



PROSPECTUS

HTL Funds

Société d'Investissement à Capital Variable
à compartiments multiples
Luxembourg

Subscriptions can only be received on the basis of this Prospectus accompanied by the relevant key investor information documents, the latest annual report as well as the latest semi-annual report, if published after the latest annual report.

These reports form part of the present Prospectus. No information other than that contained in this Prospectus, in the periodic financial reports, as well as in any other documents mentioned in the Prospectus and which may be consulted by the public, may be given in connection with the offer.

R.C.S. LUXEMBOURG B214799

17 January 2019

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REGISTERED OFFICE	5, allée Scheffer L-2520 Luxembourg Grand-Duchy of Luxembourg
MANAGEMENT COMPANY	HTL Capital Management 55, rue de l'université - 2, rue de Villersexel 75007 Paris
DIRECTORS OF THE SICAV	Thanh-Long Huynh, Director of HTL Funds Chairman of HTL Capital Management Bertrand Gibeau, Director of HTL Funds Partner at Reinhold & Partners Alain Pithon, Director of HTL Funds Secretary General at Paris EUROPLACE
DIRECTORS (“Associés – mandataires sociaux”) OF THE MANAGEMENT COMPANY	Thanh-Long Huynh Chairman of HTL Capital Management Khenthong Lammanivong Managing director of HTL Capital Management Chief Risk Officer of HTL Capital Management Chairman of Krystyna Immobilier Serge-Paul Barbosa Deputy managing director of HTL Capital Management Portfolio Manager of HTL Capital Management
AUDITOR	PricewaterhouseCoopers, Société Coopérative 2, rue Gerhard Mercator L-2182 Luxembourg Grand-Duchy of Luxembourg
DEPOSITARY AND PAYING AGENT	CACEIS Bank, Luxembourg Branch 5, allée Scheffer L-2520, Luxembourg Grand-Duchy of Luxembourg
ADMINISTRATIVE AGENT AND REGISTRAR / TRANSFER AGENT	CACEIS Bank, Luxembourg Branch 5, allée Scheffer L-2520, Luxembourg Grand-Duchy of Luxembourg

The Prospectus is divided into two Parts. Part A “General Information” aims at describing the general features of HTL Funds. Part B “The Sub-Funds” aims at describing precisely each Sub-Fund’s specifics.

PART A: GENERAL INFORMATION

GLOSSARY

Administrative Agent	CACEIS Bank, Luxembourg Branch.
Annual General Meeting	The general meeting of Shareholders which is held yearly.
Articles	The Articles of Incorporation of the Company.
AMF	Autorité des Marchés Financiers, the french financial supervisory authority
Auditor	PricewaterhouseCoopers, Société Coopérative
Bank Business Day	Any full day on which banks are open for business.
Benchmarks Regulation	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.
Board of Directors	The board of directors of the Company.
Class(es) of Shares	Within each Sub-Fund several different classes of shares whose characteristics may differ. The differences between the Classes may relate <i>inter alia</i> to the initial subscription price per share, the Reference Currency of the Class, the types of investors who are eligible to invest, the subscription and repurchase frequency, the charging structure applicable to each of them, the distribution policy or such other features as the Board of Directors may, in their discretion, determine.
Company	HTL Funds.
Company Law	The Luxembourg law of 10 August 1915 related to the commercial companies.
CRS	Common Reporting Standard - formally referred to as the Standard for Automatic Exchange of Financial Account Information, is an information standard for the automatic exchange of information (AEOI), developed in the context of the Organisation for Economic Co-operation and Development (OECD).
Data Protection Law	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data.
Depository Bank	CACEIS Bank, Luxembourg Branch.
Directive 2009/65/EC or UCITS Directive	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended from time to time.
Director(s)	Member(s) of the Board of Directors of the Company
FII	Foreign Financial Institution.
GIIN	Global Intermediary Identification Number.
Investment Advisor	No Investment Advisor has been appointed.
Investment Fund Law	The Luxembourg law of December 17, 2010 related to undertakings for collective investments.
Investment Manager	No Investment Manager has been appointed.
KIID	Key Investor Information Document.
Management Company	HTL Capital Management.
Member State	Member State of the European Union.
Merger	A merger of a Sub-Fund or Class of Shares of the Company.
National Commission for Data Protection	The independent authority created by the law of 2 August 2002 on the protection of individuals with regard to the processing of personal data.
Net Asset Value	The net asset value as determined in section 8.
Nominee	An entity acting in its name but as nominee for the investor as determined in section 16.
OTC Derivative	Over the Counter derivative contract.
Prospectus	The current prospectus, offering document of the Company.
Reference Currency	The reference currency of, respectively, the Company, the Sub-Funds or Classes of Shares.
Registrar and Transfer Agent	CACEIS Bank, Luxembourg Branch.
RESA	The Luxembourg official gazette of law.
Shareholders	Holders of shares of any Sub-Fund of the Company.
SICAV	<i>Société d'Investissement à Capital Variable.</i>
Sub-Fund(s)	A distinctive entity constituted of assets and liabilities.
UCI	Undertaking for Collective Investment.

UCITS	Undertaking for Collective Investment in Transferable Securities.
UCITS Rules	The set of rules formed by the UCITS Directive and any derived or connected EU or national act, statute, regulation, circular or binding guidelines.
Valuation Date	A day on which the Net Asset Value per share of each Class will be determined.

1. INTRODUCTION

HTL Funds (hereinafter the "**Company**"), described in this Prospectus, is a company established in Luxembourg with a variable capital, a SICAV that may offer a choice of several separate Sub-Funds, each being distinguished among others by their specific investment policy or any other specific features as further detailed in the relevant Sub-Funds Addendum in Part B.

Each Sub-Fund invests in transferable securities and/or other liquid financial assets permitted by Part I of the law of December 17, 2010 related to undertakings for collective investments (in the following referred to as "**Investment Fund Law**") transposing Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (in the following referred to as the "**Directive 2009/65/EC**").

The Company constitutes a single legal entity, but the assets of each Sub-Fund are segregated from those of the other Sub-Fund(s). This means that the assets of each Sub-Fund shall be invested for the Shareholders of the corresponding Sub-Fund and that the assets of a specific Sub-Fund are solely accountable for the liabilities, commitments and obligations of that Sub-Fund.

The main objective of the Company is to provide a range of Sub-Funds combined with active professional management to diversify investment risk and satisfy the needs of investors seeking income, capital conservation and longer term capital growth. Each Sub-Fund is described in each Sub-Fund's specifics in Part B of this Prospectus.

As in the case of any investment, the Company cannot guarantee future performance and there can be no certainty that the investment objectives of the Company's individual Sub-Funds will be achieved.

The Reference Currency of the Sub-Funds (the "**Reference Currency**") is indicated in each Sub-Fund's specifics (section "Investment Objectives and Policy") in Part B of this Prospectus.

The board of directors of the Company (hereinafter the "**Board of Directors**" or the "**Directors**") may decide at any time to create new Sub-Funds. At the opening of such additional Sub-Funds, the current Prospectus shall be adapted accordingly.

As also indicated in the Articles of the Company, the Board of Directors may:

- (i) restrict or prevent the ownership of shares in the Company by any physical person or legal entity;
- (ii) restrict the holding of shares in the Company by any physical or corporate person in order to avoid the breach of laws and regulations of a country and/or official regulations or to avoid that the shareholding in question induces tax liabilities or other financial disadvantages, which it would otherwise not have incurred or would not incur.

For further information on restricted or prohibited share ownership, please consult the Company.

2. THE COMPANY

The Company was incorporated for an unlimited period in the Grand Duchy of Luxembourg on 12 May 2017 as a *société anonyme* under the law of August 10, 1915 relating to commercial companies (the “**Company Law**”) and is organized as a SICAV (i.e. variable capital company) under Part I of the Investment Fund Law. As such, the Company is registered on the official list of collective investment undertakings maintained by the Luxembourg regulator.

The capital of the Company shall at all times be equal to the value of the assets of all the Sub-Funds of the Company. The Reference Currency of the Company is USD.

The minimum capital of the Company must be at least the equivalent in USD of EUR 1,250,000 (one million two hundred fifty thousand Euro). For the purpose of determining the capital of the Company, the assets attributable to each Sub-Fund, if not expressed in USD, will be converted into USD at the then prevailing exchange rate in Luxembourg. If the capital of the Company becomes less than two-thirds of the legal minimum, the Directors must submit the question of the dissolution of the Company to the general meeting of Shareholders. The meeting is held without a quorum and decisions are taken by simple majority. If the capital becomes less than one quarter of the legal minimum, a decision regarding the dissolution of the Company may be taken by Shareholders representing one quarter of the shares present. Each such meeting must be convened not later than 40 days from the day on which it appears that the capital has fallen below two-thirds or one quarter of the minimum capital, as the case may be.

The registered office of the Company is at:

5, allée Scheffer
L-2520, Luxembourg
Grand-Duchy of Luxembourg

The Articles of the Company were published in the *Recueil Electronique des Sociétés et Associations* (hereafter referred to as the “**RESA**”) on 17 May 2017 and the Company is registered with the Luxembourg Trade and Companies Register under number B214799.

The financial year of the Company starts on the first of January and ends on the 31st of December each year. Exceptionally, the first financial year started at the launch of the SICAV and ended on the 31st of December 2017.

Shareholders' meetings are to be held annually in Luxembourg at the Company's registered office or at such other place as is specified in the notice of meeting. The Annual General Meeting will be held within 6 months as from the preceding year-end. The first general annual meeting will be held in 2018. Other meetings of Shareholders may be held at such place and time as may be specified in the respective notices of meetings that will be published/sent in compliance with the provisions of the Company Law. Resolutions concerning the interests of the Shareholders of the Company shall be taken in a general meeting and resolutions concerning the particular rights of the Shareholders of one specific Sub-Fund may be taken by this Sub-Fund's general meeting.

3. THE MANAGEMENT COMPANY

The Directors are responsible for the overall investment policy, objectives and management of the Company, and of its Sub-Fund(s).

The Board of Directors of the Company has appointed HTL Capital Management as its Management Company to be responsible on a day to day basis, under the supervision of the Directors, for providing investment management, administration and marketing services in respect of all Sub-Fund(s) in accordance with the Directive 2009/65/EC.

The Management Company has delegated the administration functions to the Administration Agent and registrar and transfer functions to the Registrar and Transfer Agent.

The Management Company is registered with number 533 958 906 under the Register of Commerce and Companies of Paris, France. HTL Capital Management is regulated in France by the “*Autorité des Marchés Financiers*”, the financial supervisory authority, and is authorised under number GP-14000006 as a UCITS management company in compliance with Directive 2009/65/EC. The list of funds managed by the Management Company are available on the following website: <http://www.htl-capital.com>.

The Management Company has been appointed under a Collective Portfolio Management Agreement entered into on 12 May 2017. This Agreement is for an indefinite period of time.

The Management Company shall ensure compliance of the Company with the investment instructions and is responsible for the implementation of the Company's strategies and investment policy. The Management Company shall report to the Directors and inform each Director without delay of any non-compliance of the Company with the investment restrictions.

Subject to the conditions set forth by the Directive 2009/65/EC, the Management Company is authorized to delegate under its responsibility and control, and with consent and under supervision of the Company and its Board of Directors, part or all of its functions and duties to third parties.

For the investment management of the Sub-Funds, the Management Company may, at its own costs and under its control and supervision, appoint one or more Investment Managers for providing day-to-day management of the assets of certain Sub-Funds. The Management Company may further, under the same conditions, appoint Investment Advisors to provide investment information, recommendations and research concerning prospective and existing investments.

The remuneration policy of the Management Company is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile, rules or instruments of incorporation of the funds managed. Furthermore, the remuneration policy is in line with the business strategy, objectives, values and interests of the management company and the UCITS that it manages and of the investors of this UCITS, and includes measures to avoid conflicts of interest.

The remuneration policy reflects the Management Company's objectives for good corporate governance as well as sustained and long-term value creation for Shareholders. The remuneration policy has been designed and implemented to:

- support actively the achievement of the Management Company's strategy and objectives;
- support the competitiveness of the Management Company in the markets it operates;
- be able to attract, develop and retain high-performing and motivated employees; and
- address any situations of conflicts of interest. For that purpose, the Management Company has implemented and maintains an adequate management of conflicts of interest policy.

Employees of the Management Company are offered a competitive and market-aligned remuneration package making fixed salaries a significant component of their total package. Moreover, the assessment of performance may be set in a multi-year framework appropriate to the holding period recommended to the investors of the Company in order to ensure that the assessment process is based on the longer-term performance of the Company and its investment risks and that the actual payment of performance-based components of remuneration may be spread over the same period. Fixed and variable components of total remuneration are appropriately balanced and the fixed remuneration components represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable components, including the possibility to pay no variable remuneration component.

The principles of the remuneration policy are reviewed on a regular basis and adapted to the evolving regulatory framework. The remuneration policy has been approved by the Board of directors of the Management Company.

The details of the up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identities of persons responsible for awarding the remuneration and benefits includ-

ing the composition of the remuneration committee, where such a committee exists, can be found on the following website: <http://www.htl-capital.com>. A paper copy of the remuneration policy will be made available free of charge upon request.

