

The Board of Directors, whose members' names appear in this Prospectus, is responsible for the information contained in this document. To the best of the knowledge and belief of the Board of Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

ADELIO UCITS FUND

(incorporated with limited liability in the Grand Duchy of Luxembourg as a *Société d'Investissement à Capital Variable*)

Prospectus

for

an umbrella fund

November 2021

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INTRODUCTION

All capitalised terms used in this Prospectus shall have the meanings given to them under the heading “GLOSSARY OF TERMS” unless the context requires otherwise.

This Prospectus includes information relating to the Fund, an undertaking for collective investment in transferable securities under part I of the Law of 2010. The Fund has adopted an “umbrella structure”, which allows its capital to be divided into multiple Sub-Funds. The Fund may issue different classes of Shares which are related to specific Sub-Funds established within the Fund.

Authorisation does not imply approval by any Luxembourg authority of the contents of this Prospectus or of any portfolio of securities held by the Fund. Any representation to the contrary is unauthorised and unlawful. In particular, authorisation of the Fund by the CSSF does not constitute a warranty by the CSSF as to the performance of the Fund and the CSSF shall not be liable for the performance or default of the Fund.

The Reports will be available on the Website and at the registered office of the Fund and will be sent to investors upon request.

This Prospectus and the KIIDs can also be accessed on the Website or obtained from the registered office of the Fund.

Statements made in this Prospectus are, except where otherwise stated, based on the law and practice currently in force in Luxembourg and are subject to changes therein.

No person has been authorised to give any information or to make any representations in connection with the offering of Shares other than those contained in this Prospectus and the Reports, and, if given or made, such information or representations must not be relied on as having been authorised by the Fund.

Shares are not being offered or sold in any jurisdiction where the offer or sale is prohibited by law or to any person who is not qualified to participate in the subscription of Shares.

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Fund to inform themselves of, and to observe, any such restrictions and all applicable laws and regulations of any relevant jurisdictions. This Prospectus does not constitute (and may not be used for the purpose of) an offer or solicitation in any state or other jurisdiction in which an offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

Potential subscribers or purchasers of Shares should also inform themselves as to the possible tax consequences, the legal requirements and any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding or sale of Shares. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Shares have not been and will not be registered under the U.S. Securities Act and neither the Fund nor the Sub-Funds have been or will be registered under the United States Investment Company Act of 1940. Accordingly, Shares may not be offered, sold, transferred, or delivered, in the United States or to or for the direct or indirect benefit of any U.S. Person, except pursuant to exemptions from registration. The Fund does not intend to offer Shares to U.S. Persons. The offer and sale of the Shares may be further restricted in other jurisdictions.

The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission or other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of these offering materials. Any representation to the contrary is unlawful.

If it comes to the attention of the Fund at any time that a U.S. Person either alone or in conjunction with any other person, owns Shares, the Fund may compulsorily redeem such Shares.

The Fund is a “recognised scheme” for the purposes of Section 264 of the UK Financial Services and Markets Act 2000 (the “FSMA”). The Fund may be promoted and sold directly to the public in the UK subject to compliance with the FSMA and applicable regulations made thereunder and is open for investment by any resident of the UK.

Potential investors in the UK should be aware that all, or most, of the rules made under the FSMA for the protection of retail clients will not apply to an investment in the Fund, and compensation under the Financial Services Compensation Scheme of the UK will not be available.

Following the withdrawal of the United Kingdom from the EU, and during the transition period provided for under the withdrawal agreement, all references to the provisions of EU legislation, including, without limitation, any directive or regulation, shall be construed, where the context of the withdrawal agreement requires or permits, as references to those provisions as implemented, amended, modified, re-enacted, revised or replaced and in force in the United Kingdom from time to time. As at today’s date, the transition period will last until 31 December 2020 unless extended.

This Prospectus may be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Prospectus. To the extent that there is any inconsistency between the English language Prospectus and the Prospectus in another language, the English language will prevail, except to the extent (but only to the extent) required by the laws of any jurisdiction including the regulations or requirements of the financial regulator of such jurisdiction where the Shares are sold, that in any action based upon disclosure in the Prospectus in a language other than English, the language of the Prospectus on which such action is based shall prevail.

There can be no guarantee that the investment objectives of the Sub-Funds will be achieved.

The Sub-Funds’ investments are subject to normal market fluctuations and the risks inherent in all investments and there can be no assurances that appreciation will occur. It is the policy of the Fund to maintain a diversified portfolio of investments so as to minimise risk.

The investments of a Sub-Fund may be denominated in currencies other than the Reference Currency of that Sub-Fund. The value of those investments (when converted to the Reference Currency of that Sub-Fund) may fluctuate due to changes in exchange rates. The price of Shares

and the income from them can go down as well as up and investors may not realise their initial investment.

Attention is drawn to the “RISK FACTORS ANNEX”.

Potential subscribers and purchasers of Shares should inform themselves as to (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding, switch, transfer and disposal of Shares.

If you are in any doubt about any of the contents in this Prospectus, you should consult your financial advisor. No person is authorised to give any information other than that contained in the Prospectus, or any of the documents referred to herein that are available for public inspection at the registered office of the Fund.

Information on the listing of the Shares on the Luxembourg Stock Exchange, if applicable, is disclosed for each Sub-Fund in the relevant Appendix.

This Prospectus contains forward-looking statements, which provide current expectations or forecasts of future events. Words such as “may”, “expects”, “future” and “intends”, and similar expressions, may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements include statements about the Fund’s plans, objectives, expectations and intentions and other statements that are not historical facts. Forward-looking statements are subject to known and unknown risks and uncertainties and inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Prospective Shareholders should not unduly rely on these forward-looking statements, which apply only as of the date of this Prospectus.

DIRECTORY

ADELIO UCITS FUND

Registered Office

3 Rue Jean Piret
L-2350 Luxembourg
Grand Duchy of Luxembourg

Board of Directors

Sylvie Rodrigues
Thérèse Collins
Ashley Brown

Management Company

Carne Global Fund Managers (Luxembourg) S.A.
3, rue Jean Piret
L-2350 Luxembourg
Grand Duchy of Luxembourg

**Investment Manager and Principal
Distributor**

Adelio Partners Limited
10 Hill Street, Mayfair,
London W1J 5NQ
United Kingdom

External Auditor

Deloitte Audit S.à r.l.
20, boulevard de Kockelscheuer
L-1821 Luxembourg
Grand Duchy of Luxembourg

Depository and Central Administration Agent

J.P. Morgan Bank Luxembourg S.A.
6, route de Trèves
L-2633 Senningerberg
Grand Duchy of Luxembourg

Legal Advisers as to Luxembourg Law

Dechert (Luxembourg) LLP
1, Allée Scheffer
B.P. 709
L-2017 Luxembourg
Grand Duchy of Luxembourg

Legal Advisers as to English and US Law

Dechert LLP
160 Queen Victoria Street
London
EC4V 4QQ
United Kingdom

GLOSSARY OF TERMS

This glossary is intended to help readers who may be unfamiliar with the terms used in this Prospectus. It is not intended to give definitions for legal purposes.

Accumulation Classes	The Classes with the suffix “acc.”.
Administration Agreement	The agreement between the Fund, the Management Company and the Central Administration Agent pursuant to which the Central Administration Agent was appointed as the administrative agent, paying agent and registrar and transfer agent of the Fund, as the same may be amended from time to time.
Administration Cooperation Directive	Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation.
Appendix	An appendix to this Prospectus in which the name and the specifications of each Sub-Fund and each Class are described.
Articles of Incorporation	The articles of incorporation of the Fund.
Benchmark Regulation	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
Board of Directors	The board of directors of the Fund.
Business Day	Unless otherwise provided for in the relevant Appendix, a day on which banks in Luxembourg are open for business (excluding 24 December) and such other days as the Board of Directors may decide. Shareholders will be notified in advance of such other days according to the principle of equal treatment of Shareholders. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.
Central Administration Agent	J.P. Morgan Bank Luxembourg S.A., as the administrative agent, paying agent and registrar and transfer agent of the Fund.
CFD	A contract for differences, whereby the seller of the contract undertakes to pay to the buyer the difference between the current value of an asset and its future value if that value has increased.
CFTC	The U.S. Commodity Futures Trading Commission.

Circular 08/356	CSSF Circular 08/356 on the rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to Transferable Securities and Money Market Instruments, as amended.
Circular 14/592	Circular CSSF 14/592 on Guidelines of the European Securities and Markets Authority (ESMA) on ETFs and other UCITS issues.
Circular 18/698	Circular CSSF 18/698 on the authorization and organization of investment fund managers incorporated under Luxembourg law and specific provisions on the fight against money laundering and terrorist financing applicable to investment fund managers and entities carrying out the activity of registrar agent.
Class	One class of Shares of no par value in a Sub-Fund.
CRS	The OECD Common Reporting Standard on the automatic exchange of financial account information.
CSSF	The <i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg Supervisory Authority.
Data Protection Legislation	The GDPR and any other applicable national laws and regulations relating to data protection.
Depository	J.P. Morgan Bank Luxembourg S.A.
Depository Agreement	The agreement between the Depository and the Fund pursuant to which the Depository was appointed as the depository of the Fund, as the same may be amended from time to time.
Directors	The members of the Board of Directors for the time being and any successors to such members as they may be appointed from time to time.
Distribution Classes	The Classes with the suffix “dis.”.
Eligible Market	A stock exchange or Regulated Market in one of the Eligible States.
Eligible State	Any Member State or any other state in Eastern and Western Europe, Asia, Africa, Australia, North America, South America and Oceania.
Emerging Markets	Those countries that are listed as emerging market countries in the MSCI All Country World Index.
ESMA	The European Securities and Markets Authority (formerly the Committee of European Securities Regulators).
ESMA Guidelines 2014/937	ESMA Guidelines 2014/937 dated 1 August 2014 regarding Guidelines on ETFs and other UCITS issues.

EU	The European Union.
EU Savings Directive	Council Directive 2003/48/EC on the taxation of savings income, as amended.
EUR or Euro	The Euro, the official currency of the Eurozone.
FATCA	The U.S. Foreign Account Tax Compliance Act.
FATF	The Financial Action Task Force established by the G-7 Summit in Paris in July 1989 to examine measures to combat money laundering.
FATF State	Such country (as shall be reviewed and) deemed from time to time by the FATF to comply with the FATF regulations and criteria necessary to become a member country of FATF and to have acceptable standards of anti-money laundering legislation.
FCA	The UK Financial Conduct Authority or any successor thereto.
FDI	A financial derivative instrument.
Financial Year	The financial year of the Fund, ending on 31 December in each year.
Fund	Adelio UCITS Fund, an open-ended investment company organised as a <i>société anonyme</i> under the laws of Luxembourg and which qualifies as a <i>société d'investissement à capital variable</i> .
G20	The informal group of twenty finance ministers and central bank governors from twenty major economies: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, United Kingdom, USA and the EU.
GBP	The British Pound Sterling, the official currency of the UK.
GDPR	The Regulation (EU) 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, and repealing Directive 95/46/EC.
Grand-Ducal Regulation of 2008	The Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010.
Hedged Classes	The Classes with the suffix “(hedged)”.
Institutional Investor	An institutional investor within the meaning of Articles 174, 175 and 176 of the Law of 2010.

Investment Management Agreement	The agreement between the Management Company, the Investment Manager and the Fund pursuant to which the Investment Manager was appointed as the investment manager of the Fund, as the same may be amended from time to time.
Investment Manager	Adelio Partners Limited.
KIID	A key investor information document produced in respect of each Class.
Law of 2005	The Luxembourg law of 21 June 2005 implementing the EU Savings Directive in national legislation in Luxembourg, as amended.
Law of 2010	The Luxembourg law dated 17 December 2010 concerning undertakings for collective investment, as amended.
Management Company	The Management Company, a public limited company (<i>société anonyme</i>) incorporated on 17 September 2009 under the laws of the Grand Duchy of Luxembourg, having its registered office at 3, rue Jean Piret, L-2350 Luxembourg, Grand Duchy of Luxembourg, under the name Carne Global Fund Managers (Luxembourg) S.A.
Management Company Services Agreement	The agreement between the Fund and the Management Company pursuant to which the Management Company was appointed as the management company and domiciliary agent of the Fund, as the same may be amended from time to time.
Member State	A member state of the European Union. The states that are contracting parties to the agreement creating the European Economic Area other than the member states of the European Union, within the limits set forth by this agreement and related acts, are considered as equivalent to member states of the European Union.
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, the Markets in Financial Instruments (MiFIR) Regulation (EU) No 600/2014 and any applicable implementing legislation or regulation thereunder.
Money Market Instruments	Money market instruments within the meaning of the Law of 2010 and the Grand-Ducal Regulation of 2008.
Net Asset Value	The net value of the assets less liabilities attributable to the Fund or a Sub-Fund or a Class, as applicable, and calculated in accordance with the provisions of this Prospectus.
OECD	Organisation for Economic Cooperation and Development.
Other UCI	An undertaking for collective investment within the meaning of Article 1, paragraph (2), points a) and b) of the UCITS Directive.

OTC	Over-the-counter.
OTC derivatives	FDIs dealt OTC, being investments which are not traded on Regulated Markets.
Performance Period	In respect of each Class, the performance period as set out in the relevant Appendix.
Principal Distribution Agreement	The agreement between the Management Company, the Principal Distributor and the Fund pursuant to which the Principal Distributor was appointed as the Principal Distributor of the Fund, as the same may be amended from time to time.
Principal Distributor	Adelio Partners Limited.
Prospectus	The prospectus of the Fund in accordance with the Law of 2010.
Redemption Price	Unless otherwise provided for in the relevant Appendix, the redemption price of Shares in a Class corresponds to the Net Asset Value of the relevant Class divided by the number of Shares then in issue determined on the Valuation Day on which the application for redemption is accepted by the Central Administration Agent, reduced by any applicable redemption charge, as detailed for each Sub-Fund in the relevant Appendix.
Reference Currency	The reference currency of the Fund as well as of each Sub-Fund and of each Class as specified in the relevant Appendix.
Regulated Market	<ul style="list-style-type: none"> - a regulated market within the meaning of Article 4, item 1.21 of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments; - a market in a Member State which is regulated, operates regularly and is recognised and open to the public; and - a stock exchange or market in a non-Member State which is regulated, operates regularly and is recognised and open to the public.
Reports	The most recent, if any, annual and semi-annual reports of the Fund.
RESA	<i>Recueil Electronique des Sociétés et Associations</i> , the official gazette of Luxembourg.
SEC	The U.S. Securities and Exchange Commission.
Securities Financing Transactions	Securities lending transactions, repurchase and reverse repurchase transactions, buy-sell back and sell-buy back transactions and other similar transactions, which may relate to both debt and equity securities.

SFT Regulations	Regulation (EU) No 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories (“SFTR”), each Commission Delegated Regulation supplementing SFTR and each Commission Implementing Regulation laying down implementing technical standards according to SFTR.
Shareholders	Holders of Shares of the Fund.
Shares or Share	Shares or a share of the Fund.
Sub-Fund	A separate sub-fund established and maintained in respect of one or more Classes to which the assets and liabilities and income and expenditure attributable or allocated to each such Class or Classes will be applied or charged.
Subscription Price	Unless otherwise provided for in the relevant Appendix, the subscription price of the Shares in each Class, denominated in the Reference Currency of the Class indicated in the relevant Appendix, corresponds to the Net Asset Value of the relevant Class divided by the number of Shares then in issue determined on the Valuation Day on which the subscription application is accepted by the Central Administrative Agent, increased by any applicable initial sales charge, as detailed for each Sub-Fund in the relevant Appendix.
Transferable Securities	Transferable securities within the meaning of the Law of 2010 and the Grand-Ducal Regulation of 2008.
TRS	Total return swaps and other FDIs (including OTC derivatives) with similar characteristics.
Unhedged Classes	The Classes which are not Hedged Classes.
U.S. or United States	The United States of America, its territories and possessions and places subject to its jurisdiction, any state of the United States of America, the District of Columbia and the Commonwealth of Puerto Rico.
U.S. 1940 Act	The United States Investment Company Act of 1940, as amended.
U.S. Securities Act	The United States Securities Act of 1933, as amended.
UCITS	An undertaking for collective investment in transferable securities authorised pursuant to the UCITS Directive.
UCITS Directive	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative

provisions relating to undertakings for collective investment in transferable securities, as amended.

UK	The United Kingdom of Great Britain and Northern Ireland.
USD or \$	The United States Dollar, the lawful currency of the United States.
U.S. Person	As defined in the section headed “GENERAL INFORMATION – DEFINITION OF A U.S. PERSON”.
Valuation Day	Each day on which the Net Asset Value of the relevant Sub-Fund shall be determined, which, unless otherwise provided for in the relevant Appendix, shall be each Business Day.
VaR	Value at risk.
Website	https://adelio.com/

The descriptions in the main body of this Prospectus are generally applicable to all Sub-Funds. However, where different descriptions or exceptions appear in the Appendix of a Sub-Fund, the descriptions or exceptions in such Appendix shall prevail. Thus, it is advisable to carefully review the relevant Appendices together with the main body of the Prospectus.

PRINCIPAL CHARACTERISTICS OF THE FUND

The Fund was incorporated for an unlimited period on 4 May 2021 as a public limited liability company (*société anonyme*) under the laws of the Grand Duchy of Luxembourg and qualifies as an open-ended investment company with variable capital (*société d'investissement à capital variable*) under part I of the Law of 2010.

The deed of incorporation, including the Articles of Incorporation, was published in the RESA on 25 May 2021.

The Fund is registered with the Luxembourg trade and companies' register (*Registre de Commerce et des Sociétés*) under number RCS B254945. The Fund was incorporated with an initial capital of 30,000 Euro. The Shares subscribed for by the founding Shareholder(s) at the incorporation of the Fund will normally be transferred to investors subscribing in the initial offering period of the Fund. The capital of the Fund shall be equal to the net assets of the Fund. The minimum capital of the Fund is 1,250,000 Euro.

The Fund is authorised by the CSSF as a UCITS under the Law of 2010.

The Directors shall maintain for each Sub-Fund a separate portfolio of assets. Each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund. A Shareholder shall only be entitled to the assets and profits of that Sub-Fund in which he participates. The Fund shall be considered as one single legal entity. With regard to third parties, including the Fund's creditors, the Fund shall be responsible for all liabilities incurred by a Sub-Fund exclusively based on the assets of the relevant Sub-Fund. The liabilities of each Sub-Fund to its Shareholders shall only be incurred with respect to the relevant Sub-Fund.

The subscription proceeds of all Shares in a Sub-Fund are invested in one common underlying portfolio of investments. Each Share is, upon issue, entitled to participate equally in the assets of the Sub-Fund to which it relates on liquidation and in dividends and other distributions as declared for such Sub-Fund or a Class. The Shares will carry no preferential or pre-emptive rights and each whole Share will be entitled to one vote at all meetings of Shareholders.

BOARD OF DIRECTORS

Directors' Functions

The Directors are responsible for the overall management and control of the Fund. The Directors will receive periodic reports from the Investment Manager detailing the Fund's performance and analysing its investment portfolio. The Investment Manager will provide such other information as may from time to time be reasonably required by the Directors.

MANAGEMENT AND INVESTMENT MANAGEMENT

Management Company

Pursuant to the Management Company Services Agreement, Carne Fund Managers (Luxembourg) S.A. was appointed as the management company of the Fund.

The Management Company is responsible on a day-to-day basis under the supervision of the Board of Directors, for providing investment management, risk management, domiciliary, corporate, administration, marketing, distribution and sales services in respect of all the Sub-Funds and may delegate part or all of such functions to third parties.

The Management Company was established on 17 September 2009 as a *société anonyme* under Luxembourg law for an unlimited period.

The Management Company is governed by Chapter 15 of the Law of 2010 and, in this capacity, is responsible for the collective portfolio management of the Fund. In accordance with appendix II of the Law of 2010, these duties include the following:

- (i) Asset Management
 - providing advice and recommendations as to the investments to be made;
 - entering into contracts, buying, selling, exchanging and delivering all Transferable Securities and any other assets; and
 - exercising, on behalf of the Fund, all voting rights attaching to the Transferable Securities constituting the Fund's assets.

- (ii) Administration
 - legal services and accounts management for the Fund;
 - domiciliation services for the Fund;
 - follow-up of requests for information from clients;
 - valuation of portfolios and calculation of the value of Shares (including all tax issues);
 - verifying compliance with regulations;
 - keeping the register of Shareholders;
 - allocating Fund income;
 - issue and redemption of Shares;
 - winding-up of contracts (including sending certificates);
 - recording and keeping records of transactions; and
 - recording keeping safely all corporate documents of the Fund, accepting all correspondence on behalf of the Fund, organising and taking care of all formalities with respect to Shareholders' meetings and meetings of the Board of Directors, publishing all compulsory legal notices and publications, and initiating payment out of the assets of the Fund of fees and charges billed by third parties, if duly authorised by the Directors.

- (iii) Marketing.

The rights and obligations of the Management Company are governed by the Management Company Services Agreement. At the date of the Prospectus, the Management Company also manages other undertakings for collective investment. The names of all other undertakings for collective investment managed by the Management Company from time to time are available at the registered office of the Management Company. Either party may terminate the Management Company Services Agreement upon ninety (90) days' prior written notice.

The Management Company agrees that it will be responsible, and will indemnify and hold harmless the Fund and its employees, officers and directors, in respect of all claims, demands, liabilities, obligations,

losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (including the cost of investigating or defending against such claims, demands or liabilities and any legal costs incurred in connection therewith) caused to the Fund or any of their employees, officers, directors, agents or delegates, by any act or omission involving material breach of the Management Company Services Agreement, wilful misconduct, negligence, fraud, reckless disregard or bad faith of the Management Company or its employees, officers, directors, agents or delegates.

The Fund agrees that it will indemnify and hold harmless the Management Company and its officers, employees and directors in respect of all claims, demands, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (including the cost of investigating or defending against such claims, demands or liabilities and any legal costs incurred in connection therewith) resulting from: (i) the fact that the Management Company or employees, officers, directors, agents or delegates appointed by the Management Company have acted thereunder as agent of the Fund in accordance with Proper Instructions (as defined in the Management Company Services Agreement), where such Proper Instructions are received, accepted and complied with in accordance with Section 4 of the Management Company Services Agreement ; and/or (ii) a material breach of the Management Company Services Agreement , wilful misconduct, negligence, fraud, reckless disregard or bad faith of the Fund or its employees, officers, directors, agents or delegates.

In accordance with the laws and regulations currently in force, the Management Company is authorised, in order to conduct its business efficiently, to delegate, under its responsibility and control, and with the prior consent of the Fund and of the CSSF, part or all of its functions and duties to any third party, which, having regard to the nature of the functions and duties to be delegated, must have sufficient resources, expertise, good repute, be qualified and capable of undertaking the duties in question.

The Management Company has delegated the administration functions to the Central Administration Agent, the asset management function to the Investment Manager and the marketing function to the Principal Distributor.

