

**CB–Accent Lux**  
Variable Capital Investment Company

**Prospectus**  
for the public issue of shares

to distribute shares of the SICAV  
in Switzerland or from Switzerland

Luxembourg – July 2023

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# CB–Accent Lux

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## I. Warning

Subscriptions to the shares of the SICAV are only valid when made on the basis of a current prospectus, together with the most recent annual report available, and the most recent half-yearly report if this is published after the most recent annual report. No person may rely on any information other than that contained in this Prospectus and in the documents indicated therein as being available for consultation by the public.

The Board of Directors and the Management Company have taken all the measures necessary to ensure the accuracy of the information in this prospectus, for which it assumes responsibility. The Board and the Management Company have also ensured that no essential information has been omitted in order that the public is able to make a sound and proper judgment on CB–ACCENT LUX. The information provided for investors is available at the registered office of the SICAV and from the Custodian bank and institutions responsible for the financial service in the countries where the shares of the SICAV are offered for sale.

This prospectus has been published after being approved by the “Commission de Surveillance du Secteur Financier” (Commission for the Supervision of the Financial Sector). Such approval does not represent an assessment of the opportunity or quality of the operation, nor of the situation of the institution carrying it out.

This prospectus may not be used for the purposes of an offer for sale or invitation to sell in a jurisdiction in which the sale of the securities of the SICAV is not authorised, and may not be delivered to any person who is not legally entitled to receive it.

No measures provided for by the Law of 1940 on American investment companies (Investment Company Act), its amendments or any other regulation on transferable securities have been taken to have the SICAV or its securities registered with the Securities and Exchange Commission. This document may therefore not be introduced into, transmitted or distributed in the United States of America or its territories or possessions, or delivered to a “US person” as defined by the IRS (Internal Revenue Services), the SEC (Securities Exchange Commission) and/or the CFTC (Commodity Future Trading Commission). In addition, the shares of the SICAV may not be offered or sold to US persons. Any failure to comply with these restrictions may constitute an infringement of the US laws on transferable securities. The Board of Directors of the SICAV and the Management Company may demand the immediate reimbursement of shares purchased or held by US persons, including by investors who may have become US persons after purchasing securities.

The SICAV informs the investors that they have to be registered in their own name in the SICAV shareholders’ register in order for them to fully and directly exercise their rights as investors vis a vis the SICAV. Where an investor invests in the SICAV through an intermediary investing in the SICAV, in its own name but on behalf of the investor, the investor may not necessarily be able to directly exercise certain rights pertaining to a shareholder vis a vis the SICAV. We recommend investors to seek additional information about their rights.

## Personal data protection

In accordance with Regulation n° 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, as may be amended or supplemented from time to time (the “Data Protection Regulation”), the SICAV, acting as data controller (the “Controller”), collects, stores and processes, by electronic or other means, the data supplied by the investors at the time of its/her/its subscription for the purpose of fulfilling the services required by the investor and for complying with applicable legal obligations.

The data processed may include the name, date of birth, civil status, nationality, contact details (including postal and/or e-mail address and/or telephone number), ID card number (and any biometric data such as photos that may be contained therein), tax identification numbers, banking details and invested amounts (“Personal Data”) of the investor and other related natural persons (or, when the investor is a legal entity, of its contact person(s) and/or beneficial owner(s)) (“Data Subjects”).

The Data Subjects may, at his/her/its discretion, refuse to communicate the Personal Data to the SICAV. However, in this event, the investor’s subscription in the SICAV may fail to be processed and, if such refusal is made once the investor has already become a Shareholder, may result in the SICAV not being able to make redemptions or any applicable dividend payments and/or, if not remedied, may lead to the compulsory redemption of his/her/its Shares.

Personal Data supplied by the Data Subjects is for the legitimate interests of the SICAV to carry out its functions and to comply with the legal obligations imposed on the SICAV, particularly by the Law of 2010, the applicable laws and regulations on the fight against money laundering and counter-terrorist financing and applicable FATCA and CRS laws and regulations. In particular, the Personal Data supplied by the Data Subjects is processed for the purposes of:

- (i) subscribing in the SICAV;
- (ii) maintaining the register of Shares;
- (iii) processing subscriptions, redemptions and conversions of Shares;
- (iv) account administration and
- (v) complying with applicable anti-money laundering and terrorism financing rules and other legal obligations, such as applying due diligence measures and, if applicable, reporting in respect of CRS/FATCA obligations.

The Personal Data may also be processed by service providers acting on behalf of the controller (the “Processors”) which, in the context of the above mentioned purposes, refer to:

- (i) the Management Company;
- (ii) the Depositary Bank and Paying Agent;
- (iii) the Central Administrator;
- (iii) the Investment Manager or Investment Advisor for the relevant Subfund;
- (iv) any Distributor(s);
- (v) the auditor of the SICAV; and
- (vi) any legal or tax advisor(s) of the SICAV.

In certain circumstances, the Processors may also process Personal Data of Data Subjects as controllers, in particular for compliance with their legal obligations in accordance with laws and regulations applicable to them (such as anti-money laundering identification) and/or order of any competent jurisdiction, court, governmental, supervisory or regulatory bodies, including tax authorities.

The Personal Data may also be transferred to third-parties such as governmental or regulatory agencies, including tax authorities, in accordance with applicable laws and regulations. In particular, Personal Data may be disclosed to the Luxembourg tax authorities, which in turn may, acting as data controller, disclose the same to foreign tax authorities.

Personal Data of Data Subjects may be transferred outside of the European Union (including to Processors), in countries which are not subject to an adequacy decision of the European Commission and which legislation does not ensure an adequate level of protection as regards the processing of personal data.

In the event that Personal Data is not provided by the Data Subjects themselves, the Shareholders represent that they have authority to provide such Personal Data of other Data Subjects. If the Shareholders are not natural persons, they undertake and warrant to:

- (i) adequately inform any such other Data Subject about the processing of their Personal Data and their related rights as described above and in the subscription form and
- (ii) where necessary and appropriate, obtain in advance any consent that may be required for the processing of the Personal Data.

In accordance with the conditions set forth by the Data Protection Regulation, the Data Subjects acknowledge his/her/its right to:

- access his/her/its Personal Data;
- correct his/her/its Personal Data where it is inaccurate or incomplete;
- object to or restrict the processing of his/her/its Personal Data;
- request for erasure of his/her/its Personal Data;
- request for Personal Data portability.

The Data Subjects also acknowledge the existence of his/her/its right to lodge a complaint with the Luxembourg National Commission for Data Protection (“CNPD”).

The Data Subjects may exercise the above rights by writing to the Board of Directors of the SICAV at the following address: 49, Avenue J.F. Kennedy, L-1855 Luxembourg (Grand Duchy of Luxembourg), or by e-mail sent via the Management Company of the SICAV ([CB-Accent@adepa.com](mailto:CB-Accent@adepa.com)) and/or its Domiciliary Agent ([Domiciliarygroup@statestreet.com](mailto:Domiciliarygroup@statestreet.com)).

Personal Data shall not be retained for periods longer than those required for their processing subject to any limitation periods imposed by applicable laws, i.e. the processing will continue until the later of:

- the full redemption of the Shares by the Shareholder; and
- the processing no longer being subject to an applicable legal or regulatory requirement to continue to store the Personal Data.

## **SFDR - ESG (Environmental, Social and Governance) policy**

As at the date of this prospectus, none of the subfunds of the fund pursue a strategy in line with any sustainable investment objectives risks as defined in EU Regulation (EU) 2019/2088 of 27 November 2019 on sustainability disclosures in the financial services sector (“SFDR”) into their investment decision making process.

As a result, the Management Company does not consider that sustainable development factors have an impact on the income or loss of the shares.

If the fund or any of its subfunds follow a strategy in the future that is consistent with sustainable investment objectives or incorporate risk factors related to their investment decision, the prospectus will be updated in accordance with the requirements of the SFDR and investors will be duly informed and notified in advance.

The underlying investments for this financial product do not take into account EU requirements on environmentally sustainable economic activities.

The Management Company has updated, in accordance with the SFDR, its ESG (Environment, Social and Governance) policy, which is available on its website at <http://www.adepa.com/third-party-fund-management-company/regulatory-section/>.

## **Main negative impacts of investment decisions**

Unless otherwise stated in Chapter XXXI of this prospectus where each sub-fund is described, the consideration and measurement of the negative impacts of investment decisions on sustainability factors are not foreseen at this time due to the size of the Management Company, in accordance with article 4.3 of the SFDR, and the nature of the investments.

## **Register of Beneficial Owners**

Luxembourg entities are required to collect, update, file and deposit with the Register of Beneficial Owners (“RBE”) information on their beneficial owner(s) (“BE”), in accordance with the Luxembourg law of 13 January 2019 establishing the Register of Beneficial Owners, under the Amended Law (“RBE Law”). The Management Company, the Registrar and the Transfer Agent may thus require investors to provide information on their identity and residence (if investors are natural persons) or the identity and residence of their beneficial owner(s) in order to report this information to the RBE, if applicable.

The Management Company, the Registrar and the Transfer Agent may refuse to subscribe shares if the information provided, or not provided, does not meet the requirements of RBE Law.

Investors should consult their professional advisers on the possible consequences of tax or other issues related to the implementation of Common Reporting Standards (CRS) and of the RBE.

## II. Organisation of the SICAV

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<b>Head Office</b>	49, Avenue John F. Kennedy L-1855 Luxembourg	<b>Manager</b> <i>for the subfunds Swan Ultra Short-Term Bond, Swan Flexible, Swan Short-Term High Yield, New World and World Selection</i>	<b>Swan Asset Management S.A.</b> Via Zuccoli 19 CH–6900 Paradiso
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<b>Promoter</b>	Cornèr Banca S.A. Via Canova 16 CH-6901 Lugano	<b>Manager</b> <i>for the subfund Global Economy</i>	<b>OpenCapital S.A.</b> Riva Paradiso 2a CH-6900 Paradiso
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<b>Board of Directors</b>		<b>Manager</b> <i>for the subfunds Darwin Selection Euro, Erasmus Bond Fund, Explorer Fund of Funds, Explorer Equity, Swissness Equity Fund, Challenge Swan and Monti Harvest Fund</i>	<b>SWM Swiss Wealth Management S.A. Wealth Management Solutions</b> Palazzo Donini Via Canova 9 CH–6900 Lugano
<b>Chairman</b>	<b>Nicola Lafranchi</b> Director of Markets Division Cornèr Banca S.A. Via Canova 16 CH-6901 Lugano		
<b>Directors</b>	<b>Luc Courtois</b> Partner - Attorney at Law (Admitted to the Bar of Luxembourg) Head of Investment Funds Kleyr-Grasso GP Luxembourg Sàrl 7, rue de Primeurs L-2361 Luxembourg Grand Duchy of Luxembourg		
	<b>Giacomo Carmine</b> ViceDirector of Markets Division Cornèr Banca S.A. Via Canova 16 CH-6901 Lugano		
<b>Management Company</b>	<b>ADEPA Asset Management S.A.</b> 6A, rue Gabriel Lippmann L-5365 Munsbach	<b>Custodian Bank, Administration Agent and Financial Department</b>	<b>State Street Bank International GmbH, Luxembourg Branch</b> 49, Avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
		<b>Central Administration</b>	<b>State Street Bank International GmbH, Luxembourg Branch</b> 49, Avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg

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<b>Manager</b> <i>for the subfunds AcrossGen Global Equity Fund, European Equity Fund, Far East Equity Fund, Bond EUR Fund, Swiss Equity Fund, Strategic Diversified EUR and Short Term Maturity Fund USD</i>	<b>Cornèr Banca S.A.</b> Via Canova 16 CH-6901 Lugano	<b>Company Auditor</b>	<b>Ernst &amp; Young S.A.</b> 35E, Avenue John F. Kennedy L-1885 Luxembourg
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<b>Manager</b> <i>for the subfunds BlueStar Global Thematic Absolute Allocation, BlueStar Dynamic, Multi Income and BlueSpace Fund</i>	<b>BlueStar Investment Managers S.A.</b> Via G.B. Pioda 8 CH–6900 Lugano	<b>Supervisory authority</b>	<b>Commission de Surveillance du Secteur Financier</b> 283, route d’Arlon L-1150 Luxembourg
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## III. The SICAV

### General information

**CB-ACCENT LUX** (hereinafter the “SICAV”) is a variable capital investment company under Luxembourg law, with multiple subfunds, formed as public limited company in accordance with the provisions of Part I of law of 17 December 2010 on undertakings for collective investment in transferable securities (the “2010 Law”) as defined in the Directive of the European Union Council of 13 July 2009 (2009/65/EC), as amended.

Its registered office is in Luxembourg, 49 Avenue John F. Kennedy, L-1855 Luxembourg.

The SICAV has appointed ADEPA Asset Management S.A. as Management Company. ADEPA Asset Management S.A. was approved as management company on 9 March 2006. The Management Company carries out its activity aiming to achieve both capital preservation and growth.

The Articles of Association of the SICAV were published in Recueil Électronique des Sociétés et Associations (ex-Mémorial C), Recueil des Sociétés et Associations du Grand-Duché de Luxembourg (hereinafter referred to as the “Mémorial”) on 17 March 2001.

The Articles of Association were amended for a first time at an extraordinary general meeting on 30 December 2005 and published in Recueil Électronique des Sociétés et Associations (ex-Mémorial C) on 15 February 2006, for a second time at the extraordinary general meeting of 21 March 2011 and published in Recueil Électronique des Sociétés et Associations (ex-Mémorial C) on 3 June 2011 and a third time at an extraordinary general meeting on 6 February 2012. The Articles of Association were filed with the Clerk’s Office of the District Court of Luxembourg where they may be inspected and where copies may be obtained against payment of the Clerk’s Office fees.

The SICAV is registered in Section B of the Luxembourg Commercial and Company Register, number 80623.

As with all investments in transferable securities, investment in CB-ACCENT LUX is subject to fluctuations, which means that achieving the SICAV’s objectives cannot be guaranteed.

Shares in the SICAV are not listed on the Luxembourg stock exchange.

The company’s remuneration policy is available at the Management Company ([cb-accent@adepa.com](mailto:cb-accent@adepa.com)) and at the Domiciliation agent ([luxembourg-domiciliarygroup@statestreet.com](mailto:luxembourg-domiciliarygroup@statestreet.com)).

### Share Capital

The share capital of the SICAV corresponds at all times to the aggregate value of the net assets of the various subfunds. It is represented by registered shares, all fully paid up, without nominal value.

The minimum capital must not be lower than that indicated by article 98 of the law of 17 December 2010 relating to undertakings for collective investment.

The consolidation currency of the SICAV is the Euro (EUR).

Variations in the share capital will be as of right and there are no provisions requiring publication and entry in the Commercial and Trade Register, such as are prescribed for increases and decreases in the share capital of public limited companies.

The SICAV may at any time issue additional shares at a price determined in accordance with Section XIV, pre-emption rights not being reserved for existing shareholders.

## IV. Investment policy

The SICAV aims to facilitate the access of its shareholders to different securities markets, while diversifying risks.

The securities purchased are mainly listed on an official exchange or traded on a regulated, recognized market that operated regularly and is open to the public.