In consideration of its investment management, administration and marketing services, the Management Company is entitled to receive management, administration, distribution and performance fees as indicated in each Sub-Fund's specifics (section "Expenses") in Part B of this Prospectus. Management fees shall be paid to the Management Company monthly.

4. INVESTMENT OBJECTIVES AND POLICY

4.1 Investment objectives of the Company

The investment objective of each Sub-Fund is to provide investors with the opportunity of achieving long-term capital growth and/or capital conservation through investment in assets within each of the Sub-Funds. **The Sub-Funds' assets will be invested in conformity with each Sub-Fund's investment objective and policy as described in each Sub-Fund's specifics (section "Investment Objectives and Policy") in Part B of this Prospectus.**

The investment objective and policy of each Sub-Fund of the Company is determined by the Directors, after taking into account the political, economic, financial and monetary factors prevailing in the selected markets.

Whilst using their best endeavours to attain the investment objectives, the Directors cannot guarantee the extent to which these objectives will be achieved. The value of the shares and the income from them can fall as well as rise and investors may not realise the value of their initial investment. Changes in the rates of exchange between currencies may also cause the value of the shares to diminish or to increase.

Unless otherwise mentioned in the Sub-Fund's specifics in Part B of this Prospectus, the following applies to the Sub-Funds.

4.2 Investment policy and restrictions of the Company

- I. In the case that the Company comprises more than one Sub-Fund, each Sub-Fund shall be regarded as a separate undertaking in collective investments in transferable securities ("UCITS") for the purpose of the investment objectives, policy and restrictions of the Company.
- II. 1. The **Company**, for each **Sub-Fund**, may invest in only one or more of the following:
 - a) transferable securities and money market instruments admitted to or dealt in on a regulated market; for these purposes, a regulated market is any market for financial instruments within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004;
 - b) transferable securities and money market instruments dealt in on another market in a member state of the European Union and in a contracting party to the Agreement on the European Economic Area that is not a member state of the European Union within its limits set forth and related acts ("**Member State**"), which is regulated, operates regularly and is recognised and open to the public;
 - c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State of the European Union or dealt in on another market in a non-Member State of the European Union which is regulated, operates regularly and is recognised and open to the public, and is established in a country in Europe, America, Asia, Africa or Oceania;
 - d) Recently issued transferable securities and money market instruments, provided that:
 - the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or on another regulated market which operates regularly and is recognised and open to the public or markets as defined in the paragraphs a), b), c) above;
 - provided that such admission is secured within one year of issue;
 - e) units of UCITS authorised according to Directive 2009/65/EC and/or other undertakings in collective investments (the "**UCI**") within the meaning of the first and the second indent of Article 1, paragraph (2) points a) and b) of the Directive 2009/65/EC, whether or not established in a Member State, provided that:
 - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Commission de Surveillance du Secteur Financier ("**CSSF**") to be equivalent to that laid down in EU Community law, and that cooperation between authorities is sufficiently ensured,
 - the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC,
 - the business of such other UCIs is reported in semi-annual and annual reports to enable an

assessment of the assets and liabilities, income and operations over the reporting period,

- no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS or other UCIs;
- f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU Community law;
- g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in subparagraphs a), b) and c) above, and/or financial derivative instruments dealt in over-the-counter ("**OTC derivatives**"), provided that:
 - the underlying consists of instruments covered by this paragraph II. of section 4.2., financial indices, interest rates, foreign exchange rates or currencies, in which each Sub-Funds may invest according to its investment objectives;
 - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and
 - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative;
- h) money market instruments other than those dealt in on a regulated market and which fall under Article 1 of the Investment Fund Law, if the issuer or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:
 - issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or
 - issued by an undertaking any securities of which are dealt in on regulated markets referred to in subparagraphs a), b) or c) above; or
 - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU Community law; or
 - issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent of this sub-paragraph and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies including one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2. However:

- a) The Company, for each Sub-Fund, shall not invest more than 10% of its assets in transferable securities or money market instruments other than those referred to in paragraph 1 of this section 4.2. II. above;
 - b) the Company for each Sub-Fund shall not acquire either precious metals or certificates representing them.
- III. The Company, for each Sub-Fund, may acquire movable and immovable property, which is essential for the direct pursuit of its business.
- IV. The Company may hold ancillary liquid assets.
- V. a) (i) The Company, for each Sub-Fund, may invest no more than 10% of the assets of any Sub-Fund in transferable securities or money market instruments issued by the same body.
(ii) The Company, for each Sub-Fund, may not invest more than 20% of its assets in deposits

made with the same body. The risk exposure to a counterparty of each Sub-Fund in an OTC derivative transaction may not exceed 10% of its assets when the counterparty is a credit institution referred to in paragraph II. f) or 5% of its assets in other cases.

- b) The total value of the transferable securities and money market instruments held by the Company for each Sub-Fund in the issuing bodies in each of which it invests more than 5% of its assets shall not exceed 40% of the value of its assets of each Sub-Fund. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph a), the Company, for each Sub-Fund, shall not combine where this would lead to investing more than 20% of its assets in a single body, any of the following:

- investments in transferable securities or money market instruments issued by that body;
- deposits made with that body; or
- exposures arising from OTC derivative transactions undertaken with that body.

- c) The limit of 10% laid down in sub-paragraph a) (i) above may be of a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its public local authorities, by a non-Member State or by public international bodies of which one or more Member States belong.

- d) The limit of 10% laid down in sub-paragraph a) (i) may be of a maximum of 25% for certain bonds when they are issued by a credit institution which has its registered office in a Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.

If the Company for a Sub-Fund invests more than 5% of its assets in the bonds referred to in this sub-paragraph and issued by one issuer, the total value of such investments may not exceed 80% of the value of the assets of the Sub-Fund.

- e) The transferable securities and money market instruments referred to in paragraphs c) and d) are not included in the calculation of the limit of 40% referred to in paragraph b).

The limits set out in sub-paragraphs a), b), c) and d) may not be combined, thus investments in transferable securities or money market instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with paragraphs a), b), c) and d) may not exceed a total of 35% of the assets of each Sub-Fund.

Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits contained in paragraph V.

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

- VI. a) Without prejudice to the limits laid down in paragraph VIII., the limits provided in paragraph V. are raised to a maximum of 20% for investments in shares and/or debt securities issued by the same body when, according to the constitutional documents of the Company, the aim of a Sub-Funds' investment policy is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF on the following basis:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers;
- the index is published in an appropriate manner.

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

- VII. **Notwithstanding the limits set forth under paragraph V., each 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 a Mem-**

ber State, one or more of its local authorities, a non-Member State of the European Union or public international bodies of which one or more Member States of the European Union belong, provided that (i) such securities are part of at least six different issues and (ii) the securities from a single issue shall not account for more than 30% of the total assets of the Sub-Fund.

- VIII. a) The Company may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- b) Moreover, the Company may acquire no more than:
- 10% of the non-voting shares of the same issuer;
 - 10% of the debt securities of the same issuer;
 - 25% of the units of the same UCITS and/or other UCI with the meaning of Article 2 (2) of the Investment Fund Law;
 - 10% of the money-market instruments of any single issuer.

These limits laid down under second, third and fourth indents may be disregarded at the time of acquisition, if at that time the gross amount of the bonds or of the money market instruments or the net amount of the instruments in issue cannot be calculated.

- c) The provisions of paragraphs (a) and (b) are waived as regards to:
- transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
 - transferable securities and money market instruments issued or guaranteed by a non-Member State of the European Union;
 - transferable securities and money market instruments issued by public international bodies of which one or more Member States of the European Union are members;
 - shares held by the Company in the capital of a company incorporated in a non-Member State of the European Union which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which the Company for each Sub-Fund can invest in the securities of issuing bodies of that State provided that the investment policy of the company from the non-Member State of the European Union complies with the limits laid down in paragraph V., VIII. and IX. Where the limits set in paragraph V and IX are exceeded, paragraph XI a) and b) shall apply mutatis mutandis;
 - shares held by one or more investment companies in the capital of subsidiary companies carry on the business of management, advice or marketing in the country where the subsidiary is established, in regard to the redemption of units at the request of unitholders exclusively on its or their behalf.

- IX. a) The Company may acquire the units of the UCITS and/or other UCIs referred to in paragraph II. e), provided that no more than 20% of a Sub-Fund's assets be invested in the units of a single UCITS or other UCI.

For the purpose of the application of this investment limit, each compartment of a single UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-à-vis third parties is ensured.

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

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

- c) When a Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription or redemption fees on account of the Companies' investment in the units of such other UCITS and/or UCIs.

The Company for each Sub-Fund that invests a substantial proportion of its assets in other UCITS and/or other UCIs will disclose in this Prospectus the maximum level of the management fees that may be charged both to the UCITS itself and to the other UCITS and/or other UCIs in which it intends to invest.

By derogation to the preceding restrictions, the Company is entitled to adopt master-feeder strategies so as to invest at least 85% of the net assets of a Sub-Fund in one single UCITS in full

compliance with the provisions of the Investment Fund Law.

- X. 1. The Management Company applies a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio.

The Management Company should not solely or systematically rely on credit ratings issued by credit rating agencies within the meaning of Article 3, paragraph 1, point b) of Regulation (EC) No 1060/2009 of 16 September 2009 on agencies credit rating to assess the quality of the Company's assets credit.

The Administration Agent of the Company employs a process for accurate and independent assessment of the value of OTC derivatives.

2. The Company for each Sub-Fund is also authorised to employ techniques and instruments relating to transferable securities and money-market instruments under the conditions and within the limits laid down by the Investment Fund Law, provided that such techniques and instruments are used for the purpose of efficient portfolio management. When these operations concern the use of derivative instruments, these conditions and limits shall conform to the provisions laid down in the Investment Fund Law.

Under no circumstance shall these operations cause the Company for each Sub-Fund to diverge from its investment objectives as laid down in this Prospectus.

3. The Company shall ensure for each Sub-Fund that the global exposure relating to derivative instruments does not exceed the assets of the relevant Sub-Fund.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following subparagraphs.

If the Company invests in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down in paragraph V above. When the Company invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in paragraph V.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this paragraph X.

The global exposure may be calculated through the Value-at-Risk approach (“**VaR Approach**”) or the commitment approach (“**Commitment Approach**”) as described in each Sub-Fund in Part B of this Prospectus.

The purpose of the VaR Approach is the quantification of the maximum potential loss that could arise over a given time interval under normal market conditions and at a given confidence level.

The Commitment Approach performs the conversion of the financial derivatives into the equivalent positions in the underlying assets of those derivatives. By calculating global exposure, methodologies for netting and hedging arrangements and the principles may be respected as well as the use of efficient portfolio management techniques.

Unless described differently in each Sub-Fund in Part B, each Sub-Fund will ensure that its global exposure to financial derivative instruments computed on a VaR Approach does not exceed either (i) 200% of the reference portfolio (benchmark) or (ii) 20% of the total assets or that the global exposure computed based on a commitment basis does not exceed 100% of its total assets.

To ensure the compliance of the above provisions the Management Company will apply any relevant circular or regulation issued by the CSSF or any European authority authorised to issue related regulation or technical standards.

- XI. a) The Company for each Sub-Fund does not need to comply with the limits laid down in section 4.2 when exercising subscription rights attaching to transferable securities or money market instruments which form part of its assets. While ensuring observance of the principle of risk spreading, recently created Sub-Funds may derogate from paragraphs V., VI., VII. and IX. for a period of six months following the date of their authorisation.
- b) If the limits referred to in paragraph XI. a) are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interest of its Shareholders.

XII. 1. The Management Company on behalf of the Company may not borrow.

However, the Company may acquire foreign currency by means of a back-to-back loan for each Sub-Fund.

2. By way of derogation from paragraph XII.1., the Company may borrow provided that such a borrowing is:

- a) on a temporary basis and represents no more than 10% of their assets;
- b) to enable the acquisition of immovable property essential for the direct pursuit of its business and represents no more than 10% of its assets.

The borrowings under points XII. 2. a) and b) shall not exceed 15% of its assets in total.

XIII. A Sub-Fund may, subject to the conditions provided for in the Articles as well as this Prospectus, subscribe, acquire and/or hold securities to be issued or issued by one or more Sub-Funds of the Company under the condition that:

- the target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this target Sub-Fund;
- no more than 10% of the assets of the target Sub-Fund whose acquisition is contemplated may, pursuant to the Articles, be invested in aggregate in shares/units of other target Sub-Funds of the same fund; and
- voting rights, if any, attaching to the relevant securities, are suspended for as long as they are held by the Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- in any event, for as long as these securities are held by the Company, their value will not be taken into consideration of the calculation of the assets of the Company for the purposes of verifying the minimum threshold of the assets imposed by the Investment Fund Law; and
- there is no duplication of subscription or repurchase fees between those at the level of the Sub-Fund of the Company having invested in the target Sub-Fund, and this target Sub-Fund.

4.3 Securities lending, sale with right of repurchase transactions, repurchase and reverse repurchase agreement transactions and total return swaps.

As of the date of the Prospectus, the Company is not authorised to invest in repurchase transaction, security lending transaction, buy-sell back or sell-buy back transaction and margin lending transaction or total return swaps, except otherwise stated in the Sub-Fund's specifics in Part B of the Prospectus.