Additional information which the Management Company must make available to investors in accordance with Luxembourg laws and regulations including, but not limited to, shareholder complaints handling procedures, the management of activities giving rise to actual or potential conflicts of interest and the voting rights policy of the Management Company, shall be available at the registered office of the Management Company.

The Management Company receives periodic reports from the Investment Manager and the Fund's other service providers to enable it to perform its monitoring and supervision duties.

Remuneration Policy

The Management Company has in place a remuneration policy in line with the European Commission Delegated Regulation (EU 2016/438) of 24 March 2016 supplementing the UCITS V Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws,

regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

The remuneration policy sets out principles applicable to the remuneration of senior management, all identified staff members having a material impact on the risk profile of the Management Company, the Fund or the Sub-Funds as well as all staff members carrying out independent control functions.

In particular, the remuneration policy complies with the following principles in a way and to the extent that is appropriate to the size, internal organisation and the nature, scope and complexity of the activities of the Management Company:

- (i) it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules, this Prospectus or Articles of Incorporation;
- (ii) if and to the extent applicable, the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the Shareholders in order to ensure that the assessment process is based on the longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
- (iii) it is in line with the business strategy, objectives, values and interests of the Management Company, the Fund, the Sub-Funds and of the Shareholders, and includes measures to avoid conflicts of interest; and
- (iv) fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

The remuneration policy is determined and reviewed at least on an annual basis by a remuneration committee.

The details of the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of the persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on the website <http://www.carnegroup.com/policies-and-procedures/>. A paper copy will be made available free of charge upon request.

The variable remuneration is not paid through vehicles or methods that facilitate the avoidance of the requirements of the applicable legislation and regulatory requirements. In consideration for its services, the Management Company is entitled to receive fees from the Fund as stipulated in this Prospectus.

Investment Manager

Pursuant to the Investment Management Agreement, Adelio Partners Limited was appointed to provide certain discretionary investment management services in respect of the Company. The Investment Manager manages the investment and reinvestment of the assets of each Sub-Fund in accordance with

the investment objectives and restrictions of each Sub-Fund, under the overall responsibility of the Board of Directors.

The Investment Manager is a limited liability company incorporated in England and Wales on 2 March 2020 and is authorised and regulated by the FCA. The principal founding member of the Investment Manager is Antoine Badel.

In the course of the Investment Manager's business of managing portfolios for clients, conflicts may arise between the various clients. In the event that a conflict arises, the Investment Manager has in place arrangements to manage conflicts of interest between itself, the Management Company and the Fund. Where the Investment Manager does not consider that the arrangements under its conflicts of interest policy are sufficient to manage a particular conflict, it will inform the Management Company and the Fund of the nature and/or sources of the conflict, and the steps taken to mitigate the risks of damage to the Fund's and Management Company's interests so that they can decide how to proceed.

The Investment Manager, its affiliates and/or its principals may make a significant investment in the Shares, which may be allocated among some or all of the various Sub-Funds. There is no assurance as to the amount or duration of such investment, and a redemption of this investment by the Investment Manager, its affiliates and/or its principals could have a negative impact on a Sub-Fund's investment performance or expenses.

The Fund, the Management Company and the Investment Manager may terminate the Investment Management Agreement upon 90 days' written notice, provided that the notice expires on or any time after the first anniversary of the effective date of the Investment Management Agreement. The Fund or the Management Company may terminate the Investment Management Agreement forthwith by notice in writing to the Investment Manager if it determines that such termination is in the best interests of the Shareholders.

The Investment Management Agreement provides that the Investment Manager shall not be liable for any default of any counterparty, bank, custodian, sub-custodian or other entity which holds money, investments or other documents of title on behalf of the Fund or with or through whom transactions are conducted for the Fund.

The Management Company and the Investment Manager have agreed that the Investment Manager shall not be liable for any error of judgement or any claim, damage, expense, loss or liability suffered by the Management Company, the Fund or the Shareholders in connection with the services it provides under the Investment Management Agreement (and in particular, but without limitation, the Investment Manager shall not be liable for any claim, damage, expense, loss or liability which may be sustained in the purchase, holding or sale of any investments or other assets in connection with those services) unless such claim, damage, expense, loss or liability directly arises from its negligence, wilful default or fraud.

Each of the Management Company and the Fund has undertaken, pursuant to the Investment Management Agreement, to keep the Investment Manager and its members, shareholders, directors, agents, delegates and employees fully and effectively indemnified against costs, claims, amounts, charges, demands, damages, losses, proceedings, judgements, liabilities and expenses (including legal fees and disbursements) whatsoever incurred by them (directly or indirectly) pursuant to or in connection with the Investment Management Agreement unless due to their respective negligence, wilful default or fraud.

DEPOSITARY

Pursuant to the Depositary Agreement, J.P. Morgan Bank Luxembourg S.A. has been appointed to act as the single depositary of the Fund.

Pursuant to the Depositary Agreement, the Depositary is entrusted with the safekeeping of the Fund's assets. All financial instruments that can be held in custody are registered in the Depositary's books within segregated accounts opened in the name of the Fund, in the name of the Management Company on behalf of the Fund or the Depositary on behalf of the Fund. For assets other than financial instruments and cash, the Depositary must verify the ownership of such assets by the Fund in respect of each Sub-Fund and maintain an up-to-date record of such assets. Furthermore, the Depositary ensures that the Fund's cash flows are properly monitored, and in particular that the subscription monies have been received and all cash of the Fund has been booked in a cash account in the name of the Fund, in the name of the Management Company on behalf of the Fund or the Depositary on behalf of the Fund.

In addition, the Depositary shall also, in accordance with the Law of 2010 and the Depositary Agreement:

- a) ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected by or on behalf of the Fund are carried out in accordance with the Law of 2010 and the Articles of Incorporation;
- b) ensure that the value of the Shares is calculated in accordance with the Law of 2010 and the Articles of Incorporation;
- c) carry out the instructions of the Fund or of the Management Company acting on behalf of the Fund, unless they conflict with the Law of 2010, the Articles of Incorporation or the Depositary Agreement;
- d) ensure that in transactions involving the assets of the Fund, any consideration is remitted to the Fund within the usual time limits which are acceptable market practice in the context of the particular transaction; and
- e) ensure that the income of the Fund is applied in accordance with the Articles of Incorporation and the Law of 2010.

Under the Depositary Agreement, the Depositary may delegate its safekeeping and asset verification functions to certain third parties (each, a “**Correspondent**”) subject to the conditions laid down in the applicable laws and regulations and provided that the Depositary shall (i) exercise all due skill, care and diligence in the selection and appointment of a Correspondent, (ii) continue to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of each Correspondent to whom it has entrusted assets of the Fund for safekeeping, and (iii) ensure that the Correspondent; (A) has structures and expertise that are adequate and proportionate to the nature and complexity of the financial instruments of the Fund; (B) is subject to effective prudential regulation, including minimum capital requirements, and supervision in the jurisdiction where it offers its service to the Depositary; (C) is subject to an external periodic audit to ensure the financial instruments are in its possession; and (D) segregates financial instruments of the Depositary's clients (including the Fund) from its own assets and the assets of the Depositary in such a way that the Fund's financial instruments can at any time be clearly identified as belonging to a client of the Depositary. The Depositary will be liable for direct losses incurred by the Fund that result from: (i) the failure by a Correspondent to use reasonable care in the provision of custodial services by it in accordance with the standards prevailing in the relevant market or from the fraud or wilful misconduct or gross negligence of such Correspondent in the provision of custodial services by it; or (ii) the insolvency of any affiliated Correspondent.

The Depositary Agreement provides that the Depositary shall be liable in respect of a loss of a financial instrument held in its custody (or that of its duly appointed delegate) unless it can prove that the loss has arisen as a result of an external event beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary will also be liable to the Fund for any losses (other than loss of financial instruments held in custody) arising from the negligent or intentional failure to fulfil its obligations pursuant to this Agreement or the Law of 2010 (excluding consequential or special damages).

As the Fund may invest in markets where custodial and / or settlement systems are not fully developed, the assets of the Fund which are traded in such markets and which have been entrusted to Correspondents, in circumstances where the use of such Correspondents is necessary, may be exposed to risk (including country risk as applicable) in circumstances whereby the Depositary, to the extent permissible under the Law of 2010, will have no liability.

The Fund has agreed to indemnify the Depositary, its affiliates, its sub-custodians and their respective nominees, directors, officers or, employees and agents (the "**Depositary Indemnified Persons**") against, and hold them harmless from, any liabilities that may be imposed on, incurred by or asserted against any of the Depositary Indemnified Persons in connection with or arising out of: (i) the Depositary's performance under the Depositary Agreement, other than as a result of the Depositary Indemnified Persons' fraud, negligence, wilful misconduct; or (ii) any of the Depositary Indemnified Persons' status as a holder of record of the Fund's securities. Nevertheless, the Fund will not be obligated to indemnify any Depositary Indemnified Person under the preceding sentence with respect to any liability for which the Depositary is liable under the clause 9.1 Depositary Agreement. The Fund has also agreed to indemnify the Depositary Indemnified Persons against, and hold each of them harmless from, any liabilities that may be imposed on, incurred by, or asserted against the Depositary Indemnified Persons as a result of any action or omission taken in accordance with any instructions or other directions upon which the Depositary is authorised to rely under the terms of the Depositary Agreement.

The Fund has also agreed to indemnify and hold the Depositary harmless from and against any and all liabilities, penalties, interest or additions to tax with respect to or resulting from any delay in, or failure by, the Depositary: (i) to pay, withhold or report any taxes imposed on; or (ii) to report interest, dividend or other income paid or credited to the cash account, regardless of the reason for such delay or failure, provided, however, that Fund will not be liable to the Depositary for any penalty or additions to tax due solely as a result of the Depositary's negligent acts or omissions with respect to paying or withholding tax or reporting interest, dividend or other income paid or credited to the cash account.

The Depositary Agreement shall continue in full force and effect until terminated by the Fund, the Management Company or the Depositary by an instrument in writing delivered to the other parties, such termination to take effect not sooner than ninety (90) days (or such shorter notice period as such other parties may agree to accept), or as the Depositary in its sole discretion may determine where, acting in good faith it determines that the investments of the Fund are not sufficiently protected) after the date of service of such notice. The Depositary Agreement may be terminated by the parties with immediate effect in certain circumstances, as set out in the Depositary Agreement.

The Fund may not terminate the appointment of the Depositary and the Depositary may not retire from such appointment unless and until a successor custodian shall have been appointed in accordance with the Articles of Incorporation and applicable law, and approved by the CSSF.

Conflicts of Interest Policy

The Depositary maintains comprehensive and detailed corporate policies and procedures requiring the Depositary to comply with applicable laws and regulations. The Depositary has policies and procedures governing the management of conflicts of interests. These policies and procedures address conflicts of interests that may arise through the provision of services to the Fund.

The Depositary's policies require that all material conflicts of interests involving internal or external parties are promptly disclosed, escalated to senior management, registered, mitigated and/or prevented, as appropriate. In the event a conflict of interest may not be avoided, the Depositary shall maintain and operate effective organizational and administrative arrangements in order to take all reasonable steps to properly (i) disclose conflicts of interest to the Fund and to Shareholders (ii) manage and monitor such conflicts.

The Depositary ensures that employees are informed, trained and advised of conflicts of interest policies and procedures and that duties and responsibilities are segregated appropriately to prevent conflicts of interest issues.

Compliance with conflicts of interest policies and procedures is supervised and monitored by the board of managers of the general partner of the Depositary and by the Depositary's authorized management, as well as the Depositary's compliance, internal audit and risk management functions.

The Depositary shall take all reasonable steps to identify and mitigate potential conflicts of interests. This includes implementing its conflicts of interest policies that are appropriate for the scale, complexity and nature of its business. This policy identifies the circumstances that give rise or may give rise to a conflict of interest and includes the procedures to be followed and measures to be adopted in order to manage conflicts of interest. A conflicts of interest register is maintained and monitored by the Depositary.

The Depositary also acts as administrative agent, paying agent and registrar and transfer agent of the Fund pursuant to the Administration Agreement. The Depositary has implemented appropriate segregation of activities between the depositary and the administration, paying, registrar and transfer agency services, including escalation processes and governance. In addition, the depositary function is hierarchically and functionally segregated from the administration, paying, registrar and transfer agency services business unit.

In relation to any Correspondents to whom safekeeping and asset verification functions may be delegated under the Depositary Agreement, the Depositary has a process in place designed to select the highest quality third-party provider(s) in each market. The Depositary shall exercise due care and diligence in choosing and appointing each Correspondent so as to ensure that each Correspondent has and maintains the required expertise and competence. The Depositary shall also periodically assess whether Correspondents fulfil applicable legal and regulatory requirements and shall exercise ongoing supervision over each Correspondent to ensure that the obligations of the Correspondents continue to be appropriately discharged. The list of Correspondents relevant to the Fund is available on <https://www.bbh.com/en-us/investor-services/custody-and-fund-services/depositary-and-trustee>. This list may be updated from time to time and is available from the Depositary upon written request.

A potential risk of conflicts of interest may occur in situations where the Correspondents may enter into or have a separate commercial and/or business relationship with the Depositary in parallel to the

safekeeping delegation relationship. In the conduct of its business, conflicts of interest may arise between the Depositary and the Correspondent. Where a Correspondent has a group link with the Depositary, the Depositary undertakes to identify potential conflicts of interests arising from that link, if any, and to take all reasonable steps to mitigate those conflicts of interest. The Depositary does not anticipate that there would be any specific conflicts of interest arising as a result of any delegation to any Correspondent. The Depositary will notify the Board of Directors and/or the board of the Management Company of any such conflict should it so arise. To the extent that any other potential conflicts of interest exist pertaining to the Depositary, they have been identified, mitigated and addressed in accordance with the Depositary's policies and procedures.

Updated information on the Depositary's custody duties and conflicts of interest that may arise may be obtained, free of charge and upon request, from the Depositary.

ADMINISTRATION

Pursuant to the Administration Agreement, J.P. Morgan Bank Luxembourg S.A. has been appointed as administrative agent, paying agent and registrar and transfer agent of the Fund.

The Central Administration Agent is responsible for the general administrative functions required by Luxembourg law and for processing the issue, redemption, and switching of Shares, the calculation of the Net Asset Value, the maintenance of accounting records, as well as reporting and publication services (preparation of financial reports, liaising with the external auditor and the CSSF and the preparation of all statements required under applicable laws and regulations in Luxembourg).

The Central Administration Agent is also responsible for the maintenance of the register of Shareholders, and for any services with regard to the dispatch of notices and circulars to Shareholders.

The Administration Agreement shall be in effect for an initial term of three (3) years from the date of the Administration Agreement. Following this term, the Administration Agreement shall be in effect until a valid termination notice is given by the Fund and the Management Company (acting together) or the Central Administration Agent upon at least ninety (90) days' prior notice. Each of the Fund and the Management Company may terminate the Administration Agreement with immediate effect if such termination is considered by the Management Company or the Fund, acting reasonably (and evidenced by a board resolution of the Management Company and/or the Fund (as applicable)), to be in the best interests of the Shareholders. The Administration Agreement may be terminated by the parties in certain other circumstances, with immediate effect, as outlined in the Administration Agreement.

The Central Administration Agent shall be liable for the Fund's direct liabilities to the extent they result from the Central Administration Agent's fraud, negligence, or wilful misconduct in performing its duties as set out in the Administration Agreement (including the selection, appointment or use by the Central Administration Agent of any information provider).

The Central Administration Agent shall not be liable for; (i) any loss of profits (whether direct or indirect), loss of revenue (whether direct or indirect), loss of savings (actual or anticipated) or loss of goodwill; (ii) any indirect, incidental, consequential or special damages of any form, incurred by any person or entity, whether or not foreseeable and regardless of the type of action in which such a claim may be brought, with respect to the Central Administration Agent's performance or non-performance under the Administration Agreement, or the Central Administration Agent's role as a service provider to the Fund;

(iii) the extent of any liabilities suffered by any person as a result of the failure of the performance of actions or obligations by the Fund, the Management Company or the Investment Manager; (iv) for the assumptions made by the Central Administration Agent acting reasonably and in good faith in preparing a report proving to be incorrect, inaccurate or inapplicable or any assumption which could or should have been made not being made; (v) any liabilities arising as a consequence of the Fund or the Management Company using, or providing to any other person to use, any report or information in or derived from or based on any report, to make investment decisions in respect of the Fund; or (vi) any liabilities suffered by any person relating to any decisions made by the Central Administration Agent in complying with anti-money laundering or sanctions requirements.

The Fund has agreed to indemnify the Central Administration Agent, the Central Administration Agent's affiliates, and their respective nominees, shareholders, directors, officers, employees and agents or any other persons who work for these entities (the "**Central Administration Agent Indemnitees**") against, and hold them harmless from, any liabilities that may be imposed on, incurred by or asserted against any of the Central Administration Agent Indemnitees in connection with or arising out of the Central Administration Agent's performance under the Administration Agreement, provided that the Central Administration Agent Indemnitees have not acted with negligence or engaged in fraud or wilful misconduct in connection with the liabilities in question.

PRINCIPAL DISTRIBUTOR

The Management Company has appointed, with the consent of the Fund, Adelio Partners Limited as principal distributor of the Fund.

The Principal Distributor will not accept applications for the issue, switch or redemption of Shares but may appoint sub-distributors (both affiliated and non-affiliated) authorised to that end to perform this function.

The sub-distributors will transmit all applications to the Central Administration Agent.

In case of a delegation to sub-distributors, the agreement between the Principal Distributor and any sub-distributor will be subject to and will comply with any applicable law and regulation, including with regard to anti-money laundering.

The Principal Distributor, the Management Company or the Fund may terminate the Principal Distribution Agreement upon 90 days' prior written notice to the other parties sent by registered letter with acknowledgement of receipt. The Management Company and/or the Fund may terminate the Principal Distribution Agreement if it determines that such termination is in the best interests of the Shareholders.

The Fund shall keep the Principal Distributor its members, shareholders, directors, agents, delegates and employees fully and effectively indemnified against all costs, claims, amounts, charges, demands, damages, losses, proceedings, judgements, liabilities and expenses (including legal fees and disbursements) whatsoever, incurred by them (directly or indirectly) pursuant to or in connection with the Principal Distribution Agreement unless due to their respective negligence, wilful default or fraud.

EXTERNAL AUDITOR

The Fund has appointed Deloitte Audit S.à r.l. as its external auditor.

INVESTMENT OBJECTIVES AND POLICIES

The investment objectives and policies of each Sub-Fund are set out in the relevant Appendix.

PROFILE OF THE TYPICAL INVESTOR

It is recommended that potential investors in the Sub-Funds seek independent financial advice before making their investment decision.

MiFID II requires manufacturers and distributors of financial instruments to undertake a target market assessment. Factors relevant to the Investment Manager's determination of the target market for each Sub-Fund are set out in the Appendix of the relevant Sub-Fund.

RISK PROFILE

The risks inherent in an investment in the Sub-Funds are mainly related to possible changes in the value of Shares which, in turn, are affected by the value of the financial instruments held by the Sub-Funds. The use of FDIs may magnify the volatility of the Shares. An investor can lose money by investing in the Fund.

The risk profile of each Sub-Fund is described in the Appendix of the relevant Sub-Fund.

DIVIDEND POLICY

Details of the distribution policy of each Sub-Fund are disclosed in the Appendix of the relevant Sub-Fund.

The Board of Directors may, in respect of Distribution Classes of a Sub-Fund, make distributions to the relevant Class' Shareholders. The distribution policy for the Distribution Classes are disclosed in the relevant Sub-Fund Appendix.

No distribution may be made which would result in the net assets of the Fund falling below the minimum provided for by Luxembourg law.

Distributions not claimed within five years from their payment date will lapse and revert to the relevant Sub-Fund. No interest will be paid on the distributions declared but not claimed and held by the Fund for the account of the Shareholder(s) concerned. Investors should seek tax advice in respect of the tax treatment of distributions paid out of income and/or capital in the jurisdiction in which such investor resides or is domiciled for tax purposes.

ISSUE OF SHARES

Under the Articles of Incorporation, the Directors have the power to issue Shares corresponding to different Sub-Funds each consisting of a portfolio of assets and liabilities. Within each Sub-Fund, the

Directors may issue different Classes with different characteristics, such as different fee structures, different minimum amounts of investment or different currencies of denomination. The Classes available for each Sub-Fund are indicated in the relevant Appendix.

If it appears at any time that a holder of Shares of a Sub-Fund or Class reserved to Institutional Investors is not an Institutional Investor, the Board of Directors will convert the relevant Shares into Shares of a Sub-Fund or Class which is not restricted to Institutional Investors or compulsorily redeem the relevant Shares. The Board of Directors will refuse to give effect to any transfer of Shares and consequently refuse any transfer of Shares to be entered into the register of Shareholders in circumstances where such transfer would result in a situation where Shares of a Sub-Fund or Class restricted to Institutional Investors would, upon such transfer, be held by a person not qualifying as an Institutional Investor. Investors should further refer to Article 8 of the Articles of Incorporation.

The eligibility requirements applicable to Shareholders, as set forth in this Prospectus, are collectively referred to as the “Eligibility Requirements”. Although the Shares are required to be negotiable and transferable on the Luxembourg Stock Exchange upon their admission to trading thereon (and trades registered thereon are not able to be cancelled by the Fund), the Eligibility Requirements will nevertheless apply to any party to which Shares are transferred on the Luxembourg Stock Exchange. It is not currently anticipated that a listing on the Luxembourg Stock Exchange or any other exchange will be made.

The holding at any time of any Shares by a party which does not satisfy the Eligibility Requirements may result in the compulsory redemption of such Shares by the Fund.

The Fund may issue further Sub-Funds or Classes. The Prospectus will be updated as new Sub-Funds and/or Classes are issued.

Shares may normally be bought from or be sold to the Fund at the Subscription Price and Redemption Price based on the Net Asset Value of the relevant Shares. The Subscription Price is set out below under the heading “BUYING SHARES” and the Redemption Price is set out below under the heading “SELLING SHARES”.

Shares are available in registered form without certificates.

Fractions of Shares will be issued in denominations of up to two (2) decimal places.

Fractions of Shares will not carry any voting rights but will participate *pro rata* in all distributions made.

The Fund may not issue warrants, options or other rights to subscribe for Shares to its Shareholders or to other persons.

Pursuant to the Luxembourg laws of 19 February 1973 to combat drug addiction, as amended, of 5 April 1993, relating to the financial sector, as amended, and of 12 November 2004 on the fight against money laundering and terrorist financing, as amended, and to the relevant circulars and regulations of the CSSF (especially Circular 18/698, CSSF Regulation N° 12-02, CSSF Circular 13/556 and any CSSF regulation or circular amending, supplementing or replacing them), obligations have been imposed on professionals of the financial sector to prevent the use of undertakings for collective investment such as the Fund for money laundering purposes. Within this context measures to ensure the identification of investors have been imposed.

