VISA 2015/98826-7507-0-PC
L'apposition du visa ne peut en aucun cas servir d'argument de publicité
Luxembourg, le 2015-04-16
Commission de Surveillance du Secteur Financier

PROSPECTUS

Relating to the permanent offer of Shares of the Investment Company with Variable Capital ("SICAV") under Luxembourg law and with multiple Sub-Funds

NEXT AM FUND

The shares (each a "**Share**") of the various sub-funds (each a "**Sub-Fund**") of the investment company with variable capital NEXT AM FUND (the "**Company**") may only be subscribed on the basis of the information contained in the present prospectus, including the appendices of each Sub-Fund as they are mentioned in the present document and giving a descriptive of the different Sub-Funds of the Company (the "**Prospectus**").
The present Prospectus may only be distributed together with the latest annual report of the Company and the latest semi-annual report of the Company published after the said annual report.
No other information may be given other than that stated in the present Prospectus, in the key investor information document and in the documents mentioned therein, which are available to the public.

13 April 2015

NEXT AM FUND
Société d'Investissement à Capital Variable
33, rue de Gasperich - L-5826 Hesperange
Grand Duchy of Luxembourg
RCS Luxembourg B168.626

List of active Sub-Fund(s)

Name of the Sub-Fund(s)	Reference currency
NEXT AM FUND – TENDANCE FINANCE	EUR

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DISCLOSURE

NEXT AM FUND was created in 3 May 2012.

Prior to considering subscription to Shares, prospective investors are recommended to carefully read the present Prospectus and examine the last annual report of the Company, copies of which may be obtained from BNP Paribas Securities Services, Luxembourg Branch and from companies ensuring the financial services and the distribution of the Shares of the Company. Subscription applications may only be made on the basis of the conditions and methods stipulated in the Prospectus. Prior to investing in the Company, prospective investors should request appropriate advice from their own legal, tax and financial advisors.

No other information may be given other than that stated in the Prospectus and in the documents mentioned therein, which are available to the public.

The Company is authorised as an Undertaking for Collective Investment in Transferable Securities (a "**UCITS**") in Luxembourg, where its Shares may be offered and sold. The Prospectus is neither an offer nor a solicitation of sale. It may not be used for such a purpose in any jurisdiction where this would not be allowed, nor may it be distributed to any persons prohibited from purchasing such Shares.

None of the Shares have been registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or under the securities laws of any state or political subdivision of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the "**United States**"). The Company has not been registered with the US Securities and Exchange Commission under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws. Consequently, this document has not been approved by the above-mentioned authority.

Accordingly, no Shares may therefore be directly or indirectly offered or sold to US Persons in the United States, except in connection with transactions in compliance with applicable law.

For the purposes of this Prospectus, a US Person includes, but is not limited to, a person (including a partnership, corporation, limited liability company or similar entity) that is a citizen or a resident of the United States or is organized or incorporated under the laws of the United States or a person that meets the substantial presence test or any other person that is not a foreign person. Shares will only be offered to a US Person at the sole discretion of the Board. Certain restrictions also apply to any subsequent transfer of Shares in the United States or to US Persons. Should a shareholder og the Company (a "**Shareholder**") become a US Person, he may be subject to US withholding taxes and tax reporting.

Any failure to abide by these restrictions may stand as a breach of US laws on transferable securities. The board of directors of the Company (the "**Board of Directors**") may demand the immediate redemption of any Shares purchased or held by US Persons inclusive any investors who would become US Persons subsequent to the purchase of Shares.

If you are in any doubt as to your status, you should consult your financial or other professional adviser. Please refer to Section IX 1. C. for general information related to the United States tax withholding and reporting under the Foreign Account Tax Compliance Act ("**FATCA**").

Considering the economic and stock exchange risks, no guarantee can be given that the Company shall achieve its investment objectives; as a consequence, the value of the Shares may decrease as well as increase.

ORGANISATION OF THE COMPANY

REGISTERED OFFICE:

33, rue de Gasperich
L-5826 Hesperange
Grand Duchy of Luxembourg

BOARD OF DIRECTORS:

Chairman:

Alain GERBALDI
LA FRANCAISE AM INTERNATIONAL
4a, rue Henri Schnadt
L-2530 Luxembourg
Grand Duchy of Luxembourg

Directors:

Pascale AUCLAIR
LA FRANCAISE ASSET MANAGMENT
173, Boulevard Haussmann
F-75008 Paris
France

Philippe VERDIER
LA FRANCAISE AM INTERNATIONAL
4a, rue Henri Schnadt
L-2530 Luxembourg
Grand Duchy of Luxembourg

Antoine ROLLAND
NEW ALPHA ASSET MANAGEMENT
173, Boulevard Haussmann
F-75008 Paris
France

Lior DERHY
NEW ALPHA ASSET MANAGEMENT
173, boulevard Haussmann
F-75008 Paris
France

Philippe PAQUET
NEW ALPHA ASSET MANAGEMENT
173, boulevard Haussmann
F-75008 Paris
France

MANAGEMENT COMPANY

LA FRANCAISE AM INTERNATIONAL
4a, rue Henri Schnadt
L-2530 Luxembourg
Grand Duchy of Luxembourg

Supervisory Board of the Management Company (*Conseil de Surveillance*):

Chairman:

Patrick RIVIERE
La Française group
173, boulevard Haussmann
F-75008 Paris
France

Members

Xavier LEPINE
LA FRANÇAISE AM
173, boulevard Haussmann
F-75008 Paris
France

Pierre LASSERRE
La Française group
173, boulevard Haussmann
F-75008 Paris
France

Management Board of the Management Company (*Directoire*):

Chairman:

Philippe LECOMTE
LA FRANÇAISE AM INTERNATIONAL
(Chief Executive Officer)
4a, rue Henri Schnadt
L-2530 Luxembourg
Grand Duchy of Luxembourg

Members:

Philippe VERDIER
LA FRANÇAISE AM INTERNATIONAL
(Conducting Officer)
4a, rue Henri Schnadt
L-2530 Luxembourg
Grand Duchy of Luxembourg

Isabelle KINTZ
LA FRANÇAISE AM INTERNATIONAL
(Conducting Officer)
4a, rue Henri Schnadt
L-2530 Luxembourg
Grand Duchy of Luxembourg

Alain GERBALDI
LA FRANÇAISE AM INTERNATIONAL
(Conducting Officer)
4a, rue Henri Schnadt
L-2530 Luxembourg
Grand Duchy of Luxembourg

CUSTODIAN BANK, DOMICILIATION AND LISTING AGENT

BNP Paribas Securities Services, Luxembourg Branch
33, rue de Gasperich
L-5826 Hesperange
Grand Duchy of Luxembourg

ADMINISTRATIVE AGENT

BNP Paribas Securities Services, Luxembourg Branch
33, rue de Gasperich
L-5826 Hesperange
Grand Duchy of Luxembourg

AUTHORISED AUDITORS

DELOITTE AUDIT
560, rue de Neudorf
L-2220 Luxembourg
Grand Duchy of Luxembourg

INVESTMENT MANAGERS - INVESTMENT ADVISORS

For the Sub-Fund: NEXT AM FUND – TENDANCE FINANCE

Investment Manager: LA FRANCAISE ASSET MANAGEMENT
173, boulevard Haussmann
F-75008 Paris
France

Investment Advisor: TENDANCE FINANCE
173, boulevard Haussmann
F-75008 Paris
France

IMPORTANT INFORMATION

The Company is registered on the official list of undertakings for collective investment in accordance with the law of 17 December 2010 ("**2010 Law**") relating to undertakings for collective investment and the law of 10 August 1915 on commercial companies, as both may be amended from time to time. In particular, it is subject to the provisions of **Part I of the 2010 Law** which relates specifically to undertakings for collective investment as defined by the European Directive 2009/65/EC. However, this registration does not require an approval or disapproval of the Commission de Surveillance du Secteur Financier, the Luxembourg supervisory authority for the financial sector ("**CSSF**") as to the suitability or accuracy of this Prospectus or any key investor information document ("**KIID**") generally relating to the Company or specifically relating to any Sub-Fund. Any representation to the contrary would be unauthorised and unlawful.

The Company's Board of Directors has taken all possible precautions to ensure that the facts indicated in the Prospectus are accurate and that no point has been omitted which could render any information as erroneous. All of the directors accept their responsibility in this matter.

Any information or representation not contained in the Prospectus, KIID, appendices of each Sub-Fund ("**Appendix (ces)**" and/or "**Appendix 1**") or in the reports that form an integral part thereof, should be considered unauthorised. Neither the remittance of the Prospectus, KIID, or the offer, issue or sale of shares of the Company (each a "**Class of Shares**" or "**Class**") shall constitute a representation that the information given in the Prospectus is correct as of any time other than the date stipulated in the legal documentation. In order to take important changes such as the opening of a new Sub-Fund, new categories and/or new Classes of Shares into account, the Prospectus and its Appendices shall be updated at the appropriate time. Subscribers are therefore advised to contact the Company in order to establish whether any later Prospectus and/or KIID have been published. Prospective subscribers and purchasers of Shares are thus advised to enquire as to the possible tax consequences, legal controls, foreign exchange restrictions and controls they may face in the countries of their domicile or of which they are national or resident, which may regulate the subscription, purchase, holding or sale of Shares.

Data Protection

The Company, the Management Company and other service providers collect, store, and process by electronic or other means the data supplied by investors, at the time of their subscription for the purpose of fulfilling the services required by the Shareholders and complying with their respective legal obligations, whereby a Shareholder is a holder of Share(s) entitled to an undivided co-ownership of the assets and liabilities comprising the relevant Sub-Fund and to participate and share in the gross income of the relevant Sub-Fund, registered by the Management Company, respectively the register and transfer agent appointed by the Management Company, in the Shareholder register as the owner of the Shares.

The investor, meaning a subscriber for or holder of Shares, as the case may be, and this term includes, where appropriate, a Shareholder, may, at his/her/its discretion, refuse to communicate the Personal Data to the Company and its services providers ("**Investor**"). In this case, however, the Company and/or the Management Company, as the case may be, may, in their sole discretion, reject his/her/its request for subscription of Shares.

In particular, the data supplied by Investors is processed for the purpose of (i) maintaining the register of Shareholders, (ii) processing subscriptions, redemptions and conversions of Shares and payments of dividends to Shareholders, (iii) performing controls on late trading and market timing practices, (iv) complying with applicable anti-money laundering rules.

The Company and/or the Management Company, as the case may be, can delegate to another entity, the Processors, located in the European Union, the processing of the Personal Data.
Each Shareholder has a right to access his/her/its Personal Data and may ask for a rectification thereof in cases where such data is inaccurate and/or incomplete. In relation thereto, each Shareholder has the right to ask for a rectification by a letter addressed to the Company.

The Shareholder has a right of opposition regarding the use of its Personal Data for marketing purposes. This opposition can be made by a letter addressed to the Company.

Investor Responsibility

Prospective investors should review this Prospectus and each relevant KIID carefully in its entirety and consult with their legal, tax and financial advisors in relation to (i) the legal requirements within their own countries for the subscription, holding, redemption or disposal of Shares; (ii) any foreign exchange restrictions to which they are subject in their own country in relation to the subscription, holding, redemption or disposal of Shares; and (iii) the legal, tax, financial or other consequences of subscribing for, holding, redeeming or disposing of Shares. Prospective investors should seek the advice of their legal, tax and financial advisors if they have any doubts regarding the contents of this Prospectus and each KIID.

FATCA Requirements

FATCA provisions generally impose a reporting to the U.S. Internal Revenue Service of U.S. persons' direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Failure to provide the requested information will lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends.

The basic terms of FATCA currently appear to include the Company as a "Financial Institution", such that in order to comply, the Company may require all Shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned legislation.

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

The abbreviations below denote the following currencies:
EUR Euro

P R O S P E C T U S

relating to the permanent offer of Shares
in the Investment Company with Variable Capital
"NEXT AM FUND"

I. GENERAL DESCRIPTION

1. INTRODUCTION

NEXT AM FUND is an investment company with variable capital ("**Company**") comprising various Sub-Funds, each of which holds a portfolio of separate assets made up of transferable securities denominated in different currencies. The characteristics and investment policy of each Sub-Fund are listed in Appendix 1 appended to the Prospectus.

The capital of the Company is divided into several Sub-Funds each of which can offer several categories as defined for each of the Sub-Funds: some categories can offer one or more Classes of Shares as defined in Chapter IV.

The Company may create new Sub-Funds and/or new categories and/or new Classes of Shares. Whenever new Sub-Funds, categories and/or Classes of Shares are launched the Prospectus shall be updated accordingly.

The effective opening of any new Sub-Fund, of any category or Class of Shares of a Sub-Fund mentioned in the Prospectus shall be subject to a decision of the Board of Directors which shall in particular determine the price and period/date of initial subscription as well as the date of payment of such initial subscription.

For each Sub-Fund, the management objective shall be to combine a maximisation of growth and capital return.

The Shares of each Sub-Fund, category or Class of Shares shall be issued and redeemed at a price to be determined in Luxembourg according to the frequency indicated in Appendix 1 (a day set for such calculation being defined as a "**Valuation Day**").

In relation to any Class of Shares in a Sub-Fund, the price shall be based on the net asset value per Share, i.e. the value of the net assets of the relevant Sub-Fund attributable to the relevant Class of Shares of the Sub-Fund ("**Net Asset Value**" or "**NAV**"). For the avoidance of doubt, when the content so requires, the term "Net Asset Value" shall also mean the Net Asset Value of a given Sub-Fund, being the sum of the Net Asset Value of the Shares, category or Class of Shares of such Sub-Fund.

The Net Asset Value shall be expressed in the reference currency of that Sub-Fund or in a certain number of other currencies, as indicated in Appendix 1.

As a matter of principle, switching from one Sub-Fund, category or Class of Shares to another Sub-Fund, category or Class of Shares may be done each Valuation Day. This can be achieved by converting Shares of one Sub-Fund, category or Class of Shares into Shares of another Sub-Fund, category or Class of Shares subject to payment of a conversion commission, as mentioned in Appendix 1.

2. THE COMPANY

The Company was incorporated in Luxembourg on 3 May 2012 and for an indefinite period under the name **"NEXT AM FUND".**

The minimum capital is 1,250,000 Euros (one million two hundred fifty thousand Euros). The Company's capital is expressed in EUR and is at all times equal to the sum of the values of the net assets of its Sub-Funds and represented by Shares of no par value.

Variations in the capital are effected "ipso jure" and without compliance with measures regarding publication and entry in the Trade and Companies Register in Luxembourg prescribed for increases and decreases of capital of public limited companies.

The articles of association of the Company were published in the *Mémorial, Recueil des Sociétés et Associations* on 25 May 2012.

As per an extraordinary general meeting held on 18 February 2013, the investment policy of the Company was amended by adding a point F. in the articles of association of the Company ("**Articles of Incorporation**").

The Company is registered with the Trade and Companies Register in Luxembourg under number B168.626.

The fact that the Company is registered on the official list established by the CSSF may under no circumstances be considered to represent a positive opinion on the part of the said supervisory authority as to the quality of the Shares put up for sale.

II. MANAGEMENT AND ADMINISTRATION

1. BOARD OF DIRECTORS

The Company's Board of Directors is responsible for the administration and management of the Company and of the assets of each Sub-Fund. It may carry out all acts of management and administration on behalf of the Company; in particular it may purchase, sell, subscribe or exchange any transferable securities and exercise all rights directly or indirectly attached to the Company's assets.

The list of the members of the Board as well as of the other administrating bodies may be found in this Prospectus and in the periodic reports.

2. MANAGEMENT COMPANY

LA FRANCAISE AM INTERNATIONAL (the "**Management Company**") has been appointed as management company of the Company. The Management Company is accredited as Management Company in accordance with the Chapter 15 of the 2010 Law. It was incorporated on 14 October 1985 as a *société anonyme* under Luxembourg law for an unlimited period and is registered with the Trade and Companies Register in Luxembourg under number B 23.447. Its registered office is at 4a, rue Henri Schnadt, L-2530 Luxembourg. The Management Company has a fully paid up share capital of two million five hundred and twenty five thousand euro (EUR 2,525,000). The articles of incorporation, as amended, have been deposited with the Luxembourg Trade and Company Register and published on 20 October 2011 in the *Mémorial C, Récueil des Sociétes et Associations* ("***Mémorial***"), the official gazette of the Grand – Duchy of Luxembourg. It is currently a Management Company for SICAVs:

- LFP Opportunity
- Mandarine Funds
- LFP Opportunity Loans
- JKC Fund
- La Française LUX (formerly La Française AM Fund)
- LFP S&P Capital IQ Fund
- LFIS Vision

➢ BKCP Fund

The corporate purpose of the Management Company is to manage investment funds under Luxembourg law.

The Company has appointed the Management Company by a management company services agreement (the "**Management Company Services Agreement**") effective on 3 May 2012 as Management Company of the Company to provide it with investment management, administration and marketing services (the "**Services**"). The Management Company Services Agreement has been concluded for an unlimited period and can be terminated by either party upon giving to the other party no less than ninety (90) days written notice. The responsibilities of the Company remain unchanged further to the appointment of the Management Company.

In the provision of the Services, the Management Company is authorised, in order to conduct its duties efficiently, to delegate with the consent of the Company and the Luxembourg supervisory authority, under its responsibility and control, part or all of its functions and duties to any third party.

In particular, the management function includes the following tasks:

- to give all opinions or recommendations concerning the investments to be made,

- to conclude contracts, to purchase, sell, exchange and/or deliver all transferable securities and all other assets,

- on behalf of the Company, to exercise all voting rights attached to the transferable securities constituting the Company's assets.

In particular, the functions of administrative agent include (i) calculation and publication of the Net Asset Value of the Shares of each Sub-Fund in accordance with the 2010 Law and the Articles of Incorporation and (ii) the provision, on behalf of the Company, of all the administrative and accounting services necessary to the management.

As keeper of the registrar and transfer agent, the Management Company is responsible for processing subscription, redemption and conversion applications regarding Shares and for keeping the register of Shareholders of the Company in accordance with the provisions described in more detail in the Management Company Services Agreement.

The functions of the principal distributor include the marketing of the Shares in Luxembourg and/or abroad.

The rights and obligations of the Management Company are governed by agreements entered into for an indefinite term.

In accordance with the laws and regulations in force and with the prior consent of the Board of Directors and subject to the approval of the CSSF, the Management Company is authorised, under its responsibility and control, to delegate its functions and powers or part thereof to any persons or Company it deems appropriate, provided the Prospectus is updated in advance and the Management Company retains full liability for acts committed by its delegate/s. Any such delegate/s, with regards to the nature of the functions and duties to be delegated, must be qualified and capable of undertaking the duties in question.

The Management Company will require any such agent to which it intends to delegate its duties to comply with the provisions of the Prospectus, the Articles of Incorporation and the relevant provisions of the Management Company Services Agreement.

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

the Articles of Incorporation, the Prospectus and the agreement entered into with the relevant third party service provider.

The Management Company will be diligent and exhaustive in the selection and monitoring of the third parties to whom functions and duties may be delegated and ensure that the relevant third parties have sufficient experience and knowledge as well as the necessary authorisations required to carry out the delegated functions.
At the present time, the functions of management, administrative agent and registrar and transfer agent are delegated.

3. CUSTODIAN BANK

BNP Paribas Securities Services, Luxembourg Branch was appointed Custodian Bank of the assets of the Company under the terms of an agreement dated 3 May 2012 between BNP Paribas Securities Services, Luxembourg Branch and the Company ("**Custodian Bank**").

This agreement may be terminated by each of the parties with prior notice of ninety (90) days (as stipulated in the applicable contractual provisions and as also specified below).

BNP Paribas Securities Services is a bank organised in the form of a partnership limited by shares under French law and entirely held by BNP Paribas. As at 31 December 2011 its capital amounted to EUR 165 million. The Luxembourg branch commenced activity on 1 June 2002 and the address of its offices is 33, rue de Gasperich, L-5826 Hesperange, Grand Duchy of Luxembourg.

The Custodian Bank is custodian of the assets, securities and other transferable ownership documents, cash and other assets which the Company possesses or which it may acquire in accordance with its investment policy.

In accordance with banking practice and under its sole responsibility, the Custodian Bank may entrust all or part of the Company's assets which it holds in Luxembourg to other banking or financial intermediaries. Any and all acts relating to the disposal of the Company's assets are carried out by the Custodian Bank upon instructions from the Company.

The Custodian Bank will further, in accordance with the 2010 Law:

(1) ensure that the sale, issue, redemption and cancellation of Shares effected by or on behalf of the Company are carried out in accordance with the 2010 Law or with the Articles of Incorporation;

(2) ensure that in transactions involving the Company's assets, the consideration is remitted to it within the usual time limits;

(3) ensure that the Company's revenues are allocated in accordance with its Articles of Incorporation.

In the case of Master-Feeder structures, if the master and the feeder UCITS have a different depositary from the Custodian Bank, the Custodian Bank will enter into an information-sharing agreement with the other depositary in order to ensure the fulfilment of the duties of both depositaries.