In the event that the Board of Directors of the Company decides that the Company may enter into any of the above transactions and prior to any such transaction, the Prospectus of the Company will be amended accordingly to reflect this change in the investment policy of the Company and to comply with the provisions of CSSF Circular 14/592 related to the guidelines of the European Securities and Markets Authority (ESMA) on ETFs and other UCITS issues and Regulation (EU) 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse.

4.4 OTC derivatives contracts

To enter into OTC derivatives contracts, the Company will ensure compliance with the provisions of CSSF Circular 14/592 related to the guidelines of the European Securities and Markets Authority (ESMA) on ETFs and other UCITS issues and Regulation (EU) 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse and inter alia that the following requirements are met:

- That the risks arising from these activities are adequately captured by the risk management process of the Company.
- That the 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; or
 - b) add substantial supplementary risks in comparison to the original risk policy as discussed in the Sub-fund's specifics.
- That Part B of the Prospectus mentions:
 - a) 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 Company, these fees not including hidden revenue; and
 - b) the identity of the entity(ies) to which the direct and indirect costs and fees are paid and the indication of their relation with the Management Company or the Depositary Bank.

- That all revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs, should be returned to the Company.
- 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.
- That, when it enters into a reverse repurchase agreement, 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.
- That, when it enters into a repurchase agreement, 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.

In case of use of total return swaps or other financial derivative instruments with the same characteristics, the Company will insert in its Prospectus the following:

- information on the underlying strategy and composition of the investment portfolio or index;
- information on the counterparty(ies) of the transactions;
- a description of the risk of counterparty default and the effect on investor returns;
- the extent to which the counterparty assumes any discretion over the composition or management of the Company'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 Company's investment portfolio transaction; and
- the identification of the counterparty being considered as an investment manager.

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

In case of entering into OTC financial derivative transactions and efficient portfolio management techniques, the Company will ensure that all collateral used to reduce counterparty risk exposure should comply inter alia with the following criteria at all times:

- a) Liquidity – any collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Article 56 of the Directive 2009/65/EC.
- b) Valuation – collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.
- c) Issuer credit quality – collateral received should be of high quality.
- d) Correlation – collateral received by the UCITS should be issued by an entity that is in-dependent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- e) Collateral diversification (asset concentration) – collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the UCITS 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 the UCITS' net asset value. When a UCITS is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, a UCITS may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such a UCITS should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the UCITS' net asset value. UCITS that intend to be fully collateralised in securities issued or guaranteed by a Member State should disclose this fact in the prospectus of the UCITS. UCITS should also identify the Member States, local authorities, or public international bodies issuing or guaranteeing securities which they are able to accept as collateral for more than 20% of their net asset value.
- f) Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.
- g) Where there is a title transfer, the collateral received should be held by the Depository 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 should 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 should not be sold, re-invested or pledged.
- j) Cash collateral received should only be:
 - placed on deposit with entities prescribed in Article 50.1(f) of the Directive 2009/65/EC;
 - 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.

In that case, the Company will put in place a haircut policy adapted for each class of assets received as collateral; and when devising the haircut policy, the Company will 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. The Company will ensure that this policy is documented and justify each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets.

5. RISK FACTORS

The Management Company applies a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio as described in point 4.2, X of section 4 “Investment Objectives and Policies” and further detailed in each Sub-Fund’s specific.

The investments of each Sub-Fund are subject to market fluctuations and the risks inherent to investments in transferable securities and other eligible assets. There is no guarantee that the investment-return objective will be achieved. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial investment. An investment may also be affected by any changes in exchange control regulation, tax laws, withholding taxes and economic or monetary policies.

The management style is based on expectations of the performance of different markets (equities, bonds, etc.). However, any Sub-Fund may not be invested in the best-performing markets at all times. The fund’s performance can therefore fall below the investment objective. The net asset value of the fund can also show negative performance.

The risks inherent to the different Sub-Funds depend on their investment objective and policy, i.e. among others the markets invested in, the investments held in portfolio, etc.

Investors should be aware of the risks inherent to the following instruments or investment objectives, although this list is in no way exhaustive:

(i) Market risk

Market risk is the general risk attendant to all investments that the value of a particular investment will change in a way detrimental to a portfolio’s interest.

Market risk is specifically high on investments in shares (and similar equity instruments). The risk that one or more companies will suffer a downturn or fail to increase their financial profits can have a negative impact on the performance of the overall portfolio at a given moment.

(ii) Equity risk

The value of all Sub-Funds that invest in equity and equity related securities will be affected by economic, political, market, and issuer specific changes. Such changes may adversely affect securities, regardless of company specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Sub-Fund’s value are often exacerbated in the short-term as well. The risk that one or more companies in a Sub-Fund’s portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period.

(iii) Interest rate risk

Interest rate risk involves the risk that when interest rates decline, the market value of fixed-income securities tends to increase. Conversely, when interest rates increase, the market value of fixed-income securities tends to decline. Long-term fixed-income securities will normally have more price volatility because of this risk than short-term fixed-income securities. A rise in interest rates generally can be expected to depress the value of the Sub-Funds’ investments. The Sub-Fund shall be actively managed to mitigate market risk, but it is not guaranteed to be able to accomplish its objective at any given period.

(iv) Credit risk

Credit risk involves the risk that an issuer of a bond (or similar money-market instruments) held by the Company may default on its obligations to pay interest and repay principal and the Company will not recover its investment.

(v) Counterparty Risk

The Sub-Funds will be subject to the risk of the inability of any counterparty (including the Depositary) who to perform with respect to transactions, whether due to its own insolvency or that of others, bankruptcy, market illiquidity or disruption or other causes and whether resulting from systemic or other reasons.

(vi) Currency risk

Currency risk involves the risk that the value of an investment denominated in currencies other than the Reference Currency of a Sub-Fund may be affected favourably or unfavourably by fluctuations in currency rates.

(vii) Liquidity risk

There is a risk that the Company will not be able to pay repurchase proceeds within the time period stated in the Prospectus, because of unusual market conditions, an unusually high volume of repurchase requests, or other reasons.

(viii) Financial derivative instruments

The Sub-Funds may engage, within the limits established in their respective investment policy and the legal investment restrictions, in various portfolio strategies involving the use of derivative instruments for hedging or efficient portfolio management purposes.

The use of such derivative instruments may or may not achieve its intended objective and involves additional risks inherent to these instruments and techniques.

In case of a hedging purpose of such transactions, the existence of a direct link between them and the assets to be hedged is necessary, which means in principle that the volume of deals made in a given currency or market cannot exceed the total value of the assets denominated in that currency, invested in this market or the term for which the portfolio assets are held. In principle no additional market risks are inflicted by such operations. The additional risks are therefore limited to the derivative specific risks.

In case of a trading purpose of such transactions, the assets held in portfolio will not necessarily secure the derivative. In essence the Sub-Fund is therefore exposed to additional market risk in case of option writing or short forward/future positions (i.e. underlying needs to be provided/ purchased at exercise/maturity of contract).

Furthermore, the Sub-Fund incurs specific derivative risks amplified by the leverage structure of such products (e.g. volatility of underlying, counterparty risk in case of OTC, market liquidity, etc.).

(ix) Emerging market risk

Investors should note that certain Sub-Funds may invest in less developed or emerging markets as described in the Sub-Funds' specifics in Part B of this Prospectus. Investing in emerging markets may carry a higher risk than investing in developed markets.

The securities markets of less developed or emerging markets are generally smaller, less developed, less liquid and more volatile than the securities markets of developed markets. The risk of significant fluctuations in the Net Asset Value and of the suspension of redemptions in those Sub-Funds may be higher than for Sub-Funds investing in major markets. In addition, there may be a higher than usual risk of political, economic, social and religious instability and adverse changes in government regulations and laws in less developed or emerging markets, which could affect the investments in those countries. The assets of Sub-Funds investing in such markets, as well as the income derived from the Sub-Fund, may also be effected unfavourably by fluctuations in currency rates and exchange control and tax regulations and consequently the Net Asset Value of shares of these Sub-Funds may be subject to significant volatility. Some of these markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those of more developed countries and the securities markets of such markets may be subject to unexpected closure. In addition, there may be less government supervision, legal regulation and less well defined tax laws and procedures than in countries with more developed securities markets.

Moreover, 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 concerned Sub-Funds may be in jeopardy because of failures or of defects in the systems. In particular, market practice may require that payment shall be made prior to receipt of the security, which is being purchased or that delivery of a security must be made before payment is received. In such cases, default by a broker or bank through whom the relevant transaction is effected (the "**Counterparty**") might result in a loss being suffered by the Sub-Funds investing in emerging market securities.

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.

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.

(x) Investment restrictions relating to techniques and instruments aimed at hedging exchange risks

In the context of the management of the investment portfolio, each Sub-Fund may use instruments with a view to hedging against exchange-rate fluctuations. These instruments include sales of forward foreign-exchange contracts, sales of currency futures, purchases of put options on currencies as well as sales of call options on currencies. Such transactions are limited to contracts and options, which are traded on a regulated market, which is in continuous operation and which is recognised and open to the public. Furthermore, the Company may for each Sub-Fund enter into currency swaps in the context of over-the-counter transactions dealing with leading institutions specialised in this type of transaction.

(xi) Foreign securities

A Sub-Fund's investment activities relating to foreign securities may involve numerous risks resulting from market and currency fluctuations, future adverse political and economic developments, the possible imposition of restrictions on the repatriation of currency or other governmental law or restrictions, reduced availability of public information concerning issuers and the lack of uniform accounting, auditing and financial reporting standards or other regulatory practices and requirements comparable to those applicable to companies in the investor's domicile. In addition, securities issued by companies or governments in some countries may be illiquid and have higher price volatility and, with respect to certain countries, there is a possibility of expropriation, nationalization, exchange control restrictions, confiscator taxation and limitations on the use or removal of funds or other assets of a Sub-Fund, including withholding of dividends. Certain securities held by a Sub-Fund may be subject to government taxes that could reduce the yield on such securities, and fluctuation in foreign currency exchange rates may affect the price of a Sub-Fund's securities and the appreciation or depreciation of investments. Certain types of investments may result in currency conversion expenses and higher custodial expenses. The ability of a Sub-Fund to invest in securities of companies or governments of certain countries may be limited or, in some cases, prohibited. As a result, larger positions of a Sub-Fund's assets may be invested in those countries where such limitations do not exist. In addition, policies established by the governments of certain countries may adversely affect a Sub-Fund's investments and the ability of a Sub-Fund to achieve its investment objective.

(xii) Class Hedging risk

Each Sub-Fund may engage in currency hedging transactions with regards to a certain Class of shares (the "**Hedged Share Class**"). Hedged Share Classes are designed (i) to minimize exchange rate fluctuations between the currency of the Hedged Share Class and the Reference Currency of the Sub-Fund or (ii) to reduce exchange rate fluctuations between the currency of the Hedged Share Class and other material currencies within the Sub-Fund's portfolio.

The hedging will be undertaken to reduce exchange rate fluctuations in case the Reference Currency of the Sub-Fund or other material currencies within the Sub-Fund (the "reference currency(ies)") is(are) declining or increasing in value relative to the hedged currency. The hedging strategy employed will seek to reduce as far as possible the exposure of the Hedged Share Classes and no assurance can be given that the hedging objective will be achieved. In the case of a net flow to or from a Hedged Share Class the hedging may not be adjusted and reflected in the net asset value of the Hedged Share Class until the following or a subsequent business day following the Valuation Date on which the instruction was accepted. This risk for holders of any Hedged Share Class may be mitigated by using any of the efficient portfolio management techniques and instruments (including currency options and forward currency exchange contracts, currency futures, written call options and purchased put options on currencies and currency swaps), within the conditions and limits imposed by the Luxembourg financial supervisory authority. Investors should be aware that the hedging strategy may substantially limit Shareholders of the relevant Hedged Share Class from benefiting from any potential increase in value of the Class of Shares expressed in the Reference Currency(ies), if the Hedged Share Class currency falls against the Reference Currency(ies). Additionally, Shareholders of the Hedged Share Class may be exposed to fluctuations in the net asset value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. The gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class. Any financial instruments used to implement such hedging strategies with respect to one or more Classes of a Sub-Fund shall be assets and/or liabilities of such Sub-Fund as a whole, but will be attributable to the relevant Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class. However, due to the lack of segregated liabilities between Classes of the same Sub-Fund, costs which are principally attributed to a specific Class may be ultimately charged to the Sub-Fund as a whole. Any currency exposure of a Class may not be combined with or offset against that of any other Class of a Sub-Fund. The currency exposure of the assets attributable to a Class may not be allocated to other Classes. No intentional leveraging should result from currency hedging transactions of a Class although hedging may exceed 100% for short periods between redemption instructions and execution of the hedge trade.

Share classes which are Hedged Share Classes will be indicated so in each Sub-Fund's specific.