The Fund may reject any application for Shares in whole or in part for any or no reason. If an application is rejected, the application monies or balance thereof will be, subject to applicable laws and regulations, returned at the risk of the applicant and without interest as soon as reasonably practicable at the cost of the applicant.

Market Timing Policy: The Fund does not knowingly allow investments which are associated with market timing practices, as such practices may adversely affect the interests of all Shareholders.

As per CSSF Circular 04/146, market timing is defined as an arbitrage method through which an investor systematically subscribes and redeems or switches units or shares of the same undertaking for collective investment within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the net asset values of the sub-funds of the undertaking for collective investment.

Opportunities may arise for the market timer either if the Net Asset Values of the Sub-Funds are calculated on the basis of market prices which are no longer up to date (stale prices) or if the Sub-Funds accept orders on a Business Day after calculating the Net Asset Value for that Valuation Day.

Market timing practices are not acceptable as they may affect the performance of the relevant Sub-Fund through an increase in costs and/or dilution in Net Asset Value. The Fund is not designed for investors with short-term investment horizons. Activities which may adversely affect the interests of the Shareholders (for example that disrupt investment strategies or impact expenses) such as market timing or the use of the Fund as an excessive or short-term trading vehicle are not permitted.

While recognising that Shareholders may have legitimate needs to adjust their investments from time to time, the Board of Directors, in its discretion may, if it deems that such activities adversely affect the interests of the Shareholders, take such action as it considers appropriate to deter such activities.

Accordingly, if the Fund determines or suspects that a Shareholder has engaged or is attempting to engage in such activities, the Fund may suspend, cancel, reject or otherwise deal with that Shareholder's subscription, redemption or switching applications and take any action or measures as it considers appropriate or necessary to protect the Fund and its Shareholders.

CLASSES OF SHARES

The Fund may issue different Classes of Shares, as determined by the Board of Directors which may differ *inter alia* in their fee structure and distribution policy applying to them. The Classes for each Sub-Fund are detailed in the relevant Appendix.

The amounts invested in the various Classes of each Sub-Fund are themselves invested in a common underlying portfolio of investments. The Board of Directors may decide to create further Classes with different characteristics (such as hedged classes, different charging structures, different minimum amounts of investment, different currencies of denomination or different distribution and dividend policies). Please visit the Website for a complete list of Classes currently available for investment.

As at the date of this Prospectus, the following categories of classes may be made available:

Class A Shares

Class A Shares are available to all eligible investors on the terms provided for in the relevant Appendix.

Class F Shares

Class F Shares are available to all eligible investors. Investment into Class F Shares shall be at the absolute discretion of the Board of Directors with the consent of the Investment Manager. The Class F Shares will be closed to investment upon a certain level of subscriptions having been made in the relevant Sub-Fund, as set out in the relevant Appendix.

Class R Shares

Class R Shares are available to all eligible investors on the terms provided for in the relevant Appendix.

Class Z Shares

Class Z Shares are available for investment by one or more personnel of the Investment Manager. Class Z Shares will bear the establishment costs of the Fund and its initial Sub-Fund (Adelio UCITS Fund – Adelio European Fund). Class Z Shares will only be issued in Adelio UCITS Fund – Adelio European Fund.

Accumulation Classes

Share Classes with the suffix ‘acc.’ are accumulation share classes. Subject to the Board of Directors’ discretion to determine otherwise, net income and net realised capital gains will not be distributed and will be reflected in the Net Asset Value per Share.

Distribution Classes

Share Classes with the suffix ‘dis.’ are distribution share classes. Details of the distribution policy of such share classes are set out in the Appendix of the relevant Sub-Fund.

Hedged Classes

Hedged Classes of a Sub-Fund will be hedged against the Reference Currency of that Sub-Fund, with the objective of minimizing currency risk exposure. While the relevant Sub-Fund will attempt to hedge this risk, there can be no guarantee that it will be successful in doing so. This activity may increase or decrease the return to investors in those Classes.

Unhedged Classes

Unhedged Classes will not be hedged against the Reference Currency of the relevant Sub-Fund meaning that the performance of such Classes will be affected by currency rate fluctuations between the Reference Currency for such Classes and the Reference Currency for the relevant Sub-Fund. This will impact upon the return to investors in those Classes and the Net Asset Value per Share.

BUYING SHARES

The Shares of each Sub-Fund may be subscribed for through the Central Administration Agent. Investors must read the relevant KIID and fill out and sign the subscription form. Subscriptions are subject to acceptance by the Board of Directors in whole or in part in its sole discretion without liability. The Fund may also accept subscriptions transmitted via facsimile.

The Shares may not be offered, sold, transferred or delivered in the United States or to or for the direct or indirect benefit of a U.S. Person, and Shares may not be owned by a U.S. Person at any time. The offer and sale of the Shares may be further restricted in other jurisdictions.

In certain instances, depending on the nature of the arrangement with a particular bank, sub-distributor or financial institution authorised to offer and sell Shares, the bank, sub-distributor or financial institution may charge and retain an initial sales charge, in which case the initial sales charge would not be reflected in the Subscription Price. Investors should confirm with the bank, sub-distributor or financial institution through whom they invest whether any initial sales charge will apply to their purchase and, if so, how it will be applied.

Complete applications for Shares for a Valuation Day must be received and approved by the Central Administration Agent as set out in the relevant Appendix.

Applicants wishing to subscribe for Shares should complete a subscription form and send it to the Central Administration Agent together with all required identification documents. Should such documents not be provided, the Central Administration Agent will request such information and documentation as is necessary to verify the identity of an applicant. Shares will not be issued until such time as the Central Administration Agent has received and is satisfied with all the information and documentation requested to verify the identity of the applicant. The subscription form will require that each applicant represent that the Shares are not being purchased by or on behalf of any U.S. Person. Applicants wishing to subscribe for Shares reserved for Institutional Investors will need to provide the Central Administration Agent such information and documentation as is necessary to verify that such applicant is an Institutional Investor. Failure to provide such documentation or information may result in a delay of the subscription process or a cancellation of the subscription request.

The Subscription Price, payable in the Reference Currency of the relevant Class, must be paid to the Depositary as specified for each Sub-Fund in the relevant Appendix.

In addition to the Subscription Price, taxes and stamp duties may need to be paid by Shareholders in certain countries where the Shares are offered.

The Board of Directors may elect in their absolute discretion to accept subscription payments from investors, either in whole or in part, *in specie* rather than in cash. In exercising their discretion, the Board of Directors will take into account the investment objective, investment policy and investment restrictions of the Sub-Fund and whether the proposed *in specie* assets comply with those criteria. The Fund's auditor must prepare a special audit report confirming the value of any assets contributed *in specie*. The Board of Directors will procure that the Central Administration Agent will use the same valuation procedures used in determining Net Asset Value to determine the value to be attributed to the relevant securities to be accepted in payment of the subscription amount. Upon receipt of properly completed subscription materials, the Central Administration Agent will allot the requisite number of Shares in the normal

manner. The Board of Directors reserve the right to decline to register any prospective Shareholder until the subscriber has been able to prove title to the assets in question and make a valid transfer thereof. The subscriber will be responsible for all custody and other costs (including the cost of the special audit report by the external auditor of the Fund) involved in the transfer of the relevant assets, unless the Board of Directors otherwise agree.

The relevant confirmations of the registration of the Shares are delivered by the Central Administration Agent as soon as reasonably practicable and normally within three Business Days following the relevant Valuation Day. Subscribers should always check this confirmation to ensure that the registration has been accurately recorded. This will also include a personal account number which, together with the Shareholder's personal details, is proof of its identity to the Fund. The personal account number should be used by the Shareholder for all future dealings with the Fund, the Central Administration Agent, the Principal Distributor, any sub-distributor and any correspondent bank.

Any changes to the Shareholder's personal details or loss of account number must be notified immediately to the Central Administration Agent, the Principal Distributor or the relevant sub-distributor, who will, if necessary, inform the Central Administration Agent in writing. Failure to do so may result in the delay of an application for subscription, redemption or switching.

The Fund reserves the right to require an indemnity or other verification of title or claim to title countersigned by a bank, stockbroker or other party acceptable to it before accepting such changes.

If any subscription is not accepted in whole or in part, the subscription monies or the balance outstanding will be, subject to applicable laws, returned without delay to the subscriber by bank transfer at the subscriber's risk without any interest.

If timely payment for Shares is not made (or if a completed subscription form is not received in proper form for an initial subscription), the application for Shares may be deemed null and void and Shares previously allotted may be cancelled. This may also result in the Management Company, the Fund and/or any relevant distributor billing the defaulting subscriber or its financial intermediary for any costs or losses incurred by the Management Company, the Fund, a Sub-Fund and/or any relevant distributor, deducting any such costs or losses against any existing holding of the subscriber in the Fund or against any subscription monies already received, or bringing an action against the defaulting subscriber or its financial intermediary. Any money returnable to the subscriber will be held by the Fund without payment of interest.

The Board of Directors may at any time, in its sole discretion, temporarily suspend, definitely cease or limit the issue of Shares to persons or companies who reside or are domiciled in certain countries and territories or exclude them from subscribing for Shares, if such measure is considered appropriate to protect the Shareholders or the Fund.

The minimum initial and subsequent subscription amounts and the minimum holding amounts for each Sub-Fund (or, if more than one Class has been issued in a Sub-Fund, for each Class) are specified in the relevant Appendix. The Directors may set different levels for minimum subscription amounts and minimum holding amounts for investors in certain countries. The Directors may decide to waive any minimum initial or subsequent subscription amounts or any minimum holding amounts at their discretion at any time, whether in particular instances or in certain types of situations, including, but not limited to, situations where a prospective investor in a particular Sub-Fund or Class already has other investments

in the Fund that in the aggregate exceed the relevant minimum, or where a prospective investor has undertaken to reach the investment minimum within a specified period of time, or for banks, sub-distributors and financial institutions who are subscribing on behalf of their clients.

For the same reasons, but always in accordance with the Articles of Incorporation, the Directors may provide for specific payment arrangements for investors in certain countries. An adequate description of these arrangements will be made available to investors in the relevant countries together with the Prospectus.

SELLING SHARES

The Shareholders may at any time exit the Fund by sending a written redemption form to the Central Administration Agent, such written redemption form constituting an irrevocable request for redemption (in whole or in part). The Fund may accept redemptions transmitted via facsimile.

If, for any reason, the minimum holding amount of a Shareholder in Shares of a particular Sub-Fund (or, if more than one Class of Shares have been issued in a Sub-Fund, of that Class) falls below the amount specified for each Sub-Fund (or, if applicable, for that Class) in the relevant Appendix, then the Shareholder will at the discretion of the Fund be deemed to have requested the redemption of all of his Shares of that Sub-Fund (or, if applicable, of that Class).

Unless otherwise provided for in the relevant Appendix of each Sub-Fund, no redemption fee will be charged. However, the amount reimbursed may be reduced by costs, taxes and stamp duties which may be payable at the time.

The Redemption Price of Shares presented for redemption will be paid within the timeframe specified in the relevant Appendix.

On payment of the Redemption Price, the corresponding Shares will be cancelled immediately in the Fund's Share register. Any taxes, commissions and other fees incurred in the respective countries in which the Shares are redeemed will be charged.

The Redemption Price may be higher or lower than the Subscription Price paid at the date of issue of the Shares in accordance with changes in a Sub-Fund's Net Asset Value.

A confirmation statement will be sent by facsimile, email or post to the relevant Shareholder (or third party as requested by the Shareholder), detailing the redemption proceeds due as soon as reasonably practicable and normally within three Business Days following the relevant Valuation Day. Shareholders should check this statement to ensure that the transaction has been accurately recorded.

Shareholders should note that they might be unable to redeem Shares through a distributor (if applicable), on days during which such distributor is not open for business.

Payment for Shares redeemed will be effected in the Reference Currency of the relevant Class on or after the relevant Valuation Day (as specified in the relevant Appendix), unless legal constraints, such as foreign exchange controls or restrictions on capital movements, or other circumstances beyond the control of the Depositary, make it impossible or impracticable to transfer the redemption amount to the country in which the application for redemption was submitted.

If necessary, the Central Administration Agent will arrange the currency transaction required for the conversion of the redemption monies from the Reference Currency of the relevant Class into the relevant redemption currency. Such currency transaction will be effected at the redeeming Shareholder's cost and risk.

The Board of Directors may, with the prior consent of a redeeming Shareholder, satisfy a redemption request *in specie* by transferring underlying investments to such redeeming Shareholder. The underlying investments will be equal in value to the value of the holding of Shares to be redeemed. The nature and type of underlying investments to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other Shareholders. The valuation used in respect of such transfers shall be confirmed by a special report of the Fund's external auditor, the cost of which shall be borne by the redeeming Shareholder. The Board of Directors will ensure that the transfer of assets *in specie* in cases of such redemptions will not be detrimental to the remaining Shareholders of the Sub-Fund by pro-rating the redemption *in specie* as far as possible across the relevant Sub-Fund's entire portfolio of securities. The specific costs for such redemptions *in specie* will be borne by the redeeming Shareholder.

If the redemption (or switching) of Shares in a Sub-Fund on any Valuation Day by one or more Shareholders exceeds 10% of the Net Asset Value of the Shares of that Sub-Fund in issue that Valuation Day, the Fund may restrict the number of redemptions (or switches) to 10% of the Net Asset Value of the Shares in that Sub-Fund on that Valuation Day. To safeguard the interests of the Shareholders, this limitation will apply to all Shareholders who have requested the redemption (or switching) of their Shares in a Sub-Fund on a Valuation Day *pro rata* to the Shares in the Sub-Fund tendered by them for redemption (or switching). Any redemptions (or switches) not carried out on that Valuation Day will be carried forward to the next Valuation Day. They will be dealt with on that Valuation Day under the same limitations, and in priority according to the date of receipt of the redemption (or switching) request. If redemption (or switching) requests are carried forward, the Fund will inform the Shareholders affected thereby.

The redemption of the Shares may be suspended by decision of the Board of Directors, in the circumstances detailed under the heading "TEMPORARY SUSPENSION OF CALCULATION OF THE NET ASSET VALUE" or by decision of the CSSF when required in the interest of the public or of the Shareholders and, in particular, when the legal, regulatory or contractual provisions concerning the activity of the Fund have not been complied with.

No third party payments will be made.

If the Fund discovers at any time that a person, who is precluded from holding Shares in the Fund, such as a U.S. Person or a non-Institutional Investor (in respect of Classes reserved for Institutional Investors), either alone or in conjunction with any other person, whether directly or indirectly, is a beneficial or registered owner of Shares, the Fund may, in its discretion and without liability, compulsorily redeem the Shares at the Redemption Price as described above after giving notice, and upon redemption, the person who is precluded from holding Shares in the Fund will cease to be the owner of those Shares. The Fund may require any Shareholder to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a person who is precluded from holding Shares in the Fund.

The Fund may further cause Shares to be redeemed if such Shares are held by/or for the account and/or on behalf of (i) a person that does not provide the necessary information requested by the Fund in order to comply with legal and regulatory rules such as but not limited to the FATCA and/or CRS provisions or (ii) a person who gives rise or may give rise to a regulatory, pecuniary, legal, taxation, reputational or material administrative disadvantage to the Fund or the Shareholders.

SWITCHING OF SHARES

Switching of Shares shall only be permitted if explicitly set out in the Appendix of the relevant Sub-Funds.

Subject to the qualifications for investment being met, a Shareholder may request the switch of all or, provided the value of the Shares to be switched equals or exceeds the minimum initial or subsequent subscription amount specified for the relevant Sub-Fund or Class as set out in the relevant Appendix (subject to any applicable waiver as described under the heading “BUYING SHARES”), part of his Shares of one Sub-Fund or Class into Shares of another Sub-Fund or Shares of another Class of the same Sub-Fund. Switches into Class F Shares are only permitted at the absolute discretion of the Board of Directors with the consent of the Investment Manager, provided that the Class has not been closed to investment as a result of a specified Net Asset Value having already been invested in the relevant Sub-Fund, as set out in the relevant Appendix.

A Shareholder wishing to switch into a Class reserved for Institutional Investors will need to provide to the Central Administration Agent such information and documentation as is necessary to verify that such Shareholder is an Institutional Investor.

Unless otherwise provided for in the relevant Appendix of the Sub-Fund, switching may be made free of charge.

Shareholders must read the relevant KIID and fill out and sign an irrevocable application for switching which must be addressed with all the switching instructions to the Central Administration Agent. The Fund may also accept switches transmitted via facsimile.

If, as a result of the switch, the minimum holding amount of a Shareholder in Shares of a particular Sub-Fund (or, if more than one Class of Shares have been issued in a Sub-Fund, of that Class) falls below the amount specified for each Sub-Fund (or, if applicable, for that Class) in the relevant Appendix, then the Shareholder will at the discretion of the Fund be deemed to have requested the redemption of all of his Shares of that Sub-Fund (or, if applicable, of that Class) which will also be switched in to the relevant Sub-Fund or Class.

The switching is performed on the basis of the Net Asset Value of the Sub-Funds and/or Classes concerned on the day the switching application is received in proper form by the Central Administration Agent, provided that such day is a Valuation Day for both of the Sub-Funds and/or Classes involved in the switching and the switching application has been received in proper form as set out in the relevant Appendix. Shares may not be switched if the determination of the Net Asset Value of one of the relevant Sub-Funds or Classes is suspended.

A switching order may require the conversion of currency from one Sub-Fund or Class to another. In such event, the number of Shares of the New Sub-Fund (as defined below) obtained on a switching will be affected by the net foreign currency exchange rate, if any, applied to the switching.

The rate at which Shares in a given Sub-Fund or Class (the “**Initial Sub-Fund**”) are switched into Shares of another Sub-Fund or Class (the “**New Sub-Fund**”) is determined by means of the following formula:

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

A is the number of Shares of the Initial Sub-Fund subject to the switching order;

B is the Net Asset Value per Share of the Initial Sub-Fund;

C is the switching fee if any;

D is the Net Asset Value per Share of the New Sub-Fund;

E is the currency exchange rate (prevailing in Luxembourg) between the currency of the Initial Sub-Fund and the currency of the New Sub-Fund. If the currency of the Initial Sub-Fund and the currency of the New Sub-Fund are the same, E will be equal to 1; and

F is the number of Shares of the New Sub-Fund obtained in the switching.

A confirmation statement will be sent by facsimile, email or post to the relevant Shareholder (or third party as requested by the subscriber), detailing the switching transactions as soon as reasonably practicable after the Net Asset Value of the Shares being switched has been determined. Shareholders should check this statement to ensure that the transactions have been accurately recorded.

TRANSFERS

All transfers of Shares must be effected by written instrument by the transferor and the transferee and containing the name of the transferee and the number of Shares being transferred, or in such other manner or form and subject to such evidence as the Board of Directors and the Central Administration Agent shall consider appropriate. A specific transfer form can be obtained upon request from the Central Administration Agent. The transfer will take effect on registration of the transferee as holder of the Shares. The transferee will be required to give the warranties contained in the Fund’s subscription form and, subject to the Board of Directors absolute discretion to determine otherwise, the transferee will be required to comply with the minimum subscription and holding amounts, as set out in the Appendix of the relevant Sub-Fund, and must also provide such additional information as the Central Administration Agent or the Fund deem necessary, including, where applicable, to verify such transferee is an Institutional Investor. The Board of Directors may set different levels for minimum subscription and minimum holding amounts for investors in certain countries.

The Board of Directors does not intend to allow transfers of Shares to any U.S. Persons.

The Board of Directors may, in its sole discretion, refuse to effect a transfer of Shares where such transfer gives rise or may give rise to a regulatory, pecuniary, legal, taxation, reputational or material administrative disadvantage to the Fund or the Shareholders.

Further, the Board of Directors may, in its sole discretion, require the transfer of Shares which are held by any person holding Shares where such Shares are owned directly or beneficially by any person who,

by virtue of the holding concerned gives rise or may give rise to a regulatory, pecuniary, legal, taxation, reputational or material administrative disadvantage to the Fund or the Shareholders.

A transfer will, unless the Board of Directors agrees otherwise, be treated as a redemption by the transferor and a subscription by the transferee.

FEES AND EXPENSES

Sales Charges

Initial Sales Charge

Unless otherwise provided for in the Appendix for the relevant Sub-Fund, no initial sales charge will be payable on the amount of Shares purchased.

Redemption Charge

Unless otherwise provided for in the Appendix for the relevant Sub-Fund, no fees will be charged on the redemption of Shares.

Switching Fee

Unless otherwise provided for in the Appendix for the relevant Sub-Fund, the Shares of which are being switched, no fees apply to switches of Shares.

Management Company Fee

The Fund will pay the Management Company a fee of up to 0.03% per Sub-Fund per year with a minimum of up to EUR 25,000 per year per Sub-Fund.

As remuneration for its services as corporate secretary and domiciliary agent, the Management Company will receive from the Fund an annual fee of EUR 5,000 and variable fee being EUR 1,000 per Sub-Fund and EUR 1,000 per board meeting.

Depositary Fee

Under the Depositary Agreement, the Depositary receives annual safekeeping and servicing fees, according to the agreed schedule with the Fund in respect of each Sub-Fund, the rates for which vary according to the country of investment and, in some cases, according to the Class. The depositary fee is payable at the end of each month by the Fund in respect of each Sub-Fund and is accrued on each Valuation Day based on the previous Valuation Day's Net Asset Value and the number of transactions processed. The depositary fee normally includes depositary fees, safekeeping fees, transaction charges and out of pocket expenses. The depositary fees paid by the Fund will not exceed 0.025% of the net assets of the Fund (excluding transaction charges and reasonable disbursements and out-of-pocket expenses). The depositary safekeeping fee varies depending upon the markets in which the assets of the Fund are invested and typically ranges from 0.01% of the net assets of the Fund in developed markets to a maximum of 0.0125% of the net assets of the Fund in less developed markets (excluding transaction charges and reasonable disbursements and out-of-pocket expenses) and remain subject to a minimum fee of EUR 50,000 per Sub-Fund per year. These fees may be raised or lowered from time to time to reflect

current market practice if agreed between the Fund and the Depositary, in which case the Prospectus will be updated accordingly.

Administrative Fee

Under the Administration Agreement, the Central Administration Agent receives annual administrative fees, according to the agreed schedule with the Fund in respect of each Sub-Fund, the rates for which vary according to the country of investment and, in some cases, according to Class. The administrative fee is payable at the end of each month by the Fund in respect of each Sub-Fund and is accrued on each Valuation Day based on the previous Valuation Day's Net Asset Value and the number of transactions processed during that month. The administrative fee is calculated by the agreed schedule and shall, in principle, not exceed 0.05% per annum of the Net Asset Value of each Sub-Fund and remains subject to a minimum of EUR 48,000 per year. These fees may be raised from time to time to reflect current market practice if agreed between the Fund and the Central Administration Agent, in which case the Prospectus will be updated accordingly. Further, additional transaction fees, share class surcharges, tax calculation charges and maintenance fees for transfer agency services will be levied by the Central Administration Agent.