The Company may release the Custodian Bank from its duties with ninety (90) days written notice. Likewise, the Custodian Bank may resign from its duties with ninety (90) days written notice to the Company. The following provisions shall then apply to the Custodian Bank:

- a new custodian bank must be designated within two (2) months of the termination of the Custodian Bank's contract to carry out the duties and assume the responsibilities of the Custodian Bank as defined in the agreement signed to this effect;

- if the Company releases the Custodian Bank from its duties, the Custodian Bank shall continue to carry out its duties for the period necessary to assure the complete transfer of all of the Company's assets to the new custodian;
- if the Custodian Bank resigns from its duties, it shall not be released of its obligations until a new custodian bank has been designated and all the Company's assets have been transferred thereto;

- unclaimed dividends shall be transferred to the new Custodian Bank and/or financial agent (if any).

4. DOMICILIATION AND LISTING AGENT

The Company has appointed BNP Paribas Securities Services, Luxembourg Branch as its domiciliary and listing agent ("**Domiciliary and Listing Agent**"). In its capacity as such, it will be responsible for all corporate agency duties required by Luxembourg law, and in particular for providing and supervising the mailing of statements, reports, notices and other documents to the Shareholders, in compliance with the provisions of, and as more fully described in, the agreement mentioned hereinafter.

The rights and duties of the Domiciliary and Listing Agent are governed by an agreement entered into for an unlimited period of time on 3 May 2012. This agreement may be terminated by each of the parties with prior notice of ninety (90) days (as stipulated in the applicable contractual provisions).

5. ADMINISTRATIVE AGENT

BNP Paribas Securities Services, Luxembourg Branch, with its registered office at 33, rue de Gasperich, L-5826 Hesperange, performs the functions of an administrative agent ("**Administrative Agent**"), including the functions of Registrar and Transfer Agent, pursuant to an agreement between the Management Company and BNP Paribas Securities Services, Luxembourg Branch dated 6 September 2012. This agreement may be terminated by each of the parties by means of prior notice of ninety (90) days (as stipulated in the applicable contractual provisions).

In this context, BNP Paribas Securities Services, Luxembourg Branch performs the administrative functions required by the 2010 Law such as the bookkeeping of the Company and calculation of the Net Asset Value per Share. The Administrative Agent supervises all submissions of declarations, reports, notices and other documents to Shareholders.

As Registrar and Transfer Agent, it takes responsibility in particular for keeping the register of registered Shares. It is also responsible for the process of subscription and applications for the redemption of Shares and, if applicable, applications for the conversion of Shares as well as acceptance of such transfers of funds. Moreover, it must deliver Share confirmations and accept Share confirmations submitted for replacement and if such should be the case for redemption or conversion.

6. INVESTMENT ADVISORS AND INVESTMENT MANAGERS

The Management Company may be assisted by one or more delegate investment advisor(s) and/or investment manager(s) as specified in Appendix 1. The control and final responsibility of the activities of the investment advisor(s) and/or investment manager(s) shall rest with the Board of Directors. The name of the investment advisor(s) and/or investment manager(s) shall be indicated in the Appendices of each Sub-Fund. The investment advisor(s) and/or investment manager(s) shall be entitled to receive the payment of an advisory and/or a management fee, the rates and methods of calculation of which are mentioned in the Appendices of each Sub-Fund.

7. DISTRIBUTORS AND NOMINEES

The Management Company may decide to appoint nominees and distributors for the purpose of assisting in the distribution of the Shares in the countries in which they shall be sold.

Distribution and nominee agreements shall be concluded between the Company, the Management Company and the various nominees/distributors.

In accordance with these distribution and nominee agreements, the name of the nominee, rather than that of the Investors investing in the Company, shall be recorded in the register of Shareholders. The terms and conditions of the distribution and nominee agreements shall stipulate, among others, that an Investor who has invested in the Company via a nominee may request at any time that the Shares be re-registered under his/her own name. In this case the Investor's name shall be entered in the register of Shareholders as soon as the Company receives the transfer instructions from the nominee.

Prospective Shareholders may subscribe for Shares by applying directly to the Company, without having to act through one of the nominees/distributors.

Copies of the distribution and nominee agreements may be consulted by the Shareholders at the Company's registered office as well as at the Administrative Agent's registered office and at the registered offices of the nominees/distributors during normal office hours.

8. AUDITING OF THE COMPANY'S OPERATIONS

The auditing of the Company's accounts and annual financial statements is entrusted to Deloitte Audit, having its registered office at 560, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg, in its capacity as authorised auditor of the Company.

III. INVESTMENT POLICIES

The main objective of the Company is to offer Shareholders the opportunity to participate in the professional management of portfolios of transferable securities or short-term instruments similar to transferable securities within the meaning of Article 41. (1) of the 2010 Law as defined in the investment policy of each Sub-Fund (see Appendix 1).

The Company can offer no guarantee that its objectives will be fully achieved. Nevertheless, diversification of the portfolios of the Sub-Funds helps limit the risks inherent to any investments, if unable to eliminate them completely.

The Company's investments shall be made under the control and authority of its Board of Directors.

1. INVESTMENT POLICIES - GENERAL PROVISIONS

The specific investment policy of each Sub-Fund as detailed in Appendix 1 of the Sub-Funds has been defined by the Board of Directors.

The Company allows Shareholders to modify the trend of their investments, and where applicable, to change investment currencies through the conversion of Shares held in a Sub-Fund, category or Class of Shares into Shares of another Sub-Fund, category or Class of Shares.

The objective of each Sub-Fund is the maximum appreciation of the assets invested. The Company may take as much risk as it deems reasonable in line with its objectives; it cannot however guarantee that it shall reach such objectives due to stock exchange fluctuations and other risks incurred by investments made in transferable securities.

Unless otherwise specified in each Sub-Fund's investment policy, no guarantee can be given on the realisation of the investment objectives of the Sub-Funds and past performance is not an indicator of future performances.

2. SPECIAL REGULATIONS AND INVESTMENT RESTRICTIONS

The general provisions hereunder shall apply to all the Sub-Funds unless otherwise provided in the specific investment objectives of a Sub-Fund. In this case, Appendix 1 of that Sub-Fund shall list the specific restrictions intended to take over the present general provisions.

A. The Company's investments must comprise only one or more of the following:

(1) Transferable Securities and money market instruments admitted to or dealt in a regulated market within the meaning of Directive 2004/39/EC.

(2) Transferable Securities and money market instruments dealt in on another market in a member State of the European Union (the "**EU**") which is regulated, operates regularly, and is recognised and open to the public.

(3) Transferable Securities or money market instruments admitted to official listing on a stock exchange in the EU or dealt in on another market in a non-Member State of the EU which is regulated, operates regularly and is recognised and open to the public in any other country in Eastern and Western Europe, the American continent, Asia, Oceania and Africa.

(4) Transferable Securities and money market instrument newly issued provided that:

(i) the terms governing the issue include the provision that application shall be made for official listing on a stock exchange, or on another regulated market which operates regularly, and is recognised and open to the public; and

(ii) such listing is secured within one year of issue.

(5) Shares of UCITS and/or other UCI within the meaning of Article 1(2), first and second hyphens of Directive 2009/65/EC, whether or not established in a Member State of the EU, provided that:

(i) such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently guaranteed;

(ii) the level of protection of shareholders in the other UCI is equivalent to the level of protection of shareholders of a UCITS and in particular the provisions for separate management of the Company's assets, borrowing, credit allocation and short selling of securities and money market instruments are equivalent to the requirements of the Directive 2009/65/EC;

(iii) the business activity of the other UCI is subject to semi-annual and annual report which permits a statement to be made on the assets and liabilities, earnings and transactions within the reporting period; and

(iv) in accordance with its articles of incorporation the UCITS or other UCI whose shares are being acquired may invest altogether a maximum 10% of its assets in the shares of other UCITS or other UCI.

(6) Sight deposits or callable deposits with a maximum term of twelve months with credit institutions, provided the credit institution in question has its registered office in an EU Member State or, if the registered office of the credit institution is in a third state, provided it is subject to supervisory provisions that the CSSF holds to be equivalent to those of EU law.

(7) Derivatives, including similar instruments giving rise to a settlement in cash, which are traded on a regulated market of the type referred to in points (1), (2) and (3) above, and/or

derivatives traded over the counter (hereinafter called "**over-the-counter derivatives**"), provided that:

(i) the underlying assets are instruments within the meaning of this section A, financial indices, interest rates, exchange rates or currencies, in which the Company may invest in accordance with its investment objectives;

(ii) with regard to transactions involving OTC derivatives, the counterparts are institutions from categories subject to official supervision which is approved by the Luxembourg supervisory authorities;

(iii) the OTC derivatives are subject to reliable and examinable valuation on a daily basis and can at an appropriate time on the initiative of the Company be disposed of, liquidated or realised by counter-transaction at any time and at their fair value.

(iv) in no case shall these transactions lead the Company to diverge from its investment objectives.

In particular, the Company may intervene in transactions relating to options, future contracts on financial instruments and options on such contracts.

(8) Money-market instruments, that are not traded on a regulated market, provided the issue or the issuer of such instruments are subject to provisions concerning deposits and investor protection, and provided they are:

(i) issued or guaranteed by a central state, regional or local body or central bank of a Member State of the EU, the European Central Bank, the European Union or the European Investment Bank, a third state or in the case of a federal state, a Member State of the federation, or an international public law institution, which at least belongs to a Member State of the EU, or

(ii) issued by a Company the securities of which are traded on the regulated markets referred to in points (1), (2) and (3) above; or

(iii) issued or guaranteed by an establishment subject to prudential surveillance according to the criteria defined by EU Law, or by an establishment which is subject to and abides by prudential rules considered by the CSSF to be at least as strict as those provided by EU legislation; or

(iv) issued by other issuers which belong to a category approved by the CSSF, provided that for investments in these instruments there are provisions for investor protection which are equivalent to the first, second or third point and provided the issuer is either a Company with equity capital and reserves of at least ten million euros (EUR 10,000,000), which draws up and publishes its annual reports in accordance with the provisions of the Directive 78/660/EEC, or a legal entity which, within a group of companies with one or more stock market listed companies, is responsible for the financing of the group, or a legal entity where the security backing of liabilities will be financed by use of a line of credit granted by a bank.

B. Moreover, the Company may for each Sub-Fund:

(1) Invest up to 10% of the net assets of the Sub-Fund in transferable securities or money market instruments other than those referred to in A (1) to (4) and (8).

(2) On an ancillary basis, hold liquidities and other instruments similar to liquidities.

(3) Borrow up to 10% of the net assets of the Sub-Fund, insofar as these are temporary borrowings. Commitments in relation to option contracts, purchases and sales of future contracts are not considered borrowings for calculation of the investment limit.

(4) Acquire currencies through a type of face-to-face loan.

C. Furthermore, as regards the net assets of each Sub-Fund, the Company shall observe the following investment restrictions per issuer:

(1) Rules as to distribution of risks

For calculation of the limits described in points (1) to (5) and (8) above, companies included in the same group of companies shall be considered a single issuer.

To the extent that an issuer is a legal entity with multiple Sub-Funds where the assets of one Sub-Fund respond exclusively to the rights of investors in relation to that Sub-Fund and those of the creditors whose claims arise out of the incorporation, operation or liquidation of that Sub-Fund, each Sub-Fund shall be considered a separate issuer for application of the rules as to the distribution of risks.

- **Transferable Securities and Money Market Instruments**

(1) A Sub-Fund may not acquire additional transferable securities and money market instruments from one and the same issuer if, as a consequence of that acquisition:

a. more than 10% of its net assets correspond to transferable securities or money market instruments issued by that entity;

b. the total value of the transferable securities and money market instruments held of issuers in each of which it invests more than 5% exceeds 40% of the value of its net assets. That limit is not applicable to deposits with financial establishments subject to prudential surveillance and to over-the-counter ("**OTC**") transactions on derivatives with those establishments.

(2) The limit of 10% fixed in point (1) (a) is raised to 20% if the transferable securities and money market instruments are issued by the same group of companies.

(3) The maximum limit of 10% indicated in section (1) (a) may be increased to a maximum 35% if the securities or money market instruments are issued or guaranteed by a Member State of the EU or its regional bodies, by a third state or by international public law institutions which at least belong to an EU Member State.

(4) The maximum limit of 10% indicated in section (1) (a) may be increased to a maximum 25% for specific bonds, if these are issued by a credit institution with registered office in a Member State of the EU, and which is subject to specific official supervision on the basis of the legal provisions for the protection of holder of those bonds. In particular, the proceeds from the issue of these bonds must in accordance with legal provisions be invested in assets which during the entire term of the bonds adequately cover the liabilities arising there from and which are allocated for the due repayment of capital and the payment of interest in the event of the default of the issuer. If a Sub-Fund invests more than 5% of its net assets in such bonds that are issued by one and the same issuer, then the total value of those investments may not exceed 80% of the value of the net assets of the Sub-Fund.

(5) The securities and money-market instruments mentioned in sections (3) and (4) above are not included when applying the investment limit of 40% provided in section (1) (b).

(6) **Where any Sub-Fund has invested in accordance with the principle of risk spreading in transferable securities or money market instruments issued or guaranteed by an EU member state, by its local authorities or by an OECD member state or Brazil, Singapore or any G20 member state, or by public**

international bodies of which one or more EU member states are members, the Company may invest 100% of the Net Asset Value of any Sub-Fund in such securities provided that such Sub-Fund must hold securities from at least six different issues and the value of securities from any one issue must not account for more than 30% of the Net Asset Value of the Sub-Fund.

(7) Notwithstanding the limits imposed in section (2) hereinafter, the limits mentioned under point (1) are increased to a maximum 20% for investments in shares and/or bonds issued by the same entity, when the Company's investment policy aims to reproduce the composition of a specific share or bond index recognised by the CSSF, on the following bases:

(i) the composition of the index is sufficiently diversified,
(ii) the index constitutes a representative benchmark for the market to which it relates,
(iii) it is subject to the appropriate publication.

The limit of 20% amounts to 35% provided this is justified on the basis of extraordinary market circumstances, in particular on regulated markets on which certain securities or money market instruments are extremely dominant. An investment up to this maximum limit is only possible with a single issuer.

- **Bank deposits**

(8) The Company may not invest more than 20% of the net assets of each Sub-Fund in deposits placed with the same entity.

- **Derivatives**

(9) The default risk of the counterparty in transactions with OTC derivatives may not exceed 10% of the net assets of the Sub-Fund, if the counterparty is a credit institution as described in A (6) above. For other cases, the limit is up to a maximum of 5% of the net assets.

(10) Investments may be made in derivatives insofar as, globally, the risks to which the underlying assets are exposed do not exceed the investment limits fixed in points (1) to (5), (8), (9), (13) and (14). When the Company invests in derivatives based on an index, those investments are not necessarily combined to the limits fixed in points (1) to (5), (8), (9), (13) and (14).

(11) When a transferable security or money market instrument contains a derivative, the latter must be taken into account in applying the provisions of Section C, point (14) and Section D, point (1) as well as for assessing the risks associated with derivatives transactions, insofar as the overall risk associated with derivatives does not exceed the total Net Asset Value of the assets.

- **Shares in open-ended funds**

(12) The Company may not invest more than 20% of the net assets of each Sub-Fund in the shares of the same UCITS or other UCI, as defined in Section A point (5).

- **Combined limits**

(13) Notwithstanding the individual limits fixed in points (1), (8) and (9) above, a Sub-Fund may not combine:

- investments in transferable securities or money market instruments issued by the same entity,

- deposits with the same entity, and/or

- risks arising from over-the-counter derivatives transactions with a single entity, which are greater than 20% of its net assets.

(14) The limits provided in points (1), (3), (4), (8), (9) and (13) above may not be combined. As a consequence, the investments of each Sub-Fund in transferable securities or money market instruments issued by the same entity, in deposits with that entity or in derivatives traded with that entity in accordance with points (1), (3), (4), (8), (9) and (13) may not exceed a total 35% of the net assets of that Sub-Fund.

(2) Limitations as to control

(15) The Company may not acquire any voting shares that would enable it to exercise a considerable influence on the management of the issuer.

(16) The Company may not acquire (i) more than 10% of non-voting equities of one and the same issuer; (ii) more than 10% of the bonds of one and the same issuer; (iii) more than 10% of the money market instruments of one and the same issuer; or (iv) more than 25% of the shares of the same UCITS and/or other UCI.

The limits provided under points (ii) to (iv) need not to be respected on acquisition if the gross amount of the bonds or money market instruments, or the net amount of the issued securities cannot be calculated at the time of acquisition.

The provisions under points (15) and (16) are not applicable to:

- securities and money market instruments issued or guaranteed by an EU Member State or its regional bodies;

- securities and money market instruments issued or guaranteed by a third state;

- securities and money market instruments issued or guaranteed by international public law organisations, to which belong one or more EU Member States;

- shares held in the capital of a company from a third state, under the provisions that (i) the company invests its assets essentially in securities of issuers who are residents in said third state, (ii) owing to the legal regulations of that third state, such a stake represents the only possibility to invest in securities of issuers of that third state, and (iii) in its investment policy the company observes the rules of diversification of risk and limitations as to control indicated in Section C, point (1), (3), (4), (8), (9), (12), (13), (14), (15) and (16) and in Section D, point (2);

- shares held in the capital of subsidiaries carrying on any management, advisory or marketing activities solely for the exclusive benefit of the Company in the country where the subsidiary is located as regards the redemption of Shares or the application of Shareholders.

D. Moreover, the Company must observe the investment restrictions for the following instruments:

(1) Each Sub-Fund shall ensure that the overall risk associated with derivatives does not exceed the total net value of its portfolio.

Risks are calculated taking account of the current value of the underlying assets, counterparty risk, foreseeable market evolution and the time available to liquidate positions.

(2) Investments in the shares of UCI other than UCITS may not in total exceed 30% of the net assets of the Company.

E. Furthermore, the Company shall ensure that the investments of each Sub-Fund comply with the following rules:

(1) The Company may not acquire commodities, precious metals or even certificates representing them, it being understood that transactions relating to currencies, financial instruments, indices or securities and likewise future contracts, option contracts and swap contracts relating thereto are not considered transactions relating to merchandise within the meaning of this restriction.

(2) The Company may not acquire real estate, unless such acquisitions are indispensable in the direct exercise of its activity.

(3) The Company may not use its assets to guarantee securities.

(4) The Company may not issue warrants or other instruments conferring a right to acquire Shares of the Sub-Fund.

(5) Without prejudice to the possibility for the Company to acquire bonds and other debt securities and to hold bank deposits, the Company may not grant loans or act as guarantor on behalf of third parties. This restriction is not an obstacle to the acquisition of transferable securities, money market instruments or other financial instruments not fully paid up.

(6) The Company may not make short sales of transferable securities, money market instruments or other financial instruments mentioned in Section A points (5), (7) and (8).

F. Notwithstanding all the aforementioned provisions:

(1) The limits fixed previously may not be respected in the exercise of subscription rights relating to transferable securities or money market instruments which are part of the assets of the Sub-Fund concerned.

(2) If limits are exceeded irrespectively of the desire of the Company or as a consequence of the exercise of subscription rights, the Company must, in its sale transactions, regularise the situation in the best interests of the Shareholders.

The Board of Directors shall be entitled to determine other investment restrictions to the extent that those limits are necessary to comply with the 2010 Law and regulations of the country in which the Shares shall be offered or sold.

G. Cross-Investments

Finally, a Sub-Fund may subscribe, acquire and/or hold securities to be issued or issued by one or more other Sub-Funds (the "**Target Sub-Fund**"), provided that:

– the Target Sub-Fund does not, in turn, invest in the Sub-Fund investing in the Target Sub-Fund;

– the Target Sub-Fund may not, according to its investment policy, invest more than 10% of its net assets in other UCITS or UCIs;

– voting rights, attaching to the Shares of the Target Sub-Fund are suspended for as long as they are held by the Sub-Fund;

– in any event, for as long as the Shares are held by the Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purpose of verifying the minimum threshold of the net assets imposed by the 2010 Law;

– subscription, redemption or conversion fees may only be charged either at the level of the Sub-Fund investing in the Target Sub-Fund or at the level of the Target Sub-Fund;

– no duplication of management fee is due on that portion of assets between those at the level of the Sub-Fund and this Target Sub-Fund.

H. Master-Feeder structures

Under the conditions set forth in Luxembourg laws and regulations, the Board of Directors may, at any time it deems appropriate and to the widest extent permitted by applicable Luxembourg laws and regulations:

- create any Sub-Fund and/or Class of Shares qualifying either as a feeder UCITS or as a master UCITS,

- convert any existing Sub-Fund and/or Class of Shares into a feeder UCITS sub-fund and/or class of shares or change the master UCITS of any of its feeder UCITS Sub-Fund and/or Class of Shares.

By way of derogation from Article 46 of the 2010 Law, the Company or any of its Sub-Funds which acts as a feeder (the "**Feeder**") of a master-fund shall invest at least 85% of its assets in another UCITS or in a sub-fund of such UCITS (the "**Master**"). In the event that a Sub-Fund qualifies as a Feeder, it will be indicated in Appendix 1 of the relevant Sub-Fund.