The SICAV may also employ techniques and instruments involving securities as well as the hedging of currency risks. The corresponding restrictions and risks are described in greater detail in Chapter V of this prospectus.

The specific investment policies depend on the subfunds and are described in greater detail in Chapter XXXI of this prospectus.

## V. Investment restrictions

- (1) The placements of each subfund of the SICAV shall consist exclusively of:
  - a) transferable securities and money market instruments listed or traded on a regulated market pursuant to Directive 2004/39/EC of the European Parliament and the Council of 21 April 2004 on markets in financial instruments;
  - b) transferable securities and money market instruments dealt in on another market in a member state of the EU which is regulated, operates regularly and is recognised and open to the public.

For the purposes of this section, “Member State” means a Member of the European Union and the States Parties to the Agreement on the European Economic Area, within the limits defined by this agreement and the related instruments.
  - c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non member state of the EU or dealt in on another market in a non member state of the EU, which is regulated, operates regularly and is recognised and open to the public; provided that the stock exchange or the regulated market selected were contemplated under the SICAV’s constitutional documents.
  - 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 another regulated market, which operates regularly, is recognized and open to the public and provided that the exchange or the regulated market selected were contemplated under the SICAV’s management regulations or constitutional documents;
    - such admission is secured within one year of the first issue.
  - e) units of UCITS authorised in accordance with Directive 2009/65/EC (the “Directive”) and/or other UCIs pursuant to Article 1, paragraph (2), indent a) and b) of the Directive, whether situated in a Member State of the EU or in a non Member State of the EU, provided that:
    - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority (the “CSSF”) to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
    - the level of protection guaranteed to 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 requirement of Directive;

- the business of the other UCIs is reported in half-yearly and annual report to enable an assessment of the assets and liabilities, income and operation over the reporting period;
  - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can be, according to their constitutional documents, invested in aggregate in units of other UCITS or other UCIs.
- f) deposits with credit institutions and time deposits, which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 (twelve) months, provided that the credit institution has its registered office in a Member State of the EU or, if the registered office of the credit institution is situated in a non Member State of the EU, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law.
- g) derivative financial instruments, including equivalent cash-settled instruments, traded on a Regulated Market or other market referred to in (a), (b) and (c) above, and/or financial derivative instruments dealt in over-the-counter (“OTC derivative”), provided that:
- the underlying consists of instruments falling under the scope of paragraph (1), financial indices, interest rates, foreign exchange rates or currencies, in which the UCITS may invest according to its investment objectives as stated in the UCITS’ fund rules;
  - the counterparties to OTC derivatives 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, at the Company’s initiative, be sold, liquidated or closed at fair value at any time by means of an offsetting transaction.
- h) money Market Instruments other than those traded on a Regulated Market, as described under article 1 of the Law of 17 December 2010 on Collective Investment Undertakings, to the extent that the issue or the issuer of such instruments is itself 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 of the EU, the European Central Bank, the EU or the European Investment Bank, a non Member State of the EU 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 (a), (b) or (c) above, or
  - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment, which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law or
  - issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection rules, equivalent those set forth in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least EUR 10.000.000.- (ten million Euro) and which presents and publishes its annual accounts in accordance with directive 78/660/EEC, is an entity which, within a Group of Companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles, which benefit from a banking liquidity line.
- (2) Moreover,
- a) The SICAV may invest up to 10% of its net assets in transferable securities and money market instruments other than those referred to above under paragraph (1);
  - b) The SICAV may acquire the movable and immovable assets that are necessary to its activity;
  - c) The SICAV shall not purchase precious metals or certificates representing the latter.
- (3) The SICAV may hold cash on an ancillary basis. Such cash assets must be limited to bank deposits payable on demand, such as cash held in current accounts with a bank accessible at all times, in order to cover current or exceptional payments, or for the time required to reinvest in eligible assets provided for under Article 41(1) of the 2010 Law, or for a strictly necessary period of time in the event of unfavourable market conditions. The holding of such ancillary liquid assets is limited to 20% of the net assets of a UCITS. The above-mentioned 20% limit may only be temporarily exceeded, for a strictly necessary period of time, if circumstances so require due to exceptionally unfavourable market conditions and if this excess is justified in light of investors’ interests, for instance, under very serious circumstances.
- I. (1) The SICAV cannot invest more than 10% of its new assets in transferable securities or money market instruments issued by a single issuer. A subfund shall not invest more than 20% of its assets in deposits placed with the same entity. The counterparty risk connected with OTC derivatives transactions may not exceed 10% of the net assets of a subfund, when the counterparty is one of the credit institutions referred to under Paragraph 1 (f) above, or 5% of its net assets in all other cases.
- I. (2) The total value of the securities and money market instruments held by a subfund of issuers in each of which more than 5% of the assets of a subfund are invested may not exceed 40% of its assets. This limit does not apply to deposits with financial institutions that are under prudential supervision and to transactions in OTC derivatives with these institutions. Notwithstanding the individual limits laid down in section I. (1) above, the SICAV may not combine any of the following, where this would lead to invest more than 20% of its assets in any one issuer:
- investments in transferable securities or money market instruments issued by the same entity
  - deposits with the aforementioned entity, and/or,
  - risks inherent in OTC derivatives transactions with the same entity, exceeding 20% of its net assets.
- I. (3) The 10% limit set forth under point I (1), first phrase, can increase to 35% if the securities are issued or guaranteed by a member state of the European Union, its local authorities, another country or by international public bodies of which one or more EU member states are members.
- I. (4) The 10% limit set forth under point I. (1) above can increase to a maximum of 25% for certain bonds, provided they are issued by a credit institution which is incorporated in an EU member state and which is legally under the special supervision of the public authorities in charge of protecting bond holders.



In particular, the amounts ensuing from the issue of these bonds must be invested, in accordance with the law, in assets which, during the period of validity of the bonds, may cover debts resulting from these bonds and which, in the event of the bankruptcy of the issuer, will be used mainly for the repayment of the principal and the payment of the interest due. When a subfund invests more than 5% of its assets in the bonds mentioned above issued by a single issuer, the total value of its investments shall not exceed 80% of the value of the assets of the subfund.

- I. (5) The securities and money market instruments mentioned under points I.(3) and I.(4) do not count towards the 40% limit set forth under point I.(2).

The limits set forth under points I.(1), I.(2), I.(3) and I.(4) cannot be combined; consequently, investments in the securities or money market instruments issued by the same entity, deposits or derivative instruments carried out with this entity pursuant to points I.(1), I.(2), I.(3) and I.(4), cannot exceed 35% of the assets of each of the SICAV's subfunds. Companies which consolidate their accounts pursuant to directive 83/349/EEC or recognized accounting standards, are considered as a single entity with regard to the limits set forth herein. The same subfund may invest up to 20% of its assets in the securities or money market instruments of a single group.

- I. (6) However, the SICAV is authorized to invest, according to the principle of risk diversification, up to 100% of the net assets of each subfund in different transferable securities and money market instruments issued or guaranteed by a member state of the European Union, its local authorities, by an OECD member state or by international public bodies of which one or more EU member states are members. In this case, each subfund must hold assets belonging to at least six different issues, and the value of a single issue cannot exceed 30% of the total amount.

- II. (1) Notwithstanding the limits set forth hereunder under Point IV, the limits set forth in point I are raised to a maximum of 20% for investments in shares and/or bonds issued by the same entity, when the aim of the subfund's investment policy is to replicate the composition of a certain stock or bond index 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;
  - it is published in an appropriate manner.

- II. (2) The limit under point II (1) is raised to 35% where that proves to be justified by exceptional market conditions, in particular in Regulated Markets where certain transferable securities and money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

- III (1) The SICAV may purchase units of UCITS and/or other UCIs as set forth under section V "Investment restrictions," paragraph (1) (e) provided it does not invest more than 20% of its assets on the same UCITS or other UCI.

For the purposes of the application of this investment limit, each subfund of a multiple subfund UCI, pursuant to article 133 of the Law of 17 December 2010, shall be considered as a separate issuer, provided the principle of the segregation of commitments of the different subfunds with regard to third parties is ensured.

- III. (2) Placements in UCI shares other than UCITS cannot exceed 30% of the assets of each SICAV subfund overall.

When a subfund has acquired UCITS and/or other UCI units, the assets of these UCITS or other UCIs cannot be combined pursuant to the limits set forth in point I.

- III. (3) When the subfund invests in UCITS and/or other UCIs linked to the SICAV by common management or control, subscription or redemption fees for the SICAV's investment in these other UCITS and/or UCIs cannot be charged.

For investments by a subfund in the assets of UCITS and/or other UCIs as set forth above, the maximum level of management commissions that can be charged concurrently to the subfund itself and to the other UCITS and/or other UCIs in which it intends to invest cannot exceed 2.5% of the value of the investments in question. In the annual report, the SICAV shall indicate the maximum proportion of management fees charged both to each such subfund and to the UCITS and/or other UCIs, in which it invests.

- IV. (1) The SICAV may not acquire such amount of shares carrying voting rights, which would enable it to exercise a significant influence over the management of the issuer.

- IV. (2) Furthermore, a UCITS cannot acquire:

- more than 10% of the outstanding non-voting shares of any one issuer;
- more than 10% of the outstanding debt securities of any one issuer;
- more than 25% of the shares of any one UCITS and/or other UCIs pursuant to Article 2 paragraph 2 of the Law of 17 December 2010 on Undertakings for Collective Investment;
- more than 10% of the money market instruments of any one issuer.

The limits set forth in the second, third and fourth articles may be disregarded at the time of acquisition if, at that time, the gross amount of bonds or of the money market instruments or the net amount of the instruments under issue cannot be calculated.

- IV. (3) IV.(1) and IV.(2) do not apply in respect of:

- a) transferable securities and money market instruments issued or guaranteed by an EU Member State or by its local authorities;
- b) transferable securities and money market instruments issued or guaranteed by any other State, which is not an EU Member State;
- c) transferable securities and money market instruments issued by a public international body of which one or more EU Member State(s) is (are) member(s);
- d) shares in the capital of a company, which is incorporated under or organised pursuant to the laws of a State, which is not an EU Member State, investing its assets principally in securities issued by issuers of that State, provided that, by virtue of the legislation of the latter, such an investment is the only way the SICAV can invest in the securities of the issuers of that State. This exception is not applicable unless the placement policy of the company incorporated in a non-EU member state complies with the limits under I, III, IV (1) and IV (2) above. If the limits set forth under points I and III above are exceeded, point VI below is applicable *mutatis mutandis*;

- e) the shares held by the SICAV in the capital of subsidiary companies which, exclusively on its or their behalf carry on only the business of management, consulting or marketing in the country where the subsidiary is located, in regard to the redemption of shares at the request of the shareholders.
- V. (1) The SICAV must employ a method of managing risk that allows it to control and measure at any time the risk associated with its positions and the contribution of these positions to the general risk profile of the portfolio; it must employ a method that allows a precise and independent evaluation of the value of the derivative instruments traded over the counter. It must provide the CSSF with regular communications, in accordance with the detailed rules defined by the CSSF, regarding the types of derivative instruments, the underlying risks, the quantitative limits and methods selected to estimate risks associated with transactions in derivative instruments.
- V. (2) The SICAV is furthermore authorised to make use of techniques and instruments that relate to transferable securities and money market instruments, subject to the conditions and within the limits laid down by the CSSF, insofar as these techniques and instruments are used for the purposes of managing the portfolio effectively. When these operations concern the use of derivative instruments, these conditions and limits shall conform to the provisions of the Law of 17 December 2010. Under no circumstances may such transactions cause the SICAV to deviate from its investment objectives as laid down in this Prospectus.
- V. (3) The SICAV shall ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio. The risks are calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions. This also applies to the following paragraphs. The SICAV may, as a part of its investment policy, invest in derivative financial instruments provided that the total exposure of the underlying assets does not exceed the investment limits laid down in point I.(5). When it invests in index-based financial derivative instruments, these investments shall not necessarily be combined with the limits laid down in point I. When a transferable security or money market instrument contains a derivative instrument, the latter must be taken into account when complying with the requirements herein.
- VI. (1) The SICAV need not necessarily comply with the limits set forth in this chapter when exercising subscription rights that involve securities or money market instruments that are part of its assets.
- VI. (2) If the limits set forth under point VI.(1) are exceeded regardless of the intention of the SICAV or as a result of exercising subscription rights, the latter must aim to settle this situation as it carries out its sales transactions, based on the interests of the shareholders.
- VII. (1) The SICAV cannot borrow. However, the SICAV may acquire foreign currencies by means of back to back loans.

As an exception, the SICAV may borrow:

- a) up to 10% of the value of its assets, provided the loans are temporary;
- b) up to 10% of its assets, provided that the loans are required in order to purchase real estate that is required for the pursuit of their activities; in this case, these loans and those under point a) cannot, under any circumstances, jointly exceed 15% of the subfund's assets.
- VII. (2) Notwithstanding the application of section V "Investment Restrictions" paragraph (1) and point V above, the SICAV cannot grant loans or guaranties in favour of third parties. This rule does not preclude the acquisition by the SICAV of securities, money market instruments or other financial instruments set forth under section V "Investment Restrictions" paragraph (1), points e), g) and h) which are not entirely restriction free.
- VII. (3) The SICAV cannot short sell securities, money market instruments or other financial instruments set forth under section V "Investment Restrictions" paragraph (1), points e), g) and h).

The SICAV will take the risks it considers reasonable in order to achieve its objective; however, it cannot guarantee achievement of this objective due to stock market and financial market fluctuations, as well as any other risks that the moveable assets are exposed to.

## VI. Risk factors

Potential investors are informed that certain subfunds may invest in securities of countries that are developing or emerging the level of risk of which is higher than for developed countries. The economies and markets of these countries are traditionally more volatile and their respective currencies may fluctuate considerably. In addition to the risks inherent in all investments involving securities, investors must be aware of the political risks, the changes in the exchange controls and the fiscal environment that could directly impact the value and liquidity of these subfunds.

Investors' attention is drawn to the fact that the reference currency of the subfund may differ from the currencies in which the investments are made. The exchange rate risk from these investments can be hedged, partially hedged or not hedged against the reference currency of the subfund.

Investors should note that the use of derivative financial instruments entails risks that may negatively affect the performance of the subfund. The risk factors connected to the use of these derivative instruments includes:

- any incorrect evaluations (by the entities in charge of managing the SICAV's investments) in regard to the changes in the dynamics relating to interest rates, the prices of securities and the currency markets;
- insufficient correlation between the prices of options, futures contracts and the changes in the prices of the underlying securities and currencies;
- any absence of a secondary liquid market for a given instrument, at a given time (for example the closing of a futures or forward position);
- in the case of OTC contracts, the risk of counterparty default is the major risk.

## **Contingent Convertible Bonds (CoCos)**

Certain subfunds may invest in contingent convertible bonds.

Contingent convertible bonds, also known as “CoCo bonds”, are complex regulated financial instruments. They often offer better performance than traditional bonds due to their specific structure and the place they occupy in the capital structure of the issuer (subordinated debt). Hybrid instruments, including CoCo bonds, contain both debt and equity characteristics. CoCo bonds are slightly different from regular convertible bonds. In order to boost capital levels, they are designed to convert into equity if a pre-specified trigger threshold is reached (or at the discretion of regulatory authorities in some cases).