Investment Management Fee

The Investment Manager will receive from the Fund an investment management fee in respect of each Sub-Fund as specified in the relevant Appendix.

The Investment Manager may pay out of its investment management fee, marketing commission or trailer fees to eligible introducers of investors to the Fund. The Investment Manager may also pay retrocessions or rebates out of its investment management fee to certain investors, taking due account of the requirement to act in the best interests of the Shareholders.

Performance Fee

The Investment Manager will receive from the Fund a performance fee in respect of each Sub-Fund or Class (as applicable) as specified in the relevant Appendix.

Distribution Fee

Unless otherwise provided for in the relevant Appendix of each Sub-Fund, no fee will be paid to the Principal Distributor. In case of a delegation to sub-distributors, the Principal Distributor will pay the fees of such sub-distributors out of its own assets.

Directors' Remuneration

Each of the Directors is currently entitled to an annual fee of EUR 20,000 payable by the Fund. Mr. Ashley Brown, an employee of the Investment Manager has waived his fee. Ms. Sylvie Rodrigues, as chair is entitled to an annual fee of EUR 25,000. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Fund.

Formation Costs

The costs and expenses of the formation of the Fund and the initial Sub-Fund are to be borne by the Fund and amortized over a period not exceeding five (5) years from the date of formation. The formation costs of any new Sub-Fund shall be borne by the relevant Sub-Fund and amortized over a period not exceeding five (5) years.

Class Z Shares are available for investment by one or more personnel of the Investment Manager. Class Z Shares will bear the formation costs and expenses of the Fund and its initial Sub-Fund (Adelio UCITS Fund – Adelio European Fund). Class Z Shares will be issued in Adelio UCITS Fund – Adelio European Fund.

Operational Expenses

The Fund will pay out of its assets certain other costs and expenses incurred in its operation as more fully described under the heading “DETERMINATION OF THE NET ASSET VALUE OF SHARES”.

Other fees may be charged to a Sub-Fund as specified in the relevant Appendix.

INVESTMENT RESTRICTIONS

The Fund has the following investment powers and restrictions:

I.

- (1) The Fund may invest in:
 - a) Transferable Securities and Money Market Instruments admitted to or dealt in on an Eligible Market.
 - b) 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 an Eligible Market and such admission is secured within one year of the issue;
 - c) units of UCITS and/or Other UCIs, whether situated in a Member State or not, provided that:
 - such Other UCIs have been authorised under the laws of any Member State, OECD member state or under the laws of Canada, Guernsey, Hong Kong, India, Japan, Jersey, Liechtenstein, Norway, Singapore, Switzerland or the United States of America,
 - the level of protection for unitholders in such Other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive,
 - the business of such Other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,
 - no more than 10% of the assets of the UCITS or Other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or Other UCIs;

- d) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office and is authorised under the laws of any Member State, FATF State, OECD member state or under the laws of Canada, Guernsey, Hong Kong, India, Japan, Jersey, Liechtenstein, Norway, Singapore, Switzerland or the United States of America;
- e) FDIs, including equivalent cash-settled instruments, dealt in on an Eligible Market and/or OTC derivatives, provided that:
- the underlying consists of instruments covered by this section, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest according to its investment objective;
 - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF;
 - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative;

and/or

- f) Money Market Instruments other than those dealt in on an Eligible Market, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:
- issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
 - issued by an undertaking any securities of which are dealt in on Regulated Markets, or
 - issued or guaranteed by a credit institution which has its registered office in a country which is an OECD member state and a FATF State, or
 - issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that 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 ten million euro (10,000,000 Euro) and which presents and publishes its annual accounts in accordance with the fourth directive 78/660/EEC, is an entity which, within a group of companies 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) In addition, the Fund may invest a maximum of 10% of the net assets of any Sub-Fund in Transferable Securities and Money Market Instruments other than those referred to under (I) above.

II. The Fund may hold ancillary liquid assets.

III.

a)

- (i) The Fund will invest no more than 10% of the net assets of any Sub-Fund in Transferable Securities or Money Market Instruments issued by the same issuing body.
 - (ii) The Fund may not invest more than 20% of the net assets of any Sub-Fund in deposits made with the same body. The risk exposure of a Sub-Fund to a counterparty in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in I.(1)d) above or 5% of its net assets in other cases.
- b) The total value of the Transferable Securities and Money Market Instruments held by a Sub-Fund in the issuing bodies in each of which it invests more than 5% of its net assets shall not exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits set forth in paragraph a), the Fund may not combine, where this would lead to investment of more than 20% of the net assets of a Sub-Fund in a single body, any of the following:

- investments in Transferable Securities or Money Market Instruments issued by that body;
 - deposits made with that body; and/or
 - exposure arising from OTC derivative transactions undertaken with that body.
- c) The limit of 10% set forth in sub-paragraph a) (i) above is increased to a maximum of 35% in respect of Transferable Securities or Money Market Instruments which are issued or guaranteed by a Member State, its local authorities, or by another Eligible State or by public international bodies of which one or more Member States are members.
- d) The limit of 10% set forth in sub-paragraph a) (i) is increased to 25% for certain bonds when they are issued by a credit institution which has its registered office in a Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.

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

- e) The Transferable Securities and Money Market Instruments referred to in paragraphs c) and d) shall not be included in the calculation of the limit of 40% in paragraph b).

The limits set out in paragraphs a), b), c) and d) may not be aggregated and, accordingly, investments in Transferable Securities or Money Market Instruments issued by the same issuing body, in deposits or in FDIs effected with the same issuing body, may not, in any event, exceed a total of 35% of any Sub-Fund's net assets;

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

The Fund may cumulatively invest up to 20% of the net assets of a Sub-Fund in Transferable Securities and Money Market Instruments within the same group.

- f) **Notwithstanding the above provisions, the Fund is authorised to invest up to 100% of the net assets of any Sub-Fund, in accordance with the principle of risk spreading, in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities or agencies, or by another member State of the OECD or by public international bodies of which one or more Member States are members, provided that such Sub-Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the net assets of such Sub-Fund.**

IV.

- a) Without prejudice to the limits set forth in paragraph V., the limits provided in paragraph III. are raised to a maximum of 20% for investments in shares and/or bonds issued by the same issuing body if the aim of the investment policy of a Sub-Fund is to replicate the composition of a certain stock or bond index which is sufficiently diversified, represents an adequate benchmark for the market to which it refers, is published in an appropriate manner and is disclosed in the relevant Sub-Fund's investment policy.
- b) The limit set forth in paragraph a) is raised to 35% where justified by exceptional market conditions, in particular on Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

V.

- a) The Fund may not acquire shares carrying voting rights which should enable it to exercise significant influence over the management of an issuing body.
- b) A Sub-Fund may acquire no more than:
- 10% of the non-voting shares of the same issuer;
 - 10% of the debt securities of the same issuer;
 - 10% of the Money Market Instruments of the same issuer.
- c) These limits under the second and third indents may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The provisions of paragraph V. shall not be applicable to Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities or by any other

Eligible State, or issued by public international bodies of which one or more Member States are members.

These provisions are also waived as regards shares held by the Fund in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State provided that the investment policy of the company from the non-Member State complies with the limits set forth in paragraph III., V. and VI. a), b), c) and d).

VI.

- a) The Fund may acquire units of the UCITS and/or Other UCIs referred to in paragraph I(1) c), provided that no more than 10% of a Sub-Fund's net assets be invested in the units of UCITS or Other UCIs or in one single such UCITS or Other UCI.
- b) The underlying investments held by the UCITS or Other UCIs in which the Fund invests do not have to be considered for the purpose of the investment restrictions set forth under III. above.
- c) When the Fund invests in the units of UCITS and/or Other UCIs that are managed directly or by delegation by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding, the Management Company or other company cannot charge subscription or redemption fees to the Fund on account of its investment in the units of such UCITS and/or UCIs.

In respect of a Sub-Fund's investments in UCITS and Other UCIs, the total management fee (excluding any performance fee, if any) charged both to such Sub-Fund and the UCITS and/or Other UCIs concerned shall not exceed 2% of the relevant assets. The Fund will indicate in its annual report the total management fees charged both to the relevant Sub-Fund and to the UCITS and Other UCIs in which such Sub-Fund has invested during the relevant period.

- d) A Sub-Fund may not acquire more than 25% of the units of the same UCITS or Other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or Other UCI with multiple compartments, this restriction is applicable by reference to all units issued by the UCITS or Other UCI concerned, all compartments combined.

VII. The Fund shall ensure for each Sub-Fund that the global exposure relating to FDIs does not exceed the net assets of the relevant Sub-Fund.

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

If the Fund invests in FDIs, the exposure to the underlying assets may not exceed in aggregate the investment limits set forth in paragraph III above. When the Fund invests in index-based FDIs (such index to be compliant with CSSF Circular 14/592), these investments are not subject to the limits set forth in paragraph III.

When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this paragraph VII.

VIII.

- a) The Fund may not borrow for the account of any Sub-Fund amounts in excess of 10% of the net assets of that Sub-Fund, any such borrowings to be from banks and to be effected only on a temporary basis, provided that the Fund may acquire foreign currencies by means of back to back loans;
- b) The Fund may not grant loans to or act as guarantor on behalf of third parties.

This restriction shall not prevent the Fund from (i) acquiring Transferable Securities, Money Market Instruments or other financial instruments referred to in I. c), e) and f) which are not fully paid, and (ii) performing permitted securities lending activities, neither of which shall be deemed to constitute the making of a loan.

- c) The Fund may not carry out uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments.
- d) The Fund may not acquire movable or immovable property.
- e) The Fund may not acquire either precious metals or certificates representing them.

IX.

- a) The Fund needs not comply with the limits set forth in this section when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of its assets. While ensuring observance of the principle of risk spreading, recently created Sub-Funds may derogate from paragraphs III., IV. and VI. a), b) and c) for a period of six months following the date of their launch.
- b) If the limits referred to in paragraph a) are exceeded for reasons beyond the control of the Fund or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of the Shareholders.
- c) To the extent that an issuer is a legal entity with multiple compartments where the assets of the compartment are exclusively reserved to the investors in such compartment and to those creditors whose claim has arisen in connection with the creation, operation or liquidation of that compartment, each compartment is to be considered as a separate issuer for the purpose of the application of the risk spreading rules set out in paragraphs III., IV. and VI.

If provided for in the Appendix of a Sub-Fund, such Sub-Fund may, under the conditions set out under Article 181 (8) of the Law of 2010, subscribe, acquire and/or hold Shares to be issued or issued by one or more other Sub-Funds without the Fund being subject to the requirements of the law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding of its own shares.

The Fund will in addition comply with such further restrictions as may be required by the regulatory authorities in any country in which the Shares are marketed.

RISK MANAGEMENT PROCESS

The Fund and the Management Company will employ a risk-management process which enables them to work with the Investment Manager to monitor and measure at any time the risk of the positions held by the Fund and their contribution to the overall risk profile of each Sub-Fund. The Fund and the Management Company will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivatives to the extent such investments are utilised.

In accordance with ESMA Guidelines 10-788 and CSSF Circular 11/512, as amended by CSSF Circular 18/698, the Management Company will determine for each Sub-Fund, as specified in the relevant Appendix, the global exposure determination methodology, the expected level of any leverage (in case the absolute VaR approach is applied, the **Absolute VaR** as further defined below) and/or the reference portfolio (in case the relative VaR is applied, the **Relative VaR** as further defined below).

The global risk exposure is 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.

In the framework of the risk management process, the Fund may use for each Sub-Fund the following methods further specified in the relevant Sub-Fund Appendix:

a) Commitment approach: Under the commitment approach, positions in derivative financial instruments are converted into their corresponding underlying equivalents using the delta method. Netting and hedging effects between derivative financial instruments and their underlying's are taken into account. The sum of these underlying equivalents may not exceed the total net asset value of the portfolio of the relevant Sub-Fund.

b) VaR approach: The value-at-risk indicator (“**VaR**”) is a mathematical, statistical concept and is used as a standard measure of risk in the financial sector. The VaR indicates the potential loss of a portfolio during a certain period (called the holding period) which will not be exceeded with a certain probability (called the confidence level).

(i) **Relative VaR:** Under the Relative VaR, the VaR of the Fund may not be greater than twice the VaR of a given reference portfolio mentioned in the relevant Sub-Fund Appendix. The reference portfolio must accurately reflect the Sub-Fund's investment policy.

(ii) **Absolute VaR:** With the Absolute VaR, the VaR (99% confidence level, over a twenty (20) day holding period) of the Sub-Fund may not exceed 20% of the Sub-Fund's assets.

The Commitment Approach, Absolute VaR or relative VaR may be applied as disclosed in the relevant Sub-Fund Appendix.

Upon request of a Shareholder, the Management Company will provide supplementary information to such Shareholder relating to the quantitative limits that apply in the risk management of each Sub-Fund,

to the methods chosen to this end and to the recent evolution of the risks and yields of the main categories of instruments.

TECHNIQUES AND INSTRUMENTS

I. General

Unless further restricted in the Appendix in respect of a specific Sub-Fund, the Fund may employ techniques and instruments relating to Transferable Securities and Money Market Instruments. Such techniques and instruments may also be used for efficient portfolio management or hedging purposes.

When these operations concern the use of FDIs, these conditions and limits will conform to the provisions laid down in the section “INVESTMENT RESTRICTIONS”.

Under no circumstances will these operations cause a Sub-Fund to diverge from its investment objective and policies.

II. Securities lending

A Sub-Fund may, if provided in the relevant Appendix, enter into securities lending transactions in accordance with the provisions of Circular 08/356, Circular 14/592 and ESMA Guidelines 2014/937.

The Fund will ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

Where a Sub-Fund may enter into securities lending transactions, the information required to be disclosed under the SFT Regulations, and not otherwise disclosed in this Prospectus, will be included in the relevant Appendix.

III. Repurchase agreements

A Sub-Fund may, if provided in the relevant Appendix, enter into sale with right of repurchase transactions (“*achat de titres à réméré*”) as well as reverse repurchase transactions (“*opérations de prise en pension*”) and repurchase agreement transactions (“*vente de titres à réméré*”) in accordance with the provisions of Circular 08/356, Circular 14/592 and ESMA Guidelines 2014/937.

Where a Sub-Fund may enter into such transactions, the information required to be disclosed under the SFT Regulations, and not otherwise disclosed in this Prospectus, will be included in the relevant Appendix.

IV. Efficient Portfolio Management

The reference to techniques and instruments which relate to Transferable Securities and Money Market Instruments and which are used for the purpose of efficient portfolio management shall be understood as a reference to techniques and instruments which fulfil the following criteria:

- (a) they are economically appropriate in that they are realized in a cost-effective way;
- (b) they are entered into for one or more of the following specific aims:
 - i) reduction of risk;
 - ii) reduction of cost;

- iii) generation of additional capital or income for the relevant Sub-Fund with a level of risk which is consistent with the risk profile of the relevant Sub-Fund and the risk diversification rules set forth under the heading “INVESTMENT RESTRICTIONS” above;
- (c) their risks are adequately captured by the risk management process of the relevant Sub-Fund.

Techniques and instruments which comply with the criteria set out in the paragraph above and which relate to Money Market Instruments shall be regarded as techniques and instruments relating to Money Market Instruments for the purpose of efficient portfolio management.

A Sub-Fund’s ability to use these strategies may be limited by market conditions, regulatory limits and tax considerations. The use of these strategies involves special risks, such as credit risk, counterparty risk and market risk. Please see the “RISK FACTORS ANNEX” of this Prospectus.

Any direct and indirect operational costs and fees arising from efficient portfolio management techniques will be deducted from the revenue delivered to the relevant Sub-Fund. These costs and fees will not include hidden revenue. Such costs and fees should, under normal circumstances, not be higher than 50% of the market value of the relevant efficient portfolio management technique. Positive returns arising from the use of efficient portfolio management techniques will be solely for the benefit of the relevant Sub-Fund(s). Any 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 report of the Fund.

Before a Sub-Fund enters into any arrangement regarding efficient portfolio management techniques, the Management Company or, where applicable, the Investment Manager will be required to (a) carefully estimate the expected costs and fees and to compare them with the applicable market standard (if any) and (b) evaluate whether the use of the efficient portfolio management techniques is in the best interest of the Shareholders of the relevant Sub-Fund.

The net exposures (i.e. the exposures of the relevant Sub-Fund less the collateral, if any, received by that Sub-Fund) to a counterparty arising from the use of efficient portfolio management techniques will be taken into account in the 20% limit provided for in Article 43(2) of the Law of 2010 pursuant to point 2 of Box 27 of ESMA Guidelines 2014/937.

The Fund will further respect all rules established by the CSSF in relation to the efficient portfolio management techniques, and in particular the rules set out in Circular 08/356, Circular 14/592, ESMA Guidelines 2014/937 and any additional laws, regulations and provisions, which may apply to such transactions.

It is not expected that conflicts of interest will arise when using techniques and instruments for the purpose of efficient portfolio management.

The Fund’s annual report will contain details of the following:

- a) the exposure obtained through efficient portfolio management techniques;
- b) the identity of the counterparty(ies) to these efficient portfolio management techniques;
- c) the type and amount of collateral received by the Fund to reduce counterparty exposure; and
- d) the revenues arising from efficient portfolio management techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.

V. Use of FDIs

The Fund may use FDIs involving Transferable Securities and Money Market Instruments for the purpose of efficient portfolio management of its assets and for hedging purposes, as detailed in the Appendix for the relevant Sub-Fund. The Fund may also use FDIs for investment purposes in accordance with ESMA Guidelines 2014/937 to meet the relevant Sub-Fund's investment objectives only if provided for in the Appendix for the relevant Sub-Fund. The Fund may use FDIs under the conditions and within the limits set forth by law, regulation and administrative practice.

A Sub-Fund may, if provided in the relevant Appendix, use TRS, in which case any information required to be disclosed under the SFT Regulations, and not already disclosed in this Prospectus, will be included in such Appendix.

VI. Management of Collateral

When entering into FDIs or Securities Financing Transactions or other techniques or instruments as further described in this Prospectus, each of the Fund and its counterparties may require delivery of collateral as security against its exposure thereunder. The Sub-Fund's exposure, and therefore the collateral it is entitled to collect, will typically be calculated on a daily mark-to-market basis. It is anticipated that collateral received by the Sub-Fund will generally be restricted to cash and/or high quality government bonds of any maturity which will be held by the Depositary and/or its sub-custodians. Securities collateral received will typically be valued on a daily mark-to-market basis in accordance with the Fund's Valuation Policy. Cash collateral is typically valued at its face value. Collateral received other than cash is generally expected to be liquid such that it can be sold quickly at a price that is close to pre-sale valuation and is subject to the diversification requirements provided for under applicable law and regulation and the terms of this Prospectus. Collateral received is not expected to display a high correlation with the performance of the counterparty. Any collateral posted or received by the relevant Sub-Fund will comply with the provisions of ESMA Guidelines 2014/937 and Circular 08/356.

Cash collateral can only be:

- placed on deposit with entities prescribed in Article 50(f) of the UCITS Directive;
- invested in high-quality government bonds;
- used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on accrued basis; or
- invested in short-term money market funds as defined in ESMA's Guidelines on a Common Definition of European Money Market Funds.

Re-invested cash collateral exposes the Fund to certain risks such as the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested. Please see "Credit Risk" and "Counterparty Risk" as described under the "RISK FACTORS ANNEX" of the Prospectus.

Non cash collateral received shall not be sold, reinvested or pledged. Collateral posted in favour of a Sub-Fund under a title transfer arrangement should be held by the Depositary and/or its sub-custodians on behalf of the relevant Sub-Fund.

The information required to be disclosed under the SFT Regulations regarding the relevant Sub-Fund's use of Securities Financing Transactions, and not otherwise disclosed in this Prospectus, is included in the relevant Appendix.

POOLING

Subject to the approval of the Board of Directors, the Investment Manager may invest and manage all or any part of the pools of assets established for each Sub-Fund (hereafter referred to as “**Participating Funds**”) on a pooled basis where consistent with regard to their respective investment objectives and strategies to do so. Any such enlarged asset pool (“**Enlarged Asset Pool**”) shall first be formed by transferring to it cash or (subject to the limitations mentioned below) other assets from each of the Participating Funds. Thereafter the Investment Manager may from time to time make further transfers to the Enlarged Asset Pool. It may also transfer assets from the Enlarged Asset Pool to a Participating Fund, up to the amount of the participation of the Participating Fund concerned. Assets other than cash may be allocated to an Enlarged Asset Pool only where they are appropriate to the investment objective and strategies of the Enlarged Asset Pool concerned. A Participating Fund will have rights against all the cash and other assets included in the Enlarged Asset Pool (as such, there will be no segregation of liability between the Participating Funds investing in the Enlarged Asset Pool).

A Participating Fund's participation in an Enlarged Asset Pool shall be measured by reference to notional units (“**Units**”) of equal value in the Enlarged Asset Pool. On the formation of an Enlarged Asset Pool, the Board of Directors shall in its discretion determine the initial value of a Unit which shall be expressed in such currency as the Investment Manager considers appropriate, and shall allocate to each Participating Fund Units having an aggregate value equal to the amount of cash (or to the value of other assets) contributed. Fractions of Units, calculated to two (2) decimal places, may be allocated as required. Thereafter the value of a Unit shall be determined by dividing the net asset value of the Enlarged Asset Pool (calculated as provided below) by the number of Units subsisting.

When additional cash or assets are contributed to or withdrawn from an Enlarged Asset Pool, the allocation of Units of the Participating Fund concerned will be increased or reduced, as applicable, by a number of Units determined by dividing the amount of cash or value of assets contributed or withdrawn by the current value of a Unit. Where a contribution is made in cash it may be treated for the purpose of this calculation as reduced by an amount which the Board of Directors considers appropriate to reflect fiscal charges and dealing and purchase costs which may be incurred in investing the cash concerned; in the case of a cash withdrawal a corresponding reduction may be made to reflect costs which may be incurred in realising securities or other assets of the Enlarged Asset Pool.

The value of assets contributed to, withdrawn from, or forming part of an Enlarged Asset Pool at any time and the net asset value of the Enlarged Asset Pool shall be determined in accordance with the provisions of the “DETERMINATION OF THE NET ASSET VALUE OF SHARES” section of this Prospectus and the Valuation Policy, provided that the value of the assets referred to above shall be determined on the day of such contribution or withdrawal.

Dividends, interests and other distributions of an income nature received in respect of the assets in an Enlarged Asset Pool will be immediately credited to the Participating Funds, in proportion to their respective entitlements to the assets in the Enlarged Asset Pool at the time of receipt.

DETERMINATION OF THE NET ASSET VALUE OF SHARES

Reference Currency

The Reference Currency of the Fund is the Euro. The Net Asset Value of each Class of Shares of each Sub-Fund shall be calculated in the Reference Currency of the relevant Class, as it is stipulated in the relevant Appendix.