The Feeder may not invest more than 15% of its assets in the following elements:

1) ancillary liquid assets in accordance with Article 41, paragraph (2), second sub-paragraph of the 2010 Law;

2) financial derivative instruments which may be used only for hedging purposes, in accordance with Article 41 first paragraph, point g) and Article 42 second and third paragraphs of the 2010 Law;

3) movable and immovable property which is essential for the direct pursuit of the Company's business.

3. FINANCIAL TECHNIQUES AND INSTRUMENTS

A. General provisions

For efficient management of the portfolio and/or with the aim of protecting its assets and liabilities, in each Sub-Fund the Company may use techniques and instruments which relate to transferable securities or money market instruments.

To that end, each Sub-Fund or category is authorised in particular to carry out transactions which have as their object the sale or purchase of future foreign exchange contracts, the sale or purchase of future contracts on currencies and the sale of call options and the purchase of put options on currencies, with the aim of protecting its assets against exchange rate fluctuations or of optimising its return, for efficient management of the portfolio.

Where a Sub-Fund uses such techniques and instruments, the relevant Appendix for such Sub-Fund shall disclose such fact, as well as a detailed description of the risks involved in these activities, including counterparty risk and potential conflicts of interest (to the extent not

covered in this general part of the Prospectus), and the impact they will have on the performance of the relevant Sub-Fund. The use of these techniques and instruments shall be in line with the best interests of the relevant Sub-Fund.

The policy regarding direct and indirect operational costs/fees arising from efficient portfolio management techniques that may be deducted from the revenue delivered to the relevant Sub-Fund are disclosed in the relevant Appendix. These costs and fees shall not include hidden revenue. The identity of the entity(ies) to which the direct and indirect costs and fees are paid are also set out in the relevant Appendix for each Sub-Fund, as well as the indication as to whether these are related parties to the Management Company or the Custodian.

The techniques and instruments used for the purposes of efficient management of the portfolio and/or with the aim of protecting its assets and liabilities shall fulfil the following criteria:

a) they are economically appropriate in that they are realised in a cost-effective way;

b) they are entered into for one or more of the following specific aims:

(i) reduction of risk;

(ii) reduction of cost;

(iii) generation of additional capital or income for the relevant Sub-Fund with a level of risk which is consistent with the risk profile of the relevant Sub-Fund and the applicable risk diversification rules, as set out in the 2010 Law;

c) their risks are adequately captured by the risk management process of the Company.

Techniques and instruments which comply with the criteria set out hereabove and which relate to money market instruments shall be regarded as techniques and instruments relating to money market instruments for the purpose of efficient portfolio management as referred to in the 2010 Law.

In applying techniques and instruments for the purposes of efficient management of the portfolio and/or with the aim of protecting its assets and liabilities, the Company shall at all times comply with the CSSF Circular 13/559 and with the ESMA Guidelines ESMA/2012/832EN in ETFs and other UCITS issues, as published on 18 December 2012.

In particular, techniques and instruments relating to transferable securities and money market instruments should not:

a) result in a change of the declared investment objective of the Company, respectively the Sub-Fund; or

b) add substantial risks in comparison to the original risk policy as described herein and/or the relevant Appendix for the Sub-Fund.

All the revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs, shall be returned to the relevant Sub-Fund.

The Company, in entering into efficient portfolio management transactions, shall take into account these operations when developing its liquidity risk management process in order to ensure it is able to comply at any time with its redemption obligations.

When these transactions relate to the use of derivatives, the conditions and limits fixed previously in section A, point (7), in Section C, points (1), (9), (10), (11), (13) and (14) and in Section D, point (1) must be respected.
In no case the use of financial derivatives instruments or other financial techniques and financial instruments may lead the Company to diverge from its investment objectives as expressed in the Prospectus.

The Company's annual report shall contain details of the following:

a) the exposure obtained through efficient portfolio management techniques;

b) the identity of the counterparty(ies) to these efficient portfolio management techniques;

c) the type and amount of collateral received by the Company, respectively the relevant Sub-Fund, to reduce counterparty exposure; and

d) the revenues arising from efficient portfolio management techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.

B. Risks - Warning

With a view to optimising the return on their portfolio, all the Sub-Funds are authorised to use the derivative techniques and instruments described above (in particular swap contracts on rates, currencies and other financial instruments, future contracts, options on transferable securities, on rates or on future contracts), observing the conditions mentioned above.

Investors' attention is drawn to the fact that market conditions and the regulations in force may restrict the use to these instruments. No guarantee may be given as to the success of these strategies. The Sub-Funds using these techniques and instruments bear risks and costs associated with such investments which they might not have been borne if they had not followed such strategies. Investors' attention is further drawn to the increased risk of volatility arising from Sub-Funds using these techniques and instruments other than for hedging purposes. If the forecasts of managers and delegate managers as to the movements of markets in securities, currencies and interest rates prove to be inaccurate, the Sub-Fund affected might find itself in a worse situation than if those strategies had not been followed.

When using derivatives, each Sub-Fund may carry out over-the-counter transactions on future and cash contracts on indices or other financial instruments as well as on swaps on indices or other financial instruments with first-class banks or stockbrokers specialising in this matter acting as counterparts. Although the corresponding markets are not necessarily deemed more volatile than other futures markets, operators are less well protected against insolvency in their transactions on these markets since the contracts traded there are not guaranteed by a clearing house.

C. Securities lending operations

The Company may enter into securities lending transactions provided it complies with the following rules:

(1) The Company may lend the securities included in its portfolio to a borrower either directly or through a standardised lending system organised by a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in this type of transactions. In all cases, the counterparty to the securities lending agreement (i.e. the borrower) must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law. In case the aforementioned financial institution acts on its own account, it is to be considered as counterparty in the securities lending agreement. If the Company lends its securities to entities that are linked to the Company by common management or control, specific attention has to be paid to the conflicts of interest which may result therefrom.

(2) The Company must receive, previously or simultaneously to the transfer of the securities lent, a guarantee which the value at conclusion of the contract and during the life of the contract must be at least equal to the total value of the securities lent. At maturity of the

securities lending transaction, the guarantee will be remitted simultaneously or subsequently to the restitution of the securities lent.

In case of a standardised securities lending system organised by a recognised clearing institution or in case of a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in this type of transactions, securities lent may be transferred before the receipt of the guarantee if the intermediary in question assures the proper completion of the transaction. Such intermediary may, instead of the borrower, provide to the Company a guarantee which the value at conclusion of the contract must be at least equal to the total value of the securities lent.

(3) The Company must ensure that the volume of the securities lending transactions is kept at an appropriate level or that it is entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations and that these transactions do not jeopardise the management of Company's assets in accordance with its investment policy.

(4) The Company should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

(5) In its financial reports, the Company must disclose the global valuation of the securities of the date of reference of these reports.

D. Repurchase agreements

The Company may enter into repurchase agreement transactions, which consist of a forward transaction at the maturity of which the Company has the obligation to repurchase the asset sold and the buyer (the counterparty) the obligation to return the asset received under the transaction.

However, its involvement in such transactions is subject to the following rules:

(1) The Company may enter into these transactions only if the counterparties to these transactions are subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.

(2) At the maturity of the contract, the Company must ensure that it has sufficient assets to be able to settle the amount agreed with the counterparty for the restitution of the Company. The Company must take care to ensure that the volume of the repurchase agreement transactions is kept at a level such that it is able, at all times, to meet its redemption obligation towards Shareholders.

(3) In its financial reports, the Company must provide separate information on securities sold under repurchase agreements, disclosing the total amount of the open transactions on the date of reference of these reports.

(4) When entering into a repurchase agreement the Company shall ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.

(5) Fixed-term repurchase agreements that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

E. Reverse repurchase agreements

(1) When entering into a reverse repurchase agreement in the context of a given Sub-Fund the Company shall ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-

market value of the reverse repurchase agreement shall be used for the calculation of the Net Asset Value of the relevant Sub-Fund.

(2) Fixed-term reverse repurchase agreements that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

F. Financial Derivative Instruments

(1) Where a Sub-Fund enters into a total return swap or invests in other financial derivative instruments with similar characteristics, the assets held by it shall comply with the investment limits set out in the 2010 Law and herein. For example, when a Sub-Fund enters into an unfunded swap, the Sub-Fund's investment portfolio that is swapped out shall comply with such investment limits.

(2) In accordance with the 2010 Law and Article 43(5) of Directive 2010/43/EU, where a Sub-Fund enters into a total return swap or invests in other financial derivative instruments with similar characteristics, the underlying exposures of the financial derivative instruments shall be taken into account to calculate the investment limits laid down in 2010 Law.

(3) The Appendix of a relevant Sub-Fund using total return swaps or other financial derivative instruments with the same characteristics shall include the following:

a) information on the underlying strategy and composition of the investment portfolio or index;

b) information on the counterparty(ies) of the transactions;

c) a description of the risk of counterparty default and the effect on investor returns;

d) the extent to which the counterparty assumes any discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying of the financial derivative instruments, and whether the approval of the counterparty is required in relation to any Sub-Fund investment portfolio transaction; and

e) subject to the provisions set out in item (4) below, identification of the counterparty as an investment manager.

(4) Where the counterparty has discretion over the composition or management of the relevant Sub-Fund's investment portfolio or of the underlying of the financial derivative instrument, the agreement between the Company in relation to such Sub-Fund and the counterparty shall be considered as an investment management delegation arrangement and shall comply with the applicable requirements on delegation.

(5) The Company's annual report shall contain for each relevant Sub-Fund, to the extent applicable, details of the following:

a) the underlying exposure obtained through financial derivative instruments;

b) the identity of the counterparty(ies) to these financial derivative transactions; and

c) the type and amount of collateral received by the relevant Sub-Fund to reduce counterparty exposure.

G. Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques

(1) All assets received by a relevant Sub-Fund in the context of efficient portfolio management techniques are considered as collateral for the purpose of these provisions and shall comply with the criteria laid down in the paragraph below.

(2) Where the Company, in relation to a Sub-Fund, enters into OTC financial derivative transactions and efficient portfolio management techniques, all collateral used to reduce counterparty risk exposure shall comply with the following criteria at all times:

a) **Liquidity** – any collateral received other than cash shall be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received shall also comply with the provisions of the 2010 Law.

b) **Valuation** – collateral received shall be valued on at least a daily basis and assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place. Where a Sub-Fund uses this possibility, the relevant Appendix shall indicate such haircuts.

c) **Issuer credit quality** – collateral received shall be of high quality.

d) **Correlation** – the collateral received by the Company in relation to a Sub-Fund shall be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

e) **Collateral diversification (asset concentration)** – collateral shall be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Company in relation to a Sub-Fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its Net Asset Value. When the Company in relation to a Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.

f) **Risks linked to the management of collateral**, such as operational and legal risks, shall be identified, managed and mitigated by the risk management process.

g) **Where there is a title transfer**, the collateral received shall be held by the Custodian Bank. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

h) **Collateral received shall be capable of being fully enforced** by the Company at any time without reference to or approval from the counterparty.

i) **Non-cash collateral** received shall not be sold, re-invested or pledged.

j) **Cash collateral** received shall only be:

- placed on deposit with entities prescribed in the 2010 Law;
- invested in high-quality government bonds;

- used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on accrued basis;

- invested in short-term money market funds as defined in the CESR Guidelines on a Common Definition of European Money Market Funds (Ref. CESR/10-049).

(3) Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral.

(4) Where the Company receives, in relation to a Sub-Fund, collateral for at least 30% of the Sub-Fund's assets, the Company shall have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Company to assess the liquidity risk attached to the collateral. The liquidity stress testing policy shall at least prescribe the following:

a) design of stress test scenario analysis including calibration, certification & sensitivity analysis;

b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;

c) reporting frequency and limit/loss tolerance threshold/s; and

d) mitigation actions to reduce loss including haircut policy and gap risk protection.

(5) The Company shall have in place a clear haircut policy adapted for each class of assets received as collateral. When devising the haircut policy, the Company shall take into account the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of the stress tests performed in accordance with paragraph (4) hereabove. This policy shall be documented and shall justify each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets.

(6) This Prospectus shall be updated prior to the Company implementing the provisions hereabove in order to clearly inform investors of its collateral policy. This shall include permitted types of collateral, level of collateral required and haircut policy and, in the case of cash collateral, re-investment policy (including the risks arising from the re-investment policy).

4. RISKS WARNINGS

A. Custody Risk

The Custodian Bank's liability only extends to its own negligence and wilful default and to that caused by the negligence or wilful misconduct of its local agent, and does not extend to losses due to the liquidation, bankruptcy, negligence or wilful default of any registrar agent. In the event of such losses, the Company will have to pursue its rights against the issuer and/or the appointed registrar agent of the securities.

Securities held with a local agent or clearing/settlement system or securities correspondent ("**Securities System**") may not be as well protected as those held within the Custodian Bank in Luxembourg. In particular, losses may be incurred as a consequence of the insolvency of the local correspondent or Securities System. In some markets, the segregation or separate identification of a beneficial owner's securities may not be possible or the practices of segregation or separate identification may differ from practices in more developed markets.

B. Conflicts of interest

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

Interested dealings

The Management Company, the Distributor(s), the Investment Manager and/or the Investment Advisor, the Custodian Bank and the Administrative Agent and any of their respective subsidiaries, affiliates, associates, agents, directors, officers, employees or delegates (together the Interested Parties and, each, an Interested Party) may:

• contract or enter into any financial, banking or other transaction with one another or with the Company including, without limitation, investment by the Company, in securities in any company or body any of whose investments or obligations form part of the assets of the Company or any Sub-Fund, or be interested in any such contracts or transactions;

• invest in and deal with Shares, securities, assets or any property of the kind included in the property of the Company for their respective individual accounts or for the account of a third party; and

• deal as agent or principal in the sale, issue or purchase of securities and other investments to, or from, the Company through, or with, the Investment Manager or the Custodian Bank or any subsidiary, affiliate, associate, agent or delegate thereof.

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

There will be no obligation on the part of any Interested Party to account to Shareholders for any benefits so arising and any such benefits may be retained by the relevant party. Any such transactions must be carried out as if effected on normal commercial terms negotiated at arm's length.

C. Conflicts of interest of the Investment Manager in case of securities lending

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

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

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

Where a commission (including a rebated commission) is received by the Investment Manager by virtue of an investment by a Sub-Fund in the units of another collective investment scheme, this commission must be paid into that Sub-Fund.

D. Conflicts of interest in the case of securities lending

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

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

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

Where a commission (including a rebated commission) is received by the Custodian Bank by virtue of an investment by a Sub-Fund in the units of another collective investment scheme, this commission must be paid into that Sub-Fund.

E. Emerging Markets

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

(b) Emerging country debt will be subject to high risk and will not be required to meet a minimum rating standard and may not be rated for creditworthiness by any internationally recognised credit rating organisation. The issuer or governmental authority that controls the repayment of an emerging country's debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. As a result of the foregoing, a government obligor may default on its obligations. If such an event occurs, the Company may have limited

legal recourse against the issuer and/or guarantor. Remedies must, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of foreign government debt securities to obtain recourse may be subject to the political climate in the relevant country. In addition, no assurance can be given that the holders of commercial debt will not contest payments to the holders of other foreign government debt obligations in the event of default under their commercial bank loan agreements.

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

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

(e) There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or to be transferred to the Sub-Funds. Furthermore, compensation schemes may be non-existent or limited or inadequate to meet the Company's claims in any of these events.

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

F. Not in Bank Assets

The Custodian Bank for the Company may provide, reporting services for a variety of investments that are not held in safekeeping at the Custodian Bank, classified as “Not In Bank” (NIB) assets. The counterparty which holds these NIB assets is chosen by the Company which is fully responsible for this choice and cannot liaise with the Custodian Bank’s responsibility. The Custodian Bank remains responsible for these NIB assets’ supervision, but can not offer the same protection as required if the assets are held at the Custodian Bank or its representative, particularly in case of the counterparty’s bankruptcy. Therefore, these NIB assets are not as well protected as the assets held by the Custodian Bank or its representative. Moreover, reports are the sources of these records, which are periodically provided by the relevant counterparties or their agents to the Custodian Bank. Due to the nature of these investments, the responsibility of servicing and maintaining these assets falls under the jurisdiction of the counterparties with which the investments are placed and not the Custodian Bank. Similarly, the reporting of investment information and the accuracy of the same is the responsibility of the same counterparties and their agents. The Custodian Bank has no liability for any errors, mistakes or inaccuracies in the information provided by these sources.

G. FATCA

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the 30% withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of FATCA, the value of Shares held by all Shareholders may be materially affected.

The Company and/or its Shareholders may also be indirectly affected by the fact that a non-U.S.financial entity does not comply with FATCA regulations even if the Company satisfies with its own FATCA obligations.

Please refer to Section IX 1. C. for general information related to the United States tax withholding and reporting under the Foreign Account Tax Compliance Act.

5. GLOBAL EXPOSURE

The relevant Sub-Funds will employ the commitment approach to calculate their global exposure as mentioned on a case-by-case basis in their appendix.

The global exposure of the Sub-Funds may also be measured by the Value at Risk (the "**VaR**") methodology as mentioned in the relevant appendices.

In financial mathematics and financial risk management, VaR is a widely used risk measure of the risk of loss on a specific portfolio of financial assets. For a given investment portfolio, probability and time horizon, VaR measures the potential loss that could arise over a given time interval under normal market conditions, and at a given confidence level. The calculation of VaR is conducted on the basis of a one-sided confidence interval of 99% and a holding period of twenty (20) days. The exposure of the Sub-Funds is subject to periodic stress tests.

The exposure of a Sub-Fund may further be increased by transitory borrowings not exceeding 10% of the assets of this Sub-Fund.

The method used to calculate the global exposure and the expected level of leverage as calculated in accordance with the applicable regulations for each Sub-Fund are set out in Appendix 1.

IV. SHARES OF THE COMPANY

1. THE SHARES

The Company's capital is represented by the assets of its various Sub-Funds. Subscriptions are invested in the assets of the respective Sub-Fund.

Within a Sub-Fund, the Board of Directors may establish categories and/or Classes of Shares corresponding (i) to a specific distribution policy, for instance giving a right to distributions ("**distribution Shares**") or not giving a right to distributions ("**capitalisation Shares**"), and/or (ii) to a specific structure for issue or redemption costs, a specific structure for costs payable to distributors or to the Company, and/or (iii) to a specific structure for management costs or those for investment advice, and/or (iv) to a particular reference currency as well as a hedge policy or not regarding exchange risks; and/or (v) to any other specific feature applicable to a category/Class of Shares.

In the event of the Company's dissolution as further described in Article 28 of the articles of incorporation of the Company, the liquidation thereof shall be carried out by one or more liquidators appointed by the general Shareholders' meeting, in accordance with the Luxembourg 2010 Law and with the Articles of Incorporation. The net result of the liquidation of each Sub-Fund shall be distributed to the Shareholders of the Class of Shares in question, in proportion to the number of Shares which they hold in this Class of Shares. Any amounts which remain unclaimed by Shareholders upon the completion of the liquidation process shall be deposited with the State Treasury, the *Caisse de Consignation* in Luxembourg. If the funds are unclaimed past the statutory limitation period, they may no longer be withdrawn.

Shareholders may request the conversion of all or part of their Shares into Shares of one or more different Sub-Funds, categories or Classes of Shares (see item 4 of this section).

Under the provisions set out in Appendix 1, any individual or corporate entity may acquire Shares in the various Sub-Funds, categories or Classes of Shares that comprise the net assets of the Company by paying the subscription price determined in accordance with item 2 of this section.

The Shares of each Sub-Fund are of no par value and convey no preferential or pre-emptive rights of subscription upon the issue of new Shares. Each Share is entitled to one vote at the general meeting of Shareholders, regardless of its Net Asset Value.

All Shares must be fully paid-up.

The Shares shall at the option of the Shareholder be issued as bearer or registered Shares, regardless of the respective Sub-Fund. Fractions of Shares up to three decimal points may be issued for registered or bearer Shares.

Registered Shares may be converted into bearer Shares and vice versa, at the request and expense of the Shareholder.

Bearer Shares will only be accounted to the credit of the Shareholder's securities account with the Registrar and Transfer Agent. There will be no material issue of certificates for bearer Shares.

Share transfer forms for the transfer of registered Shares are available at the registered office of the Company and from the Custodian Bank.

2. ISSUE AND SUBSCRIPTION PRICE OF SHARES

Applications for Shares may be submitted on any business day on which banks are normally open in Luxembourg, unless otherwise defined in Appendix 1 ("**Business Day**"), to the Transfer Agent offices or to the offices of other establishments designated by it, where Prospectuses containing application forms are available.

The Shares of each Sub-Fund, category or Class of Shares are issued at the subscription price determined on the first Valuation Day following receipt of the completed subscription application. Subscription lists shall be closed on the days and at the times provided for in Appendix 1.

The subscription price corresponds to the Net Asset Value per Sub-Fund, category or Class of Shares determined in accordance with Chapter V, increased by a commission the rate of which may differ according to the Sub-Fund, category or Class of Shares in which the subscription is made, as indicated in Appendix 1. Payment for Shares subscribed is made in the reference currency of each Sub-Fund, category or Class of Shares or in a certain number of other currencies and within the deadlines as specified in Appendix 1.