The following list contains examples of specific risks associated with CoCo bonds (this list is not exhaustive):

- Trigger level risk: each instrument has its own characteristics. Trigger level risk may vary, for example, depending on the difference between the issuer’s Tier 1 ratio and a threshold defined in the conditions of issuance. A triggering event may lead to a conversion into equity, or even a temporary or permanent cancellation of all or part of the debt.
- Conversion risk: the performance of this instrument in the event of conversion may be unpredictable. In the event of conversion into equity, the portfolio manager may be required to sell securities in order to comply with the subfund’s investment policy.
- Cancellation of coupons: with certain types of CoCo bonds, the payment of coupons is completely discretionary and may be cancelled by the issuer at any time, for any reason and for any duration.
- Capital structure inversion risk: contrary to the traditional theory of capital structure, investors in CoCo bonds may suffer a capital loss while equity investors may not. This applies in particular when the trigger threshold is set at a high level.
- Extension risk: certain types of CoCo bonds are issued as perpetual bonds, redeemable at predetermined levels only with the approval of the competent authority. It cannot be assumed that investors will be able to redeem their capital on the optional repayment date provided for in the conditions of issuance.
- Unknown risk: the instrument has an innovative structure and remains untested. The behaviour of CoCo bonds during a period of financial stress and testing of its conversion levels could be very unpredictable.
- Yield/valuation risk: yield is one of the main reasons why this asset class has attracted strong demand, but it is not necessarily the only motive that guides the valuation and the investment decision. It should be regarded as a “complexity premium”.
- Liquidity risk: as with the high-yield bond market, CoCo bond liquidity may be significantly affected during a period of market turbulence.
- Risk of concentration in a single sector: insofar as CoCo bonds are issued by a single category of issuers, adverse events in this sector could globally affect investments in this type of instrument.

Moreover, certain subfunds may be invested in developing companies or in technological sectors involved in the new economy. The price volatility of these stocks should not be ignored, and will have a direct effect on the net value of these subfunds.

In addition, in respect of subfunds whose investment policy foresees the possibility of acquiring warrants, it should be noted that the volatility inherent in warrants must not be ignored, and will have a direct effect on the net assets of the corresponding subfunds. It must be remembered that while the use of warrants allows the realization of higher profits than investment in traditional equities, it can also lead to corresponding losses, in view of the instrument’s leverage effect.

All investments are subject to the fluctuations of the market, and investors run the risk of possibly receiving back less capital than was invested.

In view of the economic and stock exchange risks, there can be no guarantee that the SICAV will achieve its objectives. The value of shares may increase, but may also decrease. Past performance is not a prediction of future returns.

Potential investors must keep these issues in mind when selecting the subfunds they wish to invest in and must pay attention to each risk profile.

The Management Company carries out its activity aiming to achieve both capital preservation and growth. However it does not guarantee that the objective can be achieved depending on the positive or negative market developments. As a result, the Net Asset Value per Share may move upward or downward.

## **Credit Risk**

Risk of loss arising from the borrower’s inability to meet contractual financial commitments, namely the timely payment of interest or principal. In the case of contractual agreements, different credit events can lead to a situation of default, particularly bankruptcy, insolvency, restructuring/liquidation, or the non-payment of debts.

Credit events can have a negative impact on the value of investments because the amount, nature and delay in debt recovery are subject to uncertainty.

A credit rating agency may downgrade an issuer’s credit note.

Investment restrictions may be based on credit-rating thresholds and hence have an impact on stock selection and asset allocation.

Credit rating agencies may not properly assess the credit worthiness of issuers.

Non-investment grade bonds are considered speculative. Compared to investment-grade bonds, prices and yields, non-investment grade bonds are more vulnerable to adverse events, more volatile and less liquid.

High-yield debt securities (also called “non-investment grade” bonds) are defined as debt securities that generally have high returns, low credit ratings and high risk of a credit event.

High-yield bonds are often more volatile, less liquid and more vulnerable to financial difficulties compared to higher rated bonds.

Valuating high-yield securities may be more difficult compared to higher-rated securities because of their lack of liquidity. Investing in this type of security may result in unrealized capital losses and/or losses that may affect the subfund’s net asset value.

## **VII. Investment techniques and instruments**

For each subfund, the SICAV is authorised to use techniques and financial instruments in order to efficiently manage the portfolio. If a subfund uses such techniques and instruments as part of an investment, the detailed information relating to these techniques and instruments shall be set forth in the investment policy of the subfund in question.

To the extent allowed by the law, each subfund is allowed to carry out transactions involving derivative financial instruments and other financial techniques and instruments (in particular, currency swaps, futures and options on securities, currencies or indices), as indicated in the section describing the policy of each subfund.

If the subfund makes use of such instruments, the type of instruments that can be used will be specified in that subfund's investment policy, which will be amended accordingly.

The SICAV does not use instruments such as OTCs (other than forward exchange contracts – FX forwards), total return swaps, securities financing transactions (such as repurchase transactions, securities or commodities lending, and borrowing of securities or commodities, buy sell-back transactions or sell buy-back transactions or margin lending, as set out in Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and reuse and amending Regulation (EU) No 648/2012, financial collateral agreements, repurchase agreements or collateral received.

If the event they are introduced in the future, the prospectus shall be amended accordingly.

The overall risk associated with the usage of the above-mentioned derivative instruments cannot exceed 100% of the net asset value of the subfund in question.

## **1. Direct and indirect operational fees related to the use of financial techniques and instruments.**

The direct and indirect operational costs and fees arising from the use of efficient portfolio management techniques should not include hidden revenue.

All revenues from such efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the relevant subfund. The entities to which direct and indirect costs and fees may be paid include banks, investment firms, brokers-dealers, securities lending agents or other financial institutions or intermediaries and may be related parties to the Management Company (if appointed). The revenues arising from such efficient portfolio management techniques for the relevant reporting period together with the direct and indirect operational costs and fees incurred and the identity of the counterparty(ies) to these efficient portfolio management techniques, will be disclosed in the annual and semi-annual reports of the Subfunds.

## **2. Collateral Management Policy**

Where the SICAV enters into OTC financial derivative transactions and uses efficient portfolio management techniques, all collateral used to reduce counterparty risk exposure shall comply with the following criteria at all times:

- a. Liquidity – any collateral received other than cash 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 Directive 2009/65/EC.
- b. Valuation – collateral received should all be valued on at least a daily basis and assets that exhibit high price volatility should all not be accepted as collateral unless suitably conservative haircuts are in place.
- c. Issuer credit quality – collateral received should all be of high quality.
- d. Correlation – the collateral received by the SICAV should all be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

- e. Collateral diversification (asset concentration) – collateral shall be sufficiently diversified in terms of country, markets and issuers.
- f. Risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the risk management process.
- g. Where there is a title transfer, the collateral received should all be held by the depositary of the SICAV. 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 all be capable of being fully enforced by the SICAV at any time without reference to or approval from the counterparty.
- i. Non-cash collateral received should all not be sold, re-invested or pledged.
- j. Cash collateral received should all only be:
  - placed on deposit with entities prescribed in Article 50(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 SICAV is able to recall at any time the full amount of cash on accrued basis;
  - invested in short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (Ref. CESR/10-049).

## **VIII. Risk management method**

As part of its mission, the Management Company has put in place a risk management procedure. This risk management method enables the Management Company to control and measure at any time the risk associated with its positions and the contribution of such positions to the overall risk profile of the portfolio; it also ensures an accurate and independent assessment of the value of OTC derivative instruments. The risk management method used will depend on the specific investment policy of each subfund.

According to the “2010 Law” and applicable regulations, the SICAV will use, or ensure that the manager that it will appoint will use, a risk management method that will allow:

- to control and measure at any time the risk associated with its positions and the contribution of these positions to the general risk profile of the portfolio;
- to assess the exposure of each subfund on the market, liquidity and counterparty risks;
- a precise and independent evaluation of the value of the derivative instruments.

The risk management method used will depend on the specific investment policy of each subfund.

It must provide the CSSF with regular communications, in accordance with the detailed rules defined by the CSSF, regarding the types of derivative instruments, the underlying risks, the quantitative limits and methods selected to estimate risks associated with transactions in derivative instruments.

The SICAV shall apply the Commitment Approach for the determination of overall risk, as defined in the CSSF Circular 11/512 of 30 May 2011 and the ESMA guidelines on Directive 2009/65/EC.

## IX. Management company

The SICAV has appointed ADEPA Asset Management S.A. as Management Company (hereinafter the “Management Company”).

The Management Company is registered with the Trade and Companies Register under number B 114721 and has its registered and administrative office in Munsbach 5365, 6A rue Gabriel Lippmann, Luxembourg.

The Management Company was incorporated for an unlimited period.

On 24 September 2014, the SICAV entered into an agreement with the Management Company, under which the Management Company has been appointed to monitor the daily management of the SICAV and tasked with all operational functions relating to the overall management of the SICAV, i.e. management, administration and marketing activities.

More specifically, the Management Company may delegate the financial management of the subfunds to various investment managers, as specified in the annex related to each subfund.

The Management Company may also delegate the distribution of the SICAV subfunds to Distributors and Sub-distributors.

The SICAV, the Distributor and the Sub Distributors, if any, shall comply at all times with the obligations imposed by laws, rules, circulars and regulations of Luxembourg or equivalent that are applicable with respect to the fight against money laundering, financing of terrorism, “late trading” and “market timing.”

The Management Company shall put in place measures to verify that the various delegated entities carry out their mandate in accordance with the mandate terms and conditions and in compliance with applicable regulations. To this end, the Management Company shall have the technical resources and tools necessary for effectively controlling the activity pursued by the delegated entities within their respective functions.

On the basis of the above, the Management Company shall receive a commission as remuneration for its services; such commission, called “Management company commission”, shall be contractually established between the SICAV and the Management Company and shall be calculated on the average net asset value of the various subfunds of the SICAV at the end of each month, on the basis of an overall annual maximum rate of 0.045% per year.

In compliance with the new provisions of UCITS V Directive and the CSSF Circulars 18/698, 10/437, 14/587 as amended by Circular CSSF 15/608, the Management Company establishes, implements and maintains a remuneration policy compatible with an efficient management of risks, that encourages such management, and which does not encourage excessive risk-taking. Such remuneration policy is aligned with the strategy of the Management Company, its objectives, its values and its long term interests, such as sustainable growth prospects, and complies with principles governing client and investor protection when providing services.

The Management Company updates the structure of the remuneration policy regularly to ensure that it remains suitable in light of any developments in the Management Company and satisfy the duty of supervision.

Such remuneration policy is in line with business strategy, objectives values and interests of the Management Company and the UCITS that it manages and of the unitholders of this UCITS, and includes measures to avoid conflicts of interest.

Where remuneration includes a variable element or a bonus, awarded based on performance criteria, the remuneration policy is structured in such a way as to achieve a fair balance between the fixed and variable elements. This balance of the various elements of remuneration can vary according to the employee concerned, market conditions and the specific environment in which the Management Company operates. A maximum limit has been set by the Management Company for the variable element.

The fixed element of remuneration represents a sufficiently large proportion of total remuneration and allows the Management Company to operate a completely flexible bonus policy. In particular, the Management Company may retain all or part of a bonus where the performance criteria have not been fully met by the employee. The Management Company may retain bonuses where the economic situation deteriorates, especially where this may impact the longevity of the Management Company.

Fixed and variable components of total remuneration are appropriately balanced. Where a significant bonus is awarded (more than two hundred and fifty thousand Euros), the payment of the main portion of the bonus is delayed for a minimum period. The amount of the payment that is delayed is based on the total amount of the bonus compared to total remuneration.

The portion of the bonus that is delayed takes into account the risks associated with rewarding performance. The measure of the future performances compensated by the portion of the bonus that is delayed, is adjusted for risk.

Where remuneration varies with performance levels, the total remuneration is calculated by combining the evaluation of the relevant staff's performance, the relevant operational department including risks and the results of the Management Company as a whole.

The assessment of performance is set in a multiyear framework.

The aim of the remuneration policy is to align the employees' personal objectives with the long term goals of the Management Company. In evaluating the components of performance-related remuneration, the Management Company considers the long term performance and takes into account the risks associated with that performance.

Performance measurement, where it's used as a basis for the calculation of bonuses, is adjusted according to current and future risks associated with the underlying performance, and takes into account the cost of capital used and the liquidity required.

In assessing individual performance, the Management Company takes into account other criteria, such as compliance with internal rules and procedures, compliance with the Management Company's control systems and mechanisms, as well as compliance with standards governing client and investor relations.

The Management Company Managers Board is responsible for the implementation of the remuneration policy, defining the procedures which are then submitted to the Board of Directors for approval. The Board of Directors establishes the general principles governing the Management Company's remuneration policy and supervises its implementation.

The implementation of the remuneration policy is subject to an internal, centralised and independent analysis done by control functions (primarily by the Compliance Officer, risk management, internal controls as well as Human Resources Department), at least annually, in order to verify the compliance with the other policies and procedures established by the Board of Directors. The results of this analysis is reported to the Board of Directors.

The Board of Directors of the Management Company sets the remuneration levels for all the members. In establishing this policy, the Board of Directors takes into account all elements pertaining to the Management Company's strategy, the risk-taking strategy, and the nature, scale and complexity of the Company's activities.

Pursuant the introduction of UCITS V Directive paragraph 13, amending article 69 paragraph 1 of UCITS IV Directive, and the Law of 2016, art. 33 (b), is available by means of a website (<http://www.adepa.com/third-party-fund-management-company/regulatory-section/>) and a printed copy will be available at any time at the registered office of the Management Company free of charge upon request.

## X. Management of the SICAV

The Board of Directors of the SICAV and the Management Company are responsible for administration and management of the SICAV. They can carry out all management and administrative tasks on behalf of the SICAV, in particular the purchase, sale, subscription or exchange of all transferable securities, and exercise all rights attaching directly or indirectly to the assets of the SICAV.

The directors, managers, authorised representatives and advisors may not directly or indirectly act as counterparty for operations carried out on behalf of the SICAV.

## XI. Portfolio manager and investment advisor

The Management Company has been appointed as management company of the SICAV by the Board of Directors of the SICAV in order to ensure the management, administration and marketing of the SICAV; the Management Company has the power to delegate all or part of such activities.

The Management Company, on behalf of the SICAV, has appointed **Cornèr Banca S.A., Lugano**, founded in 1952 in Lugano in the form of a public limited company, as manager of the subfunds **AcrossGen Global Equity Fund, European Equity Fund, Far East Equity Fund, Bond EUR Fund, Swiss Equity Fund, Strategic Diversified EUR and Short Term Maturity Fund USD**.

Cornèr Banca S.A. has many years of experience in banking matters and specialises in particular in wealth-management activities. All investment decisions are executed through Cornèr Banca S.A..

The auditor for Cornèr Banca S.A., Lugano is Ernst & Young S.A..