Determination of Net Asset Values

The Net Asset Value of each Sub-Fund and Class thereof (as applicable) shall be determined as of each Valuation Day, by calculating the aggregate of:

- (a) the value of all assets (which shall be deemed to include such assets as described in the Articles of Incorporation) of the Fund which are allocated to the relevant Sub-Fund or Class; less
- (b) all the liabilities (which shall be deemed to include such liabilities as described in the Articles of Incorporation) of the Fund which are allocated to the relevant Sub-Fund or Class, and all fees attributable to the relevant Sub-Fund or Class, which fees have accrued but are unpaid on the relevant Valuation Day.

The Net Asset Value per Share of each Class of a Sub-Fund shall be determined for each Valuation Day by dividing the Net Asset Value of the relevant Class by the number of such Shares which are in issue on such Valuation Day in such Class (including Shares in relation to which a Shareholder has requested redemption on such Valuation Day).

The Net Asset Value per Share will in principle be calculated with two (2) decimal places and may be rounded up or down to the nearest whole unit of the currency in which the Net Asset Value of the relevant Shares are calculated.

Allocation of assets and liabilities

The allocation of assets and liabilities of the Fund between Sub-Funds (and within each Sub-Fund between the different Classes) shall be effected so that:

- (a) The Subscription Price received by the Fund on the issue of Shares, and reductions in the value of the Fund as a consequence of the redemption of Shares, shall be attributed to the Sub-Fund or Class to which the relevant Shares belong.
- (b) Assets acquired by the Fund upon the investment of the subscription proceeds and income and capital appreciation in relation to such investments which relate to a specific Sub-Fund or Class shall be attributed to such Sub-Fund or Class.
- (c) Assets disposed of by the Fund as a consequence of the redemption of Shares and liabilities, expenses and capital depreciation relating to investments made by the Fund and other operations of the Fund, which relate to a specific Sub-Fund or Class shall be attributed to such Sub-Fund or Class.

- (d) Where the use of foreign exchange transactions, instruments or financial techniques relates to a specific Sub-Fund or Class the consequences of their use shall be attributed to such Sub-Fund or Class.
- (e) Where assets, income, capital appreciations, liabilities, expenses, capital depreciations or the use of foreign exchange transactions, instruments or techniques relate to more than one Sub-Fund or Class they shall be attributed to such Sub-Funds or Classes in proportion to the extent to which they are attributable to each such Sub-Fund or Class.
- (f) Where assets, income, capital appreciations, liabilities, expenses, capital depreciations or the use of foreign exchange transactions, instruments or techniques cannot be attributed to a particular Sub-Fund or Class they shall be divided equally between all Sub-Funds or Classes or, in so far as is justified by the amounts, shall be attributed in proportion to the relative Net Asset Value of the Sub-Funds or Classes if the Board of Directors, in its sole discretion, determines that this is the most appropriate method of attribution.
- (g) Upon payment of dividends to the Shareholders of a Sub-Fund or Class the net assets of the relevant Sub-Fund or Class are reduced by the amount of such dividend.

Valuation of assets

Unless otherwise provided for in the relevant Appendix of each Sub-Fund, the Central Administration Agent will calculate the Net Asset Value to at least two (2) decimal places on each Valuation Day.

Each Sub-Fund will be valued in accordance with the valuation principles, policy and procedures (as may be amended from time to time), established by the Management Company in consultation with the Investment Manager and the Central Administration Agent and adopted by the Board of Directors (the “**Valuation Policy**”).

The Valuation Policy is available on request from the Investment Manager. Without limiting the generality of the Valuation Policy, the following valuation principles apply:

- (a) The value of any cash in hand or on deposit, notes and bills payable on demand and accounts receivable, prepaid expenses and cash dividends declared and interest accrued but not yet collected, shall be deemed the nominal value of these assets unless it is improbable that it can be paid and collected in full; in which case, the value will be arrived at after deducting such amounts as the Fund or the Management Company may consider appropriate to reflect the true value of these assets.
- (b) Securities and Money Market Instruments listed on an official stock exchange or dealt on any other Regulated Market will be valued at their last available price in Luxembourg as of the Valuation Day and, if the security or Money Market Instrument is traded on several markets, on the basis of the last known price on the main market of this security. If the last known price is not representative, valuation will be based on the fair value at which it is expected it can be sold, as determined with prudence and in good faith by the Fund or the Management Company.
- (c) Unlisted securities and securities or Money Market Instruments not traded on a stock exchange or any other Regulated Market as well as listed securities and securities or Money Market Instruments

listed on a Regulated Market for which no price is available, or securities or Money Market Instruments whose quoted price is, in the opinion of the Fund or the Management Company, not representative of actual market value, will be valued at their last known price in Luxembourg or, in the absence of such price, on the basis of their probable realisation value, as determined with prudence and in good faith by the Fund or the Management Company.

- (d) Securities or Money Market Instruments denominated in a currency other than the relevant Sub-Fund's or Class' valuation currency will be converted at the average exchange rate of the currency concerned applicable on the relevant Valuation Day.
- (e) The valuation of investments reaching maturity within a maximum period of 90 days may include straight-line daily amortisation of the difference between the principal 91 days before maturity and the value at maturity.
- (f) The liquidation value of futures, spot, forward or options contracts that are not traded on stock exchanges or other Regulated Markets will be equal to their net liquidation value determined in accordance with the policies established by the Fund or the Management Company on a basis consistently applied to each type of contract. The liquidation value of futures, spot, forward or options contracts traded on stock exchanges or other Regulated Markets will be based on the latest available price for these contracts on the stock exchanges and Regulated Markets on which these options, spot, forward or futures contracts are traded, provided that if an option or future contract cannot be liquidated on the relevant Valuation Day, the basis for determining the liquidation value of said contract shall be determined by the Fund or the Management Company in a fair and reasonable manner.
- (g) Swaps are valued at their fair value based on the last known closing price of the underlying security.
- (h) UCIs are valued on the basis of their last available net asset value. As indicated below, this net asset value may be adjusted by applying a recognised index so as to reflect market changes since the last valuation.
- (i) Liquid assets and Money Market Instruments are valued at their nominal value plus accrued interest, or on the basis of amortised costs.
- (j) Any other securities and assets are valued in accordance with the procedures put in place by the Fund or the Management Company and, where necessary and appropriate, with the support of valuers who will be instructed to carry out valuations.

In the context of Sub-Funds which invest in UCIs, valuation of their assets may be complex in some circumstances and the administrative agents of such UCIs may be late or delay communicating the relevant net asset values. Consequently, the Central Administration Agent, under the supervision of the Management Company, may estimate the assets of the relevant Sub-Funds as of the Valuation Day considering, among other things, the last valuation of these assets, market changes and any other information received from the relevant UCIs. In this case, the Net Asset Value estimated for the Sub-Funds concerned may be different from the value that would have been calculated on the said Valuation Day using the official net asset values calculated by the administrative agents of the UCIs in which the

Sub-Fund invested. Nevertheless, the Net Asset Value calculated using this method shall be considered as final and applicable despite any future divergence.

The Fund will prepare its financial statements in accordance with Luxembourg GAAP. To the extent that Luxembourg GAAP would require any of the Fund's assets or liabilities to be valued in a manner that differs from the Valuation Policy and procedures, as may be amended from time to time, the Board of Directors (in consultation with the Investment Manager) may value such assets or liabilities (i) in accordance with Luxembourg GAAP, solely for purposes of preparing the Fund's Luxembourg GAAP-compliant annual audited financial statements, and (ii) in accordance with such Valuation Policy (without regard to any Luxembourg requirements relating to the determination of fair value) for all other purposes. Non-compliance with Luxembourg GAAP may result in the external auditors issuing a qualified or an adverse opinion on the financial statements depending on the nature and level of materiality of the non-compliance.

The Board of Directors may, in its sole discretion, provide reserves or holdbacks for estimated accrued expenses, liabilities or contingencies, including general reserves or holdbacks for unspecified contingencies, even if such reserves or holdbacks are not in accordance with Luxembourg GAAP.

If one or more sources of quotation are not able to provide relevant valuations to the Central Administration Agent, the Central Administration Agent is authorized to not calculate the Net Asset Value and, consequently, not to determine subscription, redemption and conversion prices. The Central Administration Agent shall immediately inform the Management Company and the Fund if such a situation arises. If necessary, the Fund may decide to suspend the calculation of the Net Asset Value in accordance with the procedures described in the "TEMPORARILY SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE" section of this Prospectus.

Partial Swing Pricing

If on any Valuation Day the aggregate transactions in Shares of a Sub-Fund result in a net increase or decrease in net assets which exceeds a certain percentage of total net assets, as established by the Board of Directors and communicated to the Management Company, in situations other than in case of subscriptions or redemptions *in specie*, the Management Company may adjust the Net Asset Value of the relevant Sub-Fund by an amount not exceeding 0.75% of that Net Asset Value, to reflect the estimated dealing costs that may be incurred by the Sub-Fund and the estimated bid/offer spread of the assets in which the Sub-Fund invests. The adjustment will be an addition when the net movement results in a net increase in total net assets of the Sub-Fund and a deduction when it results in a net decrease.

The threshold is set by the Board of Directors taking into account factors such as prevailing market conditions, estimated dilution costs and the size of the relevant Sub-Fund. The adjustment up or down will be determined mechanically based on predetermined threshold percentages and adjustment factors. This mechanism acts as a counter to the dilution effect on the relevant Sub-Fund arising from large net cash inflows and outflows and aims to enhance the protection of the existing Shareholders in the relevant Sub-Fund. The adjustment factor for each Sub-Fund is established based on the historical liquidity and costs of trading assets of the type held by the relevant Sub-Fund and may be different between Sub-Funds.

The relevant Appendix will contain information on whether swing pricing as described above will be applied for the relevant Sub-Fund.

TEMPORARY SUSPENSION OF THE CALCULATION OF NET ASSET VALUE

Under Article 21 of the Articles of Incorporation, the Fund may temporarily suspend the calculation of the Net Asset Value of one or more Sub-Funds and the issue, redemption and switching of Shares in the following cases:

- a) during any period when any market or stock exchange, which is the principal market or stock exchange on which a material part of the investments of the relevant Sub-Fund for the time being are quoted, is closed, other than for legal holidays or during which dealings are substantially restricted or suspended, provided that such restriction or suspension affects the valuation of the investments of the Sub-Fund attributable to such Sub-Fund;
- b) during the existence of any state of affairs which constitutes an emergency, in the opinion of the Board of Directors, as a result of which disposal or valuation of investments of the relevant Sub-Fund by the Fund is not possible;
- c) during any breakdown in the means of communication normally employed in determining the price or value of any of the relevant Sub-Fund's investments or the current price or value on any market or stock exchange;
- d) if the Fund is being (or is proposed to be) wound up or merged, from the date on which notice is given of a general meeting of Shareholders at which a resolution to wind up or merge the Fund is to be proposed or if a Sub-Fund is being liquidated or merged, from the date on which the relevant notice is given;
- e) when for any other reason the prices of any investments owned by the Fund attributable to a Sub-Fund cannot promptly or accurately be ascertained (including the suspension of the calculation of the net asset value of an underlying undertaking for collective investment);
- f) during any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of Shares of a Sub-Fund or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot, in the opinion of the Board of Directors, be effected at normal rates of exchange; or
- g) any other circumstances beyond the reasonable control of the Board of Directors.

The Board of Directors may, in any of the circumstances listed above, suspend the issue, redemption and/or switching of Shares without suspending the calculation of the Net Asset Value.

Notice of such suspension will be given to the CSSF.

A notice of the beginning and of the end of any period of suspension will be published in a Luxembourg newspaper and in any other newspaper(s) selected by the Board of Directors, if, in the opinion of the Board of Directors, it is likely to exceed seven Business Days.

The Fund is not liable for any error or delay in publication or, to the extent that the Fund had instructed a third party to arrange for a publication, for non-publication.

Notice will likewise be given to any applicant or Shareholder as the case may be applying for the purchase, redemption, or switching of Shares in the Sub-Fund(s) concerned. Such Shareholders may give notice that they wish to withdraw their application for subscription, redemption or switching of Shares. If no such notice is received by the Fund such application for redemption or switching as well as any application for subscription will be dealt with on the first Valuation Date following the end of the period of suspension.

ALLOCATION OF ASSETS AND LIABILITIES

The Board of Directors reserves the right to add further Sub-Funds and in certain circumstances to discontinue existing Sub-Funds.

The Fund is a single legal entity. Pursuant to Article 181 of the Law of 2010, the rights of investors and of creditors concerning a Sub-Fund or which have arisen in connection with the creation, operation or liquidation of a Sub-Fund are limited to the assets of that Sub-Fund.

The assets of a Sub-Fund are exclusively available to satisfy the rights of investors in relation to that Sub-Fund and the rights of creditors whose claims have arisen in connection with the creation, the operation or the liquidation of that Sub-Fund.

For the purpose of the relations as between investors, each Sub-Fund will be deemed to be a separate entity.

TAXATION

General

The following statements on taxation below are intended to be a general summary of certain Luxembourg tax consequences that may result to the Fund and Shareholders in connection with their investment in the Fund and are included herein solely for information purposes. They are based on the law and practice in force in Luxembourg at the date of this Prospectus. There is no assurance that the tax status of the Fund or Shareholders will not be changed as a result of amendments to, or changes in the interpretation of, relevant tax legislation and regulations. **This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular investor. Prospective investors should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.**

The Fund will provide regular financial information to its Shareholders as described herein, but will not be responsible for providing (or for the costs of providing) any other information which Shareholders may, by virtue of the size of their holdings or otherwise, be required to provide to the taxing or other authorities of any jurisdiction.

As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Fund is made will endure indefinitely. The information herein should not be regarded as legal or tax advice.

Taxation of the Fund

The Fund is not liable for any Luxembourg tax on profits or income.

The Fund is liable in Luxembourg for an annual subscription tax (“*taxe d’abonnement*”) which is payable quarterly on the basis of the value of the net assets of the Fund at the end of the relevant calendar quarter. The rate of the subscription tax is 0.05% per annum of the Net Asset Value of each Class which is available to all investors.

The rate of the subscription tax is 0.01% per annum of the Net Asset Value for:

- (a) Sub-Funds whose sole object is the collective investment in Money Market Instruments and the placing of deposits with credit institutions,
- (b) Sub-Funds whose sole object is the collective investment in deposits with credit institutions, and
- (c) Sub-Funds or Classes which are reserved to one or more Institutional Investors.

A Sub-Fund that satisfies the following conditions is exempt from the annual subscription tax:

- (i) the securities issued by the Sub-Fund are reserved to Institutional Investors,
- (ii) the sole object of the Sub-Fund is the collective investment in Money Market Instruments and the placing of deposits with credit institutions,
- (iii) the weighted residual portfolio maturity of the Sub-Fund does not exceed 90 days, and
- (iv) the Sub-Fund has obtained the highest possible rating from a recognised rating agency.

The Fund was liable for an initial fixed charge of 75 Euro which was paid upon its incorporation.

No Luxembourg tax is payable on the realized capital gains or unrealized capital appreciation of the assets of the Fund.

Dividends and interest received by the Fund on its investments are in many cases subject to irrecoverable withholding taxes at source.

European Tax Considerations

The Council of the European Union adopted, on 3 June 2003, the EU Savings Directive. Under the EU Savings Directive, Member States are required to provide tax authorities of another Member State with details of payments of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other Member State.

The Grand Duchy of Luxembourg has decided to amend the Law of 2005 and to end as from 1 January 2015 the transitional period foreseen in the EU Savings Directive where account holders could opt between the exchange of information and the withholding tax to introduce automatic exchange of information on interest payments made by a paying agent established in Luxembourg. According to Article 8 of the EU Savings Directive, the paying agent will report to the Luxembourg tax authorities the following information regarding the beneficial owner of the payment:

- Identity and residence of the beneficial owner;
- Name and address of the paying agent;
- Account number of the beneficial owner or where there is none, identification of the debt claim giving rise to the interest;
- The total amount of interest or similar income or sales price or repurchase price or repayment price.

The Luxembourg tax authorities will automatically transmit this information to the competent authority of the Member State where the recipient is established. The communication of information shall be automatic and shall take place at least once a year within six months following the end of the tax year of the Member State of the paying agent, for all interest payments made during that year. The first exchange of information will take place in 2016 regarding payments made in 2015.

In March 2014, the Council of the European Union adopted a new directive amending and broadening the scope of the EU Savings Directive in various respects, including extending the EU Savings Directive to non-UCITS and non-UCITS equivalent funds. However, on 10 November 2015 the EU Savings Directive was generally repealed by the European Council with effect from 1 January 2016 (Council Directive (EU) 2015/2060). As such, the EU Savings Directive will from such date only apply to residual payments not yet reported until 5 October 2016 or until those obligations have been fulfilled and will continue to apply to Austria for an additional one year period until 1 January 2017 having regard to the Austrian derogation. This follows revisions to the Administration Cooperation Directive providing for the automatic exchange of financial account information between Member States and the new CRS (referred to below). The revised Administration Cooperation Directive took effect on 1 January 2016.

Whilst Austria has been allowed a derogation under the Administration Cooperation Directive which allows it to delay the application of that directive by one year until 1 January 2017, Austria has announced that it will not make full use of the derogation. Instead, Austria is to exchange information by September 2017, albeit on a limited set of accounts, while retaining the derogation in other cases. Therefore, Austrian paying agents must continue to apply the provisions of the EU Savings Directive during the period of derogation, except for those accounts to which the Administration Cooperation Directive applies.

The foregoing is only a summary of the implications of the EU Savings Directive, the Law of 2005 and the Administration Cooperation Directive, is based on the current interpretation thereof and does not purport to be complete in all respects. It does not constitute investment or tax advice and investors should therefore seek advice from their financial or tax adviser on the full implications for themselves of the EU Savings Directive, the Law of 2005 and the Administration Cooperation Directive.

Tax Information Exchange Regimes

Pursuant to FATCA, the Fund (or each Sub-Fund) will be required to comply (or be deemed compliant) with extensive new reporting and withholding requirements designed to inform the U.S. Department of the Treasury of U.S.-owned foreign investment accounts. Failure to comply (or be deemed compliant) with these requirements will subject the Fund (or each Sub-Fund) to U.S. withholding taxes on certain US-sourced income and (effective 1 January 2019) gross proceeds. Pursuant to an intergovernmental agreement between the United States and Luxembourg which was ratified in Luxembourg by the law of 24 July 2015 relating to FATCA, the Fund (or each Sub-Fund) may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports U.S. taxpayer information directly to the Luxembourg government. Investors may be requested to provide additional information to the Fund to enable the Fund (or each Sub-Fund) to satisfy these obligations. Failure to provide requested information or, if applicable, satisfy its own FATCA obligations may subject an investor to liability for any resulting U.S. withholding taxes, U.S. tax information reporting and/or mandatory redemption, transfer or other termination of the investor's investment in the Fund. Detailed guidance as to the mechanics and scope of this new reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future operations of the Fund or its Sub-Funds.

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the CRS to address the issue of offshore tax evasion on a global basis. Aimed at maximizing efficiency and reducing cost for financial institutions, the CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with other tax authorities in participating

jurisdictions in which the investors of the reporting financial institutions are tax resident on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. The first information exchanges began in 2017. The Grand Duchy of Luxembourg has implemented the CRS. As a result the Fund will be required to comply with the CRS due diligence and reporting requirements, as adopted by the Grand Duchy of Luxembourg. Investors may be required to provide additional information to the Fund to enable the Fund to satisfy its obligations under the CRS. Failure to provide requested information may subject an investor to liability for any resulting penalties or other charges and/or mandatory redemption, transfer or other termination of the investor's investment in the Fund.

The Fund may take such action as it considers necessary in accordance with applicable law in relation to an investor's holding to ensure that any withholding tax payable by the Fund, and any related costs, interest, penalties and other losses and liabilities suffered by the Fund, the Central Administration Agent, the Management Company, the Investment Manager or any other investor, or any agent, delegate, employee, director, officer or affiliate of any of the foregoing persons, arising from such investor's failure to provide the requested information to the Fund, is economically borne by such investor.

Taxation of Shareholders

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

It is expected that Shareholders in the Fund will be resident for tax purposes in many different jurisdictions. Consequently, no attempt is made in this Prospectus to summarize the taxation consequences for each investor of subscribing, switching, holding or redeeming or otherwise acquiring or disposing of Shares in the Fund. These consequences will vary in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances. Investors should inform themselves about, and when appropriate consult their professional advisers on, the possible tax consequences of subscription for, buying, holding, switching, redeeming or otherwise disposing of Shares under the laws of their country of citizenship, residence, domicile or incorporation.

UK Taxation of the Fund

As a UCITS, the Fund will not be treated as UK resident for UK tax purposes. Accordingly, and provided that the Fund does not carry on a trade in the UK through a permanent establishment situated therein for UK corporation tax purposes or through a branch or agency situated in the UK which would bring it within the charge to income tax, the Fund will not be subject to UK corporation tax or income tax on income and capital gains arising to it, save as noted below in relation to possible withholding tax on certain UK source income. The Directors intend that the affairs of the Fund will be conducted in a manner such that no permanent establishment, branch or agency will arise insofar as this is within their control, but it cannot be guaranteed that the conditions necessary to prevent any such permanent establishment, branch or agency coming into being will at all times be satisfied.

Interest and other income received by the Fund which has a UK source may be subject to withholding taxes in the UK.

GENERAL MEETINGS OF SHAREHOLDERS AND REPORTS

The annual general meeting of Shareholders shall be held each year at the Fund's registered office or at any other place in the municipality of the registered office of the Fund as may be specified in the convening notice of the meeting.

The annual general meeting shall be held at any date and time decided by the Board of Directors but no later than within six (6) months from the end of the Fund's previous financial year.

Shareholders will meet upon the call of the Board of Directors in accordance with the provisions of Luxembourg law.

In accordance with the Articles of Incorporation and Luxembourg law, all decisions taken by the Shareholders pertaining to the Fund shall be taken at a general meeting of all Shareholders. General meetings of Shareholders or Sub-Fund or Class meetings may be held at such place and time as may be specified in the respective notices of meeting. Sub-Fund or Class meetings may be held to decide on any matters which relate exclusively to such Sub-Fund or Class. Two or more Sub-Funds or Classes may be treated as one single Sub-Fund or Class if such Sub-Funds or Classes, as applicable, are affected in the same way by the proposals requiring the approval of Shareholders of the relevant Sub-Funds or Classes. In this particular instance, the requirements on quorum and majority voting rules as set forth in the Articles of Incorporation shall apply.

The financial year of the Fund ends on 31 December in each year. The Fund will issue an audited annual report within four months after the end of the Financial Year and an un-audited semi-annual report within two months after the end of the period to which it refers. Audited annual reports and un-audited semi-annual reports for the Fund combining the accounts of the Sub-Funds will be drawn up in Euro. For this purpose, if the accounts of a Sub-Fund are not expressed in Euro, such accounts shall be converted into Euro. The Reports will also be made available at the registered office of the Fund.