The Company may agree to issue Shares in consideration of a contribution in kind of transferable securities, for example in the case of a merger with an external Sub-Fund, to the extent that those transferable securities are in accordance with the objectives and the investment policy of the Sub-Fund concerned and in accordance with the provisions of the 2010 Law, on the number of which one will note the obligation to submit a valuation report drawn up by the authorised Auditor approved by the Company, which may be consulted at the Company's registered office. All the costs associated with the contribution in kind of transferable securities shall be borne by the Shareholders concerned.

Any changes in the maximum rate of the fees listed in Appendix 1 of the relevant Sub-Fund shall require the approval of the Company's Board of Directors. In case of any increase of the maximum rate of these fees, the Prospectus will be updated accordingly after a one month prior notice sent to the Shareholders. These changes will be further communicated in the annual report.

Any taxes or brokerage fees which may be payable in relation to the subscription are paid by the subscriber. Under no circumstances may these costs exceed the maximum authorised by the laws, ordinances or general banking practices of the countries in which the Shares are acquired.

The Board of Directors may suspend or interrupt the issue of Shares of one of the Company's Sub-Funds, category or Class of Shares at any time. Moreover, without having to justify its actions, it also has the right to:

. reject any subscription of Shares;

. proceed at any time to the compulsory redemption of Shares in the Company which have been wrongfully subscribed or held or where the Shareholder does not provide necessary information requested by the Board of Directors in order to comply with the applicable law and/or regulatory rules, such as, but not limited to, the FATCA provisions.

For the avoidance of doubt, in the event that a minimum subscription amount is provided for with regards to a Sub-Fund, a category or a Class of Shares, the Company may waive such minimum amount in its sole discretion.

When, following suspension of the issue of Shares of one or more Sub-Funds, the Board of Directors decides to resume the issue, all pending subscriptions shall be processed on the basis of the Net Asset Value determined once the issue has been resumed.

Within the framework of the fight against money laundering, all physical persons must attach a copy of the subscriber's passport which has been legally certified for example by an Embassy, Consulate, notary's office or police commissioner, to the subscription form; in the case of legal entities, a copy of the Articles of Incorporation must be attached. This applies in the following instances:

1. direct subscriptions with the Company;

2. subscriptions through a provider of financial services who is resident in a country in which there is no identification obligation which fulfils the Luxembourg specifications intended to combat the use of the financial system for money laundering purposes;

3. subscriptions through a subsidiary or branch office of a parent Company which is subject to an identification obligation which fulfils the provisions of Luxembourg law, if the law which applies to the parent Company does not require it to ensure that its subsidiaries and branch offices also comply with the legal stipulations.

This obligation is mandatory, unless:

a) the subscription form is submitted to the Company by one of its Distributor Agents situated in a country which has ratified the conclusions of the report of the Financial Action Task Force ("**FATF**") on money laundering, or

b) the subscription form is sent directly to the Company and the subscription is settled either by:

- a bank transfer from a financial institution residing in an FATF country, or

- a cheque drawn on the personal account of the subscriber with a bank residing in a FATF country or a bank cheque issued by a bank residing in a FATF country.

In addition, the Company has to identify the provenance of money from financial institutions that are not subject to an obligation of identification that fulfils the provisions of Luxembourg law. Subscriptions may be temporarily blocked until the provenance of the monies has been identified.

The Board of Directors shall not, knowingly, authorise any practice associated with market timing and late trading and shall reserve the right to reject orders for subscription or conversion of Shares originating from investors which the Board of Directors might suspect of employing such practices or associated practices and if necessary to take the measures necessary to protect the other Investors in the Company.

Market timing is understood to be the technique of arbitrage by which an Investor subscribes to and systematically repurchases or redeems Shares of the Company within a short lapse of time by exploiting discrepancies of timing and/or imperfections or deficiencies in the system for determining the Net Asset Value of Shares.

Late trading is understood to be the acceptance of an order for subscription, redemption or conversion of Shares received after the deadline for acceptance of orders on Valuation Day and its execution at the price based on the Net Asset Value applicable on the Valuation Day.

3. REPURCHASE OF SHARES

Shareholders may request the redemption in cash of all or a portion of their shareholdings at any time. Redemption requests, considered as irrevocable, may be sent to the Transfer Agent or to the other offices designated by the Company, or to the registered office of the Company. Such applications shall include the following information: the exact identity and exact address of the person applying for the redemption together with the number of Shares to be redeemed, the Sub-Fund, category or Class of Shares of which such Shares are part, whether they are registered or bearer Shares, as well as the reference currency of the Sub-Fund.

Redemption lists shall be closed on the days and at the times provided for in Appendix 1. Redemption applications registered after the deadline shall automatically be considered as redemption applications received for the next following bank business day. The redemption price of the Shares shall be paid out in the currency as indicated in Appendix 1.

For each Share presented, the amount reimbursed to the Shareholder is equal to the Net Asset Value for the Sub-Fund, category or Class of Shares concerned, determined on the first calculation date for Net Asset Value following receipt of the application, if necessary after deduction of a commission in favour of the Company and/or financial intermediaries, the rate of which appears in Appendix 1.

The redemption value may be equal to, higher than, or lower than the acquisition price paid.

Redemption proceeds shall be paid within such time limits as are indicated in Appendix 1.

Redemption proceeds shall only be paid out after receipt of the confirmation representing the Shares to be redeemed, and of the statement of transfer for registered Shares.

With the express written agreement of the Shareholders concerned, and if the principle of the equal treatment is observed, the Company may proceed with total or partial redemptions of its Shares, by way of payment in kind in accordance with the conditions established by the Company (including, and without limitation, the presentation of an independent valuation report from the Company's authorised auditor).

Suspension of the calculation of the Net Asset Value of the Company's Shares automatically leads not only to the suspension of Share issues but also of redemption and conversion operations. Notification of any suspension of redemption operations shall be made in accordance with section V.2. of the Prospectus, by all appropriate means, to Shareholders who have presented requests for the redemption of their Shares, whereby the processing of these requests shall be delayed or suspended accordingly.

If the Board of Directors is unable to process the settlement of redemption applications made if the net total of the redemption applications received relates to more than 10% of the Sub-Fund's assets, it may decide that all the redemption applications presented are reduced and deferred on a prorata basis, so as to reduce the number of Shares redeemed that day to 10% of the assets during a period of time which it shall determine and not exceeding thirty (30) calendar days.

Neither the Company's Board of Directors nor the Custodian Bank may be held responsible for any default of payment resulting from possible exchange restrictions, or other circumstances beyond their control which may limit or render impossible the transfer to other countries of the redemption proceeds.

4. CONVERSION OF SHARES INTO SHARES OF OTHER SUB-FUNDS, CATEGORIES OR CLASSES OF SHARES

Shareholders may request the conversion of all or part of their Shares into Shares of another Sub-Fund, category or Class of Shares by notifying the Transfer Agent or other offices designated by the Company, in writing or by telex or fax, giving the name of the Sub-Fund into which the Shares should be converted and specifying whether the Shares to be converted and the Shares of the new Sub-Fund, category or Class of Shares to be issued should be registered or bearer Shares. Failure to specify the required Class of Shares shall lead to conversion into Shares of the same category and/or Class of Shares. Conversion lists shall be closed at the same time as issue and redemption lists, as defined in Appendix 1 of each Sub-Fund.

Exceptionally, only Shareholders who can be qualified as institutional investors (the "**Institutional Investors**") may apply for conversion of the Shares into Shares of the "Institutional" category as the Shares of that category are exclusively reserved for Institutional Investors.

Conversion requests are to be accompanied, as the case may be, by the bearer Share confirmation(s), or by the confirmation(s) representing registered Shares. Subject to a suspension of the calculation of the Net Asset Value, the conversion of Shares may be carried out on every Valuation Day following receipt of the conversion application by reference to the Net Asset Value of the Shares of the Sub-Fund concerned for that Valuation Day.

The conversion may not take place if the calculation of Net Asset Value of one of the Sub-Funds, categories or Classes of Shares concerned is suspended. In the case of significant applications (i.e. more than 10% of the Sub-Fund's assets) it may also be delayed under the same conditions which may be applied to redemptions. The number of Shares allocated in the new Sub-Fund, the new category or the new Class of Shares shall be established according to the following formula:

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

where: A is the number of Shares allocated in the new Sub-Fund, the new category or the new Class of Shares;

B is the number of Shares presented for conversion;

C is the Net Asset Value of a Share in the Sub-Fund, category or Class of Shares in which the Shares are presented for conversion on transaction day;

D is the Net Asset Value of a Share in the new Sub-Fund, the new category or the new Class of Shares on transaction day.

Following conversion, the Transfer Agent shall inform the Shareholder as to the number of Shares held in the new Sub-Fund and the corresponding price.

If actual registered and un-certificated or dematerialised bearer Share confirmations have been issued, fractional Shares that may result from the conversion shall not be allocated and the Shareholder shall be deemed to have requested their redemption. In that case the Shareholder shall be repaid the amount of any possible difference between the Net Asset Values of the Shares thus exchanged unless such difference is lower than EUR 10.- or as the case may be their equivalent in another currency. Undistributed fractions shall be aggregated and shall be paid back into the concerned Sub-Fund.

Conversions of Shares of one Sub-Fund, category or Class of Shares into Shares of another Sub-Fund, category or Class of Shares (a "**switch**") are subject to the commissions or fees if any, as listed in Appendix 1.

5. STOCK EXCHANGE LISTING

As set forth in Appendix 1of each Sub-Fund, the Shares may, upon decision of the Board of Directors be admitted to official listing on the Luxembourg Stock Exchange.

V. NET ASSET VALUE

1. GENERAL

A. DEFINITION AND CALCULATION OF THE NET ASSET VALUE

The Net Asset Value per Share of each Sub-Fund, category or Class of Shares is calculated in Luxembourg by the Administrative Agent, under the responsibility of the Board of Directors, according to the frequency indicated in Appendix 1of each Sub-Fund. The minimum frequency shall be at least twice a month.

The accounts of each Sub-Fund or category or Class of Shares shall be kept separately. The Net Asset Value shall be calculated for each Sub-Fund or category or Class of Shares and shall be expressed in the reference currency, as specified in Appendix 1.

The Net Asset Value of the Shares in each Sub-Fund or category or Class of Shares shall be determined by dividing the net assets of each Sub-Fund or category or Class of Shares by the total number of Shares of each Sub-Fund or category or Class of Shares in circulation. The net assets of each Sub-Fund or category or Class of Shares correspond to the difference between the assets and the liabilities of each of the Sub-Funds or categories or Classes of Shares.

2. DEFINITION OF THE POOL OF ASSETS

The Board of Directors shall form a separate pool of net assets for each Sub-Fund. Amongst the Shareholders, this pool of assets shall be attributed only to the Shares issued by the respective Sub-Fund, although the possibility of allocation of such a pool between the various categories and/or Classes of Shares of the Sub-Fund as defined in the present section must be taken into consideration.

For the purpose of establishing separate pools of assets corresponding to a Sub-Fund or to two or more categories and/or Classes of Shares of a given Sub-Fund, the following rules apply:

a) if two or more categories/Classes of Shares relate to a specific Sub-Fund, the assets attributed to those categories and/or Classes of Shares shall be invested together according to the investment policy of the Sub-Fund concerned subject to the specific features associated with those categories and/or Classes of Shares;

b) the proceeds resulting from the issue of Shares relating to one category and/or one Class of Shares shall be attributed in the Company's books to the Sub-Fund which offers that category and/or Class of Shares given that, if several categories and/or Classes of Shares are issued for that Sub-Fund, the corresponding amount will increase the proportion of the net assets of that Sub-Fund attributable to the category and/or Class of Shares to be issued;

c) the assets, liabilities, income and costs relating to a Sub-Fund shall be attributed to the category or categories and/or Class or Classes of Shares corresponding to that Sub-Fund;

d) when one asset arises out of another asset, that asset shall be attributed, in the Company's books, to the same Sub-Fund or to the same category and/or Class of Shares to which the asset belongs from which it arises, and to each new valuation of an asset, the increase or reduction of value shall be attributed to the Sub-Fund or to the category and/or Class of Shares which corresponds;

e) when the Company bears a liability which is attributable to an asset of a specific Sub-Fund or a category and/or Class of Shares or to a transaction carried out in relation to an asset of a specific Sub-Fund or a category and/or Class of Shares, that liability shall be attributed to that Sub-Fund or that category and/or Class of Shares;

f) in the case where an asset or a liability of the Company cannot be attributed to a specific Sub-Fund, that asset or liability shall be attributed to all the Sub-Funds, in proportion to the Net Asset Value of the categories and/or Classes of Shares concerned or in such a way that the Board of Directors shall determine in good faith;

g) as a consequence of distributions made to the holders of Shares of a category and/or Class of Shares, the Net Asset Value of that category and/or Class of Shares shall be reduced by the amount of those distributions.

B. VALUATION OF ASSETS

Unless otherwise provided in Appendix 1, the assets and liabilities of each of the Company's individual Sub-Funds shall be valued on the basis of the following principles:

1. The value of cash in hand or on deposit, notes and bills payable on demand and all accounts receivable, prepaid costs, dividends and interest due but not yet received shall correspond to the full par value, unless it proves to be unlikely that the full value shall be received; in which case the value shall be calculated by subtracting a certain amount which appears to be appropriate in order to reflect the true value of such assets;

2. The valuation of transferable securities and money market instruments listed or traded on an official stock market or other regulated market which operates regularly and is recognised and open to the public, shall be based on the last known price and if that transferable security/money market instrument is traded on several markets, on the basis of the last known price on the principal market for that security or instrument. If the last known price is not representative, the valuation shall be based on the probable realisation value estimated with prudence and in good faith;

3. Securities and money market instruments not listed or traded on an official stock exchange or on another regulated market which operates regularly and is recognised and open to the public shall be valued on the basis of their probable sale price as estimated prudently and in accordance with the principle of prudence and good faith;

4. Prices of securities denominated in currencies other than the currency of account of the respective Sub-Funds shall be converted at the last available exchange rate;

5. The settlement value of future contracts and option contracts which are not traded on regulated markets shall be equivalent to their net settlement value determined in accordance with the policies established by the Board of Directors, on a basis applied consistently to each type of contract. The settlement value of future contracts or option contracts traded on regulated markets shall be based on the last price available for settlement of those contracts on the regulated markets on which those future contracts or those option contracts are traded by the Company; insofar as if a future contract or an option contract cannot be settled on the day on which the net assets are valued, the basis which shall serve to determine the settlement value of that contract shall be determined by the Board of Directors in a fair and reasonable manner;

6. The Board of Directors may authorise the use of amortised cost method of valuation for short-term transferable debt securities in certain Sub-Funds. This method involves valuing a security at its cost and thereafter assuming a constant amortisation to maturity of any discount or premium regardless of the impact of fluctuating interest rates on the market value of the security or other instrument. While this method provides certainty in valuation, it may result in periods during which value as determined by amortised cost, is higher or lower than the price the Sub-Fund would receive if it sold the securities. This method of valuation will only be used

in accordance with ESMA guidelines concerning eligible assets for investments by UCITS and only with respect to securities with a maturity at issuance or residual term to maturity of 397 days or less or securities that undergo regular yield adjustments at least every 397 days;

7. The shares of UCITS and/or other UCI shall be valued at their last known net asset value per share;

8. Interest rate swaps shall be valued at their market value established by reference to the applicable rate curve. Swaps on indices or financial instruments shall be valued at their market value established by reference to the index of the financial instrument concerned. The valuation of swap contracts relating to those indices or financial instruments shall be based on the market value of those swap transactions in accordance with the procedures established by the Board of Directors;

9. All other securities and assets shall be valued at their market value determined in good faith, in accordance with the procedures established by the Board of Directors;

10. All other asset balances shall be valued on the basis of their probable realisation price, as estimated prudently and in accordance with the principle of prudence and good faith.

3. SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE AND OF THE ISSUE, CONVERSION AND REDEMPTION OF SHARES

1. Irrespective of the legal causes of suspension, the Board of Directors may at any moment suspend the valuation of the net value of the Shares as well as the issue and redemption and conversion of these Shares in the following cases:

(a) during any period when any of the principal stock exchanges or any other regulated market on which any substantial portion of the Company's investments of the relevant Class of Shares for the time being are quoted, is closed or during which dealings are restricted or suspended;

(b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant Class of Shares by the Company is impracticable;

(c) during any breakdown in the means of communication normally employed in determining the price or value of any of the Company's investments or the current prices or values on any market or stock exchange;

(d) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Board of Directors be effected at normal rates of exchange;

(e) further to the publication of a convening notice to a general meeting of Shareholders in order to resolve the winding up or the liquidation of the Company;

(f) if the Board of Directors has determined that there has been a material change in the valuations of a substantial proportion of the investments of the Company attributable to a particular Class of Shares in the preparation or use of a valuation or the carrying out of a later or subsequent valuation;

(g) during any other circumstance or circumstances where a failure to do so might result in the Company or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or any other detriment which the Company or its Shareholders might so otherwise have suffered;

(h) when a Sub-Fund merges with another Sub-Fund or with another UCITS (or a sub-fund of such other UCITS) provided any such suspension is justified by the protection of the Shareholders; and/or

(i) when a Sub-Fund is a Feeder of another UCITS, if the net asset value calculation of the said Master UCITS or sub-fund or class of shares is suspended.

2. The suspension of the calculation of the Net Asset Value of the Shares of one or more Sub-Funds shall be announced by any appropriate means, and in particular by publication of a notice of suspension in the newspapers in which the Net Asset Values are normally published. Appropriate notice that the Net Asset Value calculation has been suspended shall also be given to Shareholders who have requested the conversion or redemption of the Shares of this or these Sub-Fund(s).

3. In exceptional circumstances which might adversely affect the interests of Shareholders or in the case of significant applications for redemption of Shares or conversion of Shares, the Board of Directors reserves the right to fix the value of the Shares of the Sub-Fund only after having carried the sales of the relevant transferable securities out on behalf of the Company.

In such a case, subscriptions, applications for redemption and conversions of Shares simultaneously in the process of execution shall be satisfied on the basis of the first Net Asset Value thus calculated.

VI. DIVIDENDS

1. DIVIDEND DISTRIBUTION POLICY

Further to the proposition of the Board of Directors, the general meeting of Shareholders shall decide on the use to be made of the annual net profits as shown in the accounts as at 31 December of each calendar year.

The general meeting reserves the right to distribute the net assets of each of the Company's Sub-Funds to such an extent that only the minimum legal capital remains. The nature of the distribution (net investment income or capital) shall be recorded in the Company's financial statements.

Any decision of the general meeting of Shareholders to distribute dividends to the Shareholders of a particular Sub-Fund, category or Class of Shares requires the prior approval of the Shareholders of that Sub-Fund, category or Class of Shares, voting at the same majority requirement as indicated in the Articles of Incorporation.

The Board of Directors of the Company may pay interim dividends.

2. PAYMENT

Dividends and interim dividends attributed to Class A Shares shall be paid on the date and at the place designated by the Board of Directors.

Dividends and interim dividends to be paid out and which fail to be collected by the Shareholders entitled thereto within five years from the payment date shall lapse and revert to the concerned Sub-Fund.

No interest shall be paid on unclaimed dividends or interim dividends that are held by the Company, up to the expiry date, in the name of the Shareholders to whom these amounts are due.

Income distribution payments are due only to the extent that the applicable foreign exchange regulations permit such distribution in the beneficiary's country of residence.

VII. COSTS BORNE BY THE COMPANY

The Company assumes liability for the following costs:

- the costs incurred in connection with the formation of the Company, including the cost of services rendered in the formation of the Company, in obtaining official listing on the stock exchange and in obtaining the approval of the competent authorities;

- all compensation, fees and expenses to be paid to the Management Company, the Custodian Bank (including remuneration for the Custodian Bank's function as Registrar Agent of the Company), to the distributors and to the Investment Advisors and Managers and, where appropriate, to the correspondent banks;

- the fees and commissions of the Administrative Agent;

- the costs and fees of the authorised Auditors;

- the registration costs;

- the directors' percentage of profits and reimbursement of their costs;

- the costs of printing and publishing information intended for the Shareholders and, in particular, the costs of printing and distributing periodical reports as well as Prospectuses and brochures;
- brokerage fees and any other fees and commissions arising from transactions involving securities and investment instruments in the portfolio;

- taxes and deductions which may be payable on the Company's income;

- the fixed registration duty (see Point IX 1A) as well as the duties to be paid to supervisory authorities and the costs relating to the distribution of dividends;

- the costs of advisory services and other expenses in connection with extraordinary measures, in particular those arising from the consultation of experts and other such procedures intended to protect the Shareholders' interests;

- membership fees paid to professional associations and stock market organisations which the Company decides to join in its own interest and in the interest of its Shareholders;

- the costs of preparation and/or deposit of statutory documents and all other documents concerning the Company including any registration declaration, prospectus and explanatory note for any authorities (assimilated to those authorities are official associations of exchange agents) with competence over the Company and offers to issue Shares; the costs of preparation, in the languages required in the interest of the Shareholders, of sending and distributing annual and semi-annual reports, and all other reports and documents necessary under the applicable laws or regulations of the authorities indicated above (with the exception of the costs of advertising and all other costs incurred directly by the offer or distribution of the Shares including the costs of printing, of copying the documents listed above or the reports used by distributors of the Shares within the context of their commercial activity);

- the costs of preparation, publication and sending of notices for the attention of Shareholders; the fees, costs and expenses of local representatives appointed in accordance with the regulations of those authorities, the cost of amending statutory documents, the cost incurred to enable the Company to conform with the legislation and official regulations and in order to obtain and to maintain a stock market listing for the Shares, provided that those expenses are incurred principally in the interest of the Shareholders.