The Portfolio Manager may call on the services of any third party to assist or advise it in the fulfilment of its functions subject to its sole responsibility and at its own cost.

The portfolio management agreement concluded by the Management Company and the manager is agreed for an unlimited period of time. It may be cancelled by either party at any time by giving 90 days' notice.

Remuneration procedures for the portfolio manager are specified in section XIX.

The Board of Directors and the Management Company are responsible for consolidated control of investments.

The Manager may name one or more Investment Consultants who will advise him on the investment choices linked to the management of the deposits of the various subfunds.

The Investment Consultant will exercise his activity according to the investment objectives, the investment policies and the restrictions specified in the prospectus for each subfund as well as in compliance with applicable laws.

In particular, the Investment Consultant will advise the Manager insofar as the purchase and sale of securities, on a daily basis.

The Investment Consultant can in no case purchase and sell on behalf of the SICAV or its subfunds, or carry out such transactions with brokers or similar entities.

Finally, the Investment Consultant cannot receive cash from investors.

For the **Global Economy** subfund, the Management Company, on behalf of the SICAV, has appointed as the manager the company **OpenCapital S.A.**, an asset management company with registered offices at Riva Paradiso 2a, CH-6900 Paradiso. It is authorized to operate as a manager of collective investment schemes pursuant to the Swiss Federal Law and is subject to the prudential supervision of the supervisory authority.

For the **Swan Ultra Short-Term Bond, Swan Flexible, Swan Short-Term High Yield, New World and World Selection** subfunds, the Management Company, on behalf of the SICAV, has appointed **Swan Asset Management S.A.**, with registered office at Via Zuccoli 19, CH-6900 Paradiso (Switzerland), as managers.

Swan Asset Management S.A. is a joint stock company established under Swiss law on 20 November 2008. It has been registered with the Chamber of Commerce of the canton of Ticino since 25 November 2008 and its share capital is CHF 1,000,000.

Swan Asset Management S.A. is authorized by the Swiss Supervisory Authority to operate as a manager of collective investment schemes pursuant to the Swiss Federal Law and is subject to the prudential supervision of the supervisory authority.

For the **Darwin Selection Euro, Erasmus Bond Fund, Explorer Fund of Funds, Explorer Equity, Swissness Equity Fund, Challenge Swan and Monti Harvest Fund** subfunds, the Management Company, on behalf of the SICAV, has appointed **SWM Swiss Wealth Management S.A.** with registered office at Palazzo Donini, Via Canova 9, CH-6900 Lugano (Switzerland), as fund manager effective from 1 December 2010.

SWM Swiss Wealth Management S.A. Lugano, is a joint stock company established under Swiss law in 2007. It has been registered with the Chamber of Commerce of the canton of Ticino since 26 June 2007 and its share capital is CHF 100,000.

SWM Swiss Wealth Management S.A. is the result of an idea of one of its managers, who are highly experienced following many years with leading Swiss banks.

The company's core business is asset management as well as wealth management services. The company is active in Switzerland and abroad.

SWM Asset Management S.A. is authorized by the Swiss Supervisory Authority to operate as a manager of collective investment schemes pursuant to the Swiss Federal Law and is subject to the prudential supervision of the supervisory authority.

For the **BlueStar Global Thematic Absolute Allocation, BlueStar Dynamic, Multi Income and BlueSpace Fund** subfunds, the Management Company, on behalf of the SICAV, has appointed the company **BlueStar Investment Managers S.A.**, with registered office at Via G.B. Pioda 8, CH-6900 Lugano, as managers.

BlueStar Investment Managers S.A. is authorized by the Swiss Supervisory Authority to operate as a manager of collective investment schemes pursuant to the Swiss Federal Law and is subject to the prudential supervision of the supervisory authority.

## **About Conflicts of Interest**

In order to identify different types of conflicts of interest, the Management Company shall take into account, at the very least, situations in which the Management Company, one of its employees or an individual associated with it is involved and over which it has direct or indirect control. Such conflicts of interest may come in different forms.

The different types of situations (non-exhaustive list) which could cause a conflict of interest are as follows:

- The possibility to achieve a financial gain or avoid a financial loss for the Management Company (including its managers and/or employees) at the expense of an undertaking for collective investment or shareholders/investors.
- The Management Company controls the same activities for a UCITS and for other clients who are not UCITS.
- The Management Company receives a benefit with regard to portfolio collective management activities supplied to the UCITS.
- The interests of the Management Company (including its managers, employees and tied agents) in providing a service to an undertaking for collective investment or shareholders/investors, not coinciding with the interests of the UCI/ shareholders/investors.
- The possibility that the Management Company would favour the interests of one UCI or group of UCIs over another, or the interests of one investor or group of investors over another, for financial or other reasons.
- The possibility that the Management Company would obtain a benefit from a third party in relation to the services provided, other than the commission or fees normally charged for this service.
- The introduction of units/shares of UCIs managed by the Management Company into other UCIs also managed by the Management Company.
- The nomination of Directors, members of management, or staff of the Management Company as members of the Board of Directors of UCIs.
- The introduction into UCIs managed by the Management Company of securities / funds related to the directors or managers of UCIs managed by the Management Company.
- The nomination of board members of UCIs managed by the Management Company, to positions on the Boards of other UCIs also managed by the Management Company.
- Receipt of commissions from UCIs underlying those managed by the Management Company.

For this reason, the Management Company appropriately anticipates and manages conflicts of interest that could result from the different services offered by the Management Company to avoid them prejudicing the interests of its clients even those that might result from the management of the assets, should this activity be delegated.

To avoid any conflicts of interest, the management company has established a list of delegates which is available on a website (<http://www.adepa.com/third-party-fund-management-company/list/>) and a printed copy of which will be available at any time at the registered office of the Management Company free of charge upon request.

## **XII. Custodian bank**

Following the merger with State Street Bank Luxembourg S.C.A., since 4 November 2019, State Street Bank has assumed the functions of depositary bank, administrative agent, registrar and domiciliary agent for the Company ("the SICAV").

In accordance with the depositary agreement, the Fund has appointed State Street Bank International GmbH, Luxembourg Branch, as the Depositary, as defined by the Law of 2010.

State Street Bank International GmbH is a limited liability company under German Law with its registered office at Brienner Str. 59, 80333 Munich, Germany, and is registered at the Munich registry court under the number HRB 42872. It is a credit institution supervised by the European Central Bank (ECB), the German Federal Financial Services Supervisory Authority (BaFin) and the German Central Bank.

State Street Bank International GmbH is authorized as a depositary by the Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg and specializes in depositary and fund management services as well as other related services.

State Street Bank International GmbH, Luxembourg branch, is registered in the Luxembourg Trade and Companies Register (RCS) under number B 148 186.

State Street Bank International GmbH is a member of the State Street corporate group whose ultimate parent company is State Street Corporation, a US publicly listed company.

### **Depositary's functions**

The Depositary has been entrusted with following main functions:

- ensuring that the sale, issue, repurchase, redemption and cancellation of Shares/Units are carried out in accordance with applicable law and the management regulations/articles of incorporation;
- ensuring that the value of the Shares/Units is calculated in accordance with applicable law and the management regulations/articles of incorporation;
- carrying out the instructions of the Management Company unless they conflict with applicable law and the management regulations/articles of incorporation;
- ensuring that in transactions involving the assets of the Fund any consideration is remitted within the usual time limits;
- ensuring that the income of the UCITS is applied in accordance with applicable law and the management regulations/articles of incorporation;
- monitoring of the Fund's cash and cash flows;
- safe-keeping of the Fund's assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

### **Depositary's liability**

The Depositary, in carrying out its functions, must act honestly, fairly, professionally, independently, and exclusively in the interest of the SICAV and its Shareholders in accordance with Circular CSSF 18/697.

In the event of a loss of a financial instrument held in custody, determined in accordance with the UCITS Directive, and in particular Article 18 of the UCITS Regulation, the Depositary shall return financial instruments of identical type or the corresponding amount to the Management Company acting on behalf of the Fund without undue delay.

The Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary pursuant to the UCITS Directive.

In case of a loss of financial instruments held in custody, the Shareholders may invoke the liability of the Depositary directly or indirectly through the Management Company provided that this does not lead to a duplication of redress or to unequal treatment of the Shareholders.

The Depositary will be liable to the Fund for all other losses suffered by the Fund as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Directive.

The Depositary shall not be liable for consequential or indirect or special damages or losses, arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations.

The Management Company may terminate the Depositary's assignment by written notice of 90 days, and the latter may terminate its own assignment under the same conditions.

## Delegation

The Depositary has full power to delegate the whole or any part of its safe-keeping functions but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary's liability shall not be affected by any delegation of its safe-keeping functions under the Depositary Agreement.

The Depositary has delegated those safekeeping duties set out in Article 22(5)(a) of the UCITS Directive to State Street Bank and Trust Company with registered office at One Lincoln Street, Boston, Massachusetts 02111, USA, whom it has appointed as its global sub-custodian. State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network.

Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are available in the link <https://www.statestreet.com/disclosures-and-disclaimers/lu/subcustodians>.

## Conflicts of Interest

The Depositary is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the depositary agreement or under separate contractual or other arrangements. Such activities may include:

- (i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services;
- (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Company either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depositary or its affiliates:

- (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to the funds the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
- (ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- (iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Company;

(iv) may provide the same or similar services to other clients including competitors of the Company;

(v) may be granted creditors' rights by the Company which it may exercise.

The Company may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the Company. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Company. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Company. The affiliate shall enter into such transactions on the terms and conditions agreed with the Company.

Where cash belonging to the Company is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee.

The Management Company may also be a client or counterparty of the Depositary or its affiliates.

Potential conflicts that may arise in the Depositary's use of sub-custodians include four broad categories:

- (1) conflicts from the sub-custodian selection and asset allocation among multiple sub-custodians influenced by (a) cost factors, including lowest fees charged, fee rebates or similar incentives and (b) broad two-way commercial relationships in which the Depositary may act based on the economic value of the broader relationship, in addition to objective evaluation criteria;
- (2) sub-custodians, both affiliated and non-affiliated, act for other clients and in their own proprietary interest, which might conflict with clients' interests;
- (3) sub-custodians, both affiliated and non-affiliated, have only indirect relationships with clients and look to the Depositary as its counterparty, which might create incentive for the Depositary to act in its self-interest, or other clients' interests to the detriment of clients; and
- (4) sub-custodians may have market-based creditors' rights against client assets that they have an interest in enforcing if not paid for securities transactions.

In carrying out its duties the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Fund and its Shareholders/Unitholders.

The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the depositary issues to be properly identified, managed and monitored.

Additionally, in the context of the Depositary's use of sub-custodians, the Depositary imposes contractual restrictions to address some of the potential conflicts and maintains due diligence and oversight of sub-custodians to ensure a high level of client service by those agents. The Depositary further provides frequent reporting on clients' activity and holdings, with the underlying functions subject to internal and external control audits. Finally, the Depositary internally separates the performance of its custodial tasks from its proprietary activity and follows a Standard of Conduct that requires employees to act ethically, fairly and transparently with clients.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to Shareholders on request.



The fee payable to the depositary bank shall not exceed 0.05% with a minimum of Euro 6,000 per year per subfund.

## **XIII. The shares**

Any natural or legal person may acquire the shares in the SICAV by paying the amount of the subscription as laid down in Section XVI below.

Where new shares are issued, the existing shareholders benefit from no preferential subscription right.

Shares are issued without any mention of value and must be fully paid up.

For each subfund, the Board of Directors and the Management Company may decide at any time to issue different classes of shares. These may be limited to a specific group of investors, e.g. investors from a specific country. Each of the classes may differ from another with regard to cost structure, initial investment, currency or any other specific element.

Within each subfund the shares are divided into “A” shares (reserved for institutional investors) and “B” shares (reserved for any other non-institutional investors).

For certain subfunds, “C”, “S” or “X” shares are also available, which are reserved for institutional Qualified Investors and are characterised by a lower management commission (i.e. no commissions shall be paid to distributors).

For certain subfunds, “D” shares are also available, which are reserved for any other investor not institutional in nature (Retail) and are characterised by a different minimum investment amount that shall be stated in the specific section.

Some subfunds will also offer “E” shares reserved for institutional investors, which have a different dividend distribution, as indicated in the appropriate section.

For certain subfunds, “F” shares are also available, which are reserved for any other investor not institutional in nature (Retail) and are characterised by a different dividend distribution, as indicated in the appropriate section.

These different categories are subject to different levels of subscription tax: “A”, “C”, “S”, “X” and “E” shares are subject to 0.01% subscription tax whilst “B”, “D” and “F” shares are subject to 0.05% subscription tax.

Within each class, there may be one type of capitalisation share and one or more types of distribution share.

Following each distribution of dividends to distribution shares, the portion of net assets of the class of shares to be allocated to all distribution shares will be reduced by an amount equal to the sums of dividends distributed, resulting in a reduction in the percentage of net assets allocated to all distribution shares, while the portion of net assets allocated to all the capitalisation shares will remain the same, so leading to an increase in the percentage of net assets in the class of shares attributable to all capitalisation shares.

The Board of Directors and the Management Company may at any time decide to stop issuing one or other of these types of shares.

The SICAV may divide or combine the shares of several classes or types of a subfund and the shares of a single class or type of a subfund, at no cost to shareholders.

The SICAV may decide to issue fractions of shares. Such fractions do not carry voting rights but will allow their holders to participate on a pro rata basis in the net assets of the SICAV.

Shares are issued in the form of registered shares by registration in the shareholders’ register without issuing a certificate.

The Custodian Bank will provide shareholders with a contract note confirming the transaction upon subscription.

### **Hedged class of shares**

The SICAV offers a class of shares which is generally denominated in the Reference Currency of the corresponding subfund (“Reference Classes”).

The SICAV may offer other shares denominated in a currency other than the subfund Reference Currency. These other currencies are specified.

The SICAV issues shares denominated in a currency other than the Reference Currency which are hedged; however, investors are informed that as a variety of techniques can be used to hedge these shares, such hedging implies additional risks.

Furthermore, there is no guarantee or assurance that such hedging will be effective.

Investors should also be informed that the hedging put in place by the Portfolio Manager for the hedged classes of shares is different from other strategies that can be implemented in the subfund in order to manage risk within each subfund.

It is not possible to obtain a full or perfect hedge against currency fluctuations affecting the value of securities denominated in currencies other than the Reference currencies, because the value of these securities may fluctuate due to independent factors non linked to currency fluctuations.

All commissions or costs and any gains or losses from hedging transactions will be solely borne by the classes of shares involved in such transactions.

On the other hand, all classes of units are entitled to a share in the fund’s undivided assets which are not segmented.

The Net Asset Value of the subfund shall be calculated in the subfund Reference Currency and shall be indicated in the other currency based on the current exchange rate between the Reference Currency and such other currency.

Exchange rate fluctuations can affect the performance of the shares in this class regardless of the performance of this subfund investments.

Investors are informed that cash inflows and outflows originating from classes of shares which are not the Reference class are more likely to impact the price of such shares due to fluctuations in the exchange rate of the corresponding currency.

Subscriptions for other shares denominated in a currency that is not the Reference currency will be converted by the SICAV in the Reference Currency of the respective subfund at the exchange rate prevailing on the business day in which the subscription price is calculated.