DURATION, MERGER, LIQUIDATION AND DIVISION

Duration

The Fund

The Fund was incorporated for an unlimited duration. The Fund may be dissolved by a resolution of the Shareholders adopted in the manner required for amendment of the Articles of Incorporation (as detailed below).

The Sub-Funds

Unless otherwise provided for in the relevant Appendix, each Sub-Fund will be set up for a continuous and unlimited term of years.

Merger

The Fund

The Fund may be merged in accordance with the provisions of the Law of 2010. In the event the Fund is involved in a merger as the surviving UCITS, the Board of Directors, in its sole discretion, will decide on the merger and the effective date thereof; in the event the Fund is involved in a merger as the absorbed UCITS and thereafter ceases to exist, a general meeting of Shareholders will be required to approve and decide on the effective date of such merger by a resolution adopted with no quorum requirement and at the simple majority of the votes validly cast at such meeting. Each Shareholder shall be given the option, within a period to be determined by the Board of Directors (but not being less than one (1) month, unless otherwise authorised by the regulatory authorities, and specified in said notice), to request free of any redemption charge the repurchase of its Shares. Any applicable contingent deferred sales charges are not to be considered as redemption charges and shall therefore be due.

Sub-Funds

The Board of Directors may resolve to proceed with a merger (within the meaning of the Law of 2010) of any Sub-Fund, either as receiving or absorbed Sub-Fund, with (i) another existing Sub-Fund within the Fund or another sub-fund within another Luxembourg or foreign UCITS; or (ii) a new Luxembourg or foreign UCITS, and as appropriate, to re-designate the Shares of the Sub-Fund concerned as Shares of the new Sub-Fund or of the new UCITS as applicable. Shareholders shall be notified of any decision made pursuant to the Articles of Incorporation as required. Each Shareholder of the relevant Sub-Fund shall be given the option, within a period to be determined by the Board of Directors (but not being less than one (1) month, unless otherwise authorised by the regulatory authorities, and specified in said notice), to request free of any redemption charge the repurchase of its Shares. Any applicable contingent deferred sales charges are not to be considered as redemption charges and shall therefore be due.

The Classes

A Class may merge with one or more other Classes by resolution of the Board of Directors if the Net Asset Value of a Class is below such amount as determined by the Board of Directors and disclosed in the relevant Appendix from time to time or in the event of special circumstances beyond its control, such as political, economic, or military emergencies, or if the Board of Directors should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Class to operate in an economically efficient manner, and with due regard to the best interests of the Shareholders, that a Class should be merged. Shareholders shall be notified of any decision made pursuant to this paragraph as required. Each Shareholder of the relevant Class shall be given the option, within a period to be determined by the Board of Directors (but not being less than one (1) month, unless otherwise authorised by the regulatory authorities, and specified in said notice), to request free of any redemption charge either the repurchase of its Shares or the exchange of its Shares against Shares of any Class not concerned by the merger. Any applicable contingent deferred sales charges are not to be considered as redemption charges and shall therefore be due.

Liquidation

The Fund

If the Fund's share capital falls below two-thirds of the minimum capital required by law, the Board of Directors must refer the matter of the dissolution to a general meeting of Shareholders, deliberating without any quorum and deciding by a simple majority of the Shares represented at the meeting.

If the Fund's share capital is less than a quarter of the minimum capital required by law, the Board of Directors must refer the matter of dissolution of the Fund to a general meeting of Shareholders, deliberating without any quorum and the dissolution may be decided by Shareholders holding a quarter of the Shares represented at the meeting.

In the event of a dissolution of the Fund, liquidation shall be carried out by one or several liquidators (who may be physical persons or legal entities) named by the meeting of the Shareholders effecting such dissolution and which shall determine the liquidator(s)'s powers and their compensation. The completion of the liquidation of the Fund must in principle take place within a period of nine months from the date of the decision relating to the liquidation. Where the liquidation of the Fund cannot be fully completed within a period of nine months, a written request for exemption shall be submitted to the CSSF detailing the reasons why the liquidation cannot be completed.

The net proceeds of liquidation corresponding to each Class (within each Sub-Fund) shall be distributed by the liquidators to the holders of Shares of each Class of each Sub-Fund in proportion to their holding of Shares in such Class. As soon as it has been determined that the liquidation of the Fund is complete, whether this decision is taken before the nine (9) month period has expired or at a later date, any residual funds not claimed by Shareholders prior to the completion of the liquidation shall be deposited as soon as possible at the *Caisse de Consignation*.

The Sub-Funds and Classes

A Sub-Fund or a Class may be terminated by resolution of the Board of Directors if the Net Asset Value of a Sub-Fund or a Class is below such amount as determined by the Board of Directors and disclosed in the relevant Appendix or in the event of special circumstances beyond its control, such as political, economic, or military emergencies, or if the Board of Directors should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Sub-Fund or a Class to operate in an economically efficient manner, and with due regard to the best interests of Shareholders, that a Sub-Fund or a Class should be terminated. In such event, the assets of the Sub-Fund shall be realised, the liabilities discharged and the net proceeds of realisation distributed to Shareholders in proportion to their holding of shares in that Sub-Fund or Class and such other evidence of discharge as the Board of Directors may reasonably require. This decision will be notified to Shareholders as required. No Shares shall be redeemed after the date of the decision to liquidate the Sub-Fund or a Class. The completion of the liquidation of a Sub-Fund or a Class must in principle take place within a period of nine months from the date of decision of the Board of Directors relating to the liquidation. Where the liquidation of Sub-Fund or a Class cannot be fully completed within a period of nine months, a written request for exemption shall be submitted to the CSSF detailing the reasons why the liquidation cannot be completed. As soon as it has been determined that the liquidation of the Sub-Fund or class is complete, whether this decision is taken before the nine (9) month period has expired or at a later date, any residual

funds not claimed by Shareholders prior to the completion of the liquidation shall be deposited as soon as possible at the *Caisse de Consignation*.

Division

If the Board of Directors determines that it is in the interests of the Shareholders of the relevant Sub-Fund or Class or that a change in the economic or political situation relating to the Sub-Fund or Class concerned has occurred which would justify it, the reorganization of one Sub-Fund or Class, by means of a division into two or more Sub-Funds or Classes, may take place. This decision will be notified to the Shareholders as required. The notification will also contain information about the two or more new Sub-Funds or Classes. The notification will be made at least one month before the date on which the reorganization becomes effective in order to enable the Shareholders to request the repurchase of their Shares, free of charge, before the operation involving division into two or more Sub-Funds or Classes becomes effective. Any applicable contingent deferred sales charges are not to be considered as redemption charges and shall therefore be due.

GENERAL INFORMATION

Conflicts of Interest

The following inherent or potential conflicts of interest should be considered by prospective investors before investing in the Fund:

Other Clients

The Directors, the Investment Manager, the Central Administration Agent, the Depositary, the Management Company and other service providers referenced in this Prospectus (together the “**Service Providers**”) may invest in or act as director, general partner, manager, broker, administrator, prime broker, investment manager or provide other services to other clients (including funds and/or managed accounts) now or in the future.

The Service Providers will engage in other business activities. The Service Providers are not required to refrain from any other activity, to account for any profits from any such activity, whether as partners of additional investment companies or otherwise or to devote all or any particular part of the time and effort of any of its or their partners, officers, directors or employees to the Fund and its affairs. The investment objectives or strategies of such clients may be identical, similar or different to those of the Fund. There can be no assurance that the investment returns of the Fund will be similar or identical to the investment returns of any other fund or account managed by the Investment Manager. Service Providers may additionally serve as consultants to, partners or shareholders in other investment funds, companies and investment firms. Certain investments may be appropriate for the Fund and also for other clients advised or managed by the Investment Manager. Investment decisions for the Fund and for such other clients are made with a view to achieving their respective investment objectives and after consideration of such factors as their current holdings, the current investment views of the different portfolio managers of the Investment Manager, availability of cash for investment, and the size of their positions generally. Frequently, a particular investment may be bought or sold for only the Fund or only one client or in different amounts and at different times for more than one but less than all clients, including the Fund. Likewise, a particular investment may be bought for the Fund or one or more clients when one or more other clients are selling the same security. In addition, purchases or sales of the same investment may be made for two or more clients, including the Fund, on the same date and mirror portfolios may be operated for other clients. In such event, such transactions will be allocated among the Fund and clients in a manner

believed by the Investment Manager to be equitable to each. Purchase and sale orders for the Fund may be combined with those of other clients of the Investment Manager. In effecting transactions, it may not always be possible, or consistent with the possibly differing investment objectives of the various clients and of the Fund, to take or liquidate the same investment positions at the same time or at the same prices. The Investment Manager may manage other accounts or funds to which structured products are linked; in so doing it may take or be required to take actions which impact adversely upon the Fund and its valuations.

In calculating the Net Asset Value, the Central Administration Agent may consult with the Board of Directors, the Management Company and the Investment Manager, with respect to the valuation of certain investments.

There is an inherent conflict of interest between the involvement of the Management Company and the Investment Manager in determining the Net Asset Value and the entitlement of the Management Company and the Investment Manager to a management company fee, investment management fee and performance fee, respectively, which is calculated on the basis of the Net Asset Value.

The Management Company has established and implemented a conflicts of interest policy that contains appropriate measures to mitigate such conflicts of interests.

The foregoing does not purport to be a complete list of all potential conflicts of interest involved in an investment in the Sub-Funds. The Directors will seek to ensure that any conflict of interest of which they are aware is resolved timely and fairly.

Interested Party Transactions

The Service Providers, any of their directors, officers, employees, agents and connected persons and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an “**Interested Party**”) may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Fund. In particular, an Interested Party may provide services similar to those provided to the Fund to other entities and will not be liable to account for any profit earned from any such services. For example, an Interested Party may acquire investments (on behalf of clients) in which the Fund may invest. However, where the Investment Manager could (a) allocate an investment between two or more funds or accounts which it manages (including the Fund’s); or (b) make a disposal of investments held by two or more such funds or accounts, it will act fairly as between the relevant funds or accounts in making such allocation or disposal, having regard to, inter alia, factors such as cash availability and portfolio balance.

The Fund may acquire securities from or dispose of securities to any Interested Party or any investment fund or account advised or managed by any such person. An Interested Party may provide professional services to the Fund (but no Interested Party will act as auditor to the Fund) or hold Shares and buy, hold and deal in any investments for their own accounts notwithstanding that similar investments may be held by the Fund. An Interested Party may contract or enter into any financial or other transaction with any Shareholder or with any entity any of whose securities are held by or for the account of the Fund, or may be interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions to which such Interested Party is contractually entitled in relation to any sale or purchase of any investments of the Fund effected by it for the account of the Fund, if in each case the terms are no

less beneficial to the Fund than a transaction involving a disinterested party and any commission is in line with market practice.

Commission Sharing Arrangements

In connection with the management of the Fund, the Investment Manager may provide a fee, commission or non-monetary benefit to a third party where: (i) the fee, commission or non-monetary benefit is provided by the Fund or a person on behalf of the Fund; (ii) the fee, commission or non-monetary benefit is designed to enhance the quality of the service provided to the Fund, does not impair compliance with the Investment Manager's duty to act in the best interests of the Fund; and the existence, nature and amount of the fee, commission or benefit (or where the amount cannot be ascertained the method of calculating that amount) is disclosed to the Fund prior to the provision of the related service; or (iii) the fee, commission or non-monetary benefit enables or is necessary for the provision of investment services, and by its nature cannot give rise to conflicts with the Investment Manager's duties to act honestly, fairly and professionally in accordance with the best interests of the Fund.

Directors' Interests

- (a) Mr. Ashley Brown is a director and shareholder of Adelio Partners Limited, the Investment Manager and the Principal Distributor.
- (b) Save as disclosed in this section, no Director has any interest, direct or indirect, in the promotion of, or in any assets which have been or are proposed to be acquired or disposed of by, or leased to, the Fund, and no Director is materially interested in any contract or arrangement subsisting at the date of this Prospectus which is unusual in its nature or condition or which is significant in relation to the business of the Fund.
- (c) Pursuant to the Articles of Incorporation, the Directors and officers of the Fund shall be indemnified by the Fund to the fullest extent permitted by law against liability and against all expenses reasonably incurred or paid by him in connection with any claim, action, suit or proceeding in which he becomes involved as a party or otherwise by virtue of his being or having been such Director or officer and against amounts paid or incurred by him in the settlement thereof. No indemnification shall be provided to a Director or officer against any liability to the Fund or its Shareholders by reason of wilful misfeasance, bad faith, negligence or reckless disregard of the duties involved in the conduct of his office.

Publication of Prices

The Net Asset Value per Share, as well as the Subscription Price and Redemption Price, may be obtained from the registered office of the Fund and on the Website. If required under local requirements, the Net Asset Value per Share will be made available or published in newspapers and via any other media as may be decided by the Board of Directors from time to time.

The Fund is not liable for any error or delay in publication or for non-publication of prices.

Historical Performance

The Sub-Funds and Classes present their performance as average annual total return, reflecting all charges and expenses accrued by the relevant Sub-Fund or Class. Performance does not include any adjustment for sales or redemption charges and does not consider any tax consequence to Shareholders as a result of investing in Shares.

The Sub-Funds and Classes, when presenting their average annual total return, also may present their performance using other means of calculation, and may compare their performance to various benchmarks and indices. The Sub-Funds and Classes may present their returns for periods of less than one year.

Past performance is not necessarily indicative of future results. Past performance of the Sub-Funds or Classes launched for a full year or more is disclosed for each Sub-Fund or Class in the relevant KIID which is available from the registered office of the Fund and on the Website.

Complaints

Complaints regarding the operation of the Fund may be submitted to the registered office of the Fund and/or to the Management Company.

A Shareholder who qualifies as an 'eligible complainant' (as defined in the FCA Rules) may also complain directly to the Financial Ombudsman Service:

Financial Ombudsman Service
Exchange Tower
London E14 9SR

Telephone (from inside the U.K.): 0800 023 4 567 or 0300 123 9 123
Telephone (from outside the U.K.): +44 20 7964 0500
Website: www.financial-ombudsman.org.uk

Shareholders' Rights

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

Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered or will be entered into and are or may be material:

- The Management Company Services Agreement;
- The Investment Management Agreement;
- The Principal Distribution Agreement;
- The Depositary Agreement; and

- The Administration Agreement.

Documents Available for Inspection

Copies of the Articles of Incorporation, the most recent Prospectus, the most recent KIIDs and the latest available Reports are available for inspection and may be obtained free of charge at the registered office of the Fund and on the Website.

The material contracts referred to above may be available for inspection at the registered office of the Fund, subject to any applicable requirements of confidentiality.

Point of Sale Disclosure

MiFID II requires distribution agents engaged by the Principal Distributor to disclose to Shareholders and potential Shareholders on an ex-ante and ex-post basis a reasonable estimation of all costs and charges related to an investment in a Class of a Sub-Fund (e.g., management fees, depositary fees, initial sales charges, redemption charges, research charges, etc.). The Principal Distributor intends to provide distribution agents with the requisite information for such distribution agents to comply with their point of sale obligations under MiFID II.

Definition of a U.S. Person

A “U.S. Person” for purposes of this Prospectus is a person who is in either of the following two categories: (a) a person included in the definition of “U.S. person” under Rule 902 of Regulation S under the U.S. Securities Act or (b) a person excluded from the definition of a “Non-United States person” as used in CFTC Rule 4.7. For the avoidance of doubt, a person is excluded from this definition of U.S. Person only if he or it does not satisfy any of the definitions of “U.S. person” in Rule 902 and qualifies as a “Non-United States person” under CFTC Rule 4.7.

“U.S. person” under Rule 902 of Regulation S includes the following:

- a) any natural person resident in the United States;
- b) any partnership or corporation organised or incorporated under the laws of the United States;
- c) any estate of which any executor or administrator is a U.S. person;
- d) any trust of which any trustee is a U.S. person;
- e) any agency or branch of a non-U.S. entity located in the United States;
- f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and
- h) any partnership or corporation if:
 - (i) organised or incorporated under the laws of any non-U.S. jurisdiction; and
 - (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the U.S. Securities Act) who are not natural persons, estates or trusts.

Notwithstanding the preceding paragraph, “U.S. person” under Rule 902 does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a

non-U.S. person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person, if (A) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate, and (B) the estate is governed by non-U.S. law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (v) any agency or branch of a U.S. person located outside the United States if (A) the agency or branch operates for valid business reasons, and (B) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) certain international organisations as specified in Rule 902(k)(2)(vi) of Regulation S under the U.S. Securities Act, including their agencies, affiliates and pension plans.

CFTC Rule 4.7 currently provides in relevant part that the following persons are considered “Non-United States persons”:

- a) a natural person who is not a resident of the United States or an enclave of the U.S. government, its agencies or instrumentalities;
- b) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction;
- c) an estate or trust, the income of which is not subject to U.S. income tax regardless of source;
- d) an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons (as defined in CFTC Rule 4.7(a)(2) or (3)) represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC’s regulations by virtue of its participants being Non-United States persons; and
- e) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

Data Protection

The personal data or information given in an application form or otherwise collected, provided to or obtained by the Fund, acting as data controller (the “**Data Controller**”), in connection with an application to subscribe for, or for the holding of, one or more Shares, or at any other time, as well as details of the investor’s holding of Share(s) (“**Personal Data**”), will be stored in digital form or otherwise and collected, used, stored, retained, transferred and/or otherwise processed for the purposes described below (the “**Processing**”), in compliance with the provisions of the Data Protection Legislation.

The Data Controller will collect, use, store, retain, transfer and/or otherwise process the Personal Data: (i) on the basis of the investor’s consent; (ii) where necessary to perform any services resulting from the application form, including the holding of one or more Shares in general; (iii) where necessary to comply with a legal or regulatory obligation of the Data Controller; (iv) where necessary for the purposes of the

legitimate interests pursued by the Data Controller, the Central Administration Agent, the Depository, the Global Distributor, or other service providers to the Fund (including without limitation its auditors and information technology providers), any lender to the Data Controller or related entities (including without limitation their respective general partner or management company/investment manager and service providers) in or through which the Data Controller intend to invest, and any of the foregoing respective agents, delegates, affiliates, subcontractors and/or their successors and assigns generally (together the “**Data Processors**” and each a “**Data Processor**”), which mainly consist in the provision of the services in connection with the account opening form to the investor or compliance with foreign laws and regulations and/or any order of a foreign court, government, regulatory or tax authority, including when providing such services in connection with the account opening form to the investor, and to any beneficial owner(s) and any person holding a direct or indirect interest in the investor and/or any beneficial owner who has not directly entered into the account opening form (“**Relevant Persons**”), except where such legitimate interests are overridden by the interest or fundamental rights and freedoms of the investor or any Relevant Person(s). Should the investor refuse to communicate its Personal Data or the collection, use, storage, retention, transfer and/or any other processing of its Personal Data as described herein, the Central Administration Agent may refuse the subscription of Share(s).

The Processing includes, without limitation, the collection, use, storage, retention, transfer and/or any other processing of Personal Data for any of the following purposes:

- (i) to process, manage and administer the investor’s Share(s) and any related accounts on an on-going basis;
- (ii) for any specific purpose(s) to which the investor has consented in addition to its consent in the account opening form in compliance with the Data Protection Legislation;
- (iii) to comply with legal or regulatory requirements applicable to the Data Controller, a Data Processor and/or the investor;
- (iv) where necessary for the purposes of tax reporting to one or more relevant authorities; and
- (v) to fulfil the terms and conditions of, and any services required by, the investor in relation to the account opening form and the holding of the Share(s) and to execute all tasks that are carried out under the account opening form and in relation to the investor’s Share(s).

The Personal Data that will be collected, used, retained, stored, transferred and/or otherwise processed includes without limitation: (i) the name, address, email address, telephone numbers, business contact information, current employment, career history, current investments, historic investments, investment preferences, and credit history of the investor and of related individuals of the investor (including without limitation the investor’s directors, officers, individual representatives, legal representatives, trustees, settlors, signatories, shareholders, unitholders, investors, nominees, employees and/or any Relevant Person(s)); (ii) any other data required by the Data Controller to perform services in connection with or resulting from the application form, the investor’s Share(s), and/or any contract with any Data Processor; and (iii) any data required by the Data Controller to comply with any legal and/or regulatory obligations. The Personal Data will be directly collected from the investor or, as the case may be, through public sources, social media, subscription services, other third party data sources or, through the investor’s authorised intermediaries, directors, officers, individual representatives (including, without limitation, legal representatives), trustees, settlors, signatories, shareholders, unitholders, investors, nominees or employees.

Each investor is required to:

- (i) have duly and completely informed all natural persons (including, without limitation, the subscriber's directors, officers, individual representatives, legal representatives, trustees, settlors, signatories, shareholders, unitholders, investors, nominees, employees, any Relevant Person(s) and representatives of legal persons) and other data subjects whose Personal Data will be processed in the context of the investor holding of Share(s) about the collection, use, storage and/or transfer and/or any other processing of their Personal Data and their rights as described in this section in accordance with the information requirements under the Data Protection Legislation; and
- (ii) where necessary and appropriate, have obtained any consent that may be required for the Processing of said Personal Data in accordance with the requirements of the Data Protection Legislation.

The Data Controller shall be entitled to assume that those persons have, where necessary, given any such consent and have been informed of all information relating to the collection, use, storage and/or transfer and/or processing of their Personal Data and of their rights as described in this section.

Each investor acknowledges, understands and, to the extent necessary, consents that for purposes of and in connection with the Processing:

- (i) the Data Processors may collect, use, retain, store transfer and/or otherwise process Personal Data on behalf of the Data Controller in accordance with Data Protection Legislation; and
- (ii) Personal Data may also be shared, transferred and disclosed, out of the context of any delegation, to any Data Processors and to third parties, acting as data controllers, including the investor's professional and financial advisers, any Data Processor's auditors, technology providers, board of managers or directors, delegates, duly appointed agents and related, associated or affiliated companies, in each case which may be located in a jurisdiction that does not have equivalent data protection laws to those of the European Economic Area (the "EEA"), including the Data Protection Legislation and the Luxembourg law of 5 April 1993 on the financial sector (as amended) which provides for a professional secrecy obligation, or that are not subject to an adequacy decision of the European Commission, for their own purposes, including, without limitation, developing and processing the business relationship with any shareholder(s) and/or any Relevant Person(s).

Each investor acknowledges, understands and, to the extent necessary, will be asked to consent to the collection, use, processing, storage and retention of Personal Data by the Central Administration Agent, acting as a data processor, for the provision of the services to be provided under the Administration Agreement and for other related purposes for which it acts as a data controller and also acknowledges and consents: (1) to the transfer of such Personal Data to other companies or entities within the Central Administration Agent's group, including its offices outside Luxembourg and the EEA; and (2) to the transfer of such Personal Data to third party companies or entities including their offices outside the EEA where the transfer is necessary for the maintenance of records, administrations or provision of services under the Administration Agreement in relation to any investment product or services of any group of companies. The maintenance of records, administrations and provision of the services contemplated under the Administration Agreement will leverage operational and technological capabilities located outside Luxembourg and the EEA. Personal Data including the identity of the investor and the values of its Share

in the Fund will therefore be accessible to other companies or entities within the Central Administration Agent's and promoter's group. Personal Data may be transferred by the Central Administration Agent to a country which does not maintain a legal and regulatory framework to protect confidentiality of personal data (including, without limitation, Personal Data) equivalent to that of Luxembourg and the EEA.