These costs and expenses shall be paid out of the assets of the different Sub-Funds pro rata to their net assets. Fixed costs shall be divided between each Sub-Fund in proportion to the assets of that

Sub-Fund, and costs specific to each Sub-Fund, category or Class of Shares shall be taken from that Sub-Fund, category or Class of Shares which incurred them. All general recurrent costs shall be deducted in the first instance from current income and, if that is insufficient, from realised capital gains.

As remuneration for its activity as custodian bank to the Company, the Custodian Bank shall receive a quarterly commission from the Company, calculated on the average Net Asset Values of the assets of the different Sub-Funds for the quarter considered, as stipulated in Appendix 1.

In addition, any reasonable disbursements and expenses incurred by the Custodian Bank within the framework of its mandate, including (without this list being exhaustive) telephone, telex, fax, electronic transmission and postage expenses as well as correspondents' costs, shall be borne by the relevant Sub-Fund of the Company. The Custodian Bank may charge the customary fee in the Grand Duchy of Luxembourg for services rendered in its capacity as Paying Agent.

As remuneration for its activity as administrative agent and the administrative services (accounts, bookkeeping, calculation of Net Asset Value, registrar functions, secretariat) it provides the Company with, the Administrative Agent shall receive a quarterly commission from the Company calculated on the average Net Asset Values of the assets of the different Sub-Funds for the quarter considered, as stipulated in Appendix 1.

Moreover, all reasonable expenses and costs advanced, including but without the list being limitative, the costs of telephone, telex, fax, electronic transmissions and postage incurred by the Administrative Agent within the context of its functions as well as the costs of correspondents, shall be borne by the Sub-Fund concerned.

Under the terms of the agreements entered into by the Management Company with the Investment Advisor(s) and/or Manager(s), the Company shall pay the relevant advisory and/or management and/or performance fee, to be calculated as stipulated in Appendix 1.

All recurring general costs will be charged first against investment income, then, should this not be sufficient, against realised capital gains.

Costs related to the establishment of any new Sub-Fund will be borne by such new Sub-Fund and amortised over a period of one (1) year from the date of establishment of such Sub-Fund or over any other period as the Board of Directors may determine, with a maximum of five (5) years starting on the date of the Sub-Fund's establishment.

When a Sub-Fund is liquidated, any setting-up costs that have not yet been amortised will be charged to the Sub-Fund being liquidated.

VIII. COSTS BORNE BY THE SHAREHOLDER

a) **Current subscription**: Shares are issued at a price corresponding to the Net Asset Value per Share, without subscription fees, without contrary mention stipulated in each Sub-Fund's descriptive Appendix 1.

b) **Redemption procedure**: the redemption price of Shares may be higher or lower than the purchase price paid by the Shareholder at the time of subscription, depending upon whether the Net Asset Value has risen or fallen, without redemption fees, without contrary mention stipulated in each Sub-Fund descriptive Appendix 1

c) **Conversion of Shares**: the basis for conversion is linked to the respective Net Asset Values per Share of the two Sub-Funds or categories or Classes of Shares concerned, without conversion fees, without contrary mention stipulated in each Sub-Fund descriptive Appendix 1.

IX. TAXATION – LEGAL REGIME - OFFICIAL LANGUAGE

1. TAX REGIME

A. TAXATION OF THE COMPANY

The Company is governed by Luxembourg tax laws.

According to Luxembourg tax laws, the Company is exempt from corporate income tax, municipal business tax and net worth tax.

In accordance with current legislation, the Company is liable to an annual subscription tax of 0.05% *(to the exception of the Sub-Funds or their Classes of Shares liable to benefit from the lower 0.01% rate per annum, as mentioned in* Appendix 1*)*, calculated and payable quarterly on the basis of the Company's net assets at the end of the relevant quarter.

No fees or taxes are payable in Luxembourg on the issue of Shares, with the exception of a fixed registration duty which is due at the time of incorporation or amendments of the Articles of Incorporation and relates to the capital contribution. It amounts to EUR 75.- or their equivalent in another currency.

Income received by the Company on foreign investments may be liable to withholding taxes in the country of origin and is collected by the Company after deduction of the relevant tax. Withholding taxes are neither recoverable nor refundable.

At present, no tax or stamp duty is payable in Luxembourg on the issue of Shares.

Finally, the Company may also be subject to indirect taxes on transactions and services invoiced due to various laws in force.

B. TAXATION OF THE SHAREHOLDERS

Under current legislation, neither the Company nor its Shareholders (with the exception of individuals residing, and of corporate entities with their registered office in the Grand Duchy of Luxembourg) are subject in Luxembourg to any taxation of, or withholding on, their income, on realised or unrealised capital gains, on transfers of Shares as a result of the death of a Shareholder, or on amounts received following the winding-up of the Company.

Until 1 January 2015, Luxembourg applied, under the Council Directive 2003/48/EC of 3 June 2003 on the taxation of savings income the "**Directive**"), a withholding tax may be applied on the payment of savings income in the form of interest payments by a paying agent in Luxembourg in favour of effective beneficiaries, physical persons who are fiscal residents of another Member State of the European Union.

However, by a law dated 25 November 2014, Luxembourg has implemented the automatic exchange of information system under the Directive. Therefore, opting for the automatic exchange of information as from 1 January, 2015, Luxembourg will no longer apply the 35% of withholding tax on interest payments under the Directive.

Moreover, the Luxembourg law of 23 December 2005 provides for the application of a 10% withholding tax on savings income (i.e. with certain exemptions, savings income within the meaning of the Luxembourg laws of 21 June 2005 implementing the Directive) paid by a Luxembourg paying agent to Luxembourg individual residents.

Pursuant to the law of 23 December 2005 as amended by the law of 17 July 2008, Luxembourg resident individuals can opt to self declare and pay a 10 % levy on interest payments made or ascribed by paying agents located in a Member State of the European Union other than

Luxembourg, a Member State of the European Economic Area that is not a Member State or in a State or territory which has concluded an agreement directly relating to the Directive.

The responsibility for the withholding of tax in application of the above-mentioned Luxembourg laws of 21 June 2005 and 23 December 2005, as amended, is assumed by the Luxembourg paying agent within the meaning of these laws.

The 10 % withholding tax, as described above, or the 10 % levy are final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Prospective Shareholders should seek information, and if need be to request advice, on the laws and regulations (such as those concerning taxation and foreign exchange controls) which apply to the subscription, purchase, holding and disposal of Shares in their country of origin, residence and/or domicile.

C. UNITED STATES TAX WITHHOLDING AND REPORTING UNDER FATCA

Under the terms of the intergovernmental agreement ("**IGA**") entered between Luxembourg and the United States, the Company will be obliged to comply with the provisions of FATCA as enacted by the Luxembourg legislation implementing the IGA (the "**Luxembourg IGA Legislation**"), rather than directly complying with the US Treasury regulations implementing FATCA. Under the terms of the IGA, Luxembourg resident financial institutions that comply with the requirements of the Luxembourg IGA Legislation will be treated as compliant with FATCA and, as a result, will not be subject to withholding tax under FATCA ("**FATCA Withholding**"). The Company expects that it will be considered to be a Luxembourg resident financial institution that will need to comply with the requirements of the Luxembourg IGA Legislation and, as a result of such compliance, the Company should not be subject to FATCA Withholding.

Under the Luxembourg IGA Legislation, the Company will be required to report to the Luxembourg tax authority certain holdings by and payments made to certain US investors in the Company, as well as to non-US financial institutions that do not comply with the terms of the Luxembourg IGA Legislation, on or after 1 July 2014 and under the terms of the IGA, such information will be onward reported by the Luxembourg tax authority to the US Internal Revenue Service under the general information exchange provisions of the US-Lux Income Tax Treaty. The first report to the Luxembourg Tax Authority is in 2015 for the year 2014. Additional intergovernmental agreements similar to the IGA have been entered into or are under discussion by other jurisdictions with the United States. Investors holding investments via distributors or custodians that are not in Luxembourg or another IGA country should check with such distributor or custodian as to the distributor's or custodian's intention to comply with FATCA. Additional information may be required by the Company, custodians or distributors from certain investors in order to comply with their obligations under FATCA or under an applicable IGA.

The Company may become subject to a 30% withholding tax on certain payments it receives unless it enters, with the Internal Revenue Service ("**IRS**"), into an agreement ("**IRS Agreement**") pursuant to which it agrees to report to the IRS information about its U.S. accounts and complies with certain procedures. It is the intention of the Company to enter into an IRS Agreement and thus to become a participating foreign financial institution ("**FFI**"). In that case a 30% withholding to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends may be imposed on Shareholders (both US and non-US) that do not provide certain information to the Company, its service providers and/or to their agents. In addition, a 30% withholding may be imposed on distributors, intermediaries and/or nominees which are not FATCA compliant financial institutions. It may be required that the Company or its agents and/or service providers report information on the holdings of the Shareholders to the US authorities as far as legally permitted.

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the 30% withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of FATCA, the value of Shares held by all Shareholders may be materially affected.

Withholding and information reporting pursuant to the terms of FATCA and the IGAs is subject to review by the US, Luxembourg and other IGA governments, and the rules may change. Investors should contact their own tax advisers regarding the application of FATCA to their particular circumstances.

2. LEGAL REGIME

Any dispute arising between Shareholders and the Company shall be settled through arbitration proceedings. The one or more arbitrators shall decide in accordance with Luxembourg law; their decision shall be final.

3. OFFICIAL LANGUAGE

The official language of the Prospectus and of the Articles of Incorporation is the English language; the Board of Directors and the Custodian Bank however may for their own account and that of the Company consider that translation into the languages of the countries where the Shares of the Company are offered and sold shall be mandatory. In the case of any discrepancy between the English original and a foreign language version into which the Prospectus is translated, the English version shall prevail.

X. FINANCIAL YEAR – MEETINGS – PERIODICAL REPORTS

1. FINANCIAL YEAR

The financial year starts on 1 January and ends on 31 December of each calendar year.

2. MEETINGS

The annual general meeting shall take place in the Grand Duchy of Luxembourg at the registered office of the Company at 3.00 P.M. on the third Tuesday of May.

If that day falls on an official public holiday in Luxembourg, the annual general meeting shall be held on the next following Business Day.

In order to be admitted to the general meeting, all securities holders must deposit their securities five working days before the date set for the general meeting, either at the registered office of the Company or at the offices indicated in the convening notice.

Holders of registered Shares must within the same deadline inform the Board of Directors in writing (by letter or power of attorney) of their intention to participate in the general meeting and indicate the number of Shares for which they intend to participate in the vote.

The written notices convening annual general meetings, indicating the date and time of the meeting and setting out the quorum and majority vote requirements, shall be sent at least eight (8) days prior to the meeting to all holders of registered Shares at their address listed in the register of Shareholders. The notice of the meeting, which shall contain the meeting's agenda, shall be published in accordance with the Luxembourg law on commercial companies.

Resolutions taken at these annual general meetings of Shareholders shall be binding on all Shareholders, irrespective of the Sub-Fund in which their Shares are held. However, resolutions taken by the annual general meeting to distribute dividends to the Shareholders of a Sub-Fund shall

require the prior approval of the Shareholders holding Shares in that Sub-Fund, category or Class of Shares except in such conditions as are set forth in section VI (I) of the Prospectus.

The Shareholders of a category or Class of Shares issued for a Sub-Fund may at any time hold general meetings with the aim of deliberating on matters relating solely to that Sub-Fund.

Moreover, the Shareholders of any category or Class of Shares may at any time hold general meetings with the aim of deliberating on matters relating solely to that category or Class of Shares.

The resolutions passed at such meetings shall be applied respectively to the Sub-Fund and/or the category or Class of Shares concerned.

3. PERIODIC REPORTS

Annual reports as of 31 December ,certified by the authorised Auditors, together with uncertified semi-annual reports as at 30 June, shall be available free of charge to Shareholders at the office of the Custodian Bank, at other offices designated by it, and at the registered office of the Company. The Company is authorised to publish summary financial reports bearing the mention that the Shareholders may obtain a full version of the same from the same offices as above. A full version of these financial reports may however be obtained free of charge from the registered office of the Company, from the Custodian Bank as well as from offices designated by the Company. These reports shall contain information on each Sub-Fund as well as on the assets of the Company as a whole.

The financial statements of each Sub-Fund shall be drawn up in the reference currency of the respective Sub-Fund, while the consolidated accounts shall be expressed in EUR.

The annual reports shall be made available to Shareholders within four (4) months after the end of the financial year. The semi-annual reports shall be made available to Shareholders within two (2) months after the end of the semester, but at the latest on the 30st day of August of each calendar year.

XI. LIQUIDATION - MERGING OF SUB-FUNDS

1. LIQUIDATION OF THE COMPANY

The liquidation of the Company is governed by the provisions and conditions of the Luxembourg law.

A. MINIMUM ASSETS

In case the Company's corporate capital falls below two thirds of the legally required minimum, the Board of Directors must submit the question of the Company's liquidation to a general meeting of Shareholders for which no quorum shall be prescribed and which shall take its decisions by a simple majority of the Shares represented at the meeting.

In case the Company's corporate capital falls below one quarter of the required minimum, the Board of Directors must submit the question of the Company's liquidation to a general meeting of Shareholders for which no quorum shall be prescribed. Liquidation may be resolved by Shareholders holding one quarter of the Shares represented at the meeting.

Such meeting must be convened so as to be held within forty (40) days after determining that the net assets have fallen below either two thirds or one quarter of the legal minimum capital. Moreover, the Company may be dissolved by a resolution of a general meeting of Shareholders ruling in accordance with the relevant provisions of the Articles of Incorporation.

The decisions of the general meeting of Shareholders or of the law court on the liquidation and winding-up of the Company shall be published in the *Mémorial* and in newspapers with

reasonably wide circulation, of which at least one must be a Luxembourg newspaper. These notices are published on the orders of the liquidator(s).

B. VOLUNTARY LIQUIDATION

In case the Company is wound-up, the liquidation shall be carried out by one or more liquidators appointed in accordance with the Articles of Incorporation and the provisions of the Luxembourg laws, whereby the net proceeds of liquidation are to be distributed among the Shareholders after deduction of liquidation expenses.

Amounts which have not been distributed at the close of the liquidation procedure shall be deposited in the name of the entitled person with the *Caisse de Consignation* in Luxembourg until the respective expiry date.

Shares shall cease to be issued, redeemed or converted as soon as the resolution to wind-up the Company has been taken.

2. CLOSURE AND MERGER OF SUB-FUNDS

A. CLOSURE OF A SUB-FUND, CATEGORIES OR CLASSES

In the event that the assets in any Sub-Fund, categories or Classes of Shares should fall below a threshold considered by the Board of Directors as a minimum below which the management of that Sub-Fund, categories or Classes of Shares would become too problematic, the Board of Directors may decide to close the Sub-Fund, categories or Classes of Shares. The same may also apply within the framework of a rationalization of the range of products offered to the Company's clients.

The decision and methods applying to the closing of the Sub-Fund, categories or Classes of Shares shall be brought to the knowledge of Shareholders of the concerned Sub-Fund by way of the publication of notices to that effect in such newspapers as are mentioned in section XII below.
A notice relating to the closing of the Sub-Fund, categories or Classes of Shares shall also be communicated to all the registered Shareholders of that Sub-Fund.

In such event, the net assets of the concerned Sub-Fund, categories or Classes of Shares shall be divided among the remaining Shareholders of the Sub-Fund, categories or Classes of Shares. Amounts which have not been claimed by Shareholders at the time of the closure of the liquidation operations of the Sub-Fund shall be deposited with the *Caisse de Consignation* in Luxembourg, for the profits of their rightful assignees, until the prescribed date of limitation.

B. MERGER OF SUB-FUNDS, CATEGORIES OR CLASSES

The Board of Directors may decide, in the interest of the Shareholders, to transfer or merge the assets of one Sub-Fund, category or Class of Shares to those of another Sub-Fund, category or Class of Shares within the Company. Such mergers may be performed for reasons of various economic reasons justifying a merger of Sub-Funds, categories or Classes of Shares. The merger decision shall be published and be sent to all registered Shareholders of the Sub-Fund, category or of the concerned Class of Shares at least one month before the effective date of the merger. The publication in question shall indicate, in addition, the characteristics of the new Sub-Fund, the new category or Class of Shares. Every Shareholder of the relevant Sub-Funds, categories or Classes of Shares shall have the opportunity of requesting the redemption or the conversion of his own Shares without any cost (other than the cost of disinvestment) during a period of at least thirty (30) days before the effective date of the merger, it being understood that the effective date of the merger takes place five (5) Business Days after the expiry of such notice period.

In the same circumstances as described in the previous paragraph and in the interest of the Shareholders, the transfer of assets and liabilities attributable to a Sub-Fund, category or Class

of Shares to another UCITS or to a sub-fund, category or class of shares within such other UCITS (whether established in Luxembourg or another Member State and whether such UCITS is incorporated as a company or is a contractual type fund), may be decided by the Board of Directors, in accordance with the provisions of the 2010 Law. The Company shall send a notice to the Shareholders of the relevant Sub-Fund in accordance with the provisions of CSSF Regulation 10-5. Every Shareholder of the Sub-Fund, category or Class of Shares concerned shall have the possibility to request the redemption or the conversion of his Shares without any cost (other than the cost of disinvestment) during a period of at least thirty (30) days before the effective date of the merger, it being understood that the effective date of the merger takes place five (5) Business Days after the expiry of such notice period.

In the case of a contribution in a different undertaking for collective investment, of the type "investment or mutual fund", the contribution shall only involve the Shareholders of the Sub-Fund, the category or the Class of Shares in question who have expressly approved the contribution. Otherwise, the Shares belonging to the other Shareholders who have not made a statement regarding that merger shall be reimbursed without any cost. Such mergers may be carried out in various economic circumstances that justify a merger of Sub-Funds.

In case of a merger of a Sub-Fund, category or Class of Shares where, as a result, the Company ceases to exist, the merger needs to be decided by a meeting of Shareholders of the Sub-Fund, category or Class of Shares concerned, for which no quorum is required and decisions are taken by the simple majority of the votes cast.

XII. INFORMATION AND DOCUMENTS AVAILABLE TO THE PUBLIC

1. INFORMATION FOR SHAREHOLDERS

A. NET ASSET VALUE

The Net Asset Values of the Shares in each Sub-Fund, category or Class of Shares shall be available on each Business Day at the registered office of the Company. The Board of Directors may subsequently decide to publish such net assets in newspapers of the countries where the Shares of the Company are offered or sold. They shall moreover be posted each Business Day on Finesti and Bloomberg screens.

They may also be obtained at the registered office of the Custodian Bank as well as from the banks ensuring financial services.

B. ISSUE AND REDEMPTION PRICES

The issue and redemption prices of the S, category or Class of Shares shall be made public daily at the Custodian Bank and from the banks ensuring financial services.

C. NOTICES TO SHAREHOLDERS

Any other information intended for the Shareholders shall be published in the *Mémorial* in Luxembourg, if such publication is prescribed by applicable Luxembourg law. Information may also be published in Luxembourg newspapers.

D. INFORMATION TO INVESTORS

The Management Company draws the Investors' attention to the fact that any Investor will only be able to fully exercise his Investor rights directly against the Company, notably the right to participate in general Shareholders' meetings, if the Investor is registered himself and in his own name in the Shareholders' register of the Company. In cases where an Investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the Investor, it may not always be possible for the Investor to exercise certain

Shareholder rights directly against the Company. Investors are advised to take advice on their rights.

2. DOCUMENTS AVAILABLE TO THE PUBLIC

The Management Company will ensure that information intended for the Shareholders is either published or communicated to them in an appropriate manner.
The following documents will be available for inspection during ordinary business hours at the registered office of the Company and/or Management Company:

- Prospectus;
- Articles of Incorporation;
- KIIDs;
- Custodian Bank, domiciliation, administration agent, investment advisor and investment manager agreements; and
- latest annual and semi-annual reports of the Company.

The Prospectus and the KIID may be delivered in durable medium or by means of a website. A hard copy shall, in any case, be supplied to Investors on request and free of charge. This also includes the publication of the Share prices in those countries in which Shares are offered for sale to the public. The issue and redemption prices can also be obtained from the Management Company and the Custodian Bank. The annual and semi-annual reports as well as the Prospectus, the KIID and the Articles are also available free of charge from these parties, upon request by the Investor.

In addition, the material contracts referred to above are available for inspection during normal business hours at the registered office of the Company and/or Management Company.