(xiii) Foreign Currency risk

Since the Company values the portfolio holdings of each of its Sub-Funds in their respective Reference Currencies as stated in the relevant Sub-Fund's specifics, changes in currency exchange rates adverse to those currencies may affect the value of such holdings and each respective Sub-Fund's yield thereon. Since the securities held by a Sub-Fund may be denominated in currencies different from its Reference Currency, the Sub-Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between such Reference Currency and other currencies. Changes in currency exchange rates may influence the value of a Sub-Fund's Shares, and also may affect the value of dividends and interests earned by the Sub-Fund and gains and losses realised by said Sub-Fund. If the currency in which a security is denominated appreciates against the Reference Currency, the price of the security could increase. Conversely, a decline in the exchange rate of the currency would adversely affect the price of the security. To the extent that a Sub-Fund or any Class of Shares seeks to use any strategies or instruments to hedge or to protect against currency exchange risk, there is no guarantee that hedging or protection will be achieved. Unless otherwise stated in any Sub-Fund's investment policy, there is no requirement that any Sub-Fund seeks to hedge or to protect against currency exchange risk in connection with any transaction. Sub-Funds which use currency management strategies, including the use of cross currency forwards and currency futures contracts, may substantially change the Sub-Fund's exposure to currency exchange rates and could result in losses to the Sub-Fund if the currencies do not perform as the Investment Manager expects.

(xiv) Effect of substantial withdrawals

Substantial withdrawals by Shareholders within a short period of time could require the liquidation of positions more rapidly than would otherwise be desirable, which could adversely affect the value of the assets of the Company. The resulting reduction in the assets of the Company could make it more difficult to generate a positive rate of return or to recoup losses due to a reduced equity base.

(xv) Political risks

The value of the Company's assets may be affected by uncertainties such as political developments, changes in government policies, taxation, currency repatriation restrictions and restrictions on foreign investment in some of the countries in which the Company may invest.

(xvi) General economic conditions

The success of any investment activity is influenced by general economic conditions, which may affect the level and volatility of interest rates and the extent and timing of investor participation in the markets for both equity and interest rate sensitive securities. Unexpected volatility or illiquidity in the markets in which the Company directly or indirectly holds positions could impair the ability of the Company to carry out its business and could cause it to incur losses.

6. SUB-FUNDS AND SHARES OF THE COMPANY

Under the Articles of the Company, the Directors have the power to create and issue several different Sub-Funds, whose characteristics may differ from those Sub-Funds then existing.

The Directors shall maintain for each Sub-Fund a separate pool of assets. As between Shareholders, each pool of assets shall be invested for the exclusive benefit of the relevant Sub-Fund. With regard to third parties, in particular towards the Company's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it.

Under the Articles of the Company, the Directors have the power to create and issue within each Sub-Fund several different Classes of Shares within each Sub-Fund, whose characteristics may differ from those Classes existing.

The differences between the Classes may relate inter alia to the initial subscription price per share, the Reference Currency of the Class, the types of investors who are eligible to invest, the subscription and repurchase frequency, the charging structure applicable to each of them, the distribution policy or such other features as the Board of Directors may, in their discretion, determine.

Shares will in principle be freely transferable to investors complying with the eligibility criteria of the relevant Class and provided that shares are neither acquired nor held by or on behalf of any person in breach of the law or requirements of any country or governmental or regulatory authority, or which might have adverse taxation or other pecuniary consequences for the Company, including a requirement to register under any securities or investment or similar laws or requirements of any country or authority. The Board of Directors may in this connection require a Shareholder to provide such information as they may consider necessary to establish whether he is the beneficial owner of the shares which he holds.

Within each Class, the Board of Directors is authorised, without limitation and at any time, to issue additional shares at the respective Net Asset Value per share determined in accordance with the provisions of the Company's Articles, without reserving to existing Shareholders preferential or pre-emptive rights to subscribe for the shares to be issued.

On issue, all shares have to be fully paid up. The shares do not have any par value. Each share carries one vote, regardless of its Net Asset Value and of the Sub-Fund to which it relates.

Shares are only available in registered form. No share certificates will be issued in respect of registered shares; registered share ownership will be evidenced by confirmation of ownership and registration on the share register of the Company.

Fractions of shares may be issued up to one thousandth of a share. The resultant fractional shares shall have no right to vote but shall have the right to participate pro-rata in distributions and allocation of the proceeds of liquidation in the event of the winding-up of the Company or in the event of the termination of the Company.

The Sub-Funds' specifics in Part B of this Prospectus detail the Classes available in each Sub-Fund.

Upon creation of a new Sub-Fund and Class, the Prospectus will be updated accordingly.

The Board of Directors is empowered to determine - on a case-by-case basis - whether certain investors are or are not to be categorised as institutional investors.

The specifics of each Class in relation to fees and expenses payable and the currency of each Class are indicated in each Sub-Fund's specifics (section "Expenses") in Part B of this Prospectus.

7. INCOME POLICY

Within each Class of Shares, the Board of Directors may decide to issue accumulating and/or distributing shares. The dividend policy applicable for each Class of Shares or Sub-Fund is further described in each Sub-Fund's specifics in Part B of this Prospectus.

If a dividend is declared by the Company, it will be paid to each Shareholder concerned in the Reference Currency of the relevant Class.

Dividend payments are restricted by law in that they may not reduce the assets of the Company below the required minimum capital.

In the event that a dividend is declared and remains unclaimed after a period of five (5) years from the date of declaration, such dividend will be forfeited and will revert to the Class or Sub-Fund in relation to which it was declared.

8. NET ASSET VALUE

The Net Asset Value per share of each Class will be determined on each Valuation Date as indicated in the Sub-Funds' specifics in Part B of this Prospectus and expressed in the Reference Currency of the respective Class, by the Administrative Agent of the Company by dividing the value of the assets of the Sub-Fund properly able to be allocated to such Class less the liabilities of the Sub-Fund properly able to be allocated to such Class by the number of shares then outstanding in the class on the relevant Valuation Date. The Net Asset Value per share of each Class may be rounded up or down to the nearest three decimals of the Reference Currency of such Class of Shares. The Sub-Funds' specifics in Part B of this Prospectus detail the Valuation Date for each Sub-Fund.

When a Valuation Date falls on a day observed as a holiday on a stock exchange which is the principal market for a significant proportion of the Sub-Funds' investment or is a market for a significant proportion of the Sub-Fund's investment or is holiday elsewhere and impedes the calculation of the fair market value of the investments of the Sub-Funds, the Company may decide that a Net Asset Value will not be calculated on such Valuation Date.

The value of the assets of each Sub-Fund is determined as follows:

1. transferable securities and money market instruments admitted to official listing on a stock exchange or dealt with in on another market in a non-Member State which is regulated, operates regularly and is recognised and open to the public provided, are valued on the basis of the last known price. If the same security is quoted on different markets, the quotation of the main market for this security will be used. If there is no relevant quotation or if the quotations are not representative of the fair value, the evaluation will be done in good faith by the Board of Directors or its delegate with a view to establish the probable sales price for such securities;
2. non-listed securities are valued on the basis of their probable sales price as determined in good faith by the Board of Directors or its delegate;
3. Shares or units of UCITS (including any Master Fund) or other UCIs are valued at the latest available net asset value per share;
4. liquid assets are valued at their nominal value plus accrued interest;
5. derivatives are valued at market value;
6. the Board of Directors may adjust the value of any investment if having regard to its currency, marketability, applicable interest rates, anticipated rates of dividend, maturity, liquidity or any other relevant considerations, it considers that such adjustment is required to reflect the fair value thereof;
7. if the Board of Directors deems it necessary, a specific investment may be valued under an alternative method of valuation chosen by the Board of Directors.

Whenever a foreign exchange rate is needed in order to determine the Net Asset Value of a Class, the applicable foreign exchange rate on the respective Valuation Date will be used.

In addition, appropriate provisions will be made to account for the charges and fees charged to the Sub-Funds and Classes as well as accrued income on investments.

In the event it is impossible or incorrect to carry out a valuation in accordance with the above rules owing to particular circumstances, such as hidden credit risk, the Board of Directors is entitled to use other generally recognised valuation principles, which can be examined by an auditor, in order to reach a proper valuation of each Sub-Fund's total assets.

The Net Asset Value per share in each Sub-Fund is available at the registered office of the Company and at the Management Company's offices.

The calculation of the Net Asset Value of the shares of any Class and the issue, redemption and conversion of the shares of any Sub-Fund may be suspended by the Board of Directors in the following circumstances:

- following a suspension of the calculation of the net asset value per share of the Master Fund or any other suspension or deferral of the issue, redemption and/or exchange of shares in the Master Fund; or
- during any period (other than ordinary holidays or customary weekend closings) when any market or stock exchange is closed, which is the main market or stock exchange for a significant part of the Sub-Fund's investments, for in which trading therein is restricted or suspended; or
- during any period when an emergency exists as a result of which it is impossible to dispose of investments which constitute a substantial portion of the assets of a Sub-Fund; or it is impossible to transfer monies involved in the acquisition or disposition of investments at normal rates of exchange; or it is impossible for the Company fairly to determine the value of any assets in a Sub-Fund; or
- during any breakdown in the means of communication normally employed in determining the price of any of the Sub-Fund's investments or of current prices on any stock exchange; or

- when for any reason (i) the prices of any investment owned by the Sub-Fund cannot be reasonable, promptly or accurately ascertained or (ii) the calculation of the net asset value of any relevant Master Fund is suspended; or
- during the period when remittance of monies which will or may be involved in the purchase or sale of any of the Sub-Fund's investments cannot, in the opinion of the Board of Directors, be carried out at normal rates of exchange; or
- following a possible decision to liquidate or dissolve the Company or one or several Sub-Funds; or
- in the case of a merger, if the Board of Directors deems this to be justified for the protection of the Shareholders; or
- in all other cases in which the Board of Directors considers a suspension to be in the best interest of the Shareholders.

The suspension of the calculation of the Net Asset Value and of the issue, redemption and conversion of the shares shall be notified to Shareholders having made an application for subscription, redemption or conversion of shares for which the calculation of the Net Asset Value and of the issue, redemption and conversion of the shares has been suspended.

9. ISSUE OF SHARES

Applications may be made in writing by fax or SWIFT, addressed to the Registrar and Transfer Agent, the Distributor, the Depository Bank, the nominee of the Company (the “**Nominee**”) or any intermediary situated in a country where the Company is marketed specifying the number of shares or amount subscribed for, the name of the Sub-Fund and Class, the manner of payment and the personal details of the subscriber. Orders sent directly to the Registrar and Transfer Agent can also be sent by SWIFT.

A subscription fee calculated on the Net Asset Value of the shares as specified in each Sub-Fund’s specifics and to which the application relates as well as the percentage amount of which is indicated for each Class in the table in Part B of this Prospectus (see section “Expenses” in each Sub-Fund’s specifics), may be charged to the investors by the Nominee, the Distributor, any appointed sub-distributor or by the Registrar and Transfer Agent upon a subscription for shares in a Class.

The payment of the subscription price may be made in kind, subject however to the prior approval of the Board of Directors. Any Subscription in kind shall be subject to the confirmation by an auditor’s special report of the valuation of the contributed assets. The related costs shall be borne by the relevant investor.

9.1 Initial Subscription Period

The initial subscription period (which may last one day) and price of each newly created or activated Sub-Fund or Class will be determined by the Directors and disclosed in the relevant Sub-Fund’s specifics in Part B of this Prospectus.

Payments for subscriptions made during the initial subscription period must have been received in the Reference Currency of the relevant Sub-Fund / Class of Shares by the Company within the time period indicated in the relevant Sub-Fund’s specifics in Part B of this Prospectus.

Payments must be received by electronic transfer net of all bank charges.

The Board of Directors may at any time decide the activation of a Class.

Upon activation of a new Class in a Sub-Fund, the price per share in the new Class will, at its inception, correspond to the price per share during the initial subscription period in the relevant Sub-Fund or to the current Net Asset Value per share in an existing Class of the relevant Sub-Fund, upon decision of the Board of Directors.

9.2 Subsequent Subscriptions

Following any initial subscription period, the issue price per share will be the Net Asset Value per share on the applicable Valuation Date.

Subscriptions received by the Registrar and Transfer Agent before the applicable cut-off time on a Valuation Date as specified in the Sub-Funds’ specifics in Part B of this Prospectus will be dealt with on the basis of the relevant Net Asset Value of that Valuation Date. Subscriptions received by the Registrar and Transfer Agent after such cut-off time on a Valuation Date or on any day which is not a Valuation Date will be dealt with on the basis of the Net Asset Value of the next Valuation Date. The investor will bear any taxes or other expenses attaching to the application.

All shares will be allotted immediately upon subscription and payment must be received by the Company within the time period as described in each Sub-Fund’s specific in Part B of this Prospectus. If payment is not received, the relevant allotment of shares may be cancelled at the risk and cost of the Shareholder. Payments should preferably be made by bank transfer and shall be made in the Reference Currency of the relevant Class; if payment is made in another currency than the Reference Currency of the relevant Class, the Company will enter into an exchange transaction at market conditions and this exchange transaction could lead to a postponement of the allotment of shares.

Payments made by the investor by cheque are not accepted.

The Board of Directors reserves the right to accept or refuse any subscriptions in whole or in part for any reason and in compliance with the law, before the publication of the Net Asset Value per Share applicable on the Valuation Date concerned.

The issue of shares of any Sub-Fund shall be suspended on any occasion when the calculation of the Net Asset Value thereof is suspended.

9.3 Minimum Initial Subscription and Holding

Classes dedicated to specific investors, may have a minimum subscription and / or holding amount as indicated in the Sub-Funds' specifics in Part B of the Prospectus. The Company may in its discretion waive this minimum subscription and / or holding amount. In particular, this applies for Shareholders staggering investments over time, reaching above-mentioned thresholds over time.