Each investor acknowledges and, to the extent necessary, will be asked to consent to the fact that the Depositary and the Global Distributor may collect, use, store, transfer, and retain and/or otherwise process the Personal Data, acting as a data processor, for the purpose of carrying out its obligations under the Depositary Agreement or the Global Distribution Agreement respectively and for other related purposes, for which it acts as a data controller, including auditing, monitoring and analysis of its business, fraud and crime prevention, fighting against money laundering and terrorism financing, legal and regulatory compliance, and the marketing by the Depositary of other services. The Depositary may disclose Personal Data to a sub-custodian or other custodial delegate, a securities depositary, a securities exchange or other market, an issuer, a broker, a third party agent or subcontractor, a professional advisor or public accountant, a revenue authority or any governmental entity in relation to and as required for the purpose of processing of any tax relief claim (the "**Authorised Recipients**") for the purpose of enabling the Depositary to perform its duties under the Depositary Agreement (the "**Permitted Purpose**") with the full support of the relevant Authorised Recipients who need to obtain such Personal Data to provide relevant support, and to use communications and computing systems operated by the Authorised Recipients, for the Permitted Purpose, including where such Authorised Recipients are present in a jurisdiction outside Luxembourg or in a jurisdiction outside the EEA, which does not maintain a legal and regulatory framework to protect confidentiality of personal data (including, without limitation, Personal Data) equivalent to that of Luxembourg.

Each investor acknowledges and, to the extent necessary, consents to the collection, use, storage, retention and/or other processing of Personal Data by the concerned Data Processors, for the provision of services under the relevant distribution or sub-distribution agreements including the promotion and marketing of Shares, the transfer of information requested by any Data Processors to comply with any law, regulation or recommendation from supervisory or tax authorities applicable to it or them (including without limitation anti-money laundering rules and regulations), process complaints and assist in relation to facilitating the subscription process and preparation and contents of the investor's due diligence questionnaires. In particular, each investor (i) will be asked to consent to the transfer of such Personal Data to any Data Processor, which may be established in a jurisdiction which does not ensure an adequate protection of personal data, and/or in other countries which may or not maintain a legal and regulatory framework to protect confidentiality of Personal Data equivalent to that of Luxembourg and the EEA and (ii) will be asked to acknowledge and consent to the fact that the transfer of such Personal Data is necessary for the purposes described hereinabove and more generally, the admittance of the investor as a Shareholder of the Fund.

Each investor acknowledges and, to the extent necessary, will be asked to consent to the fact that Personal Data the investor is supplying or that is collected will enable the Fund as well as, where relevant, any of the Data Processors, to process, manage and administer the investor's Share(s) and any related account(s) on an on-going basis, and to provide appropriate services to the investor as a Shareholder of the Fund including the provision of periodic reports, performance updates, newsletters and market commentary by the Management Company, the Investment Manager or the Global Distributor. Any of the Data Processors may collect, use, store, transfer, retain or otherwise process the Personal Data for the purposes described in the application form, this Prospectus, the Administration Agreement, the Depositary Agreement, the Investment Management Agreement, the Management Company Agreement, as well as

for the purposes of the investor's (and any Relevant Person's) anti-money laundering identification and tax identification in this context, and in order to comply with their applicable legal obligations including without limitation prevention of terrorism financing, prevention and detection of crime, tax reporting obligations, FATCA agreement and CRS (the common reporting system pursuant to the Organization for Economic Co-operation and Development Standard for the Automatic Exchange of Financial Account Information in Tax Matters) (if any).

Without prejudice to the paragraph below, and notwithstanding the investor's consent to the processing of its Personal Data in the manner set forth in the application form, the investor has the right to object at any time to processing of its Personal Data (including, without limitation, for direct marketing purposes, which includes profiling to the extent that it is relating to such marketing).

Each investor acknowledges, understands, and to the extent necessary, will be asked to consent to the fact that the Data Controller as well as, where relevant, the Data Processors, may be required by applicable laws and regulations to transfer, disclose and/or provide Personal Data, in full compliance with applicable laws and regulations, and in particular Article 48 of the GDPR (when applicable), to supervisory, tax, or other authorities in various jurisdictions, in particular those jurisdictions where (i) the Fund is or is seeking to be registered for public or limited offering of the investor's Shares, (ii) investors are resident, domiciled or citizens or (iii) the Fund is, or is seeking to, be registered, licensed or otherwise authorised to invest.

By investing, each investor acknowledges, understands, and to the extent necessary, will be asked to consent to the fact that the transfer of the investor's data, including Personal Data, may be transferred to a country that does not have equivalent data protection laws to those of the EEA, as described above, or that are not subject to an adequacy decision of the European Commission, including the Data Protection Legislation and the Luxembourg law of 5 April 1993 on the financial sector (as amended) which provides for a professional secrecy obligation. The Data Controller will transfer the Personal Data (i) on the basis of any adequacy decision of the European Commission with respect to the protection of personal data and/or the EU-U.S. Privacy Shield framework; (ii) on the basis of appropriate safeguards listed by and subject to the provisions of Article 46 of the GDPR (when applicable), such as standard contractual clauses, binding corporate rules, an approved code of conduct, or an approved certification mechanism; (iii) on the basis of the consent; (iv) where necessary for the performance of the services resulting from the application form; (v) where necessary for the performance of services by the Data Processors provided in connection with the application form; (vi) where necessary for important reasons of public interest; (vii) where necessary for the establishment, exercise or defense of legal claims; (viii) where the transfer is made from a register which is legally intended to provide information to the public and which is open to consultation, in accordance with applicable laws and regulations, provided that the transfer does not involve the entirety of the personal data or entire categories of the personal data contained in the Shareholders' register; or (ix) subject to the provisions of Article 49(1) of the GDPR (when applicable), where the transfer is necessary for the purposes of compelling legitimate interests pursued by the Data Controller which are not overridden by the interests or rights and freedoms of the relevant data subjects.

Each investor has the right to request a copy of Personal Data held in relation to it, and to request that they be amended, updated, completed or deleted as appropriate, if incorrect, and to request a limitation to a processing of its Personal Data and the portability of any Personal Data processed by the Data Controller in the manner and subject to the limitations prescribed in the Data Protection Legislation.

Each investor is entitled to address any claim relating to the processing of its Personal Data to a data protection supervisory authority; in Luxembourg, the *Commission Nationale pour la Protection des Données*.

The Personal Data will be held until the investor ceases to be a Shareholder of the Fund and a period of 10 years thereafter where necessary to comply with applicable laws and regulation or to establish, exercise or defend actual or potential legal claims, subject to the applicable statutes of limitation, unless a longer period is required by applicable laws and regulations.

The Data Controller and the Data Processors processing the Personal Data on its behalf will accept no liability with respect to an unauthorised third party receiving knowledge of, or having access to, its Personal Data, except in the case of proven negligence or serious misconduct by the Data Controller and/or any Data Processor that processes the Personal Data on its behalf or by any of their respective employees, officers, affiliates, agents and sub-contractors. In any event, the liability of the Data Controller with respect to the processing of Personal Data remains strictly limited to what is imposed by the Data Protection Legislation.

RISK FACTORS ANNEX

General

Investors should remember that the price of Shares of any of the Sub-Funds and any income from them may fall as well as rise and that investors may not get back the full amount invested. Past performance is not a guide to future performance and, depending on each Sub-Fund's investment objectives, policies and strategies, a Sub-Fund should be regarded as a short- or long-term investment. Where a purchase involves a foreign exchange transaction, it may be subject to the fluctuations of currency values. Exchange rates may also cause the value of underlying overseas investments to go down or up. The investor should be aware that not all of the following risk warnings apply to all Sub-Funds.

Business Dependent upon Key Individuals

The success of the Fund is significantly dependent upon the expertise of the Investment Manager and its members, and in particular Antoine Badel.

Lack of Operating History

The Fund and the Investment Manager are newly formed. The Fund's investment program should be evaluated on the basis that there can be no assurance that the Investment Manager's assessment of the short-term or long-term prospects of its investment strategy will prove accurate or that the Fund will achieve its investment objective.

Past Performance is not an Indication of Future Results

There can be no assurance that the Fund or any Sub-Fund will achieve its investment objective. The past investment performance of the Investment Manager cannot be construed as an indication of the future results of an investment in the Fund or any Sub-Fund.

Effects of performance fees

The Investment Manager may be entitled to a performance fee from a Sub-Fund based on a percentage of any net realised and unrealised profits. Performance fees may create an incentive for the Investment Manager to make investments that are riskier or more speculative than would be the case in the absence

of such incentive compensation arrangements. In addition, the Investment Manager's performance fees will be based on unrealised as well as realised gains.

Effects of Redemptions

Large redemptions of Shares within a limited period of time could require the Fund to liquidate positions more rapidly than would otherwise be desirable, adversely affecting the value of both the Shares being redeemed and the outstanding Shares. In addition, regardless of the period of time over which redemptions occur, the resulting reduction in a Sub-Fund's Net Asset Value could make it more difficult for the Investment Manager to generate profits or recover losses. Early investors may account for a significant portion of the Fund's capital during its early life. While there can be no assurance that seed capital will be invested, a redemption of any such seed capital may adversely affect a Sub-Fund's liquidity and diversification and may cause the Investment Manager to liquidate assets at inopportune times, which could adversely affect a Sub-Fund's Net Asset Value.

Taxation

The proceeds from the sale of securities in some jurisdictions or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which the Fund invests or may invest in the future is not clearly established. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. It is therefore possible that the Fund could become subject to additional taxation in such countries that is not anticipated either at the date of the Offering Document or when investments are made, valued or disposed of.

Market Risk

A Sub-Fund is subject to market risk, which is the risk that the market values of the securities held in its portfolio may move up or down, sometimes rapidly and unpredictably. Security values fluctuate based on many factors including changes in interest rates, market conditions, investor confidence and announcements of economic, political or financial information. Equity securities and commodity-linked securities generally have greater price volatility than fixed income securities.

Fixed income securities include, but are not limited to:

- securities issued or guaranteed by governments, their agencies or government-sponsored enterprises;
- corporate debt securities, including convertible securities and corporate commercial paper;
- mortgage-related and other asset-backed securities;
- inflation-indexed bonds issued both by governments and corporations;
- structured notes, including hybrid or "indexed" securities, event-linked bonds and loan participations;
- bank certificates of deposit, fixed time deposits and bankers' acceptances;
- repurchase agreements and reverse repurchase agreements;
- debt securities issued by states or local governments, their agencies and other government-sponsored enterprises; and
- obligations of international agencies or supranational entities.

Interest Rate Risk

A Sub-Fund may be subject to interest rate risk. As nominal interest rates rise, the value of fixed income securities held by a Sub-Fund is likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Inflation-indexed securities, including treasury inflation-protected securities, decline in value when real interest rates rise. In certain interest rate environments, such as when real interest rates are rising faster than nominal interest rates, inflation-protected securities may experience greater losses than other fixed income securities with similar durations.

Credit Risk

A Sub-Fund could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a derivatives contract, repurchase agreement or a loan of portfolio securities, is unable or unwilling to make timely principal and/or interest payments, or to otherwise honour its obligations. All securities are subject to varying degrees of credit risk, which may not always be wholly reflected in credit ratings. In addition, the Sub-Funds may purchase unrated securities, thus relying on the Investment Manager's credit analysis, possibly increasing or incurring other risks.

Foreign Exchange/Currency Risk

Although Shares of the different Classes within a Sub-Fund may be denominated in different currencies, the Sub-Funds may invest the assets related to a Class in securities denominated in a wide range of other currencies. The Net Asset Value of the relevant Class of the relevant Sub-Fund as expressed in its Reference Currency will consequently fluctuate in accordance with the changes in foreign exchange rate between the Reference Currency and the currencies in which the Sub-Funds' investments are denominated.

In addition, there is a risk that foreign exchange controls may be modified by foreign governments which may have an adverse effect on the Shares.

The Sub-Fund may therefore be exposed to a foreign exchange/currency risk. However, these risks generally depend on factors outside of the Fund's control such as financial, economic, military and political events and the supply and demand for the relevant currencies in the global markets. It may be not be possible or practicable to hedge against the consequent foreign exchange/currency risk exposure.

Changes in Foreign Currency Exchange Rates Can Be Volatile and Unpredictable

Rates of exchange between currencies have been highly volatile, and this volatility may continue and perhaps spread to other currencies in the future. Fluctuations in currency exchange rates could adversely affect an investment in Shares denominated in, or whose value is otherwise linked to, a foreign currency.

Government Policy Can Adversely Affect Foreign Currency Exchange Rates and an Investment in a Foreign Currency Note

Foreign currency exchange rates can either float or be fixed by sovereign governments. From time to time, governments use a variety of techniques, such as intervention by a country's central bank or imposition of regulatory controls or taxes, to affect the exchange rate of their currencies.

Governments may also issue a new currency to replace an existing currency or alter the exchange rate or exchange characteristics by devaluation or revaluation of a currency. Thus, a special risk in purchasing foreign currency notes may be that their yields or pay-outs could be significantly and unpredictably affected by governmental actions. Even in the absence of governmental action directly affecting foreign currency exchange rates, political, military or economic developments in the country issuing the specified foreign currency for a note or elsewhere could lead to significant and sudden changes in the foreign currency exchange rate between the foreign currency and the Reference Currency of the Fund.

Governments have imposed from time to time and may in the future impose exchange controls or other conditions, including taxes, with respect to the exchange or transfer of a specified currency that could affect exchange rates as well as the availability of a specified currency for a note at its maturity or on any other payment date. In addition, the ability of a holder to move currency freely out of the country in which payment in the currency is received or to convert the currency at a freely determined market rate could be limited by governmental actions.

The Fund may enter into currency transactions as necessary to hedge the currency risks within the limits described in the “INVESTMENT RESTRICTIONS” section of this Prospectus.

Sovereign Default Risk

In certain jurisdictions including Greece, Portugal, Italy, Spain and Ireland, there has been a surge in the cost of insuring against default on sovereign debt based on concerns that government funding costs are becoming unsustainable. Additional economic disruptions in such jurisdictions could lead to increased volatility in equity and other markets and a sovereign default could lead to substantial losses in value in these markets, potentially compounded by currency and foreign exchange conversion restrictions.

In the event that such disruption leads to the exit of one or more countries from the Euro there may be additional difficulties in analysing, valuing and/or realising holdings in such jurisdiction as a result of the change in reference currency. Such events could lead to a material, if not complete, loss of the relevant Sub-Fund's investment in that jurisdiction. European sovereign debt risk and pressure on bond and currency markets have been a drag on financial markets and are a risk to recovery in those markets. The markets' perception of risk in certain countries including Greece, Portugal, Italy, Spain and Ireland has increased, raising the prospect of financial contagion across European countries and beyond. The relevant Sub-Fund may suffer from substantial losses in such jurisdictions.

Debt Securities Risk

Debt securities, such as notes and bonds, are subject to credit risk and interest rate risk. Credit risk is the possibility that an issuer of an instrument will be unable to make interest payments or repay principal when due. Changes in the financial strength of an issuer or changes in the credit rating of a security may affect its value. Interest rate risk is the risk that interest rates may increase, which tends to reduce the resale value of certain debt securities. Debt securities with longer maturities are generally more sensitive to interest rate changes than those with shorter maturities. Changes in market interest rates do not affect the rate payable on an existing debt security, unless the instrument has adjustable or variable rate features, which can reduce its exposure to interest rate risk. Changes in market interest rates may also extend or shorten the duration of certain types of instruments, thereby affecting their value and the return on an investment in a Sub-Fund.

High Yield Bonds

Investment in debt securities is subject to interest rate, sector, security and credit risks. Compared to investment grade bonds, high yield bonds are normally lower-rated securities and will usually offer higher yields to compensate for the reduced creditworthiness or increased risk of default that these securities carry.

Depository Risk and Sub-Custodial Risk

The Fund may be required to place assets outside the Depository's and the sub-custodians' safekeeping network in order for the Fund to trade in certain markets. In such circumstances, the Depository remains in charge of monitoring where and how such assets are held, however, Shareholders should note that there may be delays in settlement and/or uncertainty in relation to the ownership of a Sub-Fund's investments which could affect the Sub-Fund's liquidity and which could lead to investment losses.

Valuation Risk

The Fund may consult with the Management Company and the Investment Manager with respect to the valuation of investments. There is a possible conflict of interest because of the Management Company and the Investment Manager's role in determining the valuation of a Sub-Fund's investments and the fact that the Investment Manager receives a fee that increases as the value of the Sub-Fund increases.

Trading in Indices, Financial Instruments and Currencies

The Investment Manager may place an emphasis on trading indices, financial instruments and currencies. The effect of any governmental intervention may be particularly significant at certain times in currency and financial instrument futures and options markets. Such intervention (as well as other factors) may cause all of these markets to move rapidly in the same or varying directions which may result in sudden and significant losses.

Convertible Securities

Convertible securities are subject to the risks affecting both equity and fixed income securities, including market, credit, liquidity, and interest rate risk. Convertible securities generally offer lower interest or dividend yields than non-convertible securities of similar quality and less potential for gains or capital appreciation in a rising stock market than equity securities. They tend to be more volatile than other fixed income securities, and the markets for convertible securities may be less liquid than markets for equity securities or bonds. Many convertible securities have below investment grade credit ratings and are subject to increased credit and liquidity risks. Convertible structured notes may present a greater degree of market risk, and may be more volatile, less liquid and more difficult to price accurately than less complex securities. These factors may cause a Sub-Fund to perform poorly compared to other funds, including funds that invest exclusively in fixed income securities.

Derivatives Risk

A Sub-Fund may be subject to risk associated with FDIs. FDIs are considered for these purposes to consist of securities or other instruments whose value is derived from or related to the value of some other instrument, asset, rate or index, and not to include those securities whose payment of principal and/or

interest depends upon cash flows from underlying assets, such as mortgage-related or asset-backed securities. As such, these instruments may be particularly sensitive to changes in the market value of the related instruments or assets. In addition, FDIs may be particularly sensitive to changes in prevailing interest rates. Unexpected changes in interest rates may adversely affect the value of a Sub-Fund's investments, particularly FDIs. FDIs also involve the risk of mis-pricing and the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index

OTC Derivative Instrument Transactions

A Sub-Fund may invest a portion of its assets in investments which are not traded on organised exchanges and as such are not standardised. Such transactions are known as OTC transactions and may include forward contracts, options, swaps or other derivatives. Whilst some OTC markets are highly liquid, transactions in OTC derivatives may involve greater risk than investing in exchange traded derivatives because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid and offer prices need not be quoted and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price. In respect of such trading, the relevant Sub-Fund is subject to the risk of counter-party failure or the inability or refusal by a counter-party to perform with respect to such contracts or redeliver cash or securities delivered by the Sub-Fund to support such contracts. Market illiquidity or disruption could result in major losses to the Sub-Fund.

The instruments, indices and rates underlying derivative transactions expected to be entered into by a Sub-Fund may be extremely volatile in the sense that they are subject to sudden fluctuations of varying magnitude, and may be influenced by, among other things, government trade, fiscal, monetary and exchange control programmes and policies; national and international political and economic events; and changes in interest rates. The volatility of such instruments, indices or rates, which may render it difficult or impossible to predict or anticipate fluctuations in the value of instruments traded by a Sub-Fund, could result in losses.

Contracts for Differences

If the value of a CFD falls then the buyer of the contract will pay the seller the difference between the current value and the future value. For example, if the CFD contract is underpinned by an equity then the buyer can speculate on share price movements without the need to own the underlying shares. Thus, CFDs allow investors to take long or short positions synthetically and the contract may have no fixed expiry date or contract size.

Therefore, CFDs do not have a maturity date and can be traded at any time on the OTC market. The underlying instrument may cover shares or indices. If dividends are paid on the underlying shares, buyers of long contracts (speculating on a rise) receive a compensatory payment. These amounts are paid by the seller of the long contract. If dividends are paid on the underlying shares, buyers of short contracts (speculating on a fall) pay a compensatory payment. The benefit of CFDs is that exposure can be obtained to price movements in underlying securities and instruments without the need to commit large amounts of capital. A holder of a CFD merely needs to deposit money in order to create the required initial margin. The purpose of this margin is to hedge potential losses which may result from the transaction. Margin requirements may need to be increased during the life of the CFD to meet changes in the value of the contract. The contract may be closed automatically if the losses exceed the guaranteed amounts.

A Sub-Fund may make wide use of CFDs. CFDs carry significant leverage effects. The force of the leverage effect can move against the holder of the CFD as easily and as quickly as it can in their favour. To mitigate this risk, each Sub-Fund will use CFDs to obtain long or short exposure to equities and other securities, not to gain additional leverage.

Options

A Sub-Fund may purchase and sell (“write”) options on securities and currencies. The seller (“writer”) of a put or call option which is uncovered (i.e., the writer has effectively a long or a short position in the underlying security or currency) assumes the risk (which theoretically may be unlimited) of a decrease or increase in the market price of the underlying security or currency below or above the sale or purchase price. Trading in options is a highly specialised activity and although it may increase total return it may also entail significantly greater than ordinary investment risk.

Swaps

Swaps involve greater risks than direct investment in the underlying securities, because swaps are subject to the risks related to FDI described above. Total return swaps are also subject to the particular risk that the swaps could result in losses if the underlying asset or reference does not perform as anticipated. In a total return swap transaction, one party agrees to pay the other party an amount equal to the total return of a defined underlying asset (such as an equity security or basket of such securities) or a non-asset reference (such as an index) during a specified period of time. In return, the other party would make periodic payments based on a fixed or variable interest rate or on the total return from a different underlying asset or non-asset reference. Such transactions can have the potential for unlimited losses.

Exchange-Traded Futures Contracts

A Sub-Fund may invest in futures and related options to the extent that all necessary registrations or exemptions have been obtained. A Sub-Fund’s use of futures contracts and options on futures contracts will present the same types of volatility and leverage risks associated with transactions in derivative instruments generally. In addition, such transactions present a number of risks which might not be associated with the purchase and sale of other types of investment products.

Prior to exercise or expiration, a futures or option position can be terminated only by entering into an offsetting transaction. This requires a liquid secondary market on the exchange on which the original position was established. There can be no assurance that an off-setting transaction will be available for any particular contract at any point in time. In that event, it might not be possible to establish or liquidate a position.