Similarly, redemption requests for other shares denominated in a currency other than the Reference currency will usually be calculated by converting this redemption request in the Reference Currency of the respective subfund at the exchange rate prevailing on the business day in which the redemption price is calculated. The corresponding exchange rate will be obtained from an independent source.

## **XIV. Net asset value**

The net asset value of the shares in each possible class or type for each subfund is expressed in the currency listed in Section XXXI.

The net asset value is determined, under the responsibility of the Board of Directors and the Management Company, on each bank business day in the Grand Duchy of Luxembourg for each subfund, class or type unless otherwise provided in the subfunds' description in Chapter XXXI.

However, if such day is not a banking day in Luxembourg, the net asset value will be calculated on the next business day. The NAV will not be calculated on 24 December, as this is a half-day bank holiday in Luxembourg.

This NAV calculation will be postponed until 27 December or, if this day falls on a bank holiday, to the next bank business day.

No calculation of the NAV will take place on Good Friday (the Friday before Easter Sunday), as this is a bank holiday in Luxembourg.

The Board of Directors and the Management Company may decide to change the intervals at which the net asset value is calculated. Under no circumstances may the net asset value be calculated on fewer than two occasions per month. The shareholders shall be duly informed through the press. Modifications will also be included in the prospectus.

In each subfund, and for each class of shares, the net asset value per share will be calculated in the currency in which the net asset value of the subfund or class concerned is calculated, by a figure obtained by dividing on the valuation date the net assets of the class of shares concerned, made up of assets of this class of shares minus the undertakings attributable to it, by the number of shares issued and in circulation for the class of shares concerned.

If in a class of share there are both distribution and capitalisation shares, the net asset value of a distribution share in a given class of share will at all times be equal to the amount obtained by dividing the portion of net assets of this class of share then attributable to all of the distribution shares by the total number of distribution shares in this class then issued and in circulation.

Similarly, the net asset value of a capitalisation share in a given class of share will at all times be equal to the amount obtained by dividing the portion of net assets of this class of share then attributable to all the capitalisation shares by the total number of capitalisation shares in this class then issued and in circulation.

The relationship between the net asset values of capital and income shares within each class is known as "parity".

The valuation of the assets and liabilities of a subfund expressed in another currency is converted into the currency of the subfund on the basis of the last known exchange rates.

Swaps shall be valued on the basis of their market value which is in turn dependent on several parameters (level and volatility of index, market interest rates, remaining term of swap).

In the case of securities which are officially listed or traded on another regulated and recognised market that is operating regularly and is open to the public, the valuation of the assets of the SICAV is based on the last known exchange or market price, unless this price is not representative.

In the case of securities whose last price is not representative and securities which are not officially listed or traded on another regulated and recognised market that is operating regularly and is open to the public, the valuation is based on the probable realisation value estimated prudently and in good faith.

For each subfund adequate provisions must be established for the expenses charged to each SICAV subfund, and off-balance sheet liabilities may be taken into account according to equitable and prudent criteria.

## **XV. Suspension of the calculation of the asset value**

The Board of Directors and the Management Company may temporarily suspend calculation of the value of assets and of the net asset value of a share of one or more subfunds or of one or more share classes in the SICAV, together with the issue, redemption and conversion of shares, in the following situations:

- a) In the event of the closure, for periods other than normal holidays, of an exchange or other regulated and recognised market which is operating regularly and is open to the public and supplies prices for a significant part of the assets of one or more subfunds, or in the event that transactions on such an exchange or market are suspended, subject to restrictions or impossible to execute in the required quantities;
- b) Where the means of communication or calculation normally used to determine the value of the assets of one or more subfunds are suspended, or where for whatever reason the value of an investment of the SICAV cannot be determined with the desired speed and precision;
- c) Where restrictions on foreign exchange or capital transfers prevent the execution of transactions on behalf of one or more subfunds or where the purchase and sale transactions on its behalf cannot be carried out at normal exchange rates;
- d) When factors arising, among others, out of the political, economic, military and monetary situation or which are beyond the control, responsibility and means of action of the SICAV render it impossible to dispose of the shares and to determine their net asset value in a normal or reasonable manner;
- e) Following any decision to dissolve one, several or all of the subfunds of the SICAV;
- f) Where the market for a currency in which a significant part of the assets of one or more subfunds is invested is closed for periods other than normal holidays, or where transactions on such a market are suspended or subject to restrictions.

In exceptional circumstances which may adversely affect the interests of the shareholders, where significant issue, redemption or conversion requests are received, or in the event of a lack of liquidity in the markets, the Board of Directors and the Management Company reserve the right only to fix the net asset value of the shares of the SICAV after having carried out the necessary purchases and sales of securities on behalf of the SICAV. In this case, the subscriptions, redemptions and conversions simultaneously pending execution will be executed on the basis of a single net asset value.

Any suspension of the calculation of net asset value resulting in a period of more than 7 banking days between the date stipulated in Section XIV and the effective date of calculating the net asset value will be announced by the SICAV. Such a delay shall be communicated immediately to shareholders requesting the subscription, redemption or conversion of shares. Such shareholders may withdraw their request.

## **XVI. Issuance and delivery of shares**

The SICAV accepts subscriptions on any banking day.

Subscriptions to shares in the SICAV take place at an unknown price.

The Advisors are not authorised to directly manage subscription, conversion and redemption orders.

Shares may be acquired from the Custodian bank and from organisations providing the financial service. The Board of Directors and the Management Company may decide to specify other establishments. The name of such establishments will be

indicated in the annual and half-yearly reports.

Subscription orders received by Central Administration up to 3.30 pm at the latest on the last bank business day in Luxembourg before the day on which the net asset value is calculated (valuation date) shall be executed on the basis of the net asset value determined on the valuation date. Subscription orders received after 3.30 pm, as mentioned above, will be executed on the basis of the net asset value determined on the subsequent valuation date.

The subscription price of “A”, “B”, “C”, “D”, “E”, “F”, “S” and “X” shares, expressed in the subfund’s currency, is the net asset value calculated as of the first valuation date following the acceptance of the subscription order received according to the terms described in the third paragraph of this chapter.

The subscription price will be increased by an issuing commission in favour of the sales agencies whose rate is fixed in each country according to the appropriate common practice, except for Class “C”, “S” and “X” shares which are not subject to any subscription commission or other charge.

Any taxes and stamp duties that might be payable in connection with the subscription are added to the issue price.

The issue price is payable on the third bank business day following determination of the net asset value applicable to the subscription.

The SICAV may restrict the purchase of its shares by any individual or corporate body, or hinder it.

“A” and “E” class shares are reserved solely for institutional investors. “C”, “S” and “X” class shares are reserved for institutional qualified investors, and are characterized by a lower management fee (i.e. no commissions shall be paid to distributors).

Within the context of national and international regulations to control money-laundering, the parties to this document agree to furnish any identification documents requested by the sales agency and/or the SICAV. In addition, the mutual fund (SICAV) reserves the right to refuse the subscription of any person not satisfying these identification conditions.

## **Market Timing**

Practices associated with “Market Timing” are not authorised.

The SICAV reserves the right to reject or suspend any orders relating to subscription or conversion received from an investor that it suspects of undertaking such practices. In such a case, all necessary measures will be taken in order to protect the other shareholders.

By “Market Timing” we mean the technique of arbitrage by which an investor systematically subscribes and redeems or converts shares in a single undertaking for collective investment within a short period of time to exploit time delays and/or imperfections or deficiencies in the system of determining the net asset value of the undertaking for collective investment.

## **Late Trading**

Practices associated with “Late Trading” are not authorised.

By “Late Trading” we mean acceptance of an order for subscription or conversion received after the deadline for acceptance of orders (cut-off time) on the day under consideration and execution of this order at the price based on the net asset value applicable on this same day.

## **XVII. Redemption of shares**

Each shareholder is entitled to request the redemption of his shares. The redemption request is irrevocable. Redemption of shares in the company take place at an unknown price.

Redemption applications may be submitted on any banking day at the counters of the Custodian bank and of any other establishment listed in the annual and half-yearly reports.

Redemption orders received by Central Administration up to 3.30 pm at the latest on the last bank business day in Luxembourg before the day on which the net asset value is calculated (valuation date) shall be executed on the basis of the net asset value determined on the valuation date. Redemption orders received after 3.30 pm, as mentioned above, will be executed on the basis of the net asset value determined on the subsequent valuation date.

The redemption price corresponds to the net asset value of the subfund share or class of shares in question, calculated on the valuation date following receipt of the application.

The usual fees, dues and administrative costs are the responsibility of the shareholder.

The redemption price is settled in the currency of the subfund, class of share on the third bank business day following determination of the net asset value, unless the shareholder has asked to be paid in a different currency, in which case he or she will be liable for any exchange fees.

The sum will be payable at the counters or transferred to an account opened in a country where shares in the SICAV are offered to the public at an establishment named in the periodic reports and the current prospectus.

Any suspension of the determination of net asset value of one or more subfunds or classes entails the suspension of redemption of shares in the subfunds or classes in question.

Any suspension of redemption shall be announced as quickly as possible as indicated in Section XXVII.

Redeemed shares will be legally cancelled and the share capital reduced accordingly.

Neither the Management Company, nor the Board of Directors nor the Custodian bank may be held responsible for any lack of payment resulting from the application of any exchange control or other circumstances beyond their control which may limit or prevent the transfer abroad of the proceeds of the redemption of the shares.

## **XVIII. Conversion of shares**

Conversions of shares in the SICAV take place at an unknown price. Shareholders may at any time apply to convert their shares into shares of another subfund, class or type on the basis of the respective net asset values determined on the first common valuation date following receipt of the application for conversion.

Conversion orders received by Central Administration up to 3.30 pm at the latest on the last bank business day in Luxembourg before the day on which the net asset value is calculated (valuation date) shall be executed on the basis of the net asset value determined on the valuation date. Conversion orders received after 3.30 pm, as mentioned above, will be executed on the basis of the net asset value determined on the subsequent valuation date.

Shares may not be converted if determination of the net asset value of shares in one of the subfunds, or classes concerned has been suspended.

Any conversion will be accepted provided the conditions for purchasing shares of a class are complied with.

If a shareholder who holds class “A”, “C” or “E” shares in a particular subfund ceases to be an institutional shareholder, the Board of Directors and the Management Company will automatically resolve to convert such shares into class “B” shares of the same subfund and type.

Cash corresponding to fractions of shares resulting from conversion of certificates representing whole shares will be reimbursed to the shareholder.

The redemption and issue fees associated with the conversion may be charged to the shareholder.

## **XIX. Charges payable by the SICAV and the investors**

The SICAV shall pay a Management Fee to the Management Company; the SICAV shall also pay fees to its various service providers depending on the service defined in the individual agreements.

The SICAV shall bear any costs relating to its establishment, promotion and operation. Such costs include in particular the remuneration of the Management Company, the Managers, the Custodian bank and Central administration, the Transfer Agent and the Registrar, the auditors’ fees, the costs of printing and distributing issue prospectuses and periodic reports, brokerage, commission, duties and costs related to the movement of securities or cash, the Luxembourg subscription tax and other taxes connected to its activity, payments due to the control authorities of the countries where the shares are offered, possible costs of printing shares, publications in the press and advertising, the financial costs of its securities and coupons, possible costs for obtaining a stock exchange listing or for publishing the price of its shares, costs of official or court acts and legal advice, and any directors’ fees.

The SICAV will in addition be responsible for any reasonable expenses and costs paid, including but not restricted to telephone, telex, telegram and postage costs incurred by the Custodian bank when carrying out orders relating to the assets of the SICAV.

Each subfund is responsible for all the costs and disbursements relating to it. The costs and disbursements not relating to a particular subfund shall be apportioned between the subfunds on an equitable basis, in proportion to their respective net assets.

The SICAV constitutes one and the same legal entity. However, the assets of a particular subfund will only be liable for the debts, liabilities and undertakings that relate to that subfund. Each subfund is treated as a separate entity in relations between shareholders.

When a subfund invests in units of UCITS and/or other UCIs, the performance of that subfund may be affected by the charges levied on the UCITS and/or other UCI subfund that was the subject of the acquisition.

Likewise, if the UCIT and/or other UCI subfund that was the subject of the acquisition is linked to the SICAV by common management or control or by a substantial direct or indirect holding, no subscription or redemption rights may be invoiced for the SICAV’s investment in the units of these other UCITS and/or UCIs nor a management commission.

If a subfund invests its assets in the UCITS and/or other UCIs referred to in the preceding paragraph, the management fees that may be invoiced simultaneously to the subfund itself and the other UCITS and/or other UCIs in which it intends to invest may not exceed 2.50% of the value of the investments in question.

The SICAV indicates in its annual report the maximum percentage of management fees paid by both the subfund and the UCITS and/or other UCIs in which it invests.

The portfolio managers have the right to a commission on each subfund calculated on the average value of the net assets of the various subfunds of the SICAV at the end of each month on the basis of an annual global rate not exceeding 2.50% p.a. for advice and management. This remuneration will cover all the costs of advice, financial studies and any travel required by personnel representing the Portfolio Manager, as well as the commissions for the marketing of the subfunds to institutional investors who hold units and distributors and distribution partners who are designated and authorised according to the applicable legislation.

The custodian bank and the central administration receive an annual fee of 0.03% per subfund and an annual fee of 0.04% per subfund per year respectively. These fees will be calculated on the average assets of each subfund and will be payable quarterly.

The fees will be charged for the daily calculation of the net asset value of each subfund.

### **Performance commission**

The Manager will be entitled to a performance commission for the subfunds CrossGen Global Equity Fund, Swan Ultra Short-Term Bond, Explorer Equity, Swan Flexible, Swan Short-Term High Yield, Explorer Fund of Funds, New World, Swissness Equity Fund, BlueStar Global Thematic Absolute Allocation, BlueStar Dynamic, Short Term Maturity Fund USD\* and BlueSpace Fund.

\* Until 31 August 2023.

This performance commission is referred to in this prospectus in Chapter XXXI, “Description of the subfunds”.

### **Subfunds with a performance fee with a High Watermark**

The performance fee, if any, will be calculated and accrued at each NAV calculation and payable at the beginning of the next reporting period to the Manager.

**Crystallization Frequency:** A benchmark period is a calendar year beginning on 1 January and ending on 31 December of each year (i.e. the annual crystallization period). Any underperformance or loss previously incurred during the life of the subfund must be recovered before a performance fee can be paid. The performance fee will be calculated separately for each share class.

The performance fee is payable annually at the end of a performance period, on 31 December of each year.

The performance fee will in principle be calculated for each 12-month period ending on the last valuation day of December for the relevant class of the relevant subfund. If no performance fee is paid at the end of the first calculation period described above, the performance fee will be calculated over a period longer than 12 months, up to the time when a performance fee must be paid on a successive crystallization day. The first benchmark period corresponds to a duration of at least 12 months.

No performance fee will be paid if the net asset value per share at the end of the expired benchmark period is lower than the highest closing net asset value per share of any other previous benchmark period during the life of the subfund or the initial net value per share (“High Watermark” principle).