If, as a result of redemption, the value of a Shareholder's holding in a Class would become less than the relevant minimum holding amount as indicated above, then the Board of Director of the Company may elect to redeem the entire holding of such Shareholder in the relevant Class. It is expected that such redemptions will not be implemented if the value of the Shareholder's shares falls below the minimum investment limits solely as a result of market conditions. Thirty (30) calendar days prior written notice will be given to Shareholders whose shares are being redeemed to allow them to purchase sufficient additional shares so as to avoid such compulsory redemption.

9.4 Stock Exchange listing

Shares of different Sub-Funds and their Classes may at the discretion of the Directors of the Company be listed on Stock Exchanges.

10. REDEMPTION OF SHARES

A Shareholder has the right to request that the Company redeems its shares at any time. Shares will be redeemed at the respective Net Asset Value of shares of each Class. Orders sent directly to the Registrar and Transfer Agent can also be sent by swift.

In any case, no redemption will be accepted and executed before having successfully performed all Anti Money Laundering checks. In the case where the acceptance of any redemption order would be delayed for any Anti Money Laundering at the discretion of the Board of Directors, such a redemption order will be executed on the basis of the Net Asset Value of shares immediately applicable on the day of such acceptance without payment of any interest.

A redemption fee calculated on the Net Asset Value of the shares to which the application relates, the percentage amount of which is indicated for each Class in the tables in Part B of this Prospectus (see section "Expenses" in each Sub-Fund's specifics), may be charged to the investors by the Nominee, the Distributor, any appointed sub-distributor or by the Registrar and Transfer Agent upon a redemption for shares in a Class.

Shareholders wishing to have all or any of their shares redeemed at the redemption price on a Valuation Date, should deliver to the Registrar and Transfer Agent before the cut-off time on a Valuation Date as specified in the Sub-Fund's specifics in Part B of this Prospectus, an irrevocable written request for redemption in the prescribed form. Redemption requests received by the Registrar and Transfer Agent after such determined cut-off time on a Valuation Date or on any day, which is not a Valuation Date will be dealt with on the basis of the Net Asset Value of the next Valuation Date.

All requests will be dealt with in strict order in which they are received, and each redemption shall be effected at the Net Asset Value of the said shares.

Redemption proceeds will be paid in the Reference Currency of the respective Class. Payment will be effected within two (2) days after the relevant Valuation Date and after receipt of the proper documentation.

Investors should note that any redemption of shares by the Company will take place at a price that may be more or less than the Shareholder's original acquisition cost, depending upon the value of the assets of the Sub-Fund at the time of redemption.

The payment of the redemption price may be made in consideration in kind at the Board of Directors' discretion, subject however to the prior approval of the concerned Shareholders. The allotment of Fund's assets in respect of redemption for consideration in kind shall be fair and not detrimental to the interests of the other Shareholders of the Company. Any redemption for consideration in kind shall be subject to the confirmation by an auditor's special report of the valuation of the Company and of the Company's assets to be allocated, the costs of which shall be borne by the Company.

The redemption of shares of any Sub-Fund shall be suspended on any occasion when the calculation of the Net Asset Value thereof is suspended.

If requests for redemption (and conversion) on any Valuation Date exceed 10% of the Net Asset Value of a Sub-Fund's shares, the Company, at the discretion of the Board of Directors reserves the right to postpone redemption of all or part of such shares to the following Valuation Date. On the following Valuation Date such requests will be dealt with in priority to any subsequent requests for redemption.

10.1 Excessive trading and dilution levy

Investments in the Sub-Funds are intended for long-term purposes only. The Company will take reasonable steps to seek to prevent short-term trading. Excessive short-term trading into and out of a Sub-Fund can disrupt portfolio investment strategies and may increase expenses, and adversely affect investment returns, for all Shareholders, including long-term Shareholders.

The value of the property of a Sub-Fund may indeed be reduced as a result of the costs incurred in the dealings in the Sub-Funds' investments.

In order to mitigate against the above-described excessive trading and dilution, and consequent potential adverse effect on remaining Shareholders, the Company has the power to charge a fee upon redemption corresponding to a dilution levy. Any dilution levy must be fair to all Shareholders and the Company will operate this measure in a fair and consistent manner to reduce dilution and only for that purpose.

The Company is unlikely to impose a dilution levy unless the dealing costs relating to a Shareholder transaction are significant and/or will have a material impact on the value of the Sub-Fund in question. Dealing costs (e.g. broker commissions and buy/sell spreads) will be considered significant if they impact the Net Asset Value by maximum 10bps. Any dilution levy would be paid to the Sub-Fund and would become part of the property of the relevant Sub-Fund.

10.2 Compulsory redemptions

The Board of Directors may decide to compulsorily redeem Shares when:

- a) The Shares are held by Shareholders not authorized to buy or own Shares in the Company;
- b) In case of liquidation or merger of Sub-Funds or Classes of Shares;
- c) the value of a Shareholder's holding in a Class is less than the relevant minimum holding amount;
- d) In all other circumstances as the Board of Directors may deem appropriate and in the interests of the Company.

Except in the cases b), c) and d) above, the Board of Directors may impose such penalty as it deems fair and appropriate.

11. CONVERSION BETWEEN SUB-FUNDS/CLASSES OF SHARES

Shares of any Class may be converted into shares of any other Class of the same or of another Sub-Fund, upon written instructions addressed to the registered office of the Company or the Distributor. No conversion fee will be charged. Shareholders may be requested to bear the difference in subscription fee between the Sub-Fund they leave and the Sub-Fund of which they become Shareholders, should the subscription fee of the Sub-Fund into which the Shareholders are converting their shares be higher than the fee of the Sub-Fund they leave.

Conversion orders received by the Registrar and Transfer Agent on a Valuation Date before the cut-off time as specified in the Sub-Funds' specifics in Part B of this Prospectus will be dealt with on the basis of the relevant Net Asset Value established on that Valuation Date. Conversion requests received by the Registrar and Transfer Agent after such cut-off time on a Valuation Date or on any day, which is not a Valuation Date will be dealt with on the basis of the Net Asset Value of the next Valuation Date. Conversion of shares will only be made on a Valuation Date if the Net Asset Value of both share Classes is calculated on that day.

The Board of Directors will determine the number of shares into which an investor wishes to convert his existing shares in accordance with the following formula:

$$A = \frac{(B \times C)}{E} * EX$$

A = The number of shares in the new Class of Shares to be issued

B = The number of shares in the original Class of Shares

C = The Net Asset Value per share in the original Class of Shares

E = The Net Asset Value per share of the new Class of Shares

EX: being the exchange rate on the conversion day in question between the currency of the Class of Shares to be converted and the currency of the Class of Shares to be assigned. In the case no exchange rate is needed the formula will be multiplied by one (1).

If requests for conversion on any Valuation Date exceed 10% of the Net Asset Value of a Sub-Fund's shares, the Company reserves the right to postpone the conversion of all or part of such shares to the following Valuation Date. On the following Valuation Date such requests will be dealt with in priority to any subsequent requests for conversion.

The conversion of shares of any Sub-Fund shall be suspended on any occasion when the calculation of the Net Asset Value thereof is suspended.

12. LATE TRADING/MARKET TIMING POLICY

The Company takes appropriate measures to assure that subscription, redemption and conversion requests will not be accepted after the time limit set for such requests in this Prospectus.

The Company does not knowingly allow investments which are associated with market timing or similar practices as such practices may adversely affect the interests of all Shareholders. The Company reserves the right to reject subscription, redemption and conversion orders from an investor who the Company suspects of using such practices and to take, if appropriate, other necessary measures to protect the other investors of the Company.

As set out in the CSSF Circular 04/146, market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same fund within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the net asset values.

13. TAXATION IN LUXEMBOURG

Under Luxembourg law, there are currently no Luxembourg taxes on income, withholding or capital gains by the Company. The Company is, however, subject to a *taxe d'abonnement* of 0.05% per annum, calculated and payable quarterly, on the aggregate Net Asset Value of the outstanding shares of the Company at the end of each quarter. This annual tax is however reduced to 0.01% on the aggregate Net Asset Value of the shares dedicated to institutional investors.

Shareholders are, at present, not subject to any Luxembourg capital gains, income, withholding, gift, estate, inheritance or other tax with respect to shares owned by them (except, where applicable, Shareholders who are domiciled or reside or have permanent establishment or have been domiciled or have resided in Luxembourg).

Prospective investors should inform themselves as to the taxes applicable to the acquisition, holding and disposition of shares of the Company and to disposition of shares of the Company and to distributions in respect thereof under the laws of the countries of their citizenship, residence or domicile.

Foreign Account Tax Compliance Act (FATCA)

FATCA provisions generally impose the 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 "Foreign Financial Institution" ("FFI"), such that in order to comply, the Company may require all Shareholders of the Company 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 laws, 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.

In addition, the Company hereby confirms that, if it will become a participating FFI as laid down in the FATCA rules, it will register and certify compliance with FATCA and obtain a Global Intermediary Identification Number ("GIIN") and the Company will furthermore only deal with professional financial intermediaries duly registered with a GIIN.

Common Reporting Standard (CRS)

The OECD received a mandate by the G8/G20 countries to develop a CRS to achieve a comprehensive and multilateral automatic exchange of information ("AEOI") in the future on a global basis. The CRS has been incorporated in the amended Directive on Administrative Cooperation ("DAC 2"), adopted on 9 December 2014, which the EU Member States needed to incorporate into their national laws by 31 December 2015. Luxembourg enacted the CRS provisions in a law enacted on 18 December 2015 (the "CRS Law") which amends the law of 29 March 2013 on administrative cooperation in the field of taxation.

The CRS requires Luxembourg Financial Institutions to identify their account holders (including in the case of an Investment Entity equity and debt holders) and establish if they are fiscally resident outside Luxembourg. In this respect, a Luxembourg Financial Institution is required to obtain a self-certification to establish the CRS status and/or tax residence of its account holders at account opening.

Luxembourg Financial Institutions needed to perform their first reporting of financial account information for the year 2016 about account holders and (in certain cases) their Controlling Persons that are tax resident in a Reportable Jurisdiction (identified in a Grand Ducal Decree) to the Luxembourg tax authorities (*Administration des contributions directes*) by 30 June 2017.

The Luxembourg tax authorities automatically exchange this information with the competent foreign tax authorities since the end of September 2017.

Data protection

The CRS Law requires EU Financial Institutions to inform beforehand each reportable individual investor that certain information will be collected and reported and should provide him with all the information required under Luxembourg law of 2002 on data protection which includes the following:

- The Company, as Reporting Luxembourg Financial Institution, will be responsible for the personal data processing and will act as data controller for the purpose of the CRS Law;
- The personal data is intended to be used for the purpose of the CRS Law and the DAC 2;
- The data will be reported to the Luxembourg tax authorities (“*Administration des contributions directes*”), where applicable, and the relevant foreign tax authorities;
- For each information request sent to the individual equity or debt holder, the answer from the individual equity or debt holder will be mandatory. Failure to respond may result in incorrect or double reporting.
- Each reported individual has the right to access the data/financial information reported to the Luxembourg tax authorities for the purpose of the CRS Law as well as to rectify those data.

All personal data of Shareholders contained in any document provided by such Shareholders and any further personal data collected in the course of the relationship with the Company may be collected, recorded, stored, adapted, transferred or otherwise processed and used (hereinafter “processed”) by the Company or the Management Company. Such data shall be processed for the purposes of account administration, anti-money laundering identification and the development of the business relationship. To this end, data may be transferred to companies appointed by the Company or the Management Company, to support the Company’s activities.

Each Shareholder, by signing the subscription agreement, gives its agreement to such processing of his personal data, as provided by the applicable regulatory framework on the protection of the persons with regard to the processing of personal data.

Further details on the terms and conditions on the processing of data are available upon request and free of charge at the registered office of the Company.

The Company, acting as data controller, collects, stores and processes by electronic or other means the data supplied by the Shareholders at the time of their subscription for the purpose of fulfilling the services required by the Shareholders and complying with its legal obligations.

Any data collected by the Company are to be processed in accordance with the data protection law applicable to the Grand Duchy of Luxembourg and the Data Protection Law.

The data processed includes the name, address and invested amount of each Shareholder as well as any data requested by the Company in order to ensure the Company’s compliance with applicable anti-money laundering/know your customer, counter terrorist financing, FATCA and CRS rules (the “Personal Data”).

The investor may, at his discretion, refuse to communicate the Personal Data to the Company. In this case, however, the Company may reject his request for subscription of Shares in the Company.

In particular, the data supplied by Shareholders 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/know your customer, counter terrorist financing, FATCA and CRS rules.

The Company can delegate to another entity located in the European Union (the Management Company, the distributor, the Administrative Agent and Registrar/Transfer Agent or the Investment Manager (if any)) the processing of the Personal Data. The Company may also transfer Personal Data to third parties such as governmental or regulatory agencies including tax authorities, in or outside the European Union, in accordance with applicable laws and regulations.

The Shareholder has the right to:

- access his/her Personal Data;
- correct his/her Personal Data where it is inaccurate or incomplete;
- object to the processing of his/her Personal Data;
- ask for erasure of his/her Personal Data;

- ask for Personal Data portability under certain conditions.

The Shareholder also has the right to object to the use of his/her Personal Data for marketing purposes.

