prospectus and these Management Regulations.

## **22. Applicable law - Jurisdiction - Language**

These Management Regulations are governed by the laws of the Grand Duchy of Luxembourg and in particular by the Law and the 2013 Law.

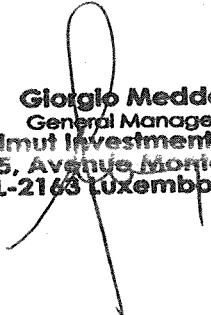
Disputes arising between the Unitholders, the Management Company and the Depositary shall be settled according to Luxembourg law and subject to the jurisdiction of the District Court of Luxembourg. English shall be the governing language for these Management Regulations.

## **23. Side letters**

The Management Company shall be entitled to enter into a separate agreement (a "Side Letter") with any Unitholder (or prospective unitholder) (a "Side Letter Recipient") in relation to the operation or business of the Fund which may modify alter, derogate from, amend or supplement the terms of these management regulations, that Side Letter Recipient's Subscription Agreement, with different or preferential rights or terms, including but not limited to information, economic or reporting rights, waiver of certain provisions, including confidentiality provisions, co-investment rights, liquidity or transfer rights or terms taking into account particular legal, regulatory or policy requirements of an investor, additional obligations and restrictions with respect to structuring particular investments in light of legal and regulatory considerations applicable to a particular investor and veto rights and any other rights or terms determined from time to time by the Management Company that is not inconsistent with applicable laws and regulations.

These Management Regulations are effective as of 22 October 2020 and replace the Management Regulations adopted on 31 October 2019.

Executed in three originals in Luxembourg on 22 October 2020.

  
**Giorgio Medda**  
General Manager  
Azimut Investments S.A.  
35, Avenue Monterey  
L-2163 Luxembourg

---

The Management Company