An adjustment on the performance fee will be made on each valuation date if the condition mentioned in the preceding paragraph is met. A sample calculation is provided below.

The performance fee is calculated based on the net asset value per share after deducting all expenses and costs (but not the performance fee) and by taking into account subscriptions, redemptions and distributions during the relevant performance period so that these do not affect the payable performance fee.

In the event that an investor redeems shares before the end of the performance period, any accrued but unpaid performance fee relating to these shares will be paid to the investment manager at the end of the performance period.

If the applicable investment management agreement, entered into with an investment manager, eligible for a performance fee, is terminated before the end of a performance period, the performance fee related to this performance period will be calculated and paid as if the termination date were the end of the relevant performance period.

## **Subfunds with a performance fee with a High Watermark and benchmark**

In the case of subfunds with a performance fee with a High Watermark and benchmark, in addition to the above provisions solely for High Watermark subfunds, the performance fee will be paid at the end of the performance period if the two following conditions are met:

- (i) the net asset value per share at the end of the expired benchmark period is higher than the highest closing net asset value per share of any other previous benchmark period during the life of the subfund or of the value net per original share, and
  - (ii) the return exceeds the benchmark set for the subfund concerned.
- In this case, the performance fee applies for each class of shares.

A sample calculation is provided below.

### **Example of performance fee calculation:**

#### **Preamble: Benchmark NAV for calculating the performance fee**

Example valid for each NAV calculated each day during the benchmark period, as shown below. Calculation of the performance fee is applied to the NAV of this class on the valuation day.

#### **1. Subfunds with a High watermark.**

**Year 1:** The net asset value per share at the end of the expired benchmark period is higher than that of the previous year.

- Benchmark NAV per unit at the beginning of the year: 100 (first High Watermark).
- NAV per unit at the beginning of the year: 100.
- NAV per unit at the end of the year: 112.
- Appreciation of the NAV per unit is thus for the year: 12% (net).
- Appreciation of the benchmark NAV per unit is thus 12% for the year: 12%.
- Performance to be considered at the end of the period: 12% (appreciation of the benchmark NAV).
- Performance fee (10%): 10% of 12% = 1.20%.

The High Watermark of the benchmark NAV for the following year, after payment of the performance fee, will be 112.

**Year 2:** The net asset value per share at the end of the expired benchmark period is lower than that of the previous year.

- High watermark of the benchmark NAV per unit at the beginning of the year: 112 (last NAV at which a performance fee was paid).
- NAV per unit at the beginning of the year: 112.
- NAV per unit at the end of the year: 105.12.
- Depreciation of the NAV per unit is therefore for the year: -6.14% (net).
- Performance to be considered at the end of the period: N/A.
- Performance fee (10%): 0%.

The High Watermark of the benchmark NAV for the following year remains at 112.

**Year 3:** The net asset value per share at the end of the expired benchmark period is higher than that of the previous year but lower than the High Watermark.

- High watermark of the benchmark NAV per unit at the beginning of the year: 112 (last NAV at which a performance fee was paid).
- NAV per unit at the beginning of the year: 105.12.
- NAV per unit at the end of the year: 110.72.
- Appreciation of the NAV per unit is for the year: 5.33% (net)
- Performance to be considered at the end of the period: N/A.
- Performance fee (10%): 0%.

The High Watermark of the benchmark NAV for the following year remains at 112.

**Year 4:** The net asset value per share at the end of the expired benchmark period is higher than that of the previous year and also higher than the High Watermark.

- High watermark of the benchmark NAV per unit at the beginning of the year: 112 (last NAV at which a performance fee was paid).
- NAV per unit at the beginning of the year: 110.72.
- NAV per unit at the end of the year: 124.50.
- Appreciation of the NAV per unit for the year is: 12.45% but compared to the High Watermark is only 11.16% (net).
- Performance to be considered at the end of the period: 11.16%.
- Performance fee (10%):  $11.16 \times 10\% = 1.116\%$

The High Watermark of the benchmark NAV for the following year, after payment of the performance fee, will be 124.50.

#### **2. Subfunds with High Watermark and benchmark.**

**Year 1:** The net asset value per share at the end of the expired benchmark period has outperformed the benchmark.

- Benchmark NAV per unit at the beginning of the year: 100 (first High Watermark).
- NAV per unit at the beginning of the year: 100.
- NAV per unit at the end of the year: 112.
- Appreciation of the NAV per unit is thus for the year (and also accrued): 12% (net).
- Cumulative appreciation of the benchmark (since the last time a performance fee was paid): 3%.
- Performance to be considered at the end of the period: 12% (appreciation of the benchmark NAV) – 3% (appreciation of the benchmark) = +9%.
- Performance fee (15%): 15% of 9% = 1.35%.

The High Watermark of the benchmark NAV for the following year, after the payment of the performance fee, will be 112.

**Year 2:** The net asset value per share at the end of the expired benchmark period has outperformed the benchmark but is lower than the previous year.

- High watermark of the benchmark NAV per unit at the beginning of the year: 112 (last NAV at which a performance fee was paid).
- NAV per unit at the beginning of the year: 112.
- NAV per unit at the end of the year: 105.12.
- Cumulative depreciation of the NAV per unit is thus (since the last time a performance fee was paid): -6.14% (net).
- Cumulative depreciation of the benchmark (since the last time a performance fee was paid): -10%.
- Performance to be considered at the end of the period: N/A.
- Performance fee (15%): 0%.

The High Watermark of the benchmark NAV for the following year remains at 112.

**Year 3:** The net asset value per share at the end of the expired benchmark period is higher than that of the previous year but lower than the High Watermark.

- High watermark of the benchmark NAV per unit at the beginning of the year: 112 (last NAV at which a performance fee was paid).
- NAV per unit at the beginning of the year: 105.12.
- NAV per unit at the end of the year: 110.72.

- Cumulative depreciation of the NAV per unit is (since the last time a performance fee was paid): –1.14% (net).
- Cumulative appreciation of the benchmark (since the last time a performance fee was paid): 5%.
- Performance to be considered at the end of the period: N/A.
- Performance fee (15%): 0%.

The High Watermark of the benchmark NAV for the following year remains at 112.

**Year 4:** The net asset value per share at the end of the expired benchmark period is higher than that of the previous year and also higher than the High Watermark and benchmark.

- High watermark of the benchmark NAV per unit at the beginning of the year: 112 (last NAV at which a performance fee was paid).
- NAV per unit at the beginning of the year: 110.72.
- NAV per unit at the end of the year: 124.50.
- Cumulative appreciation of the NAV per unit compared to the High Watermark is 11.16% (net).
- Cumulative appreciation of the benchmark (since the last time a performance fee was paid): 5%.
- Performance to be considered at the end of the period: 11.16% – 5% (cumulative appreciation of the benchmark) = +6.16%.
- Performance fee (15%):  $6.16 \times 15\% = 0.92\%$ .

The High Watermark of the benchmark NAV for the following year, after payment of the performance fee, will be 124.50.

The Total Expense Ratio (TER) and Portfolio Turnover Ratio (PTR) will be available for each subfund of the SICAV in the “Key Investor Information” document which replaces the simplified prospectus as described in article 159 of the Law of 17 December 2010 and within the time limit therein provided. They are referred to in this prospectus in Chapter XXX “Additional Information for the distributions of SICAV shares in Switzerland or from Switzerland”.

## XX. Financial year

The financial year of the SICAV ends on 31 December of each year.

The annual financial statements of the SICAV are audited by Ernst & Young S.A., approved company auditors.

## XXI. Periodic reports

Annual reports containing accounts certified by the Auditor and half-yearly reports will be kept available for shareholders at the counters of the custodian bank and other financial service establishments, as well as at the registered office of the SICAV.

The annual reports will be published no later than four months after the end of the financial year. These reports will contain financial information relating to each of the subfunds of the SICAV, their composition and changes in their assets, and the consolidated situation of all subfunds, expressed in euros.

## XXII. General meetings

The annual general meeting of shareholders will be held in Luxembourg, at the registered office of the SICAV or at any other place in Luxembourg which may be specified in the notice of meeting, on the fourth Monday of April at 2.00 pm. If that day is not bank business day, the annual general meeting will be held on the next bank business day.

Other general meetings, for example for a subfund, may be held at the time and place specified in the notice of meeting.

Invitations to all general meetings are sent by recorded delivery to all the registered shareholders at the addresses appearing in the register of shareholders, at least eight days before the general meeting. These invitations indicate the time and the place of the general meeting and the conditions, the agenda and the requirements of Luxembourg law with regard to the necessary quorum and majority.

Each share, whatever its value, confers the right to one vote.

The requirements concerning participation, quorum and majority at any general meeting are those specified in articles 67 and 67-1 of the Luxembourg law of 10 August 1915 and in the articles of association of the SICAV.

The meeting may be held abroad if the Board of Directors or the Management Company considers that exceptional circumstances so require.

## XXIII. Dividends

Every year arrangements will be made to pay a dividend in relation to distribution shares in the various classes of shares concerned.

The general meeting will fix the amount of the dividend on the proposal of the Board of Directors and the Management Company within the respective limits set forth in the law and articles of association.

A dividend may be distributed regardless of any realised or unrealised capital gains or losses.

However, no distribution may have the effect of reducing the capital of the SICAV’s subfunds as a whole to an amount less than that provided for by the Law of 17 December 2010 on undertakings for collective investment.

In accordance with the law, the Board of Directors and the Management Company will determine the dates and places where dividends will be paid and the way in which payment will be announced to shareholders.

No interest will be paid on dividends which are payable but held by the SICAV on behalf of shareholders. Dividends which have not been claimed within five years of notification of their release for payment will lapse and accrue to the relevant subfunds of the SICAV.

The Board of Directors and the Management Company may distribute interim dividends. It will specify the amounts taking due account of the interests of the shareholders.

## XXIV. Merger

### Merger of subfunds

Any subfund may merge with another subfund of the SICAV, either as an absorbed subfund or as an absorbing subfund, in accordance with the definitions and conditions as described in the Law of 2010.

The Board of Directors and the Management Company shall decide the effective date of the merger.

The Board of Directors and the Management Company, subject to the conditions described in Chapter 8 of the Law of 2010, may also decide to merge one subfund of the SICAV with a subfund of a foreign fund or a Luxembourg fund regulated under part I of the Law of 2010, as defined in Article 1 points 21 and 22 of the Law of 2010.

The shareholders of the subfunds to be merged are responsible for the decision to merge one or more subfund(s) with an undertaking for collective investments under Luxembourg law organized as a mutual fund (FCP) subject to Part I of the Law as well as the decision to merge one or more subfund(s) with another foreign undertaking for collective investment.

The merger shall be notified to shareholders, either in writing or through publication in the *Recueil Électronique des Sociétés et Associations* (formerly “*Mémorial*”) as well as in any other newspaper as the Board of Directors and the Management Company deem appropriate. Shareholders of the subfunds concerned will be able to request either the redemption of their shares, without charge (except for disinvestment costs) for a period of one month after publication of the merger decision or the conversion of their shares at no cost (except for disinvestment costs) into the subfunds not involved in the merger.

At the end of this period, shareholders who did not ask for redemption or conversion of their shares will be bound by the merger decision.

## **Merger of the SICAV**

The SICAV may carry out a domestic or cross-border merger, either as an absorbed UCITS or as an absorbing UCITS, in accordance with the definitions and conditions as described in the Law of 2010. The Board of Directors of the SICAV and the Management Company shall decide upon the effective date of the merger if the SICAV is the absorbing UCITS.

The general meeting of shareholders deciding by simple majority of votes of shareholders present or represented at the meeting, shall decide upon the effective date of the merger, if the SICAV is the absorbed UCITS. The general meeting of shareholders, subject to the conditions defined in Article 66 of the Law shall be held before a notary and the effective date of the merger shall be recorded by notarial deed.

Notice on the merger shall be given to investors in the SICAV. Shareholders will be able during a one month period from the date of publication, to request either the redemption of their shares free of charge, or the conversion of the shares at no cost.

## **XXV. Dissolution**

### **Dissolution of the Company**

The SICAV may be dissolved by a decision taken by the general meeting ruling as provided for by the Law on amendments to the Articles of Association.

Any decision to dissolve the SICAV and the terms of liquidation will be published in the *Recueil Électronique des Sociétés et Associations* (formerly “*Mémorial*”) and in three newspapers with a sufficiently wide circulation, including at least one Luxembourg newspaper.

With effect from the resolution passed by the general meeting of shareholders to dissolve the SICAV, the issuance, redemption and conversion of shares will be prohibited on pain of nullity.

Should the share capital decrease to less than two-thirds of the minimum capital provided for by law, the Board of Directors and the Management Company will convene a general meeting to be held within forty days of such fact being recorded and will put a motion to dissolve the SICAV. The meeting will decide by a simple majority of the shares represented, without any quorum requirement.

Should the share capital of the SICAV decrease to less than one-quarter of the minimum capital, the directors must, within the same period, put a motion to dissolve the SICAV to the general meeting. Such motion may be passed by shareholders holding one-quarter of the shares represented at the meeting, without any quorum requirement.

The meeting must be convened so that the general meeting of shareholders is held within forty days of the acknowledgment that net assets have fallen below two thirds or one quarter of the minimum capital. In addition, the SICAV may be dissolved by decision of a General Meeting ruling in accordance with the statutory provisions in this regard.

In the event of dissolution of the SICAV, the liquidation will be carried out by one or more liquidators, who may be natural persons or legal entities and will be appointed by the general meeting of shareholders. The latter will determine their powers and remunerations.

The liquidation will take place in accordance with the law of 17 December 2010 relating to collective investment undertakings, specifying the distribution of the net proceeds of the liquidation among the shareholders after deduction of the liquidation expenses: The proceeds of liquidation will be distributed to shareholders in proportion to their rights, taking parities into account (see the definition of “parity” in Section XIV).

At the end of the liquidation period of the SICAV, any amounts which have not been claimed by the shareholders will be transferred to the “*Caisse des Consignations*”, which will hold them on their behalf for the period provided for by law. At the end of this period any balance will revert to the Luxembourg state.

### **Dissolution of a subfund**

The SICAV’s Board of Directors and Management Company may propose the liquidation of the subfund to the unitholders’ meeting. This unitholders’ meeting will deliberate without a presence requirement and will take a vote based on the simple majority of the units represented.

Once the decision to dissolve a subfund of the SICAV has been taken, the issuance, redemption and conversion of the shares in this subfund will be prohibited, on pain of nullity. This decision will be notified in the countries in which the shares of the SICAV are publicly issued.

If the net assets of a specific subfund should for any reason fall below EUR 2,500,000 or its exchange value in a currency, the Board of Directors and the Management Company may decide to dissolve the subfund in question, provided that it informs shareholders of this by publishing notices in the press.

Shareholders in a subfund that is to be dissolved are entitled to request that they are reimbursed for their shares based on the last net asset value (the redemption value for subfunds of limited duration) or that their shares are converted into shares in another subfund of their choice, as stipulated in Section XVIII.

## **XXVI. Tax treatment**

### **a. Taxation of the SICAV**

Given the legislation in force and according to current practice, the SICAV is not exposed to any Luxembourg tax on incomes or capital growth. Similarly, dividends paid by the SICAV are not subject to any Luxembourg withholding tax.