APPENDIX 1
SUB-FUND(S)

The Sub-Funds aim to achieve reasonably high performances whilst maintaining a prudent policy of preserving capital. The Company takes the risks it deems reasonable in order to achieve the objective set. Nevertheless, it cannot guarantee achieving it in view of the stock market fluctuations and other risks to which investments in transferable securities are exposed.
Unless otherwise specified in each Sub-Fund's investment policy, no guarantee can be given on the realisation of the investment objectives of the Sub-Funds and past performance is not an indicator of future performances

At present the Company may issue the following Classes of Shares:

(i) **distribution Shares**, which receive an annual dividend, and the Net Asset Value of which is reduced by an amount equal to the distribution made;

(ii) **Class A capitalisation Shares**, which do not receive a dividend, and of which the Net Asset Value remains unchanged (resulting in a percentage increase of the global Net Asset Value attributable to the capitalisation Shares). The Shares are reserved for Institutional Investors within the meaning of article 174 of the 2010 Law; and

(iii) **Class B capitalisation Shares**, which do not receive a dividend, and of which the Net Asset Value remains unchanged (resulting in a percentage increase of the global Net Asset Value attributable to the capitalisation Shares).

The particulars of the Sub-Funds in Appendix 1 may specify a minimum initial subscription amount. The Board of Directors reserves the right to waiver this amount in the interest of the equal treatment of Shareholders.

SUB-FUND: NEXT AM FUND – TENDANCE FINANCE

1. OVERVIEW OF THE SUB-FUND

Investment Manager : La Française Asset Management, France.

Pursuant to an Investment Management Agreement dated 7 May 2012, La Française Asset Management has been appointed by the Management Company to manage the Sub-Fund, in a capacity as Investment Manager, with regard to its choice of investments and the trend of its investment policy.

La Française Asset Management is a company incorporated under the laws of France and having its registered office in 173, boulevard Haussmann, F-75008 Paris (France). The company was incorporated for an unlimited period on 13 October 1978 in the form of a *société par actions simplifiée*. The Company is registered with the Trade and Companies Register in Paris under number B 314 024 019 and has been approved by the AMF as portfolio management company under the number GP 97-076.

Investment Advisor: Tendance Finance, France.

Pursuant to an agreement dated 7 May 2012 for an indeterminate period, with at least three months prior notice to termination, Tendance Finance acts in the capacity of Investment Advisor, and as a consequence is in charge of the investment advisory of the Company.

Tendance Finance is a company incorporated under the laws of France and having its registered office in 173, boulevard Haussmann, F-75008 Paris. The company was incorporated for an unlimited period on 3 October 2011 in the form of a *société par actions simplifiée*.

ISIN codes

LU0778101708 (Class A Institutional Capitalisation)
LU0778102185 (Class B Retail Capitalisation)

Official listing on the Luxembourg Stock Exchange

The Shares of the Sub-Fund shall not be listed on the Luxembourg Stock Exchange.

2. INVESTMENT POLICY

The objective of the Sub-Fund is to achieve medium-term capital growth.

The Sub-Fund is mainly exposed to equity indices and interest-rate and foreign-exchange derivatives in the main international financial centres. The Sub-Fund may be exposed simultaneously to equity, interest-rate and currency products.

The Sub-Fund is authorized to invest in accordance with the principle of risk spreading up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by an OECD Member State, provided that (i) such securities are part of at least six different issues and (ii) the securities from a single issue do not account for more than 30% of the total assets of the Sub-Fund.

The Sub-Fund invests in asset classes targeted by means of the following instruments:

- Index and interest rate futures
- Foreign exchange forwards
- Negotiable debt securities (index-linked EMTN, FTB, bonds, etc.)

- Swaps
- ETFs (with a maximum of 10% of the net assets of the Sub-Fund)
- Listed derivatives

The Sub-Fund applies a long / short strategy (buying or selling positions). Thus, the strategies aim to generate returns both from rising as well as from falling prices of the underlying assets.

The Sub-Fund can also invest in shares or units of UCITS and/or other UCIs but the combined exposure with ETFs exposure cannot exceed 10% of its assets.

The Sub-Fund may hold ancillary liquid assets up to 100% of the net assets of the Sub Fund. The Sub-Fund may, with the aim of investing its liquid assets, invest in monetary UCIs or UCIs invested in: 1) debt securities whose final or residual maturity term, taking into account the financial instruments associated therewith, does not exceed 12 months, or 2) debt securities for which the rate is adapted, taking into account the financial instruments associated therewith, at least once a year.

The Sub-Fund may be exposed to the indices of all countries (e.g. Dax, CAC 40, Footsie, Nasdaq 100, Ibovespa) without geographical limits or predominant areas.

Use of derivatives

The Sub-Fund may, within the limits laid down in the Prospectus, use techniques and instruments of financial futures markets (listed, non-listed, closed or optional, share indices, interest rate indices, etc.) for the purposes of proper portfolio management or hedging, given that these techniques and instruments will only be used to the extent that they do not negatively affect the integrity of the Sub-Fund's investment policy.

The indices listed above comply with the provisions of Article 9 of the Grand Ducal Regulation of 8 February 2008.

Direct and indirect operational costs/fees payable to BNP Paribas Securities Services, Luxembourg Branch arising from efficient portfolio management techniques that may be deducted from the revenue delivered to the Sub-Fund are agreed between the Company and BNP Paribas Securities Services, Luxembourg Branch and are available to investors at the registered office of the Company and of the Management Company upon request. They are also disclosed in the annual and semi-annual report.

These costs and fees shall not include hidden revenue.

For the avoidance of doubt, the Sub-Fund will not receive any assets as collateral in the context of these efficient portfolio management techniques.

Reference currency of the Sub-Fund: EUR

Risk profile

Derivative risk: the Sub-Fund uses derivatives. These are financial instruments whose values depend on the value of an underlying asset. Small price fluctuations in the underlying asset can result in large price changes in the derivative.

Credit risk: The Sub-Fund can invest in debt securities. There is a risk that the issuer may default. The likelihood of this happening will depend on the credit-worthiness of the issuer.

Counterparty risk: The Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To

the extent that a counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

Operational risk: The risk of loss for the Sub-Fund resulting from inadequate internal processes or system breakdowns, human errors or from external events.

Selection risk: the Investment Manager's judgment about the attractiveness, value and potential appreciation of a particular security could be incorrect.

Risk management method

Approach using the absolute VaR method
In accordance with the 2010 Law and the regulations in force, in particular CSSF circular 11/512 and CESR's Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS (CESR/10-788), this Sub-Fund will implement the Absolute Value-at-Risk to measure the Global Exposure and the Sub-Fund uses a risk management process which makes it possible to evaluate the exposure of the Sub-Fund to market, liquidity and counterparty risk, as well as to all other forms of risk which are relevant to the Sub-Fund, including operational risk.

Calculation of overall exposure
Within the context of the risk management procedure, the Sub-Fund's overall exposure is measured and checked in accordance with the absolute value-at-risk (VaR) method.
In financial mathematics and in financial risk management, the value at risk is a measure predominantly used for risk of loss on a particular portfolio of financial assets.
The VaR is calculated with a unilateral confidence interval at 99% and for a retention period of 20 days.
The Sub-Fund's VaR is limited to an absolute VaR calculated on the basis of the Sub-Fund's Net Asset Value and does not exceed a maximum VaR limit determined by the Management Company, while taking into account the Sub-Fund's investment policy and risk profile. The maximum limit is set at 20%.

Leverage effect

The Sub-Fund may use financial futures instruments (derivatives) to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund's transactions, the effect of decreases or increases in the derivative's underlying assets may be magnified, leading to a larger decrease or increase in the Net Asset Value of the Sub-Fund.

The expected level of leverage is calculated in accordance with the CESR's Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS (CESR/10-788).

The derivatives commitment approach is the method used to determine the Sub-Fund's rate of leverage. The expected leverage rate is less than 900% of the Sub-Fund's Net Asset Value. This leverage rate includes the cumulated gross exposure resulting from buying or selling positions.
The leverage is the sum of the exposure calculated with the commitment approach without the use of netting or hedging. This disclosed expected level of leverage is not intended to be an additional exposure limit for the Sub-Fund.

The figure 900% is made up of a sum of non-adjusted gross values which significantly increase the financial risks associated with management.
These derivatives may be used for various asset classes, which may perform differently.

Investor profile

Investment horizon: 3 years

Investor profile: The Sub-Fund's investment policy is suitable for investors seeking medium-term capital gains and who are prepared to accept large fluctuations linked to the financial markets with the risk of loss which may be significant when the markets are in a downturn for prolonged periods.

The reasonable amount to invest in the UCITS depends on your personal financial situation. It is strongly recommended to diversify your investments so as not to expose them only to the risks of the UCITS.

3. SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees: Classes A and B: maximum 2% of the NAV applicable per Share.

Redemption fee: 0%

Conversion fee: 0%

4. COSTS PAYABLE BY THE SUB-FUND

Management Fee: As remuneration for its services, the Investment Manager will receive a fixed fee, calculated on the average of the Net Asset Values of the Sub-Fund at the end of each quarter and payable in the month following the end of the quarter as follows:

Class A: maximum 2 % p.a.
Class B: maximum 3 % p.a.

Performance Fee: In addition, the Investment Manager is entitled to receive an annual performance fee.

Class A: 20 % of the performance with high-water mark
Class B: 20 % of the performance over 5% with high-water mark

The principle is based on a high water mark with the reference value at the start of the period always being equal to the highest reference value at the end of the preceding financial year (and of the original NAV) serving as the reference.

Operating costs, including the Management Company fee: 0.50% p.a., calculated quarterly and based on the average net assets of the Sub-Fund during the respective quarter, with a minimum of no more than EUR 50,000 p.a.

Other costs: In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

5. TAXATION SYSTEM

Taxation of the Company: In Luxembourg, the Sub-Fund is subject to an annual tax calculated on the net assets of the Sub-Fund at the end of each quarter. The rate of this tax (which is payable aquarterly) is equal to 0.05% for the retail Classes of Shares and to 0.01% for the institutional Classes of Shares.

Taxation of Shareholders: Until 1 January 2015, payments of dividends or of redemptions in favour of the Shareholders were potentially subject to a withholding tax in accordance with the provisions of Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments. By a law dated 25 November 2014, Luxembourg has implemented the automatic exchange of information system under the aforementioned directive. Therefore, opting for the automatic exchange of information as from 1 January 2015, Luxembourg no longer applies the 35% of withholding tax on interest payments under this directive.

Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

6. SALE OF SHARES

Subscription /Redemption /Conversion

Subscription/redemption/conversion orders received in Luxembourg before 11 am (Luxembourg time) on a Business Day prior to a Valuation Day will be treated on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than three (3) Business Days following the applicable Valuation Day.

Shares must be fully paid up and are issued with no par value. Fractions of Shares, up to one thousandth of a Share, may be issued.

Share types/Class: The Shares are capitalisation Shares (Classes A and B). A minimum initial subscription amount is applicable to the following Shares:

Class A: EUR 100,000
Class B: EUR 1,000

For this Sub-Fund, the Company will issue dematerialised registered and/or bearer Shares.

Valuation Day: is every Business Day in Luxembourg.

Publication of the NAV: The Net Asset Value can be consulted at the registered office of the Company.

7. CONTACTS

Subscriptions, redemptions and conversions

BNP Paribas Securities Services
33, rue de Gasperich
Howald-Hesperange
L-2085 Luxembourg
Tél : +352 2696 2030
Fax : +352 2696 9747
Contact : BP2S TA Call Centre

Documentation requests

BNP Paribas Securities Services
33, rue de Gasperich
Howald-Hesperange
L-2085 Luxembourg
Tél : +352 2696 2030
Fax : +352 2696 9747

Warning

Past performance is not an indicator of future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemptions of Shares.

The Prospectus, KIID, Articles of Incorporation and annual and half-yearly reports are available free of charge at the Company's registered office.

STATUTS COORDONNÉS

Next AM Fund

Société d'investissement à capital variable

R.C.S. Luxembourg B 168.626

STATUTS COORDONNÉS

Next AM Fund

Société d'investissement à capital variable

R.C.S. Luxembourg B 168.626

STATUTS COORDONNÉS

du 18 février 2013.

tels qu'ils résultent des actes suivants reçus par :

Maître Joëlle Baden, notaire de résidence à Luxembourg:

le 3 mai 2012	(Constitution), publié au Mémorial C, Recueil des Sociétés et Associations, numéro 1305 du 25 mai 2012.
le 18 février 2013	(Modification des statuts), non encore publiés.

Art. 1. Form and Corporate name. Between the subscribers and those individuals who shall subsequently become shareholders, there exists a public limited company (société anonyme) operating in the form of an Investment Company with Variable Capital (SICAV) under the name NEXT AM Fund (hereinafter the "Company"). The Company is established pursuant to the Luxembourg law of 17 December 2010 relating to Undertakings for collective investment (the "2010 Law").

Art. 2. Duration. The Company has been established for an indefinite term. It may be dissolved by decision of the General Meeting of the shareholders ruling as for an amendment to the Articles of Incorporation pursuant to Article 29 below.

Art. 3. Object. The exclusive object of the Company is to invest the funds that it has available in transferable securities, in money market instruments and in all eligible assets, with the aim of spreading the investment risks and of enabling the shareholders to profit from the results of the management of its portfolio.

In a general manner, the Company may take all measures and carry out all transactions that it deems useful in order to achieve its object, while remaining within the limits specified by the 2010 Law.

Art. 4. Registered office. The Registered Office is established in Hesperange, in the Grand Duchy of Luxembourg. The Registered Office may be transferred to any other commune in the Grand Duchy of Luxembourg by decision of the Board of Directors of the Company.

The Company may, upon a decision by the Board of Directors, create subsidiaries, branches, agencies and offices either in the Grand Duchy of Luxembourg or abroad.

In the event that the Board of Directors considers that extraordinary political events of a type that could compromise the normal activity at the registered office, easy communication with that registered office, or communication by that registered office abroad have occurred or are imminent, it may temporarily transfer the registered office abroad until the complete cessation of those extraordinary circumstances; this provisional measure shall have no effect on the nationality of the Company which, notwithstanding such temporary transfer of its registered office, shall remain Luxembourgish.

Art. 5. Share capital, Sub-funds of assets, Categories and Classes of shares. The initial share capital stands at EUR 31,000 divided into thirty-one (31) capitalisation shares (of no par value). The shares have been fully paid up via a cash contribution. The capital of the Company shall be represented by fully paid-up shares of no par value and shall at any time be equal to the total net assets

contained in all of the Company's sub-fund combined, as defined in Article 11 hereof.

The Company's minimum capital shall be equal at all times to the minimum established by current regulations,, i.e. one million two hundred fifty thousand Euro (EUR 1,250,000), which minimum must be reached within a period of six (6) months following the authorisation of the Company.

Provided one or more sub-funds hold securities issued by one or more other sub-funds of the same Company, they will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum capital.

In accordance with Article 7 herein, the Board of Directors is authorized without limitation to issue fully paid shares at any time or at the respective Net Asset Values per share determined in accordance with Article 11 herein without reserving to the existing shareholders a preferential right to subscription of the shares to be issued. The Board of Directors may delegate to any duly authorized Director or officer of the Company or to any other duly authorized person, the duty of accepting subscriptions and/or delivering and receiving payment for such new shares, remaining always within the limits imposed by the law.

Such shares may, at the Board of Directors' discretion, belong to different categories corresponding to separate sub-funds of the Company's assets. The income from any issue of shares in a given category shall be invested pursuant to Article 3 herein in various transferable securities and other assets in the sub-fund corresponding to this share category, depending on the investment policy established by the Board of Directors for the sub-fund in question, subject to the investment restrictions set forth by current laws and regulations as well as those restrictions adopted by the Board of Directors itself.

Within each Sub-Fund (having a specific investment policy), further classes of shares having specific sale, redemption or distribution charges and specific income distribution policies or any other features may be created as the Board of Directors may from time to time determine and as disclosed in the sales documents of the Company.

The Board of Directors may decide to create capitalisation and distribution share classes, as well as share classes whose characteristics are described in the Company's sales documents.

A distribution share is a share which, in principle, gives the shareholder the right to receive a cash dividend.

A capitalisation share is a share which, in principle, does not give the shareholder the right to receive a dividend.

The different asset classes offer the same rights to all of their respective shareholders, particularly in terms of voting rights at General Shareholders' Meetings. Under the terms of Article 6, voting rights may only be exercised for a whole number of shares.

The different Sub-Funds and/or classes of shares may be denominated in different currencies to be determined by the Board of Directors provided that for the purpose of determining the capital of the Company, the net assets attributable to each Sub-Fund and/or class shall, if not denominated in EUR, be converted into EUR and the capital shall be the aggregate of the net assets of all the classes. The Company shall prepare consolidated accounts in EUR.

The general meeting of holders of shares of a Sub-Fund and/or a class, deciding in accordance with the quorum and majority requirements referred to in Article 29 herein, may reduce the capital of the Company by cancellation of the shares of such Sub-Fund and/or class and refund to the holders of shares of such Sub-Fund and/or class the full Net Asset Value of the shares of such Sub-Fund and/or class as at the date of distribution.

The Board of Directors may decide the reorganization of one class of shares, by means of a division into two or more classes in the Company or in another Luxembourg undertaking for collective investment registered under Part I of the 2010 Law. Such decision will be published in the same manner as described in Article 27. B. and the publication will contain information in relation to the two or more new classes.

Art. 6. Form of shares. The Board of Directors shall decide, for each Sub-Fund, to issue bearer shares or registered shares, dematerialised.

All registered shares issued by the Company shall be recorded at the shareholder register that shall be maintained by the Company or by one or more entities so designated by the Company; such recording must indicate the name of each owner of shares, his/her address or chosen place of residence, and the number of registered shares he/she holds. The records in the shareholder register may be attested through the issue of registered share confirmations

The Company recognizes only one single owner per share. If one or more shares are jointly owned or if the ownership of such share(s) is disputed, all persons claiming a right to such share(s) have to appoint one single attorney to represent such share(s) towards the Company. The failure to appoint such attorney implies a suspension of all rights attached to such share(s).

Upon decision by the Board of Directors, any fractions of shares up to five (5) decimal places may be issued for registered shares or for bearer shares that shall be entered into the accounts to the credit of the share account of the shareholder at

the Custodian Bank or the correspondent banks or the Transfert Agent providing the financial service for the shares of the Company. For each Sub-Fund the Board of Directors shall limit the number of decimal places that shall appear in the prospectus.

Fractions of shares shall not have any voting rights but shall provide a right to net assets of the Sub-Fund concerned in relation to the portion represented by those fractions.

Within the limits and conditions fixed by the Board of Directors, bearer shares may be converted into registered shares and vice versa.

Art. 7. Issue and Redemption methods. The Board of Directors is authorised, at any time and without limitation, to issue new fully paid-up shares without providing existing shareholders with any priority right to the allocation of the shares to be issued. Every shareholder has the right, at any time, to request the redemption of his/her shares under the conditions and limits fixed by the current Articles of Incorporation and by the law.

Capital variations shall be effected ipso jure and without compliance with measures regarding publication and entry in the commercial and company register prescribed for increases and decreases of capital of public limited companies.

The redemption of shares may be suspended pursuant to the provisions of Article 12 below.

The issue and redemption of shares, whatever the sub-fund the shares belong in, shall be effected on the basis of the net asset value as defined in Article 11 below; these prices may, depending on the case, include or exclude the costs and the commissions stipulated by the Board of Directors.

The Board of Directors may, at any time, suspend or interrupt the issue of shares of a Sub-fund, category or class of shares of the Company.

In the event of a share issue, the issue price must be settled within five (5) working days after the Valuation Day. In the event this rule is not complied with, the Company may cancel the issue while retaining the right to seek the costs and commissions that may be due. In the event of a redemption of shares, the payment of the price for such redemption shall be made within five (5) working days following the Valuation Day.

In addition, a dilution levy may be imposed on deals as specified in the sales documents of the Company. Such dilution levy should not exceed a certain percentage of the Net Asset Value determined from time to time by the Board of Directors and disclosed in the sales documents of the Company. This dilution levy will be calculated taking into account the estimated costs, expenses and potential

impact on security prices that may be incurred to meet purchase and redemption requests.

The Company may agree to issue shares against a contribution of securities, as for example in the case of merger with an external Sub-Fund, to the extent that these securities comply with the objectives and the investment policy of the Sub-Fund in question and also comply with the provisions of Luxembourg law, with the liability to submit a valuation report prepared by the External Auditor approved by the Company and which is available for consultation. All the costs connected with the contribution of securities shall be borne by the shareholders in question.

Under exceptional circumstances that may have a negative affect on the interests of the shareholders, or in the event of significant requests for redemption, the Company reserves the right not to fix the value of the shares until after the execution of the purchases and sales of securities required, and to proceed with the redemption pursuant to the provisions contained in the sale documents.

The net value of each share as well as the issue price and the redemption price at the Valuation Day shall be available from the Company and the establishments charged with recording requests for allocation and redemption. The Board of Directors shall decide, inter alia, which newspapers in which countries shall publish in particular the net value, as well as the frequency of such publications.