The Shareholder may exercise the above rights by writing to the Company at its registered office.

The Shareholder also acknowledges the existence of his/her right to lodge a complaint with the National Commission for Data Protection.

Personal Data shall not be retained for longer than the time required for the purpose of its processing, subject to the legal limitation periods.

14. ADMINISTRATIVE AGENT, DOMICILIARY AGENT, DEPOSITARY BANK AND PAYING AGENT

The Management Company and the Company have entered into a Central Administration Agreement with CACEIS Bank, Luxembourg Branch on 12 May 2017 for an indefinite period of time.

Under the above mentioned Central Administration Agreement, CACEIS Bank, Luxembourg Branch, provides the Company, under the supervision and responsibility of the Management Company, with services as Administrative Agent and Registrar and Transfer Agent (together Central Administration Agent). It carries out the necessary administrative work required by law and the rules of the Company and establishes and keeps books and records including the register of Shareholders of the Company. It also executes all subscription, redemption and conversion applications and determine the Net Asset Value of the Company.

In consideration of its services as Administrative Agent, CACEIS Bank, Luxembourg Branch is entitled to receive an Administrative Agent fee out of the assets of the Company as specified in the Sub-Funds' specifics in Part B of the Prospectus.

CACEIS Bank, Luxembourg Branch is the domiciliary agent of the Company, under a Domiciliary Services Agreement concluded on 12 May 2017 for an indefinite period of time.

Moreover, the Company has entered into a Depositary Agreement (the "**Depositary Agreement**") with CACEIS Bank, Luxembourg Branch on 12 May 2017 for an indefinite period of time.

In the event that the Depositary Agreement is terminated, the following provisions shall then apply to the Depositary:

- a new depositary bank must be designated within two (2) months of the termination of the Depositary Bank's contract to carry out the duties and assume the responsibilities of the Depositary Bank, as defined in the agreement signed to this effect;
- if the Company releases the Depositary Bank from its duties, the Depositary 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 depositary;
- if the Depositary Bank resigns from its duties, it shall not be released of its obligations until a new depositary bank has been designated and all the Company's assets have been transferred thereto;
- unclaimed dividends shall be transferred to the new depositary bank and/or financial agent (if any).

CACEIS Bank acting through its Luxembourg branch (CACEIS Bank, Luxembourg Branch) is a public limited liability company (société anonyme) incorporated under the laws of France, having its registered office located at 1-3, place Valhubert, 75013 Paris, France, registered with the French Register of Trade and Companies under number 692 024 722 RCS Paris. It is an authorised credit institution supervised by the European Central Bank (ECB) and the Autorité de contrôle prudentiel et de résolution (ACPR). It is further authorised to exercise through its Luxembourg branch banking and central administration activities in Luxembourg

Investors may consult upon request at the registered office of the Company, the Depositary Agreement to have a better understanding and knowledge of the limited duties and liabilities of the Depositary.

The Depositary has been entrusted with the custody and/or, as the case may be, recordkeeping and ownership verification of the Sub-Fund's assets, and it shall fulfil the obligations and duties provided for by Part I of the Law. In particular, the Depositary shall ensure an effective and proper monitoring of the Company's cash flows.

In due compliance with the UCITS Rules the Depositary shall:

- (i) ensure that the sale, issue, re-purchase, redemption and cancellation of units of the Company are carried out in accordance with the applicable national law and the UCITS Rules or the Articles;
- (ii) ensure that the value of the Units is calculated in accordance with the UCITS Rules, the Articles and the procedures laid down in the Directive;
- (iii) carry out the instructions of the Company, unless they conflict with the UCITS Rules, or the Articles;
- (iv) ensure that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits; and
- (v) ensure that a Company's income is applied in accordance with the UCITS Rules and the Articles.

The Depositary may not delegate any of the obligations and duties set out in (i) to (v) of this clause.

In compliance with the provisions of the Directive, the Depositary may, under certain conditions, entrust part or all of the assets which are placed under its custody and/or recordkeeping to Correspondents or Third Party Custodi-

ans as appointed from time to time. The Depositary's liability shall not be affected by any such delegation, unless otherwise specified, but only within the limits as permitted by the Law.

A list of these correspondents/third party custodians are available on the website of the Depositary (www.caceis.com, section “veille réglementaire”). Such list may be updated from time to time. A complete list of all correspondents/third party custodians may be obtained, free of charge and upon request, from the Depositary. Up-to-date information regarding the identity of the Depositary, the description of its duties and of conflicts of interest that may arise, the safekeeping functions delegated by the Depositary and any conflicts of interest that may arise from such a delegation are also made available to investors on the website of the Depositary, as mentioned above, and upon request. There are many situations in which a conflict of interest may arise, notably when the Depositary delegates its safekeeping functions or when the Depositary also performs other tasks on behalf of the Company, such as administrative agency and registrar agency services. These situations and the conflicts of interest thereto related have been identified by the Depositary. In order to protect the Company's and its Shareholders' interests and comply with applicable regulations, a policy and procedures designed to prevent situations of conflicts of interest and monitor them when they arise have been set in place within the Depositary, aiming namely at:

- a) identifying and analysing potential situations of conflicts of interest;
- b) recording, managing and monitoring the conflict of interest situations either in:
 - relying on the permanent measures in place to address conflicts of interest such as maintaining separate legal entities, segregation of duties, separation of reporting lines, insider lists for staff members; or
 - implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall, making sure that operations are carried out at arm's length and/or informing the concerned Shareholders of the Company, or (ii) refuse to carry out the activity giving rise to the conflict of interest.

The Depositary has established a functional, hierarchical and/or contractual separation between the performance of its UCITS depositary functions and the performance of other tasks on behalf of the Company, notably, administrative agency and registrar agency services.

The Company and the Depositary may terminate the Depositary Agreement at any time by giving ninety (90) days' notice in writing. The Company may, however, dismiss the Depositary only if a new depositary bank is appointed within two months to take over the functions and responsibilities of the Depositary. After its dismissal, the Depositary must continue to carry out its functions and responsibilities until such time as the entire assets of the Compartments have been transferred to the new depositary bank.

The Depositary has no decision-making discretion nor any advice duty relating to the Company's investments. The Depositary is a service provider to the Company and is not responsible for the preparation of this Prospectus and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus or the validity of the structure and investments of the Company.

15. MONEY LAUNDERING PREVENTION

Any Shareholder will have to establish its identity to the Company, the Administrative Agent or to the intermediary which collects the subscriptions, provided that the intermediary is regulated and located in a country that imposes an identification obligation equivalent to that required under Luxembourg law (including the law of November 12, 2004 as amended and the circulars issued by the CSSF).

Such identification shall be evidenced when subscribing for Shares as follows:

In order to appropriately identify the beneficial owners of the funds invested in the Company and to contribute to the fight against money laundering and financing of terrorism, subscription requests to the Company by investors must include:

- in the case of natural persons: a certified and valid copy of the investor's identity card or passport (certification by one of the following authorities: embassy, consulate, notary, high commission of the country of issue, Police commissioner, Bank domiciled in a country that imposes an identification obligation equivalent to that required under Luxembourg law or any other competent authority) and utility bill;
- for corporate entities: an original or a certified and valid copy of the Articles of incorporation, an extract of the register of commerce, the list of shareholders of the company and the identification documents of those holding more than 25% of the assets of the company (certification by one of the following authorities: embassy, consulate, notary, high commission of the country of issue, Police commissioner, Bank domiciled in a country that imposes an identification obligation equivalent to that required under Luxembourg law or any other competent authority);

This identification obligation applies in the following cases:

- direct subscriptions to the Company;
- subscription via an intermediary which is domiciled in a country in which it is not legally obliged to use an identification procedure equivalent to the one required by Luxembourg law in the fight against money laundering and terrorist financing (including foreign subsidiaries or branches of which the parent company is subject to an identification procedure equivalent to the one required by Luxembourg law if the law applicable to the parent company does not oblige the parent company to ensure the application of these measures by its subsidiaries or branches).

It is generally accepted that professionals of the financial sector resident in a country which has ratified the recommendations of the FATF are deemed to be intermediaries having an identification obligation equivalent to that required under the applicable law. The complete updated list of countries having ratified the recommendations of the FATF is available on www.fatf-gafi.org.

Subscriptions may be temporarily suspended until identification of the investors has been appropriately performed. Failure to provide sufficient or additional information may result in an application not being processed or an investor being rejected.

The Administrative Agent of the Company may require at any time additional documentation relating to an application for shares.

16. NOMINEES

The Company may enter into nominee agreements.

In such case, the Nominee shall, in its name but as nominee for the investor, purchase, request the conversion or request the redemption of shares for the investor and request registration of such operations in the Company's books. However, the investor:

- a) may invest directly in the Company without using the Nominee service;
- b) has a direct claim on its shares subscribed in the Company;
- c) may terminate the mandate at any time with prior written notice.

The provisions under a), b) and c) are not applicable to Shareholders solicited in countries where the use of the service of a nominee is necessary or compulsory for legal, regulatory or compelling practical reasons.

The Company will ensure that the Nominee presents sufficient guarantees for the proper execution of its obligations toward the investors who utilise its services. In particular, the Company will ensure that the Nominee is a professional duly authorised to render nominee services and domiciled in a country in which it is legally obliged to use an identification procedure equivalent to the one required by Luxembourg law in the fight against money laundering and terrorist financing.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise their investor rights directly against the Company, notably the right to participate in general shareholders' meetings, if the investors are registered themselves and in their own name in the Shareholders' register of the Company. In cases where investors invest in the Company through an intermediary investing into the Company in their own name but on behalf of the investors, such as a Nominee, it may not always be possible for the investors to exercise certain Shareholder's rights directly against the Company. Investors are advised to take advice on their rights.

17. EXPENSES

The Company may bear the following expenses, at the Board of Directors' discretion:

- all fees to be paid to the Management Company, the Administrative Agent, the Investment Manager(s) (if any), the Investment Advisor(s) (if any), the Depositary Bank and any other agents that may be employed from time to time;
- all taxes which may be payable on the assets, income and expenses chargeable to the Company;
- standard brokerage and bank charges incurred on the Company's business transactions;
- all fees due to the Auditor and the advisors;
- all expenses connected with publications and supply of information to Shareholders, in particular and where applicable, the cost of drafting, printing, translating and distributing the annual and semi-annual reports, as well as any Prospectuses and key investor information documents;
- all expenses involved in registering and maintaining the Company registered with all governmental agencies, stock exchanges, regulatory or supervisory authority, including for the distribution purposes.
- the remuneration of the Directors, the insurance of Directors if any, and their reasonable out-of-pocket expenses;
- all other fees and expenses incurred in connection with its operation, administration, asset and risk management and distribution.

All recurring expenses will be charged first against current income, then should this not be sufficient, against realised capital gains, and, if need be, against assets.

Each Sub-Fund shall amortise its own expenses of establishment over a period of five years as of the date of its creation. The expenses of first establishment will be exclusively charged to the Sub-Funds opened at the incorporation of the Company and shall be amortised over a period not exceeding five years.

Any costs, which are not attributable to a specific Sub-Fund, incurred by the Company will be charged to all Sub-Funds in proportion to their average Net Asset Value. Each Sub-Fund will be charged with all costs or expenses directly attributable to it.

The different Sub-Funds of the Company have a common generic denomination and one or several investment advisors and/or investment managers. The Board of Directors of the Company determine their investment policy and its application to the different Sub-Funds in question. Under Luxembourg law, the Company including all its Sub-Funds is regarded as a single legal entity. However, pursuant to article 181 of the Investment Fund Law, as amended, each Sub-Fund shall be liable for its own debts and obligations. In addition, each Sub-Fund will be deemed to be a separate entity having its own contributions, capital gains, losses, charges and expenses.

The Company is required to indemnify, out of its assets only, officers, employees and agents of the Company, if any, and the Board of Directors for any claims, damages and liabilities to which they may become subject because of their status as managers, officers, employees, agents of the Company or Board of Directors, or by reason of any actions taken or omitted to be taken by them in connection with the Company, except to the extent caused by their gross negligence, fraud or willful misconduct or their material breach of the provisions of the Prospectus.

18. NOTICES AND PUBLICATION

Notices to Shareholders are available at the Company's registered office. If required by law, they will be published in the newspaper(s) in Luxembourg and, if required, in the other circulating in jurisdictions in which the Company is registered as the Directors may determine.

The Net Asset Value of each Sub-Fund and the issue and redemption prices thereof will be available at all times at the Company's registered office.

Audited annual reports will be made available at the registered office of the Company no later than four (4) months after the end of the financial year and unaudited semi-annual reports will be made available two (2) months after the end of such period.

All reports will be available at the Company's registered office. The first financial report will be an unaudited semi-annual report dated 30 June 2017. The first audited financial report will be dated 31 December 2017.

19. LIQUIDATION OF THE COMPANY, TERMINATION OF THE SUB-FUNDS AND CLASSES OF SHARES, CONTRIBUTION OF SUB-FUNDS AND CLASSES OF SHARES

19.1 Liquidation of the Company

In the event of the liquidation of the Company, liquidation shall be carried out by one (1) or several liquidators (approved by the CSSF) appointed by the meeting of the Shareholders deciding such dissolution and which shall determine their powers and their compensation. The liquidators shall realise the Company's assets in the best interest of the Shareholders and shall distribute the net liquidation proceeds (after deduction of liquidation charges and expenses) to the Shareholders in proportion to their shares in the Company in cash or in kind. Any amounts not claimed promptly by the Shareholders will be deposited at the close of liquidation in escrow with the *Caisse de Consignation*. Amounts not claimed from escrow within the statute of limitations will be forfeited according to the provisions of Luxembourg law.