The SICAV itself, however, is subject in Luxembourg to an annual tax of 0.05% on its net assets. This rate will be reduced to 0.01% of the value of the net assets of the subfunds (or classes or sub-classes of shares) reserved for institutional investors as established in article 174 of the Law of 17 December 2010. This tax is payable each quarter on the basis of the net assets of the SICAV calculated at the end of the quarter to which the tax applies.

Some income from the SICAV portfolio resulting from dividends and interest may be subject to taxes at variable rates that are withheld at source in the countries in which they are incurred.

## b. Taxation of shareholders

In Luxembourg, according to current legislation, shareholders are not liable to any form of tax on gains, income, donations, inheritance or to any form of withholding tax, with the exception of shareholders who are domiciled, resident or have a permanent establishment in Luxembourg and certain former residents of Luxembourg who own more than 10% of the share capital of the SICAV.

The preceding provisions are based on current law and practice and are subject to amendment.

## c. FATCA

Under the terms of the Intergovernmental Agreement (“IGA”) signed between Luxembourg and the United States, the SICAV will be required to comply with FATCA provisions, as laid down by Luxembourg legislation for the implementation of the IGA (“Luxembourg IGA”), instead of complying directly with US Treasury Regulations for the implementation of FATCA. In accordance with IGA provisions, financial institutions resident in Luxembourg that meet the requirements of Luxembourg IGA legislation shall comply with FATCA, and as such, shall not be subject to withholding tax under FATCA (“FATCA Withholding Tax”). The SICAV is considered a financial institution resident in Luxembourg fulfilling Luxembourg IGA requirements under the status of a financial institution with non-periodic reporting. By virtue of this status, SICAV should not be subject to FATCA Withholding Tax.

In accordance with the Luxembourg IGA, SICAV is required to report to the Luxembourg Tax Authorities certain shareholdings and payments made to US investors in the SICAV, despite the provisions set out in Section I of the Prospectus as well as in non-US financial institutions, when applicable, which do not meet the requirements of Luxembourg IGA legislation. According to IGA terms, the Luxembourg Tax Administration should communicate such information to the US Internal Revenue Service under the general provisions on the exchange of information in the Income Tax Treaty signed between Luxembourg and the United States.

Further intergovernmental agreements similar to the IGA have been signed, or are under discussion, between other jurisdictions and the United States. Investors holding investments with distributors or custodians not located in Luxembourg or other IGA countries are required to verify whether such distributors or custodians intend to comply with FATCA. The SICAV, custodians or distributors may request additional information on behalf of certain investors in order to comply with FATCA rules or the relevant IGA. The scope and application of FATCA withholding and reporting, in accordance with FATCA and IGA terms, are subject to amendment by the United States, Luxembourg and other IGA States, and as a result, rules may change. Investors are advised to contact their tax advisors concerning the application of FATCA to their individual situation.

## d. Automatic information exchange (AEOI)

The OECD has been given a mandate by the G8/G20 to develop a global reporting standard intended to implement in the future a full and multilateral automatic exchange of information (AEOI) on a global basis.

A number of jurisdictions have entered, or are in the process of entering into intergovernmental agreements for the automatic cross-border exchange of tax information, similar to the IGA between the United States and Luxembourg, including, specifically, under the system known as Common Reporting Standard (“CRS”) of the OECD.

In October 2014, Luxembourg became a signatory to the OECD multilateral convention on CRS with various jurisdictions. Luxembourg, along with about 50 other countries, has committed to the early implementation of the CRS, 2016 being the first reporting year and reporting requirements starting in 2017.

Under the CRS, Luxembourg financial institutions shall be required to identify account holders (including investment entities and debt holders) and to establish if their tax residence is located in countries signatory of the CRS multilateral agreement.

Luxembourg financial institutions shall subsequently communicate the financial information of account holders to the Luxembourg tax authorities, which shall automatically transfer this information to the relevant foreign tax authorities on an annual basis.

The CRS has been incorporated into the amended Directive on Administrative Cooperation (DAC 2), adopted on 9 December 2014, which the EU Member States shall have to implement into their national legislation by 31 December 2015. The tax authorities of EU Member States shall have to first report between themselves (and to the tax authorities of other jurisdictions that are OECD “Early Adopters” under DAC 2) no later than the end of September 2017 regarding the information for the year 2016.

For the other jurisdictions, the AEOI under the CRS shall not be applied before 2017, depending on the country. The data provided by potential investors may be disclosed to the Luxembourg tax authorities or other tax officials authorized under Luxembourg law.

Luxembourg is expected to adopt regulations to implement the CRS, as a result of which Luxembourg “Financial Institutions”, including “Investment Entities” shall be required to identify the specific persons in the jurisdictions that apply the CRS and to notify the related information to the Luxembourg tax authorities (for the automatic exchange with the relevant tax authorities in those countries) in order to avoid committing an offence, which may involve the application of financial or other penalties.

The data provided by potential investors may be disclosed to the Luxembourg tax authorities or other tax officials authorized under Luxembourg law.

## XXVII. Information for shareholders

The net asset value, issue price and redemption price of shares in each subfund, class or type are available at the counters of the Custodian Bank and other establishments appointed by it, as well as at the registered office of the SICAV the day after the valuation date. The net asset value and issue price are published in countries where the shares are offered to the public on the day after the valuation date.



In accordance with the provisions of Law of 17 December 2010 on undertakings for collective investment, of CSSF Regulation No. 10-4 and CSSF Circular 11/508, the Management Company has established and ensured the continued application of certain procedures and strategies, including:

- a procedure for the reasonable and prompt handling of complaints by investors;
- a brief description of the strategies relating to the exercise of voting rights attached to the instruments held in the SICAV's portfolio and details of measures taken on the basis of these strategies, which are provided free to investors who request them to the Management Company;

Benefits: the main elements of the agreements on remuneration, fees or non-monetary benefits that the Management Company may receive in connection with investment management and administration activities carried out for the SICAV, are set out in this Prospectus and/or in periodic reports, as appropriate. Further details are provided free to investors who request them to the Management Company; the procedures for managing conflicts of interest are available on the website of the Management Company ([www.adepa.com](http://www.adepa.com)).

Furthermore, in accordance with the provisions of the first paragraph of Article 69 of the UCITS IV Directive as amended by the UCITS V directory, a summary of the Management Company's Remuneration Policy is available on its website ([www.adepa.com](http://www.adepa.com)) and a printed copy can be obtained upon request.

## **Benchmark Indices regulation**

In accordance with Article 28(2) of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in the context of financial instruments and contracts or to measure the performance of investment funds ("Benchmark Rules"), for subfunds using a benchmark, the Management Company and the Managers establish and maintain robust written plans outlining the actions they would take if this benchmark index undergoes substantial modifications or ceases to be provided.

Investors can obtain these plans and any updates free of charge upon request from the Management Company or the Managers.

## **Prevention of money laundering and terrorist financing**

Pursuant to international rules and Luxembourg laws and regulations (in particular the Law of 12 November 2004 on the fight against money laundering and the financing of terrorism, as amended), the Grand-ducal regulation of 1 February 2010, the CSSF regulation 12-02 of 14 December 2012 (as amended by CSSF Regulation 20-05 of 14 August 2020) ("CSSF Regulation 12-02") and CSSF circulars 13/556 and CSSF 17/650 regarding the fight against money laundering and terrorist financing, and any respective modification or replacement, obligations have been imposed on all professionals of the financial sector to prevent the use of collective investment undertakings for the purposes of money laundering and terrorist financing of terrorism.

As a result of these provisions, the registrar agent of a Luxembourg fund must verify the identity of investors in accordance with Luxembourg laws and regulations.

The registrar officer may require investors to provide any document it deems necessary to carry out this identification. In addition, the transfer agent may require any other information that the SICAV is required to obtain in order to comply with its legal and regulatory obligations, including, but not limited to, the CRS law.

In the event of delay or failure by a subscriber to furnish the required documents, the subscription request may not be accepted and in the event of redemption, the payment of redemption proceeds may be delayed. Neither the SICAV nor the transfer agent can be held responsible for delays or failure in the processing of transactions resulting from the applicant's failure to provide any documents or incomplete documents.

From time to time, shareholders may be requested to provide additional or updated identification documents in accordance with due diligence obligations under applicable laws and regulations.

In accordance with the Law establishing a Register of Beneficial Owners (RBE Law), shareholders are informed that the SICAV may be required to communicate certain information to the Register of Beneficial Owners in Luxembourg. Competent authorities as well as the general public can access the register and relevant information of SICAV beneficial owners, including name, month and year of birth, country of residence and nationality. This law defines the beneficial owners as a reference to the economic beneficiaries within the meaning of the amended law of 12 November 2004 relating to the fight against money laundering and the financing of terrorism, as shareholders who own more than 25% of the shares of the SICAV, or who control the SICAV in another way.

The SICAV and the Management Company (and/or acting through a delegate) will ensure that due diligence measures on SICAV investments are applied according to a risk-based approach in accordance with applicable Luxembourg laws and regulations.

The SICAV assesses the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) risk factors associated with the distribution channels and applies, in the event of subscription by an intermediary and/or an agent acting on behalf of an Investor, enhanced vigilance measures with regard to this intermediary and/or agent in accordance with Article 3-2 of the amended law of 12 November 2004 and Article 3 of Financial Sector Supervisory Commission - CSSF Regulation 12-02 - to manage and mitigate these risks in an appropriate manner.

In this context, investors or the SICAV must inform the transfer agent without delay when the person(s) designated as beneficial owner(s) changes and, in general, ensure at all times that each piece of information and each document provided to the transfer agent or to the intermediary and/or to the agent remains accurate and up to date.

## **XXVIII. Documents available to the public**

The following documents may be consulted free of charge at the registered offices of the SICAV, on the website of the Management Company ([www.adepa.com](http://www.adepa.com)) and at the registered offices of the Custodian Bank and appointed financial service providers:

1. The prospectus of the SICAV;
2. The articles of association of the SICAV;

3. A copy of the agreement between the SICAV and the Custodian Bank, Administrative Agent, Domiciliation Agent and Registrar;
4. The Asset management agreements between the SICAV and the management entities.
5. The management agreement between the Management Company and the Board of Directors of the SICAV;
6. The annual and half-yearly reports of the SICAV.

The agreements referred to under points 3 and 4 above may be modified by agreement between the parties concerned.

Other information for the attention of shareholders shall be published in the Recueil Électronique des Sociétés et Associations (formerly “Mémorial”) where such a procedure is required by the laws of 10 August 1915 and 17 December 2010, the articles of association or this prospectus.

## XXIX. Jurisdiction - Official language

The law of Luxembourg will apply in the event of any dispute.

The official language of this Prospectus and the articles of association is French, although the Board of Directors of the SICAV and the Management Company, acting on behalf of the SICAV, may deem translations into the languages of the countries in which the shares of the SICAV are offered to the public to be applicable.

## XXX. Information for investors in Switzerland

### 1. Swiss representative

Cornèr Banca S.A., with registered office in Via Canova 16, CH-6901 Lugano, is the Swiss representative of the SICAV.

### 2. Payment service

The payment service in Switzerland is provided by Cornèr Banca S.A., Via Canova 16, CH-6901 Lugano.

### 3. Repository for key documents

The prospectus and the key information document, the Articles of Association, the fund contract as well as the annual and semi-annual reports may be obtained free of charge from the Cornèr Banca S.A. representative in Lugano.

### 4. Publications

Publications concerning foreign collective investment schemes are available in Switzerland on the [www.fundinfo.com](http://www.fundinfo.com) website.

Issue and redemption prices and/or the net asset value with the note “commissions not included” for SICAV shares, are published at the time of each share issue and redemption on the [www.fundinfo.com](http://www.fundinfo.com) website. Prices are published at least twice monthly.

### 5. Payment of trailer fees and rebates

The management company and its representatives may pay trailer fees in order to remunerate the distribution of fund units in Switzerland. This fee makes it possible in particular to remunerate the following services:

- The distribution and marketing of collective investment scheme units to the company’s customers in Switzerland or from Switzerland;
- The establishment of a process relating to the subscription of collective investment scheme units as well as their conservation.

- Application of due diligence measures, particularly in the fight against money laundering and in the monitoring of sub-distributors.

Trailer fees are not considered rebates, even if they are ultimately fully or partially returned to investors.

Information on the receipt of trailer fees is governed by relevant FinSA provisions.

To reduce commissions and costs borne by investors and charged to the fund, the management company and its representatives do not grant any rebates upon distribution in Switzerland.

## 6. Venue and jurisdiction

For shares distributed in or from Switzerland, the venue and jurisdiction shall be the registered office of Cornèr Banca S.A., Lugano.

For fund shares offered in Switzerland, the venue is at the registered office of the representative. The place of jurisdiction is the registered office of the representative, or the subfund’s headquarters, or the investor’s residence.

## XXXI. Description of the subfunds

### General provisions of investment policies

The sole objective of the SICAV is to invest the funds at its disposal in transferable securities so that shareholders benefit from the results of its portfolio management.

Within the limits provided for in Section IV – Investment policy, the SICAV may have recourse to techniques and instruments concerning transferable securities and techniques designed to protect its assets against unfavourable stock market and interest rate developments.

The SICAV may also have recourse to techniques intended to hedge foreign exchange risk. The hedging currency may be the reference currency of the majority of shareholders or any other currency in which the subfund is authorised to invest.

The currency risk will therefore be higher for potential investors whose reference currency is not the currency of the majority of shareholders.

The Board of Directors of the SICAV and the Management Company are invested with the most extensive powers to act in all circumstances, in the name of the SICAV, with the reservation of powers expressly attributed by law to the General Meeting of Shareholders.

The Board of Directors of the SICAV and the Management Company are responsible for the administration of the SICAV and for defining the investment policy to be pursued for each subfund. The policy may be adjusted by the latter in accordance with the political, economic, financial and monetary situation. The Prospectus will be updated whenever changes are liable to affect the investment policy of the subfunds. Notices will also be published in the press in order to alert shareholders.

The Board of Directors and the Management Company may nevertheless nominate one or more managers who will determine the investments to be made under the general policy defined.

Within the framework of its objectives the SICAV may offer a choice between several subfunds, managed and administered separately.

Any reference to a subfund includes, where applicable:

- each class (reserved for a specific group of investors);
- each type of share (capitalisation and/or distribution).

The Management Company may launch other subfunds, classes or types of share. In such cases, the prospectus will be modified accordingly. Similarly, it may at any time decide to stop issuing one or other of these classes or types of shares.

The SICAV currently comprises the following subfunds.

## 21) CB–ACCENT LUX - Swan Ultra Short-Term Bond

Manager of the subfund: Swan Asset Management S.A.

The subfund aims to reap the best opportunities available on the bond markets, in order to generate a positive absolute benefit for investors. This objective is pursued by researching a balanced position between the current revenue (the coupon) and the capital revenue, as determined on a case by case basis, in line with the limits set by the investment policy of the SICAV.

The subfund invests at least 2/3 of its net assets in bond market instruments.

The subfund invests mainly in debt securities with an average duration of no more than two years of the resulting portfolio.