The Company may, with the express written agreement of the shareholders concerned, and if the principle of their equal treatment is respected, proceed with the redemption of its shares, in total or in part, for a payment pursuant to the conditions stipulated by the Company (including, without limitation, the presentation of an independent valuation report from the auditor of the Company).

Art. 8. Conversion methods. Except for specific restrictions decided by the Board of Directors and indicated in the sale documents, every shareholder is authorised to request conversion within the framework of a single sub-fund or between sub-funds of all or part of his shares of a single category and/or class of shares into shares of another category/class.

The price for the conversion of shares shall be calculated using the net asset value of the two sub-funds, categories and/or classes of shares in question, calculated on the same Valuation Day and taking into account the standard charges for the sub-funds, categories and/or classes of shares in question.

The Board of Directors may impose restrictions it considers necessary, in particular regarding the frequency, the methods and the conditions of conversions, and it may subject them to payment of fees and charges that it calculates.

In the event a conversion of shares shall result in a reduction in the number or the net asset value of the shares that a shareholder holds in one category of shares

defined below by a number or value defined by the Board of Directors, the Company may oblige that shareholder to convert all the shares within the framework of that category.

Shares that have been converted shall be cancelled.

Requests for conversions may be suspended under the conditions and methods pursuant to Article 12.

Art. 9. Restrictions on ownership of shares. The Board of Directors may, at any time, at its own discretion and without the need for justification:

- refuse any allocation of shares;
- redeem at any time shares of the Company illegitimately allocated or held.

Requests for allocation or redemption of shares may be made at establishments designated by the Company.

More specifically, the Company may restrict or prevent the ownership of shares in the Company by any person, firm or corporate body, and without limitation, by any "U.S. person", as defined hereafter.

For such purposes the Company may:

a) decline to issue any share or to register any transfer of any share where it appears to it that such registration would or might result in such share being directly or beneficially owned by a person, who is precluded from holding shares in the Company;

b) at any time require any person whose name is entered in the Register of Shareholders to furnish it with any information, supported by affidavit, which it may consider necessary for the purpose of determining whether or not beneficial ownership of such shareholder's share rests or will rest in a person who is precluded from holding shares in the Company; and

c) where it appears to the Company that any person, who is precluded from holding shares or a certain proportion of the shares in the Company, either alone or in conjunction with any other person is beneficial owner of shares, compulsorily redeem from any such shareholder all or part of shares held by such shareholder in the following manner:

(1) The Company shall serve a notice (hereinafter called the "redemption notice") upon the shareholder holding such shares or appearing in the Register of Shareholders as the owner of the shares to be redeemed, specifying the shares to be redeemed as aforesaid, the price to be paid for such shares, and the place at which the redemption price in respect of such share is payable. Any such notice may be served upon such shareholder by posting the same in a prepaid registered envelope addressed to such shareholder at his last address known to or appearing in the books of the Company. Immediately after the close of business on the date

specified in the redemption notice, such shareholder shall cease to be a shareholder and the shares previously held or owned by him shall be cancelled;

(2) The price at which the shares specified in any redemption notice shall be redeemed (herein called "the redemption price") shall be an amount equal to the per share Net Asset Value of shares in the Company of the relevant class, determined in accordance with Article 11 herein;

(3) Payment of the redemption price will be made to the shareholder appearing as the owner thereof in the currency of denomination for the relevant class of shares and will be deposited by the Company with a bank in Luxembourg or elsewhere (as specified in the redemption notice) for payment to such person. Upon deposit of such price as aforesaid no person interested in the shares specified in such redemption notice shall have any further interest in such shares or any of them, or any claim against the Company or its assets in respect thereof, except the right of the shareholder appearing as the owner thereof to receive the price so deposited (without interest) from such bank as aforesaid.

(4) The exercise by the Company of the powers conferred by this Article shall not be questioned or invalidated in any case, on the ground that there was insufficient evidence of ownership of shares by any person or that the true ownership of any shares was otherwise than appeared to the Company at the date of any redemption notice, provided that in such case the said powers were exercised by the Company in good faith; and

d) decline to accept the vote of any person who is precluded from holding shares in the Company at any meeting of shareholders of the Company.

Whenever used in these Articles, the term "U.S. person" shall have the same meaning as in Regulation S, as amended from time to time, of the United States Securities Act of 1933, as amended (the "1933 Act") or as in any other regulation or act which shall come into force within the United States of America and which shall in the future replace Regulation S of the 1933 Act. The Board of Directors shall define the word "U.S. person" on the basis of these provisions and publicise this definition in the sales documents of the Company.

The Board of Directors may, from time to time, amend or clarify the aforesaid meaning.

In addition to the foregoing, the Board of Directors may restrict the issue and transfer of shares of a class to institutional investors within the meaning of Article 174 of the Law of 17 December 2010 ("Institutional Investor(s)"), as may be amended from time to time. The Board of Directors may, at its discretion, delay the acceptance of any subscription application for shares of a class reserved for Institutional Investors until such time as the Company has received sufficient

evidence that the applicant qualifies as an Institutional Investor. If it appears at any time that a holder of shares of a class reserved to Institutional Investors is not an Institutional Investor, the Board of Directors will convert the relevant shares into shares of a class which is not restricted to Institutional Investors (provided that there exists such a class with similar characteristics) and which is essentially identical to the restricted class in terms of its investment object (but, for avoidance of doubt, not necessarily in terms of the fees and expenses payable by such class), unless such holding is the result of an error of the Company or its agents, or the Board of Directors will compulsorily redeem the relevant shares in accordance with the provisions set out in this Article. The Board of Directors will refuse to give effect to any transfer of shares and consequently refuse any transfer of shares to be entered into the Register of Shareholders in circumstances where such transfer would result in a situation where shares of a class restricted to Institutional Investors would, upon such transfer, be held by a person not qualifying as an Institutional Investor.

In addition to any liability under applicable law, each shareholder who does not qualify as an Institutional Investor, and who holds shares in a class restricted to Institutional Investors, shall hold harmless and indemnify the Company, the Board of Directors, the other shareholders of the relevant class and the Company's agents for any damages, losses and expenses resulting from or connected to such holding, in circumstances where the relevant shareholder had furnished misleading or untrue documentation or had made misleading or untrue representations to wrongfully establish its status as an Institutional Investor or has failed to notify the Company of its loss of such status.

Art. 10. Creation and Closure of sub-funds. All decisions relating to the creation or closure of a sub-fund shall be made by the Board of Directors. The Board of Directors may, should the need arise, submit the case to the General Meeting of Shareholders to deliberate.

Art. 11. Net asset value. The net asset value per share of each sub-fund, category or class of shares of the Company as well as the issue and redemption prices shall be defined by the Company at a frequency to be stipulated by the Board of Directors, however at least twice a month.

The accounts of each sub-fund or category or class of shares shall be held separately. The net asset value shall be calculated for each sub-fund or category or class of shares and shall be expressed in the reference currency. The net asset value of the shares of each sub-fund or category or class of shares shall be defined by dividing the net assets of each sub-fund or category or class of shares by the total number of shares of each sub-fund or category or class of shares in

circulation. The net assets of each sub-fund or category or class of shares correspond to the difference between the assets and the liabilities of each of the sub-funds or categories or class of shares.

The day on which the net asset value shall be defined is stipulated in the present Articles of Incorporation as the "Valuation Day".

The Board of Directors of the Company shall establish separate pool of net assets for each sub-fund. In contacts among the shareholders, this pool shall be attributed only to the shares issued in respect to the sub-fund in question, taking account, if applicable of the distribution of this pool between the different categories and/or classes of shares of that sub-fund.

In respect to third parties, and notwithstanding Article 2093 of the Civil Code, the assets of one defined sub-fund only cover the debts, commitments and liabilities relating to that sub-fund.

The valuation of the assets and liabilities of each sub-fund of the Company shall be performed pursuant to the following principles.

In order to establish separate pools of assets corresponding to a sub-fund or to two or more categories and/or classes of shares of a given sub-fund, the following rules shall apply:

a) If two or more categories/classes of shares relate to a single defined sub-fund, the assets attributed to those categories and/or classes of shares shall be invested together pursuant to the investment policy of the sub-fund in question, subject to the specific conditions applying to those categories and/or classes of shares;

b) The proceeds resulting from an issue of shares relating to a single category and/or class of shares shall be attributed in the books of the Company to the sub-fund that offers that category and/or class of shares, on the understanding that if more than one category and/or class of shares are issued in relation to that sub-fund, the corresponding value shall increase the proportion of the net assets of that sub-fund attributable to the category and/or class of shares to be issued;

c) The assets, liabilities, revenues and costs relating to a sub-fund shall be attributed to the category(ies) and/or class(es) of shares corresponding to that sub-fund;

d) In the event one asset results from another asset, that asset shall be attributed, in the books of the Company, to the same sub-fund or the same category and/or class of shares to which the asset from which it results belongs, and for each new valuation of an asset, the increase or the decrease in the value shall be attributed to the corresponding sub-fund or the category and/or class of shares;

e) If the Company has a liability that is attributable to an asset of a defined sub-fund or a category and/or class of shares, or to an operation performed in relation

to an asset of a defined sub-fund or a category and/or class of shares, that liability shall be attributed to that sub-fund or category and/or class of shares;

f) In the event an asset or a liability of the Company cannot be attributed to a defined sub-fund, that asset or liability shall be attributed to all the sub-funds in proportion to the net asset value of the categories and/or classes of shares in question or in another manner that the Board of Directors shall determine in good faith;

g) After distributions made to the holders of shares of one category and/or class, the net asset value of that category and/or class of shares shall be reduced by the value of those distributions.

The valuation of assets and liabilities of each sub-fund of the Company shall be performed, unless given otherwise in the Prospectus, according to the following principles:

a) The value of the cash in hand or deposits, securities and bills payable on demand, advance payments, dividends and interests that have fallen due but are not yet collected, shall be calculated using the nominal value of those assets, unless it appears improbable that the asset in question can be collected. In such a case, the value shall be defined with the deduction of a specific amount that appears reasonable in order to reflect the real value of those assets;

b) The valuation of securities officially listed or negotiated on a regulated market that is functioning normally, recognised and open to the public, is based on the last rate known and if that security is traded on more than one market, based on the last rate known on the principle market for that security. If the last rate known is not representative, the valuation shall be based on the probable sale value estimated using the principles of prudence and good faith;

c) Securities that are not quoted or are not negotiable on a stock market or on a regulated market, functioning normally, recognised and open to the public, shall be valued on the basis of the probable sale value estimated using the principles of prudence and good faith;

d) Securities expressed in a different currency than that of the sub-fund in question shall be converted using the last exchange rate known;

e) The liquidation value of futures contracts and option contracts that are not negotiated on regulated markets shall equal their net liquidation value defined pursuant to the policies established by the Board of Directors, on a basis applied coherently for each type of contract. The liquidation value of futures contracts or option contracts negotiated on regulated markets shall be based on the last available settlement price for these contracts on the regulated markets on which these futures contracts or option contracts are negotiated by the Company; in the

event a futures contract or option contract cannot be liquidated on the day on which the net assets are evaluated, the base that shall be used to determine the liquidation value of that contract shall be defined by the Board of Directors in a fair and reasonable manner;

f) The Board of Directors may authorise the use of amortised cost method of valuation for short-term transferable debt securities in certain sub-funds. This method involves valuing a security at its cost and thereafter assuming a constant amortisation to maturity of any discount or premium regardless of the impact of fluctuating interest rates on the market value of the security or other instrument. While this method provides certainty in valuation, it may result in periods during which value as determined by amortised cost, is higher or lower than the price the sub-fund would receive if it sold the securities. This method of valuation will only be used in accordance with ESMA guidelines concerning eligible assets for investments by UCITS and only with respect to securities with a maturity at issuance or residual term to maturity of 397 days or less or securities that undergo regular yield adjustments at least every 397 days

g) Units of UCITS and/or other UCI shall be valued at their last known net asset value per share;

h) Interest rate swaps shall be valued at their market value established by reference to the applicable rate curve. Swaps on financial indexes or instruments shall be valued at their market value established by reference to the financial index or instrument in question. The valuation of the swap contracts relative to the financial indexes or instruments shall be based on the market value of these swap operations according to the procedures established by the Board of Directors;

i) All other securities and assets shall be valued at their market value defined in good faith, in compliance with the procedures established by the Board of Directors;

j) All other holdings shall be valued on the basis of their probable realisation value, which must be estimated with prudence and in good faith.

The appropriate deductions shall be performed for the costs incurred by the Company, by each sub-fund or by each category and/or class of shares, calculated on a regular base, and any eventual liabilities of the Company, of each sub-fund and of each category and/or class of shares shall be taken into account by a fair valuation.

The appropriate deductions shall be made for the expenditure incurred by the Company and the liabilities of the Company shall be taken into consideration according to fair and prudent criteria. The Company shall bear the totality of the operating costs anticipated in its Prospectus and/or by contract. The Company

shall be instructed to pay remuneration provided to external operators, to the Custodian Bank and, should the need arise, those of the correspondents, commission for the Administrative and Financial Agent; the costs and fees of the External Auditor; the costs of publication and for informing the shareholders, in particular the costs of printing and distributing the prospectus and the periodical reports; the costs of necessary procedures for the establishment of the Company, for its introduction into the stock market and for its approval by the relevant authorities; the brokerage and commissions arising from the transactions on the securities in the portfolio; all the taxes and duties that may be due on its revenues; the subscription price as well as the fees due to the supervisory authorities, the costs arising from the distribution of dividends; the costs of consultation and other costs of extraordinary measures, in particular the expert valuations or lawsuits with the aim of safeguarding the interests of the shareholders; the annual duties for listing on the stock market.

In addition, all reasonable expenditure and advance payments, including, without this list being in any way exhaustive, costs for telephone, telex, telegram and postage incurred by the Custodian Bank from purchases and sales of securities in the portfolio of the Company, shall be borne by the Company.

This remuneration also includes that relating to the functions of the recording agent of the Company. As paying agent, the Custodian Bank may apply its normal commission in relation to the payment of the dividends by the Company.

Art. 12. Suspension of the calculation of the net asset value and Issue and Redemption of shares. Irrespective of the legal causes of suspension, the Company may at any moment suspend the valuation of the net value of the shares in a sub-fund, a category or class of shares of the Company as well as the issue and redemption and conversion of these shares in the following cases:

(a) during any period when any of the principal stock exchanges or any other regulated market on which any substantial portion of the Company's investments of the relevant class for the time being are quoted, is closed or during which dealings are restricted or suspended;

(b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant class by the Company is impracticable;

(c) during any breakdown in the means of communication normally employed in determining the price or value of any of the Company's investments or the current prices or values on any market or stock exchange;

(d) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such shares or during which

any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such shares cannot in the opinion of the Board of Directors be effected at normal rates of exchange;

(e) further to the publication of a convening notice to a general meeting of shareholders in order to resolve the winding up or the liquidation of the Company;

(f) if the Board of Directors has determined that there has been a material change in the valuations of a substantial proportion of the investments of the Company attributable to a particular class of shares in the preparation or use of a valuation or the carrying out of a later or subsequent valuation;

(g) during any other circumstance or circumstances where a failure to do so might result in the Company or its shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or any other detriment which the Company or its shareholders might so otherwise have suffered;

(h) when a Sub-Fund merges with another sub-fund or with another UCITS (or a Sub-Fund of such other UCITS) provided any such suspension is justified by the protection of the Shareholders; and/or

(i) when a class of shares or a sub-fund is a Feeder of another UCITS, if the net asset value calculation of the Master UCITS or sub-fund or class of shares is suspended.

In the absence of bad faith, grave negligence and clear error, any decision taken by the Board of Directors or by a person delegated by the Board of Directors in relation to the calculation of the net asset value, shall be definitive and obligatory for the Company as well as for the shareholders.

Any such suspension shall be published, if appropriate, by the Company and be notified to shareholders having made an application for subscription, redemption or conversion of shares for which the calculation of the net asset value has been suspended.

Such suspension as to any Sub-Fund, category and/or class of shares shall have no effect on the calculation of the net asset value per share, the issuance, redemption and conversion of shares of any other Sub-Fund, category and/or class of shares.

Art. 13. General meetings of shareholders. The Ordinary General Meeting of Shareholders of the Company shall represent all the shareholders of the Company. It shall enjoy the greatest powers for ordering, performing or ratifying all acts relating to the operations of the Company.

The Annual General Meeting of Shareholders shall be held in Luxembourg at the registered office of the Company or at any other location in the Grand Duchy of Luxembourg that shall be stipulated in the convocation, the third Tuesday of May at 03.00 pm. In the event that this day is a public holiday or a bank holiday in

Luxembourg, the Annual General Meeting shall be held the first subsequent day that banks are open. The Annual General Meeting may be held abroad if the Board of Directors states without appeal that exceptional circumstances require such a move.

The convocation indicates the place and the practical arrangements for providing the annual accounts, the report of the approved statutory auditor, and the management report (if applicable) to the shareholders and specifies that each shareholder may request that the annual accounts, the report of the approved statutory auditor and the management report (if applicable) are sent to him.

Decisions concerning the general interests of the shareholders of the Company shall be taken during a General Meeting of the Shareholders and the decisions concerning specific rights of shareholders of a sub-fund or of a category/class of shares shall be taken during a General Meeting of the Shareholders of that subfund or that category/class of shares.

The quorums and delays required by law shall regulate the convocations and the course of the General Meetings of Shareholders of the Company wherever these are not specified in the present Articles of Incorporation.

Other general meetings may be held at such time and place as decided by the Board of Directors.

In order to be admitted into the General Meeting, every security holder must deposit his bearer securities five working days before the date fixed for the General Meeting, at the registered office or at establishments designated in the convocation.

The owners of registered shares must, within the same deadline, inform the Board of Directors in writing (letter or proxy) of their intention to participate in the General Meeting and must indicate the number of securities for which they intend to participate in the voting.

Any share of any sub-fund, category or class, whatever its value, provides the right to a single vote.

Every shareholder may take part in General Meetings of Shareholders appointing another person in writing as proxy or by telefax message or any other electronic means capable of evidencing such proxy, who cannot themselves be a shareholder. Such proxy shall be deemed valid, provided that it is not revoked, for any reconvened shareholders' meeting.

Except as otherwise required by law or as otherwise provided herein, resolutions at a meeting of shareholders or at a class meeting duly convened will be passed by a simple majority of the votes cast. Votes cast shall not include votes in relation to shares in respect of which the shareholders have not taken part in the vote or have

abstained or have returned a blank or invalid vote. A shareholder who is a corporation may execute a proxy under the hand of a duly authorized officer.

The Board of Directors may determine any other conditions to be complied with by the shareholders in order to take part in the General Meeting.

Shareholders will meet upon call by the Board of Directors pursuant to convocation setting forth the agenda sent, in accordance with the applicable laws and regulations, to the shareholder's address in the Register of Shareholders.

If and to the extent required by Luxembourg law, the convocation shall, in addition, be published in the Mémorial, Recueil des Sociétés et Associations of Luxembourg, in a Luxembourg newspaper and in such other newspapers as the Board of Directors may decide.

If, however, all of the shareholders are present or represented at a meeting of shareholders, and if they state that they have been informed of the agenda of the meeting, the meeting may be held without prior notice or publication.

The General Meeting of Shareholders may only address the items contained in the agenda.

Following conditions set forth in Luxembourg laws and regulations, the convocation to any general meeting of shareholders may specify that the quorum and the majority applicable for this general meeting will be determined by reference to the shares issued and in circulation at a certain date and time preceding the general meeting (referred to as "Record Date"). The rights of a shareholder to attend a general meeting of shareholders and to exercise a voting right attaching to his/its/her shares will be determined by reference to the shares held by this shareholder at the Record Date.

Art. 14. Board members. The Company shall be administered by a Board of Directors composed of at least three members; the members of the Board of Directors do not need to be shareholders of the Company.

If a legal entity is appointed as a board member, it may designate a natural person through which it shall exercise the functions of board member. In this regard, third parties shall not be able to demand justification for his powers -the simple indication of the quality of the representative or delegate of the legal entity being sufficient.

The board members are elected by the General Meeting of the Shareholders for a maximum period of six years. They may be re-elected.

The mandate of departing board members who have not been re-elected shall cease immediately after the General Meeting.

Any board member may be dismissed with or without reason, or may be replaced at any moment by decision of the General Meeting of the Shareholders.

The board members proposed for election and whose names appear in the agenda of the annual General Meeting shall be elected by a majority of the shares present or represented and voting.

In the event a position of board member becomes vacant as the result of a death, resignation or otherwise, the remaining board members may elect, with a majority of votes, another board member temporarily to perform the functions attached to the position that has become vacant until the next General Meeting of Shareholders.

Art. 15. Chairmanship and Meeting of the board of directors. The Board of Directors shall choose a chairman from among its members and may elect from its members one or more vice-chairmen. It may also appoint a secretary or officers, while these do not need to be board members.