19.2 Termination of a Sub-Fund or a Class of Shares

A Sub-Fund or Class may be terminated by resolution of the Board of Directors of the Company if the Net Asset Value of a Sub-Fund or of a Class is below an amount as determined by the Board of Directors from time to time, or if a change in the economic or political situation relating to the Sub-Fund or Class concerned would justify such liquidation or if necessary in the interests of the Shareholders or the Company. In such event, the assets of the Sub-Fund or Class will be realised, the liabilities discharged and the net proceeds of realisation distributed to Shareholders in proportion to their holding of shares in that Sub-Fund or Class in cash or in kind. Notice of the termination of the Sub-Fund or Class will be given in writing to registered Shareholders and/or will be published in Luxembourg and in other newspapers circulating in jurisdictions in which the Company is registered as the Directors may determine.

In accordance with the provisions of the Investment Fund Law, only the liquidation of the last remaining Sub-Fund of the Company will result in the liquidation of the Company as referred to in the Investment Fund Law. In this case, and as from the event given rise to the liquidation of the Company, and under penalty of nullity, the issue of shares shall be prohibited except for the purpose of liquidation.

Any amounts not claimed by any Shareholder shall be deposited at the close of liquidation in escrow with the *Caisse de Consignation*.

Unless otherwise decided in the interest of, or in order to ensure equal treatment between Shareholders, the Shareholders of the relevant Sub-Fund or Class may continue to request the redemption of their shares or the conversion of their shares, free of any redemption and conversion charges (except disinvestment costs) prior the effective date of the liquidation. Such redemption or conversion will then be executed by taking into account the liquidation costs and expenses related thereto.

19.3 Merger of Sub-Funds or Class of Shares to another Sub-Fund or Class of Shares within the Company

Any Sub-Fund may, either as a merging Sub-Fund or as a receiving Sub-Fund, be subject to merger (the “**Merger**”) with another Sub-Fund of the Company in accordance with the definitions and conditions set out in the Investment Fund Law. The Board of Directors of the Company will be competent to decide on the effective date of such a Merger. Insofar as a Merger requires the approval of the Shareholders concerned by the Merger and pursuant to the provisions of the Investment Fund Law, the meeting of Shareholders deciding by simple majority of the votes cast by Shareholders present or represented at the meeting, is competent to approve the effective date of such a Merger. No quorum requirement will be applicable.

Notice of the Merger will be given in writing to registered Shareholders and/or will be published in newspapers circulating in jurisdictions in which the Company is registered as the Directors may determine. Each Shareholder of the relevant Sub-Funds or Classes shall be given the possibility, within a period of at least thirty days in advance, to request the redemption or conversion of its shares.

19.4 Merger of Sub-Funds or Class of Shares to another Sub-Fund or Class of Shares of another investment fund

The Company may, either as a merging UCITS or as a receiving UCITS, be subject to cross-border and domestic mergers in accordance with the definitions and conditions set out in the Investment Fund Law. The Board of Directors of the Company will be competent to decide on the effective date of such a Merger. Insofar as a Merger requires the approval of the Shareholders concerned by the Merger and pursuant to the provisions of the Investment Fund Law, the meeting of Shareholders deciding by simple majority of the votes cast by Shareholders present or represented at the meeting is competent to approve the effective date of such a Merger. No quorum requirement will be applicable.

Notice of the Merger will be given in writing to registered Shareholders and/or will be published in any newspaper(s) in Luxembourg and in other newspapers circulating in jurisdictions in which the Company is registered as the Directors may determine. Each Shareholder of the relevant Sub-Funds or Classes shall be given the possibility, within a period of at least thirty days in advance, to request the redemption or conversion of its shares.

20. REGULATORY INFORMATION

20.1 Conflicts of Interest

For the purpose of identifying the types of conflicts of interest that arise in the course of providing services and activities and whose existence may damage the interest of the Company, the Management Company will take into account, by way of minimum criteria, the question of whether the Management Company or a relevant person, or a person directly or indirectly linked by way of control to the Management Company, is in any of the following situations, whether as a result of providing collective portfolio management activities or otherwise: (a) the Management Company or that person is likely to make a financial gain, or avoid a financial loss, at the expense of the Company; (b) the Management Company or that person has an interest in the outcome of a service or an activity provided to the Company or another client or of a transaction carried out on behalf of the Company or another client or, which is distinct from the Company interest in that outcome; (c) the Management Company or that person has a financial or other incentive to favour the interest of another client or group of clients over the interests of the Company; (d) the Management Company or that person carries on the same activities for the Company and for another client or clients which are not UCITS; and (e) the Management Company or that person receives or will receive from a person other than the Company an inducement in relation to collective portfolio management activities provided to the Company, in the form of monies, goods or services, other than the standard commission or fee for that service.

When identifying any potential types of conflict of interests, the Management Company will take into account (a) the interests of the Management Company, including those deriving from its belonging to a group or from the performance of services and activities, the interests of the clients and the duty of the Management Company towards the Company as well as (b) the interests of two or more managed UCITS.

The summary description of the strategies referred to in that paragraph will be made available to the investors on <http://www.htl-capital.com>

20.2. Complaints Handling

Investors of each Sub-Fund of the Company may file complaints free of charge with the Distributor or the Management Company in an official language of their home country. Investors can access the complaints handling procedure on <http://www.htl-capital.com>

20.3. Exercise of Voting Rights

Unless there is a loss of investor protection, the Company will not exercise voting rights in respect of instrument held by the Company in each Sub-Fund. The decision to exercise voting rights is only to be made within the Company's general meeting.

The 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, if the investor is registered himself and in its own name in the Shareholders' register of the UCITS. In cases where an investor invests in the UCITS through an intermediary investing into the UCITS 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 UCITS. Investors are advised to take advice on their rights.

20.4 Best Execution

The Management Company will act in the best interests of the managed Company when executing decision to deal on behalf of the managed Company in the context of the management of their portfolios. For that purpose, the Management Company will take all reasonable steps to obtain the best possible results for the Company, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution of the order (best execution).

The relative importance of such factors will be determined by reference to the following criteria: (a) the objectives, investment policy and risks specific to the Company, (b) the characteristics of the order, (c) the characteristics of the financial instruments that are the subject of that order and (d) the characteristics of the execution venues to which that order can be directed.

21. DOCUMENTS

The following documents may be consulted and obtained at the Company's registered office, the Management Company and the Depositary Bank:

- a) the Company's Prospectus;
- b) the Company's KIIDs;
- c) the Company's Articles;
- d) the Collective Portfolio Management Agreement between the Company and the Management Company;
- e) the Central Administration Agreement between the Management Company and the Administrative Agent;
- f) the Depositary Agreement between the Company and the Depositary Bank;
- g) the Company's annual and semi-annual financial report.

PART B: THE SUB-FUNDS

1. Investment Objective and Policy

1.1. Investment objective of the Sub-Fund

The Sub-Fund “AlphaNow Long/Short Equity Fund” is a diversified equity fund and is mainly (i.e. at least 50% of its net asset value) exposed to the equity markets.

It is actively managed in order to deliver a net performance above the capitalized index EONIA (the “**Benchmark**”) and non-correlated from the equity, debt instruments and monetary markets. The Benchmark is provided by an administrator which is, at the time of the present Prospectus, not yet included in the register referred to in Article 36 of the Benchmarks Regulation, since it was for the moment not authorised under this regulation (this information shall be updated in the next version of the Prospectus as the case may be), as per the transitional provisions of article 51 of the Regulation (EU) 2016/1011. A copy of the robust written plans setting out the actions to be taken in the event that this benchmark materially changes or ceases to be provided, produced in compliance with Article 28.2 of the Benchmarks Regulation and put in place by the Management Company, can be requested and obtained free of charge at the Company's registered office.

The Sub-Fund seeks to have an annualised monthly volatility below 7%.

The Reference Currency of the Sub-Fund is in USD (“**USD**”).

1.2. Investment policy of the Sub-Fund

1.2.1. General description

The Sub-Fund has adopted systematic strategies, which seek to deliver a high risk-return level for each of them. These strategies are based on the following non-correlated performance drivers.

The first performance driver is based in the statistical analysis of the equity markets, mainly composed of large capitalisation issuers (“Large Caps”) so as to create a pocket of equities selected by using a momentum trading strategy based on the frequency trend component of the equity markets.

The second performance driver is based upon fundamental quantitative analysis in order to create another pocket based on the medium frequency sectorial rotation of the equity markets by mainly investing in sectorial ETFs and a third pocket “Value” composed of equities and equity index futures.

The Large Caps are selected amongst the components of major indexes such as STOXX 600, FTSE 100, DAX 30, S&P 500, Nasdaq 100, Nikkei 225 and other liquid equities not yet included in those indexes (with no constraints as regards the asset allocation).

In order to reach its objective, the Sub-Fund AlphaNow Long/Short Equity Fund invests in multiple asset classes without geographical constraints (including emerging markets but excluding China), such as equities but also ETFs, investment grade debt instruments and may invest in money market instruments and short-term debt securities (notes, bills, etc.) issued by investment grade governments or private issuers.

The Sub-Fund may also invest in financial derivative instruments so as to (i) seek or reduce exposure to the above assets by using financial listed and OTC derivatives instruments such as futures, swaps (including unfunded total return swaps or contracts for difference (“CFD”)), options, index related derivatives, currency derivatives, (ii) for efficient portfolio management or (iii) for hedging purposes. Thanks to this financial derivatives instruments, the Sub-Fund will seek long and short exposure on the market that may lead to a market neutral strategy on a case by case basis.

The Sub-Fund may also be exposed to commodities through eligible structured products (delta-1 certificate with no leverage effect), ETF, Exchange Traded Commodities or index derivative instruments.

Lastly, the Sub-Fund will not invest in MBS/ABS, Contingent Convertible Bonds or distressed or defaulted securities and will not enter into efficient portfolio management techniques (including repurchase agreement, security lending transaction, buy-sell back or sell-buy back transaction and margin lending transaction).

2. Risk Profile

The risk profile of the Sub-Fund is as follows:

- Capital risk: Yes.

The capital is not guaranteed. Investors' capital initially invested may not be returned.

- Credit risk: Yes.

The Sub-Fund may be entirely exposed to credit risk inherent to private issuers. In the event of their downgrading or default, the value of debt instruments may fall and may consequently cause the net asset value of the Sub-Fund to also fall as a result.

- Interest rate risk: Yes.

The Sub-Fund may, at any moment, be entirely exposed to interest rate risk, as its sensitivity to interest rates may vary pursuant to the fixed-income securities held. The net asset value of the Sub-Fund may fall if interest rates rise.

- Risk related to the use of derivative instruments: Yes.

The Sub-Fund may invest in derivative instruments for exposure purposes. The net asset value of the Sub-Fund may therefore fall to a larger extent than the markets to which it is exposed.

- Counterparty risk: Yes.

The Sub-Fund may engage in transactions with counterparties holding (i.e. credit institutions), for a certain period, cash or assets.

The Sub-Fund may also be exposed to counterparty risk arising from the use of OTC-traded financial derivatives such as TRS or CFDs.

This is the risk that the counterparty with which a contract has been signed does not honour its commitments (delivery, payment, refund, etc.). In such a case, default of the counterparty could cause the Sub-Fund's net asset value to fall.

- Equity risk: Yes.

The Sub-Fund may have an exposure to the equity market. Consequently, the net asset value of the Sub-Fund may fall in case of market fall. The net sensitivities to equities will be between +200% and -200% of net asset value.

- Currency risk: Yes.

The Sub-Fund may be exposed to currency risk proportionally to the part of its net assets not denominated in the reference currency of the Sub-Fund and not hedged against this risk. The net asset value of the Sub-Fund may fall as a result.

- Emerging Market risk: Yes.

The Sub-Fund may be exposed to risks inherent to investments in emerging markets as more described in section 5 "Risk Factors".

For the purpose of implementing the investment objective and policy above, the Sub-Fund will enter into Total Return Swap or equivalent transactions to gain exposure to securities which fulfil the characteristics described in the investment strategy or to hedge the portfolio. Instruments such as CFDs should be considered as financial derivative instruments having similar characteristics to Total Return Swaps. Total Return Swap or equivalent transactions are likely to increase the risk profile of the Sub-Fund.

The Sub-Fund will also enter into over-the-counter derivative instruments with a limited number of identified counterparties, which may trigger counterparty risks.

These derivative instruments will have the following characteristics:

- The underlying assets will consist in Forex, indices, single issuers, interest rates or currencies, in which the Sub-Fund may invest in accordance with its investment policy.
- The counterparties to the over-the-counter transactions will be high credit quality financial institutions, either credit institutions subject to prudential standards or not. The Sub-Fund appointed Morgan Stanley as counterparty. Other counterparties may however be appointed in the future. These counterparties are selected on the basis of a selection process based on the country of origin (OECD members only), reputation, experience and rating (minimum BB+) of the counterparties. The legal status of the counterparties is not considered as a relevant selection criterion. Details of new counterparties will be disclosed in the annual report of the Company. In all cases, any counterparty does not have any discretion over the composition or

management of the Sub-Funds' portfolio or over the underlying assets of financial derivative instruments used by a Sub-Fund.