Furthermore, the restrictions set forth below for the portfolio apply to the subfund:

- a maximum of 50% in bonds with a rating lower than "Investment Grade";
- a maximum of 50% in bonds linked mainly to emerging countries that are included in the « EMBI Global Diversified» index;
- the exposure to a single country that is part of the "EMBI Global Diversified" index cannot exceed 20%;
- the subfund will invest exclusively in bonds listed on international markets, not including local bonds listed in the local currencies of emerging countries (included in the "EMBI Global Diversified" index.);
- the subfund cannot invest more than 10% in a single bond issue.

Investments can also take place through a UCI or UCITS with a maximum of 10% of the net assets.

Exposure to currencies other than the Euro will mainly be hedged. The subfund may also hold cash and use derivative financial instruments to hedge risk and improve the effectiveness of its management.

The currency of account for the subfund is the Euro (EUR).  
Type and form of shares: registered share, capitalisation.  
Fractions of shares: up to three decimal places.

### Profile of risk and typical investor

This fund is targeted to investors who wish to gain an absolute advantage on the bond markets, while pursuing the objective of seizing the opportunities that are presented in the various phases of the macro-economic cycle.

Average risk profile, linked to the credit rating of the issuers of the securities purchased by the fund and interest rate fluctuations.

The bond related risks arise from the fact that the asset value as well as the fund income may vary depending on the changes of bond interest rates and on amendments to investment credit ratings.

There is a market risk resulting from the value of investments, which relates to the one in progress on the markets.

Taking into account the general stock market development and the securities included in the subfund portfolio, the net asset value may be subject to considerable fluctuations.

A drop in value cannot be excluded. Revenue is not guaranteed for investors. It is therefore possible that investment may result in loss.

Potential investors are informed that certain subfunds may invest in securities of countries that are developing or emerging, the level of risk of which is higher than for developed countries. The economies and markets of these countries are traditionally more volatile and their respective currencies may fluctuate considerably. In addition to the risks inherent in all investments involving securities, investors must be aware of the political risks, the changes in the exchange controls and the fiscal environment that could directly impact the value and liquidity of these subfunds.

### Global risk

The global risk of the subfund is calculated by using the commitment approach.

Classes of share	Currency	ISIN Code	Telekurs Code
A institutional	EUR	LU0417109773	4543094
B retail	EUR	LU0417109930	4543099
C institutional - Qualified Investor	EUR	LU0417110193	4752272
S institutional - Qualified Investor	EUR	LU2092385785	54755501
X institutional - Qualified Investor	EUR	LU2092386247	54756085
A institutional	CHF Hedged	LU0681571880	13941003
B retail	CHF Hedged	LU0681572003	13941279
C institutional - Qualified Investor	CHF Hedged	LU0681572268	13941281
S institutional - Qualified Investor	CHF Hedged	LU2092385868	54755515
X institutional - Qualified Investor	CHF Hedged	LU2092386593	54756088
A institutional	USD Hedged	LU0698400198	14173938
B retail	USD Hedged	LU0698400271	14173941
C institutional - Qualified Investor	USD Hedged	LU0698400354	14173943
S institutional - Qualified Investor	USD Hedged	LU2092385942	54755517
X institutional - Qualified Investor	USD Hedged	LU2092386676	54756093

The minimum investment for S Class is 2,500,000 in the corresponding currency for each share class.

The minimum investment for X Class is 25,000,000 in the corresponding currency for each share class.

### Management fee borne by the subfund and reflected in the net asset value

Management fee	A and B classes	1.00% p.a.
	C class	0.75% p.a.
	S class	0.65% p.a.
	X class	0.50% p.a.

This fee is based on the average net asset value of the subfund, payable monthly.

## **Performance commission**

The performance fee is payable annually and amounts to 10% of the Net Asset Value outperformance measured against the High Watermark for X share class and to 15% of the Net Asset Value outperformance measured against the High Watermark for other classes.

The High Watermark is the highest Net Asset Value at the end of the previous reporting period or the opening Net Asset Value.

No performance commission shall be paid if the net asset value per share during the completed financial year is lower than the highest value of the final net asset value per share of any preceding financial year or than the initial net asset value per share ("High Watermark" principle).

## 22) CB–ACCENT LUX - Swan Flexible

Manager of the subfund: **Swan Asset Management S.A.**

This subfund is characterised by a flexible approach to the allocation of investments, aiming to combine the investor's objective of participating in the appreciation phases of the financial markets with an adequate diversification of the investment instruments, while preserving capital in the sideways or negative phases.

The objective of the subfund is to achieve positive performances on a yearly basis, not linked to market parameters (benchmarks) and consistent with a risk profile indicated in the section "*Risk profile and typical investor*".

The flexible investment process focuses on identifying the most promising financial asset classes in terms of yield/anticipated risk and on investment themes characterised by accelerating growth dynamics.

This subfund has full discretion within its flexible management style and invests from 0% to 75% of its funds in equities and the remaining portfolio in bonds, money market instruments, UCIs or UCITS, in line with the following investment restrictions:

- up to a maximum of 50% is invested in convertible bonds;
- up to a maximum of 75% is invested in bonds rated below Investment Grade;
- up to a maximum of 75% is invested in bonds issued within emerging markets (EMBI Global Diversified Index).

The subfund will invest only in bonds listed on the main international markets, excluding domestic bonds denominated in the local currencies of emerging countries (countries included in the EMBI Global Diversified index), bonds convertible into shares (contingent convertible bonds, or CoCos), default & distressed bonds, Asset Backed Securities & Mortgage Backed Securities, as well as "C" and "D" bond ratings, limited as follows: Moody's "Ca", Fitch "CC" and S&P "CC".

- up to a maximum of 20% in MSCI Emerging Markets Index;
- up to a maximum of 10% in UCIs and UCITS.

The exposure to currencies other than the subfund's currency of reference is limited to 30% or is hedged against exchange risk.

The subfund uses derivative financial instruments to hedge risk and improve the effectiveness of its management.

The currency of account for the subfund is the Euro (EUR).

Type and form of shares: registered share, capitalisation.

Fractions of shares: up to three decimal places.

### **Profile of risk and typical investor**

The subfund aims to generate a profit regardless of market conditions but offers no guarantee to this end while negative performance phases cannot be ruled out.

Potential investors are informed that this subfund may invest in securities of countries that are developing or emerging, the level of risk of which is higher than for developed countries. The economies and markets of these countries are traditionally more volatile and their respective currencies may fluctuate considerably.

In addition to the risks inherent in all investments involving securities, investors must be aware of the political risks, currency risks and the fiscal environment that could directly impact the value and liquidity of these subfunds.

Potential investors should note that lower quality bonds, while generally yielding higher returns, increase the risks associated with such bonds, including credit and downgrading risks, and greater volatility. Notwithstanding the limitations outlined in the investment objectives and policy to manage these risks, and the portfolio manager's expertise with these instruments, there is no assurance that these risks will not materialize.

The risk profile is average to high, linked to the solvency of the issuers of the securities acquired and to fluctuations in the securities acquired by the subfund, and consequently to interest rate risk, credit risk and currency risk.

### **Global risk**

The global risk of the subfund is calculated by using the commitment approach.

<i>Classes of share</i>	<i>Currency</i>	<i>ISIN Code</i>	<i>Telekurs Code</i>
<i>A institutional</i>	EUR	LU0451080740	10515949
<i>B retail</i>	EUR	LU0451080823	10515953
<i>C institutional - Qualified Investor</i>	EUR	LU0451081045	10515955
<i>D retail</i>	EUR	LU2405373973	115630228
<i>S institutional - Qualified Investor</i>	EUR	LU2092387302	54756144
<i>A institutional</i>	USD Hedged	LU1611232262	36682374
<i>B retail</i>	USD Hedged	LU1611232429	36682375
<i>C institutional - Qualified Investor</i>	USD Hedged	LU1611232775	36682376
<i>D retail</i>	USD Hedged	LU2405374195	115636987
<i>S institutional - Qualified Investor</i>	USD Hedged	LU2092387567	54756223
<i>A institutional</i>	CHF Hedged	LU1669348853	37977827
<i>B retail</i>	CHF Hedged	LU1669349075	37977930
<i>C institutional - Qualified Investor</i>	CHF Hedged	LU1669349232	37977963
<i>D retail</i>	CHF Hedged	LU2405374278	115638018
<i>S institutional - Qualified Investor</i>	CHF Hedged	LU2092387484	54756218

The minimum investment for C class is EUR 1,000,000 (or, in each case, its equivalent in other currency).

The minimum investment for S class is 2,500,000 in the corresponding currency for each share class.

The minimum investment for D class is 1,000 in the corresponding currency for each share class.

## Management fee borne by the subfund and reflected in the net asset value

<i>Management fee</i>	<i>A class</i>	1.20% p.a.
	<i>B class</i>	1.20% p.a.
	<i>C class</i>	0.90% p.a.
	<i>D class</i>	1.50% p.a.
	<i>S class</i>	0.80% p.a.

This fee is based on the average net asset value of the subfund, payable monthly.

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## Performance commission

The performance fee is payable annually and amounts to 10% of the Net Asset Value outperformance measured against the High Watermark for D share class and to 15% of the Net Asset Value outperformance measured against the High Watermark for other classes.

The High Watermark is the highest Net Asset Value at the end of the previous reporting period or the opening Net Asset Value.

## 23) CB–ACCENT LUX - Swan Short-Term High Yield

Manager of the subfund: Swan Asset Management S.A.

The objective of this subfund is to take advantage of the best high yield opportunities on the bond markets (Emerging and High Yield), in order to obtain an absolute positive return for investors. The subfund pursues this objective while seeking the balanced position judged as the most appropriate on a case by case basis, between the current high yield (coupon) of the securities and the potential capital gain adjusting to this end the duration of the financial investments and the average solvency of the portfolio.

The subfund invests primarily in debt securities.

The subfund's portfolio will have an average duration of up to three years.

The subfund invests at least 2/3 of its net assets in bond market instruments. The remainder may be invested in other products according to the restrictions set forth below.

The subfund's portfolio will be invested according to the following restrictions:

- 50% **minimum** in private and corporate bonds with a rating lower than investment grade from issuers in developed countries or bonds of all ratings issued by private, semi-state or supranational issuers from emerging countries included in the "EMBI Global Diversified" index;
- the subfund will invest exclusively in bonds listed on international markets, not including domestic bonds listed in the local currencies of emerging countries (countries included in the "EMBI Global Diversified" index);
- the subfund cannot invest more than 10% of the total in a single bond issue;
- the subfund may also freely invest in bonds cum warrants;
- a maximum of 30% can be invested in loans issued by banks.

Investments can also take place through a UCI or UCITS with a maximum of 10% of the net assets.

The subfund uses instruments such as ETFs (Exchange Traded Funds), bond derivatives (futures, interest rate options) and equity derivatives (futures and index options) for direct investment, risk hedging and improvement of the effectiveness of the fund management.

Exposure to currencies other than the Euro will mainly be hedged.

The currency of account for the subfund is the Euro (EUR).

Type and form of shares: registered share, capitalisation.

Fractions of shares: up to three decimal places.

### Profile of risk and typical investor

This subfund is targeted to investors who wish to pursue an objective of absolute returns on high yield bond markets, while seeking to profit from the opportunities offered by the various phases of the macroeconomic cycles and credit spreads.

Average to high risk profile, linked to the credit rating of the issuers of the securities purchased by the fund, the fluctuations of credits spreads and, to a lesser extent, interest rate fluctuations.

The risks tied to the bonds are due to the fact that the assets and returns of the subfund may vary with changes in the credit spreads of the bonds (which are connected to the perceived solvency of the investments) and interest rates (connected to the macroeconomic cycle).

There is furthermore a risk to the value of the investments, which is linked to the market risk, for the allowed bond and equity components of the investments described above. The asset value may fluctuate significantly with the general changes in the markets.

We cannot preclude that the value will not decrease and realization of the returns cannot be guaranteed. Investors may therefore incur losses on investments made.

Potential investors are informed that this subfund may invest in securities of countries that are emerging or developing, the level of risk of which is higher than for developed countries. The economies and markets of these countries are generally more volatile and their respective currencies may fluctuate considerably. In addition to the risks inherent in all investments involving securities, investors must be aware of the political risks, the changes in the exchange controls and the fiscal environment that could directly impact the value and liquidity of these subfunds.

### Global risk

The global risk of the subfund is calculated by using the commitment approach.

Classes of share	Currency	ISIN Code	Telekurs Code
A institutional	EUR	LU0511796509	11339565
B retail	EUR	LU0511796681	11339568
C institutional - Qualified Investor	EUR	LU0511796764	11339570
S institutional - Qualified Investor	EUR	LU2092386759	54756099
X institutional - Qualified Investor	EUR	LU2092387054	54756111
A institutional	USD Hedged	LU0860713980	20124846
B retail	USD Hedged	LU0860714012	20124848
C institutional - Qualified Investor	USD Hedged	LU0860714103	20124981
S institutional - Qualified Investor	USD Hedged	LU2092386916	54756110
X institutional - Qualified Investor	USD Hedged	LU2092387211	54756129
A institutional	CHF Hedged	LU0860714285	20124984
B retail	CHF Hedged	LU0860714368	20125130
C institutional - Qualified Investor	CHF Hedged	LU0860714442	20125252
S institutional - Qualified Investor	CHF Hedged	LU2092386833	54756108
X institutional - Qualified Investor	CHF Hedged	LU2092387138	54756115

The minimum investment for S class is 2,500,000 in the corresponding currency for each share class.

The minimum investment for X class is 25,000,000 in the corresponding currency for each share class.



## Management fee borne by the subfund and reflected in the net asset value

<i>Management fee</i>	<i>A class</i>	1.20% p.a.
	<i>B class</i>	1.20% p.a.
	<i>C class</i>	0.90% p.a.
	<i>S class</i>	0.78% p.a.
	<i>X class</i>	0.60% p.a.

This fee is based on the average net asset value of the subfund, payable monthly.

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## Performance commission

The performance fee is payable annually and amounts to 10% of the Net Asset Value outperformance measured against the High Watermark for X share class and to 15% of the Net Asset Value outperformance measured against the High Watermark for other classes.

The High Watermark is the highest Net Asset Value at the end of the previous reporting period or the opening Net Asset Value.

**Variable Capital Investment Company**  
**49, Avenue John F. Kennedy - L-1855 Luxembourg**  
**R.C.S. Luxembourg B. 80623**

## **Application form**

*(delete as applicable)*

I, the undersigned,

Surname, first name(s) \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

having received the current prospectus along with the most recent annual (and half-yearly) reports and having familiarised myself therewith

wish to subscribe \_\_\_\_\_ capital/income shares

wish to subscribe \_\_\_\_\_ "A" / "B" / "C" / "D" / "E" / "F" / "S" / "X" class shares

of the \_\_\_\_\_ subfund

in the form of registered shares.

This transaction will be settled by:

cash

debiting my account no. \_\_\_\_\_ held by you in the following currency \_\_\_\_\_

Done in duplicate at \_\_\_\_\_, on \_\_\_\_\_

Signature \_\_\_\_\_