The Board of Directors shall meet upon convocation from the chairman or two board members, at the location, on the date and at the time indicated in the convocation. The written notice of any meeting of the Board of Directors shall be served on all the board members at least twenty-four (24) hours before the date provided for the meeting unless it is urgent, in which case the nature and the reasons for that urgency shall be indicated in the notice of convocation. That convocation may be waived with the consent of each board member in writing by telegram, telex, fax, e-mail or any other similar means of communication. A special convocation shall not be required for a meeting of the Board of Directors being held at a time and place determined in a resolution passed in advance by the Board of Directors.

Each of the board members may act at any meeting of the Board of Directors by appointing another board member as his proxy, in writing, by telegram, telex fax or e-mail, or by another similar means of telecommunication permitting the identification of such Director. However, no board member may represent more than one of his colleagues.

Any board member may take part in a meeting of the Board of Directors by telephone or video conference or by using other means of communication when all the persons taking part in that meeting may hear or see each other. Taking part in a meeting in this way shall be the same as attending such a meeting in person at the registered office of the Company. Directors may also cast their vote in writing or by cable, telegram, telex, telefax or e-mail message or any other electronic means capable of evidencing such vote.

The Board of Directors meets under the chairmanship of its chairman or, in the event of his absence, its vice-chairman if there is one, if not then by a delegated board member if there is one, or if not then by a board member.

The Board of Directors may only meet and act if at least two board members are present or represented. Decisions are taken with the majority of votes of the board members present or represented. For the calculation of quorum and majority, the Directors participating at the Board by video conference or by telecommunication means permitting their identification are deemed to be present. In the event that, at a meeting of the Board of Directors, there is the same number of votes for and against a decision, the vote of the person chairing the Board of Directors shall prevail.

Irrespective of the provisions above, a decision by the Board of Directors may also be taken by circular. Such a decision shall have the approval of all the board members whose signatures are applied either on a single document or on multiple copies of it or by telex, cable, telegram, telefax or e-mail message or by telephone provided in such latter event such vote is confirmed in writing. The entirety will form the minutes giving evidence of the resolution.

Such a decision shall have the same validity and the same force as if it was taken during a meeting of the Board of Directors called and held in the normal way.

The minutes of meetings of the Board of Directors shall be signed by the chairman, by the vice-chairman, by the delegated board member or by the board member who has assumed the chairmanship in his absence, or by two board members of the Company. Copies or extracts of the minutes intended to be used in court or otherwise shall be signed by the chairman, or by the secretary, or by two board members, or by any person authorised by the Board of Directors.

Art. 16. Powers of the board of directors. The Board of Directors has the widest powers to carry out all administrative acts or measures in the interests of the Company. All powers not expressly reserved for the General Meeting by the law or by these Articles of Incorporation shall be within the competency of the Board of Directors.

The Board of Directors, applying the principle of spreading risk, has the power to stipulate the general direction of the management and the investment policy as well as the course of action to be followed in the administration of the Company.

Art. 17. Investment policy. The Board of Directors, applying the principle of spreading risk, has the power to stipulate the investment policy of each sub-fund as well as the course of action to follow in the administration of the Company. The Board of Directors shall also determine any restrictions which shall from time to time be applicable to the investments of the Company, in accordance with Part I of the 2010 Law, including, without limitation, restrictions in respect of:

a) the borrowings of the Company and the pledging of its assets;

b) the maximum percentage of its assets which it may invest in any form or class of security and the maximum percentage of any form or class of security which it may acquire.

A. In order to achieve this, the Board of Directors may decide to place its assets in:

1) Transferable securities and money market instruments admitted to or dealt in on a regulated market within the meaning of the directive 2004/39/EC.

2) Transferable securities and money market instruments dealt in on another market of a European Union (hereinafter only the "EU") Member State which is regulated, operates regularly and, is open to the public.

3) Transferable securities and money market instruments admitted to official listing on a stock exchange in the EU or dealt in on another market in a non-Member State of the EU which is regulated, operates regularly and is recognised and open to the public in any other country in Eastern and Western Europe, the American continent, Asia, Oceania and Africa.

4) Transferable securities and money market instruments newly issued, provided that:

- The terms governing the issue include the provision that application shall be made for official listing on a stock exchange, or on another regulated market which operates regularly, and is recognized and open to the public; and
- such listing is secured within one (1) year of issue.

5) Shares of the UCITS and/or other UCIs in the sense of Article 1, paragraph (2), points a) and b) of Directive 2009/65/EC, whether or not established in a Member State of the EU, provided that:

- Such other UCIs are authorized under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in EU law, and that the cooperation between authorities is sufficiently guaranteed;
- The level of protection of shareholders in the other UCIs is equivalent to the level of protection of shareholders of a UCITS and in particular the provisions for separate management of the Company's assets, borrowing, credit allocation and short selling of securities and money market instruments are equivalent to the requirements of the Directive 2009/65/EC;
- That the business activity of the other UCIis subject to semi-annual and annual reports that permit an valuation of the assets and the liabilities, the profits and the operations in the period in question;
- The proportion of assets of UCITS or of these other UCIs regarding which the acquisition is being considered and which may be invested globally in shares of

other UCITS or of other UCIs pursuant to their articles of incorporation, does not exceed 10%.

6) Sight deposits or callable deposits with a maximum term of twelve (12) months with credit institutions, provided the credit institution in question has its registered office in EU Member State, or if the registered office of the credit institution is in a third state, provided it is subject to supervisory provisions that the CSSF holds to be equivalent to those of EU Law. .

7) Financial derivative instruments, including similar instruments giving rise to a settlement in cash, which are traded on a regulated market of the type referred to in points (1), (2) and (3) above, and/or financial derivatives instruments traded overthe-counter ("over-the-counter derivatives"), provided that:

- the underlying assets are instruments within the meaning of this section title A, financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest according to its investment objectives;
- with regard to transactions involving OTC derivatives, the counterparts are institutions from categories subject to official supervision which is approved by Luxembourg supervisory authorities; and
- the OTC derivatives are subject to reliable and examinable valuation on a daily basis and can at an appropriate time on the initiative of the Company be disposed of, liquidated or realised by a counter-transaction at any time at their fair value; In no case will these operations lead the Company to depart from its investment objectives.

In particular, the Company may intervene in transactions relating to options, future contracts on financial instruments and options on such contracts.

8) Money-market instruments, that are not traded on a regulated market, provided the issue or the issuer of such instruments are subject to provisions concerning deposits and investor protection, and provided they are:

- issued or guaranteed by a central state, regional or local body or central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a third state or in the case of a federal state, a Member state of the federation, or an international public law institution, which at least belongs to a Member State of the EU; or
- issued by a company the securities of which are traded on the regulated markets indicated in points 1), 2) and 3) above; or
- issued or guaranteed by an establishment subject to prudential supervision pursuant to the criteria defined by EU law, or by an establishment which is subject to and abides by prudential rules considered by the CSSF to be at least as strict as those imposed by EU legislation; or

- issued by other issues which belong to a category approved by the CSSF, provided that for the investments in these instruments there are provisions for investor protection which are equivalent to the first, second or third point and provided that the issuer is either a with equity capital and reserves of at least ten million euros (EUR 10,000,000), which draws up and publishes its annual reports in accordance the provisions of the Directive 78/660/EEC, or a legal entity which, within a group of companies with one or more stock market listed companies, is responsible for the financing of the group, or a legal entity where the security is backing of liabilities will be financed by use of a line of credit granted by a bank.

B. Moreover, the Company may for each sub-fund:

- invest up to 10% of the net assets of the sub-fund in transferable securities or money market instruments other than those referred to in A (1) to (4) and (8).
- retain, as collateral, liquid assets and other instruments convertible into liquid.
- borrow up to 10% of the net assets of the sub-fund , insofar as these are temporary borrowings. Commitments in relation to option contracts, purchases and sales of futures contracts are not considered borrowing for the calculation of the investment limit.
- acquire currency through type of face-to face loan.

C. The Company may acquire movable and immovable property which is essential for the direct pursuit of its business.

D. Moreover, a sub-fund of the Company may subscribe, acquire and/or hold securities to be issued or issued by one or more other sub-funds of the Company, in accordance with the provisions set forth in the sales documents of the Company and with the restrictions set forth in the 2010 Law.

E. Under the conditions set forth in Luxembourg laws and regulations, the Board of Directors may, at any time it deems appropriate and to the widest extent permitted by applicable Luxembourg laws and regulations, but in accordance with the provisions set forth in the sales documents of the Company:

(i) create any sub-fund and/or class of shares qualifying either as a feeder UCITS or as a master UCITS,

(ii) convert any existing sub-fund and/or class of shares into a feeder UCITS sub-fund and/or class of shares or

(iii) change the master UCITS of any of its feeder UCITS sub-fund and/or class of shares. By way of derogation from Article 46 of the 2010 Law, the Company or any of its sub-funds which acts as a feeder (the "Feeder") of a master-fund shall invest at least 85% of its assets in another UCITS or in a sub-fund of such UCITS (the "Master").

The Feeder may not invest more than 15% of its assets in the following elements:

(i) ancillary liquid assets in accordance with Article 41, paragraph (2), second sub-paragraph of the 2010 Law;
(ii) financial derivative instruments which may be used only for hedging purposes, in accordance with Article 41 first paragraph, point g) and Article 42 second and third paragraphs of the 2010 Law;
(iii) movable and immovable property which is essential for the direct pursuit of the Company' business.
F. The Company may also, and in accordance with the principle of risk diversification, invest up to 100% of the net assets of one or more sub-funds in different issues of transferable securities and money market instruments issued or guaranteed by a Member State of the European Union, by its local authorities, by an OECD Member State or by international public bodies to which one or more Member States of the European Union belong, provided that this or these sub-funds hold securities belonging to at least six different issues. However, the securities belonging to a single issue may not exceed 30% of the total.

Art. 18. Daily management.

a) The Board of Directors may establish, within or outside itself, any management committee, any consultative or technical committee, permanent or not, while it shall stipulate the composition, the powers and, if so required, the fixed or variable remuneration of its members, to be charged to overheads.
b) The Board of Directors may entrust the daily management of the Company as well as the representation of the Company as regards this management:
- Either to one or more of its members who hold the title of acting managing director.
- Or to one or more representatives chosen from within or outside itself;
- The Board of Directors and the representatives for the daily management may, within the framework of that management, delegate special and limited powers to any proxy;
- It may also charge the management of one or more parts of the social affairs to one or more directors or authorised representatives chosen from within or outside itself and charge all special and limited powers to any proxy;
- The Board of Directors may use more than one of the facilities above and recall at any time the persons mentioned in the paragraphs above;
- It fixes the awards and the fixed or variable remuneration, charged to overheads, of the persons to whom it grants the powers.

Art. 19. Representation - Legal transactions, Legal actions and Commitments of the company. The Company is represented as regards its legal transactions,

including those involving a public functionary, a law official and in legal proceedings:

- By two board members together;
- Or by the (those) charged with the daily management acting together or separately, within the limits of their powers.

In addition, it is validly bound by special proxies within the limits of their mandates.

Legal actions, as plaintiff or defendant, shall be monitored on behalf of the Company by a member of the Board of Directors or by a person so authorised by the Board of Directors.

The Company is bound by the acts performed by the Board of Directors, by the board members authorised

to represent it or by the person(s) authorised with the daily management.

Art. 20. Invalidation clause. No contract and no transaction that the Company can conclude with other companies or firms may be affected or invalidated by the fact that one or more board members, directors or authorised representatives of the Company have any interest whatsoever in any other company or firm, or by the fact that that person is board member, associate, director, authorised representative or employee of such society or company. The board member, director or authorised representative of the Company who is a board member, director or authorized representative or employee of a society or company with which the Company has contracts or with which it is otherwise conducting business, shall not be deprived of the right to deliberate, to vote and to act regarding matters related to such contract or such business. In the event that a board member, director or authorized representative has a personal interest in an operation by the Company, such board member, director or authorised representative must inform the Board of Directors of his personal interest and he shall not deliberate and shall not take part in a vote on that matter; a report must be made regarding this matter and the personal interest of the board member, director or authorised representative at the next General Meeting of Shareholders. This paragraph shall not apply where the decision of the Board of Directors relates to current operations entered into under normal conditions.

The term "personal interest", as used in this Article 20, shall not include any relationship with or interest in any matter, position or transaction involving the Company or any subsidiary thereof, or such other company or entity as may from time to time be determined by the Board of Directors at its discretion.

Art. 21. Indemnification. In the absence of serious negligence or bad management, any person who is or has been director, authorised representative or

board member may be remunerated by the Company for the total expenditure justifiably incurred for all actions or lawsuits he participated in within the framework of his position as board member, director or authorised representative of the Company.

Art. 22. Authorised auditor. Pursuant to the 2010 Law, the accounting and the preparation of all declarations imposed by Luxembourg law shall be monitored by an approved authorised auditor. The authorised auditors shall be elected by the Annual General Meeting of the Shareholders for period ending at the date of the next Annual General Meeting of Shareholders and until their successors are elected . The mandate of a departing authorised auditor who has not been re-elected shall cease immediately after the General Meeting.

Art. 23. Custody of the assets of the company.

a) The custody of the assets of the Company shall be entrusted to a banking or savings institution in the meaning of the law modified with regard to the financial sector (the "Custodian Bank"). If the Custodian Bank wishes to resign, the Board of Directors shall use its best endeavours to find a successor custodian within two months of the effectiveness of such resignation. The Board of Directors may denounce the custody agreement but may not remove the custodian unless a successor Custodian has been found.

b) The Custodian Bank holding the assets of the Company shall be bound to comply with the liabilities and duties fixed within the framework of an agreement established to this effect and in compliance with Luxembourg laws.

Art. 24. Management consultants. The Company may conclude one or more management or consultancy contracts with any Luxembourg-based company or company based abroad through which such company or any other company approved in advance shall provide consultation services, recommendations or management services for the Company in regard to the investment policy of the Company.

In order to reduce operational and administrative charges while permitting the greatest diversification of investments, the Board of Directors may decide that all or part of the assets of several sub-fund may be managed on a communal basis if that is appropriate (pooling).

Such a pool of assets (hereinafter only "Pool of Assets" for the needs of this document) shall be composed by the transfer of liquid assets or (while complying with the limitations mentioned above) other assets of each of the participating sub-funds. The board members may from time to time make other contributions or deductions of assets in respect to their respective investment sector.

Such Pools of Assets must not be considered as separate legal entities, and units of these Pools of Assets must not be considered as shares of the Company.

The rights and the liabilities of each sub-fund managed on this global basis apply to each of them and concern each of the investments performed within the Pools of Assets regarding which they hold the units.

Dividends, interest and other distributions that have the characteristic of revenue, received on behalf of a Pool of Assets shall be immediately credited to the sub-funds proportionally to their respective participation in the Pool of Assets at the moment of receipt. In the event of the dissolution of the Company, the assets of a Pool of Assets shall be allocated to the sub-funds in proportion to their respective participation in the Pool of Assets.

Art. 25. Financial year period - Annual and Periodical reports. The financial year shall commence on the 1 st January and end on 31 st December of the same year.

The accounts of the Company shall be prepared in EUR. In the event there are different sub-funds of shares and if the accounts of these sub-funds have been prepared in different currencies, these accounts shall be converted into EUR and totaled for the determination of the accounts of the Company.

Art. 26. Distribution of the annual income. Upon proposal by the Board of Directors and in compliance with legal limits, the General Meeting of the Shareholders of the category(ies)/class(es) of shares issued within the framework of a sub-fund shall determine the allocation of the results of that sub-fund and may on a periodical basis declare or authorise the Board of Directors to declare interim distributions. For each category/class of shares or for all categories/classes of shares giving the right to such distributions, the Board of Directors may decide to pay interim dividends, while remaining in compliance with the law.

The payments of distributions to registered shareholders shall be made to those shareholders at their addresses indicated in the register of shareholders. The payments of distributions to holders of bearer shares shall be made on presentation of the dividend coupon to the agent or agents designated for this purpose by the Company.

The distributions may be paid in any currency chosen by the Board of Directors and at the time and place it chooses.

The Board of Directors may decide to distribute dividends in the form of new shares instead of cash dividends.

Any declared distribution that is not claimed by its beneficiary within five years from the date of its allocation may no longer be claimed and shall revert to the corresponding sub-fund to the category(ies)/class(es) of shares in question.

The Board of Directors has all powers and may take all measures necessary for the application of this provision.

No interest shall be paid on dividends announced but remaining in the hands of the Company on behalf of its shareholders.

The payment of revenues can only be considered due insofar as the exchange regulations in force permit their distribution within the country of residence of the beneficiary.

Art. 27. Closure and Merger of sub-funds, Categories or Classes.

A. CLOSURE OF SUB-FUNDS, CATEGORIES OR CLASSES

If the assets of any sub-fund, category or class fall below a level at which the Board of Directors of the Company considers that its management is too difficult to ensure, it may decide to close that sub-fund, category or class. It may also do so within the framework of a rationalisation of the range of the products it offers to its clientele.

The decision and the methods of closure shall be brought to the knowledge of the shareholders of the sub-fund, category or class in question.

A notification relating to the closure of the sub-fund, category or class may also be transmitted to all the registered shareholders of this sub-fund, category or class.

The net assets of the sub-fund, category or class in question shall be distributed among the remaining shareholders of the sub-fund, category or class. Any amounts that have not been distributed at the closure of the liquidation operations of the sub-fund, category or class in question shall be deposited at the public trust office (Caisse de Consignation) in Luxembourg to be held for the benefit of the persons entitled thereto and shall be forfeited after 30 years.

B. MERGER OF SUB-FUNDS, CATEGORIES OR CLASSES

The Board of Directors of the Company may decide, in the interest of the shareholders, to transfer or merge the assets of one sub-fund, category or class of shares to those of another sub-fund, category or class of shares within the Company. Such mergers may be performed for reasons of various economic reasons justifying a merger of sub-funds, categories or classes of shares. The merger decision shall be published and be sent to all registered shareholders of the sub-fund, category or of the concerned class of shares at least one month before the effective date of the merger. The publication in question shall indicate, in addition, the characteristics of the new sub-fund, the new category or class of shares. Every Shareholder of the relevant sub-funds, categories or classes shall have the opportunity of requesting the redemption or the conversion of his own shares without any cost (other than the cost of disinvestment) during a period of at least thirty (30) days before the effective date of the merger, it being understood

that the effective date of the merger takes place five (5) business days after the expiry of such notice period.

In the same circumstances as described in the previous paragraph and in the interest of the shareholders, the transfer of assets and liabilities attributable to a sub-fund, category or class of shares to another UCITS or to a sub-fund, category or class of shares within such other UCITS (whether established in Luxembourg or another Member State and whether such UCITS is incorporated as a company or is a contractual type fund), may be decided by the Board of Directors of the Company, in accordance with the provisions of the 2010 Law. The Company shall send a notice to the Shareholders of the relevant sub-fund in accordance with the provisions of CSSF Regulation 10-5. Every shareholder of the sub-fund, category or class of shares concerned shall have the possibility to request the redemption or the conversion of his shares without any cost (other than the cost of disinvestment) during a period of at least thirty (30) days before the effective date of the merger, it being understood that the effective date of the merger takes place five (5) business days after the expiry of such notice period.

In the case of a contribution in a different Undertaking for collective investment, of the type "investment or mutual fund", the contribution shall only involve the shareholders of the sub-fund, the category or the class of shares in question who have expressly approved the contribution. Otherwise, the shares belonging to the other shareholders who have not made a statement regarding that merger shall be reimbursed without any cost. Such mergers may be carried out in various economic circumstances that justify a merger of sub-funds.

In case of a merger of a sub-fund, category or class of shares where, as a result, the Company ceases to exist, the merger needs to be decided by a meeting of shareholders of the sub-fund, category or class of shares concerned, for which no quorum is required and decisions are taken by the simple majority of the votes cast.

Art. 28. Dissolution. In the event of the dissolution of the Company, the Company shall be liquidated by one or more liquidators who may be natural persons or legal entities and who shall be nominated by the General Meeting of the Shareholders, which shall also stipulate their powers and their remuneration.

In the event the capital of the Company becomes less than two-thirds of the legal minimum capital, the board members must submit the question of the dissolution of the Company to the General Meeting deliberating without condition of attendance and deciding with a simple majority of the shares present or represented at the General Meeting. In the event the capital falls to less than one quarter of the legal minimum capital, the General Meeting shall also discuss,

again without condition of attendance, but in this case the dissolution may be pronounced by the shareholders possessing one quarter of the shares represented at the General Meeting.

The convocations to such General Meetings must be made so that the General Meetings are held within a deadline of forty days from the date it is found that the net asset has fallen to either two-thirds or one-quarter of the minimum capital.

The net proceeds from the liquidation of each sub-fund shall be distributed by the liquidators to the shareholders of that sub-fund.

Art. 29. Amendments to the articles of incorporation. The present Articles of Incorporation may be amended by a General Meeting of the Shareholders subject to the quorum and voting conditions pursuant to Luxembourg law and by the provisions of the present Articles of Incorporation.

Art. 30. Legal provisions. For all matters that are not regulated through the present Articles of Incorporation, the parties shall refer to the provisions of the law of 10 August 1915 on commercial companies as well as of the 2010 Law, as both may be amended from time to time.

- POUR STATUTS COORDONNÉS –