- The risk exposure to counterparties arising from these techniques and OTC derivative transactions should be combined when calculating the counterparty risk limits Article 52 of Directive 2009/65/EC as well as the internal risk limits. These limits will be closely monitored on a daily basis as part of the risk management process in place.
- The maximum and expected exposure of the assets of the Sub-Fund to TRS is 200%.
- Assets subject to TRS and collateral received are safe-kept by the Depositary Bank, its Correspondents or Third Party Custodians as appointed from time to time as described under section 14 "Administrative Agent, Domiciliary Agent, Depositary Bank and Paying Agent".
- The proportion of the revenue generated by TRS to be returned to the Company is 100%.

Total return swaps and CFDs used are in principal open-ended transactions, so they can be unwound at all times. This means that, as soon as the cumulated mark-to-market value gets close to the limit set forth by the Management Company, which is below the limits in Luxembourg regulations, such instruments can be terminated upon decision of the Management Company and un-realized profits/losses paid respectively to the Sub-Fund or counterparties. As a consequence, the Sub-Fund may not need to collateralise these OTC transactions and the Sub-Fund will be able to comply at all times with the limits set forth in Luxembourg regulations.

In the case where collateral would however be required or necessary for any type of OTC transactions, the Management Company will ensure that the relevant counterparties deliver cash collateral only to cover 100% of the related counterparty risk, subject to the following conditions:

- a) The Sub-Fund will apply a haircut of 0% to the cash collateral received, except if there is a mismatch between the currency of exposure and the currency of collateral, in the latter case a haircut of 5% will apply. In all cases, the cash collateral received shall be denominated in a currency correlated either to the Reference Currency of the Sub-Fund or the currency of exposure.
- b) Cash collateral received should only be:
 - placed on deposits with credit institutions which are repayable on demand or have the right to be withdrawn and maturing in no more than 12 months, provided that the credit institution has its registered office in a EU Member State or, if the credit institution has its registered office in a third country, provided that it is subject to prudential rules equivalent to those laid down in Community law;
 - invested in high-quality government bonds;
 - invested in short-term money market instruments or money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds.
- c) Cash collateral and re-invested cash collateral may be subject to currency risks, interest rate risks, counterparty and credit risks, operational risks and legal risks. These risks linked to the management of collateral will be identified, managed and mitigated in accordance with the Management Company's risk management process concerning the Sub-Fund.
- d) Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral.
- e) Re-investment of cash collateral involves the risk of loss of money and more specifically the main risks arising from re-investment of cash collateral are credit risk and concentration risk. These risks are monitored and managed regularly as they are in the scope of the Management Company's risk management process.

The valuation methodology used is described under section 8 "Net Asset Value", i.e. whenever a foreign exchange rate is needed, the applicable foreign exchange rate on the respective Valuation Date will be used.

The Sub-Fund's global exposure is calculated through the "Value-at-Risk" Approach and is limited to a maximum of 20% of net asset value on a 20 days holding period and with a 99% confidence interval.

The Management Company's risk management process applicable to the Sub-Fund reflects the investment objectives and policy of the Sub-Fund. Upon request, Shareholders can receive further information from the Management Company in relation to the Sub-Fund's risk management. These risks are further described in section 5 "Risk factors" of Part A of this Prospectus.

The Sub-Fund will also have a 20% maximum annualised monthly volatility target over the long term. This will be used to define the synthetic risk indicator in the Key Investor Information documents relating to the Sub-Fund and respective Classes of Shares.

The maximum level of leverage assessed (i) as per the sum of notional approach recommended by ESMA, which is the sum of the notional of derivative instruments held by the Sub-Fund is 200% and (ii) as per the commitment approach, which corresponds to the notional approach after taking into account netting and hedging techniques, is expected to be 200% for derivative exposure, considering that full or part of the assets of the Sub-Fund may be held in cash and invested in fully or partially hedged European stocks. The expected leverage level could be higher under exceptional circumstances.

3. Profile of the Typical Investor

The Sub-Fund is marketable to all eligible investors provided they can meet the minimum subscription levels (if any). The Sub-Fund may be suitable for investors who see collective investment schemes as a convenient way of participating in investment markets. They may be suitable for investors wishing to seek to achieve defined investment objectives. Such investors must have experience with, or understand, products where the capital is at risk. Investors must be able to accept some risk to their capital; thus the Sub-Fund may be suitable for investors who are looking to set aside the capital for a minimum of 3 years. If you are uncertain whether these products are suitable for you, please contact your professional adviser.

4. Valuation Date

Valuation dates of the Sub-Fund will be each Bank Business Day in France and in Luxembourg, with the exception of days on which one of the following stock exchanges is closed: New York stock market. The computation of the Sub-Fund's Net Asset Value for a Valuation Date will be done on the next Bank Business Day.

5. Subscription

5.1. Initial subscription

Classes	Initial share amount	Minimum initial subscription and holding amount	Initial subscription period	Payment of initial subscription
EI	USD 1'000	USD 1'000'000	Initial subscription orders to be received by the Company no later than 12:00 a.m. Luxembourg time by the 21 July 2017 at the latest (or any other date as may be determined by the Board of Directors).	The subscription amounts to be paid by the investors received no later than 14:00 (2 pm) Luxembourg time, one (1) business days following the valuation day, meaning the 24 July 2017 (or any other date as may be determined by the Board of Directors).
I	USD 1'000	USD 100'000	To be determine at a later stage by the Board of Directors.	To be determine at a later stage by the Board of Directors.
R	USD 1'000	None	To be determine at a later stage by the Board of Directors.	To be determine at a later stage by the Board of Directors.
EI-HEUR	EUR 1'000	EUR 1'000'000	To be determine at a later stage by the Board of Directors.	To be determine at a later stage by the Board of Directors.
I-HEUR	EUR 1'000	EUR 100'000	To be determine at a later stage by the Board of Directors.	To be determine at a later stage by the Board of Directors.
S	USD 1'000	USD 1'000	To be determine at a later stage by the Board of Directors.	To be determine at a later stage by the Board of Directors.

5.2. Subsequent subscription / cut-off time

Shares are available for subsequent subscriptions on each Valuation Date on a forward pricing base.

Applications for Shares must be received by the Registrar and Transfer Agent at the latest one (1) Bank Business Day before the Valuation Date until the cut-off time fixed at 14:00 (2 pm) Luxembourg time to be dealt with on the basis of the Net Asset Value per Share applicable on that Valuation Date. Applications for shares received by the Registrar and Transfer Agent after that cut-off time will be dealt with on the next Valuation Date.

Subscriptions may be made in both amounts and in a number of Shares. The subscription amount to be paid by investors must be received by the Company or its delegates at the latest two (2) Bank Business Days following the

applicable Valuation Date. Any order for which the proceeds have not been received by the Company by the above cut-off time will be dealt with on the next Valuation Date.

The Directors may, at their sole discretion, accept subscriptions below minimum as stated in the table below.

6. Redemption / cut-off time

Shareholders are entitled to redeem their Shares on each Valuation Date on a forward pricing base. Applications for redemptions must be received by the Registrar and Transfer Agent at the latest one (1) Bank Business Day until the cut-off time fixed at 14:00 (2 pm) Luxembourg time before the relevant Valuation Date to be dealt with on the basis of the Net Asset Value per Share applicable on that Valuation Date. Applications for redemptions received by the Registrar and Transfer Agent after that cut-off time will be dealt with on the next Valuation Date.

Redemptions may be made in both amounts and in a number of Shares. The redemption amounts to be paid to the investors must be received by those investors at the latest two (2) Bank Business Days following the applicable Valuation Date.

7. Conversion /cut-off time

Applications for conversion must be received by the Registrar and Transfer Agent at the latest one (1) Bank Business Day until 14:00 (2 pm) Luxembourg time before the relevant Valuation Date to be dealt with on the basis of the Net Asset Value per Share applicable on that Valuation Date. Applications for conversion received by the Registrar and Transfer Agent after that cut-off time will be dealt with on the next Valuation Date.

8. Share Classes available

The Classes available in this Sub-Fund are listed in the table below. The Classes are accumulating classes according to information in section “Income Policy” in Part A of this Prospectus.

Classes	Income policy	Currency	Hedged against currency exposure	Investors
EI	Capitalization	USD	No	Early bird Investors
I		USD	No	Institutional investors
R		USD	No	Retail investors
EI-HEUR		EUR	Yes	Institutional investors
I-HEUR		EUR	Yes	Institutional investors
S		USD	No	Investors being employees of the Management Company and investors duly authorized by the Board of Directors

The Company may in its discretion, waive minimum subscription and/or holding amounts. In such latter case, the Company will ensure that concerned investors are equally treated.

9. Expenses

At the level of the Sub-Fund, the fees, charges and expenses associated with such investment are an annual management fee and other expenses of the Sub-Fund, as described in its prospectus. Details on the actual charges and expenses incurred at the level of the Sub-Fund are available on the website of the Management Company at <http://www.htl-capital.com>.

Classes	EI	I	R	EI-HEUR	I-HEUR	S
Max. Subscription Fee ⁽¹⁾	None	None	3%	None	None	None
Max. Redemption Fee ⁽¹⁾	None	None	None	None	None	None
Conversion Fee	None	None	None	None	None	None
Max. Management Fee	0.5%	1.5%	2%	0.5%	1.5%	0.5%
Performance Fee	10% of the performance over the Benchmark and in reference to the “High Water Mark” principle	20% of the performance over the Benchmark and in reference to the “High Water Mark” principle	20% of the performance over the Benchmark and in reference to the “High Water Mark” principle	10% of the performance over the Benchmark and in reference to the “High Water Mark” principle	20% of the performance over the Benchmark and in reference to the “High Water Mark” principle	10% of the performance over the Benchmark and in reference to the “High Water Mark” principle
Max. Administrative Agent Fee ⁽²⁾	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Max. Depository Fee ⁽³⁾	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%
Annual Tax	0.01%	0.01%	0.05%	0.01%	0.01%	0.05%

(1) At the discretion of the Management Company or the Distributor, according to the marketing arrangements in place.

(2) Minimum Administrative Agent Fee, in Reference Currency, with a value of 42'000 EUR per annum.

(3) Minimum Depository Fee, in Reference Currency, with a value of 19'000 EUR per annum.

All or part of the above expenses of the Sub-Fund, including those mentioned under section 17 “Expenses” of this Prospectus, may be paid by the Management Company at its discretion and on behalf of the Company.

In addition, the Classes of Shares shall bear other expenses such as banking, brokerage and transaction based fees, auditors’ fees, legal fees and taxes.

An investor who subscribes, converts or redeems shares through paying agents may be required to pay fees connected to the transactions processed by said paying agents in the jurisdictions in which shares are offered.

The Key Investor Information Document(s) issued for the Classes of Shares also contain additional information on ongoing charges incurred by the Sub-Fund.

Performance Fees:

The Management Company may be entitled to receive a maximum 20% performance fee out of the net assets of the Sub-Fund attributable to the respective Share Class. The fee rate may be lowered under certain conditions upon decision of the Board of Directors of the SICAV.

At the end of each Calculation Period (as defined below), the performance fee paid to the Management Company is a maximum 20% of the effective net value creation for the Sub-Fund attributable to each respective Class of Shares over that Calculation Period, provided the following conditions:

- Performance fees are accrued on each Valuation Date and paid at the end of each Calculation Period.
- On every Valuation Date where the net cumulative profit performance after expenses and before performance fees accruals (the “Net Profit”) of each Class of Shares is positive and higher than the performance of the Benchmark and provided the Net Asset value of the Class of Shares is above the high water mark (the “High Water Mark”), a performance fee accrual of maximum 20% of the Net Profit is deducted from the Net Asset Value.
- The High Water Mark is the highest of the initial Net Asset Value per Class of Shares and the Net Asset Value per Class of Shares of the last Calculation Period on which a performance fee was effectively paid to the Man-

- agement Company. For each Class of Shares, the High Water Mark is adjusted on each Valuation Date in accordance with new subscriptions so as to ensure the accrued performance fee corresponds to maximum 20% of the Net Profit of each relevant Class of Shares and not incremented along new subscriptions.
- There will be no reset of the High Water Mark from one Calculation Period to another if the Net Asset Value of the Class of Shares is below the High Water Mark of that Class of Shares at the end of a Calculation Period, no performance fee will be accrued during the following Calculation Period until the Net Asset Value of the Class of Shares goes above the High Water Mark.
 - The performance fee is payable to the Management Company in arrears at the end of each Calculation Period. However, in the case of shares redeemed during a Calculation Period, the performance fee in respect of those shares will be calculated *pro rata* and will become payable immediately on the Valuation Date applicable to the redemption. Likewise, if the Sub-Fund is terminated before the end of a Calculation Period, the performance fee for the relevant Calculation Period will be calculated and paid at the end of the termination date.
 - The Calculation Period is annual:
 - The first Calculation Period starts on the first Valuation Date of each Class of Shares and ends on the last Valuation Date of December 2017.
 - The subsequent Calculation Periods start on the first Valuation Date of January and ends on the last Valuation Date of December.