A Sub-Fund’s ability to utilise futures or options on futures to hedge its exposure to certain positions or as a surrogate for investments in instruments or markets will depend on the degree of correlation between the value of the instrument or market being hedged, or to which exposure is sought and the value of the futures or option contract. Because the instrument underlying a futures contract or option traded by a Sub-Fund will often be different from the instrument or market being hedged or to which exposure is sought, the correlation risk could be significant and could result in substantial losses to the relevant Sub-Fund. The use of futures and options involves the risk that changes in the value of the underlying instrument will not be fully reflected in the value of the futures contract or option.

The liquidity of a secondary market in futures contracts and options on futures contracts is also subject to the risk of trading halts, suspensions, exchange or clearing house equipment failures, government intervention, insolvency of a brokerage firm, clearing house or exchange or other disruptions of normal trading activity.

Forward Trading

Forward trading involves contracting for the purchase or sale of a specific quantity of, among other things, a financial instrument at the current price thereof, with delivery and settlement at a specified future date. Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardised; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and “cash” trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by a Sub-Fund due to an unusually high trading volume, political intervention, or other factors. The imposition of controls by governmental authorities might also limit such forward (and futures) trading to less than that which the Investment Manager would otherwise recommend, to the possible detriment of the relevant Sub-Fund. Market illiquidity or disruption could result in major losses to a Sub-Fund.

Global Listed Equity Securities

A Sub-Fund may invest in listed equity securities on a global basis. An investment in equity securities is subject to the risk that the value of the securities held by the Sub-Fund will fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Sub-Fund participate or factors relating to specific companies in which the Sub-Fund invests. For example, an adverse event, such as an unfavourable earnings report, may depress the value of equity securities of an issuer held by the Sub-Fund the price of common stock of an issuer may be particularly sensitive to general movements in the stock market; or a drop in the stock market may depress the price of most or all of the common stocks and other equity securities held by the Sub-Fund. In addition, common stock of an issuer in the Sub-Fund’s portfolio may decline in price if the issuer fails to make anticipated dividend payments because, among other reasons, the issuer of the security experiences a decline in its financial condition. While broad market measures of common stocks have historically generated higher average returns than fixed income securities, common stocks have also experienced significantly more volatility in those returns.

When-issued, Delayed Delivery and Forward Commitment Securities

When-issued, delayed delivery and forward commitment securities are purchased at a price which is generally expressed in yield terms and is fixed at the time the commitment is made, but delivery and payment for the securities take place at a later date. No income accrues on securities which have been purchased pursuant to a forward commitment or on a when-issued basis prior to delivery of the securities. Due to fluctuations in the value of securities purchased on a when-issued or delayed-delivery basis, the yields obtained on such securities may be higher or lower than the yields available in the market on the

dates when the securities are actually delivered. There is a risk that the securities may not be delivered and that the relevant Sub-Fund may incur a loss.

Warrants and Rights

A Sub-Fund may purchase warrants and rights traded on a Regulated Market. Warrants and rights do not carry with them the right to dividends or voting rights with respect to the securities that they entitle the holder to purchase, and they do not represent any rights in the assets of the issuer. As a result, warrants and rights may be considered more speculative than certain other types of equity-like securities. In addition, the values of warrants and rights do not necessarily change with the values of the underlying securities and these instruments cease to have value if they are not exercised prior to their expiration dates.

Leverage

A Sub-Fund may use leverage through financial derivative instruments, which will magnify both gains and losses on its investments and result in greater fluctuations of its Net Asset Value. This significantly increases the risk of the Sub-Fund compared to an unleveraged fund. Leverage occurs when the overall economic exposure of the Sub-Fund exceeds its amount of assets invested.

Stabilised Investments

The Investment Manager may effect transactions in investments the prices of which may be the subject of stabilisation. Stabilisation enables the market price of a security to be maintained artificially during the period when a new issue of securities is sold to the public. Stabilisation may affect not only the price of the new issue but also the price of other securities related to it.

Stabilisation may be permitted under the applicable rules in order to help counter the fact that, when a new issue comes on the market for the first time, the price can sometimes drop for a time before buyers are found. Stabilisation is typically carried out by a “stabilisation manager” (usually, the firm chiefly responsible for bringing a new issue to the market). As long as the stabilisation manager follows a strict set of rules, it is entitled to buy back securities that were previously sold to investors or allotted to institutions which have decided not to keep them. The effect of this may be to keep the price at a higher level than it would otherwise be during the period of stabilisation.

Long-Term Investments

The Sub-Funds may pursue investment opportunities that seek to maximise asset value or create market opportunities on a long-term basis. In pursuing such long-term strategies, the Sub-Funds may forego value in the short term or temporary investments in order to be able to avail the Sub-Funds of additional and/or longer-term opportunities in the future. Consequently, the relevant Sub-Fund may not capture maximum available value in the short term, which may be disadvantageous, for example, for Shareholders who redeem all or a portion of their Shares before such long-term value may be realised by the relevant Sub-Fund.

Short-Term Market Considerations

The Investment Manager’s trading decisions may be made on the basis of short-term market considerations, and the portfolio turnover rate could result in significant trading related expenses.

Preferred Stock

Investments in preferred stock involve risks related to preferred stocks priority in the event of bankruptcy, insolvency or liquidation of the issuing company and how dividends are declared. Preferred stock ranks junior to debt securities in an issuer's capital structure and, accordingly, is subordinate to all debt in bankruptcy. Preferred stock generally has a preference as to dividends. Such dividends are generally paid in cash (or additional shares of preferred stock) at a defined rate, but unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer's board of directors. Dividends on preferred stock may be cumulative, meaning that, in the event the issuer fails to make one or more dividend payments on the preferred stock, no dividends may be paid on the issuer's common stock until all unpaid preferred stock dividends have been paid. Preferred stock may also be subject to optional or mandatory redemption provisions.

Investments in Initial Public Offerings

Investments in initial public offerings (or shortly thereafter) may involve higher risks than investments issued in secondary public offerings or purchases on a secondary market due to a variety of factors, including, without limitation, the limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the issuer and limited operating history of the issuer. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalised or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them. These factors may contribute to substantial price volatility for such securities and, thus, for the value of the relevant Sub-Fund.

Repurchase and Reverse Repurchase Agreements

Sub-Funds may enter into repurchase and reverse repurchase agreements. When a Sub-Fund enters into a repurchase agreement, it “sells” securities to a broker-dealer or financial institution, and agrees to repurchase such securities on a mutually agreed date for the price paid by the broker-dealer or financial institution, plus interest at a negotiated rate. In a reverse repurchase transaction, a Sub-Fund “buys” securities issued from a broker-dealer or financial institution, subject to the obligation of the broker-dealer or financial institution to repurchase such securities at the price paid by such Sub-Fund, plus interest at a negotiated rate. The use of repurchase and reverse repurchase agreements by a Sub-Fund involves certain risks. For example, if the seller of securities to a Sub-Fund under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, such Sub-Fund will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganisation under applicable bankruptcy or other laws, such Sub-Fund’s ability to dispose of the underlying securities may be restricted. It is possible, in a bankruptcy or liquidation scenario, that the Sub-Fund may not be able to substantiate its interest in the underlying securities. Finally, if a seller defaults on its obligation to repurchase securities under a reverse repurchase agreement, the Sub-Fund may suffer a loss to the extent that it is forced to liquidate its position in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller. Similar elements of risk arise in the event of the bankruptcy or insolvency of the buyer.

Securities Lending Risk

In the event of bankruptcy or other default of a borrower of portfolio securities, the relevant Sub-Fund could experience both delays in liquidating the loan collateral or recovering the loaned securities and losses including (a) possible decline in the value of the collateral or in the value of the securities loaned during the period which the relevant Sub-Fund seeks to enforce its rights thereto, (b) possible sub-normal levels of income and lack of access to income during this period, and (c) expenses of enforcing its rights. In an effort to reduce these risks, the Investment Manager will monitor the creditworthiness of the firms to which a Sub-Fund lends securities. Although not a principal investment strategy, the Sub-Fund may engage in securities lending to a significant extent.

Sell and buy-back and buy and sell-back transactions

Sub-Funds may enter into sell and buy-back and buy and sell-back transactions. When a Sub-Fund enters into a sell and buy-back transaction, it “sells” securities to a broker-dealer or financial institution, and agrees to buy-back such securities on a mutually agreed date for the price paid by the broker-dealer or financial institution, plus interest at a negotiated rate. In a buy and sell-back transaction, a Sub-Fund “buys” securities issued from a broker-dealer or financial institution, subject to the obligation of the Sub-Fund to sell-back such securities at the price paid by such Sub-Fund, plus interest at a negotiated rate. The use of sell and buy-back and buy and sell-back transactions by a Sub-Fund involves certain risks.

For example, if the seller of securities to a Sub-Fund under a buy and sell-back transaction defaults on its obligation to buy-back the underlying securities from a Sub-Fund, as a result of its bankruptcy or otherwise, such Sub-Fund’s ability to dispose of the underlying securities may be restricted and it would likely have to seek to dispose of such securities through other means and to another buyer, which could involve certain costs or delays, particularly if the price negotiated with another such buyer is less than the buy-back price originally agreed to by the defaulting buyer.

Furthermore, if the buyer of securities from a Sub-Fund under a sell and buy-back transaction defaults on its obligation to sell-back the underlying securities to a Sub-Fund, as a result of its bankruptcy or otherwise, such Sub-Fund may suffer a loss in the event that, and to such extent as, it is required to source equivalent securities elsewhere from another seller and the price negotiated with such other seller is greater than the sell-back price agreed to by the defaulting seller. Similar elements of risk arise in the event of the bankruptcy or insolvency of the buyer.

Inability to Transact as a Result of Exposure to Material Non-Public Information

From time to time, the Investment Manager may receive material non-public information with respect to an issuer of publicly-traded securities. In such circumstances, the relevant Sub-Fund may be prohibited, by law, policy or contract, for a period of time from (i) unwinding a position in such issuer, (ii) establishing an initial position or taking any greater position in such issuer, and (iii) pursuing other investment opportunities related to such issuer. This can result in substantial risk of loss or loss of opportunity if the relevant Sub-Fund is not able to purchase or sell such security.

Synthetic Short Sales

Synthetic short sales (through the use of FDIs) are considered a speculative investment practice. The Investment Manager may attempt to limit a Sub-Fund’s exposure to a possible market decline in the value

of its portfolio securities through synthetic short sales of securities that the Investment Manager believes possess volatility characteristics similar to those being hedged. In addition, the Investment Manager may use synthetic short sales for non-hedging purposes to pursue their investment objectives. For example, the Investment Manager may effect a synthetic short sale of a security if, in the Investment Manager's view, the security is over-valued in relation to the issuer's prospects for growth.

A synthetic short sale of a security involves the risk of an unlimited increase in the market price of the security which could result in an inability to cover the short position and thus a theoretically unlimited loss. Synthetic short sales may also subject a Sub-Fund to leverage risk (i.e., the risk that losses could well exceed a Sub-Fund's investment). There can be no assurance that securities necessary to cover a short position will be available for purchase.

General FDI Risks

The following generic risks may be particularly relevant in terms of the use of derivatives and forward transactions in each Sub-Fund:

Position (market) Risk

There is also a possibility that ongoing derivative transactions will be terminated unexpectedly as a result of events outside the control of the Investment Manager, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated. In accordance with standard industry practice, it is the Fund's policy to net exposures against its counterparties.

Liquidity Risk

Derivatives traded OTC may not be standardised and thus may involve negotiations on each contract on an individual basis. This may result in OTC contracts being less liquid than exchange traded derivatives. The swap market, which is largely OTC, has grown substantially in recent years with a large number of banks and investment banking firms acting both as principals and as agents utilising standardised swap documentation. As a result, the swap market has become liquid but there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap.

Correlation Risk

Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, a Sub-Fund's use of derivative techniques may not always be an effective means of, and sometimes could be counter-productive to, the Sub-Fund's investment objective. An adverse price movement in a derivative position may require cash payments of variation margin that might in turn require, if there is insufficient cash available in the portfolio, the sale of a Sub-Fund's investments under disadvantageous conditions.

Legal Risk

There are legal risks involved in using derivatives which may result in loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

Leverage

Since many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, rate or index can result in a loss substantially greater than the amount invested in the derivative itself. Certain derivatives have the potential for unlimited loss regardless of the size of the initial investment. If there is a default by the other party to any such transaction, there will be contractual remedies; however, exercising such contractual rights may involve delays or costs which could result in the value of the total assets of the related portfolio being less than if the transaction had not been entered.

Foreign Exchange Risk

Investing in overseas securities will be affected by currency fluctuations, in addition to usual stock market fluctuations. Where an asset is held in a currency denomination other than the Reference Currency, the asset's value will be affected by changes in exchange rates.

European Market Infrastructure Regulation

EU Regulation No 648/2012 on over-the-counter derivatives, central counterparties and trade repositories (also known as the European Market Infrastructure Regulation, or "EMIR") which is now in force, introduces requirements in respect of derivative contracts by requiring certain "eligible" OTC derivative contracts to be submitted for clearing to regulated central clearing counterparties (the clearing obligation) and by mandating the reporting of certain details of OTC and exchange-traded ("ETD") derivative contracts to registered trade repositories (the reporting obligation). In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty risk in respect of OTC derivative contracts which are not subject to mandatory clearing (the risk mitigation requirements) including the posting of collateral in respect of uncleared OTC trades. Each Sub-Fund will be a "Financial Counterparty" for the purposes of EMIR and will be subject to the clearing obligation, the reporting obligation and the risk mitigation requirements. The clearing obligation and the requirement to post collateral in respect of uncleared OTC trades are being phased in over a period of several years and, while it is difficult to predict their long term impact, may well result in an increase in the overall costs of entering into and maintaining OTC and ETD derivative contracts.

Clearing Risks

Cleared derivative arrangements may expose the Sub-Funds to new costs and risks. For example, as a party to a cleared derivatives transaction, the relevant Sub-Fund will be subject to the credit risk of the clearing house and the clearing member through which it holds its cleared position. The credit risk of market participants with respect to such centrally cleared derivatives is concentrated in a few clearing houses, and it is not clear what impact an insolvency of a clearing house would have on the financial system. To the extent a Sub-Fund enters into a derivatives transaction that is required to be cleared, the Sub-Fund runs the risk that no clearing member is willing or able to clear the transaction, or that a clearing member used by the Sub-Fund to hold a cleared derivatives contract will be unable or unwilling to make timely settlement payments, return the Sub-Fund's margin, or otherwise honour its obligations.

The documentation governing the relationship between a Sub-Fund and clearing members is drafted by the clearing members and generally is less favourable to the Sub-Fund than typical bilateral derivatives documentation. For example, documentation relating to cleared derivatives generally includes a one-way indemnity by the Sub-Fund in favour of the clearing member for losses the clearing member incurs as the

Sub-Fund's clearing member and typically does not provide the Sub-Fund any remedies if the clearing member defaults or becomes insolvent. A clearing member also generally has the right to require termination of an existing cleared derivatives position or an increase in margin requirements above those required at the beginning of a transaction. Clearing houses also have broad rights to increase margin requirements for existing positions or to terminate those positions at any time. In some cases, a Sub-Fund might have to terminate its position, and the Sub-Fund could lose some or all of the benefit of the position, including loss of an increase in the value of the position or loss of hedging protection.

Directional Long/Short Strategy

In pursuing a directional long/short strategy, the Investment Manager will tend to have a market bias, thereby exposing the Sub-Fund to equity market fluctuations and volatility.

Investment Strategies

No assurance can be given that the strategies to be used will be successful under all or any market conditions. A Sub-Fund may utilise financial instruments such as derivatives for investment purposes and/or seek to hedge against fluctuations in the relative values of the Sub-Fund's portfolio positions as a result of changes in exchange rates, interest rates, equity prices and levels of other interest rates and prices of other securities. Such hedging transactions may not always achieve the intended effect and can also limit potential gains.

Regulatory and Legal Risk

The Sub-Funds must comply with various legal requirements, including securities laws and tax laws as imposed by the jurisdictions under which they operate. Should any of those laws change over the life of the Sub-Funds, the legal requirement to which the Sub-Funds and their Shareholders may be subject could differ materially from current requirements.

Many of the laws that govern private and foreign investment, equity securities transactions and other contractual relationships in certain countries, particularly in developing countries, are new and largely untested. As a result, the Sub-Funds may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment in certain countries in which assets of the relevant Sub-Fund are invested. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on the relevant Sub-Fund and its operations.

Indices used as benchmarks

Regulation (EU) 2016/1011 of 8 June 2016 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**") came into full effect on 1 January 2018. The Benchmark Regulation introduced a new requirement for all benchmark administrators providing indices which are used or intended to be used as benchmarks in the EU to be authorized or registered by the competent authority. In respect of the Sub-Funds, the Benchmark Regulation prohibits the use of benchmarks unless they are produced by an EU administrator authorized or registered by ESMA or are

non-EU benchmarks that are included in ESMA's public register under the Benchmark Regulation's third country regime.

The Fund and any of its Sub-Funds may make use of benchmarks within the meaning of Benchmark Regulation. If a Sub-Fund makes use of a benchmark, the relevant Sub-Fund documents will include the information required by the Benchmark Regulation, specifically whether the benchmark is provided by an administrator which is included in the register of administrators and benchmarks.

Furthermore, if a Sub-Fund makes use of a benchmark, the Management Company with the assistance of the Investment Manager, shall produce and maintain a written plan setting out the actions that would be taken in the event of the benchmarks materially changing or ceasing to be provided (the "**Contingency Plan**"). Such Contingency Plan shall be made available to investors on request and free of charge.

Counterparty Risk

A Sub-Fund will be subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes. In particular, it should be noted that transactions may not always be delivery versus payment and this may expose a Sub-Fund to greater counterparty risk. Generally, the Investment Manager will assess the counterparty's creditworthiness before entering into a transaction with the counterparty.

Issuer Risk

The value of a security may decline for a number of reasons which directly relate to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services.

Liquidity Risk

Liquidity risk exists when particular investments are difficult to purchase or sell. A Sub-Fund's investments in illiquid securities may reduce the returns of the Sub-Fund because it may be unable to sell the illiquid securities at an advantageous time or price. Sub-Funds with principal investment strategies that involve foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk.

Equity Risk

The values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than fixed income securities.

Economic Dislocation Risk

The financial sector may experience periods of substantial dislocation and the impacts of that dislocation are difficult to predict. Imbalances in trade and finance may lead to sudden shocks. Moreover, the evolution of economies and financial systems may result in the shifting of the perceived risks in recent historical periods, for example between what have been seen as emerging and developed markets. For

example, the failure Lehman Brothers was seen by many as unlikely, and the impact of that failure was not generally well understood in advance. More recently, European financial markets have experienced volatility and have been adversely affected by concerns about high government debt levels, credit rating downgrades, and possible default on or further restructuring of government debt. Holders of Euro-denominated sovereign debt, including banks and other financial institutions, could be adversely affected by weakness in sovereign borrowers, which in turn may have less ability to support the financial system. It is possible that countries that have already adopted the Euro could abandon the Euro and return to a national currency or that the Euro will cease to exist as a single currency in its current form. The effects of voluntary or involuntary abandonment of the Euro on that country, the rest of the countries using the Euro, and global markets are unknown, but are likely to be negative. In addition, under these circumstances, it may be difficult to value investments denominated in Euro or in a replacement currency.

Systemic Risk

Credit risk may arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a “systemic risk” and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which the relevant Sub-Fund interacts on a daily basis.

Smaller Company Risk

The general risks associated with fixed income or equity securities are particularly pronounced for securities issued by companies with smaller market capitalisations. These companies may have limited product lines, markets or financial resources or they may depend on a few key employees. As a result, they may be subject to greater levels of credit, market and issuer risk. Securities of smaller companies may trade less frequently and in lesser volumes than more widely held securities and their values may fluctuate more sharply than other securities. Companies with medium-sized market capitalisations may have risks similar to those of smaller companies.

Family or Foundations-owned Companies

Investing in family, foundation or entrepreneur-led businesses can create risk linked to the transition to the next generation, key man risk linked to a founder of a business, or corporate governance risk if the interests of minority shareholders are disregarded. The long term focus of these businesses generally might not be aligned with investors’ short term interests.

Anti-Money Laundering

In an effort to deter money laundering and terrorism financing, the Fund, the Management Company, the Investment Manager, any distributor, and the Central Administration Agent must comply with all applicable international and Luxembourg laws and circulars regarding the prevention of money laundering and terrorism financing and in particular with the Luxembourg law dated November 12th, 2004 against money laundering and terrorism financing, as amended from time to time and the Circular CSSF 18/698. Within this context, measures to ensure the identification of investors have been imposed. To that end, the Fund, the Management Company, the Investment Manager, any distributor, and the Central Administration Agent may request information necessary to establish the identity of a potential investor and the origin of subscription proceeds.

If the Fund, the Central Administration Agent or any governmental agency believes that the Fund has accepted subscriptions for Shares by, or is otherwise holding assets of, any person or entity that is acting, directly or indirectly, in violation of any anti-money laundering laws, rules regulations, treaties or other restrictions, or on behalf of any suspected terrorist or terrorist organisation, the Fund or such governmental agency may freeze the assets of such person or entity invested in the Fund or suspend their withdrawal rights. The Fund may also be required to remit or transfer those assets to a governmental agency.

Data Protection Legislation

The Fund's processing of personal data imposes regulatory risks and legal requirements relating to the collection, storage, handling and transfer of personal data continue to develop. The Fund may become subject to new legislation or regulation concerning the personal data they may process (as defined in the GDPR), including the requirements of the GDPR. The GDPR had direct effect from 25 May 2018, and introduced a range of new compliance obligations regarding the processing of personal data and new obligations on data controllers and data processors and rights for data subjects, including, among others:

- accountability and transparency requirements, which will require data controllers to demonstrate and record compliance with the GDPR and to provide more detailed information to data subjects regarding processing;
- enhanced data consent requirements, which includes "explicit" consent in relation to the processing of sensitive data;
- obligations to consider data privacy as any new products or services are developed and limit the amount of information collected, processed, stored and its accessibility;
- constraints on using data to profile data subjects;
- providing data subjects with personal data in a useable format on request and erasing personal data in certain circumstances; and
- reporting of breaches without undue delay (72 hours where feasible).

The GDPR also introduced new fines and penalties for a breach of requirements, including fines for serious breaches of up to the higher of 4% of annual worldwide turnover or €20m and fines of up to the higher of 2% of annual worldwide turnover or €10m (whichever is highest) for other specified infringements. The GDPR identified a list of points to consider when imposing fines (including the nature, gravity and duration of the infringement).

The Fund may also need to comply with data protection laws and regulations of other jurisdictions. Compliance with these laws and regulations may divert the Fund's time and effort and entail substantial expense. Any failure to comply with these laws and regulations by the Fund could result in negative publicity and may subject the Fund to significant costs or penalties associated with litigation or regulatory action.

Cross-Sub-Fund Liability

Each Sub-Fund will be deemed to be a separate entity with, but not limited to, its own contributions, redemptions, capital gains, losses, charges and expenses. Thus, liabilities of an individual Sub-Fund which remain undischarged will neither attach to the Fund as a whole, nor to other Sub-Funds. However, while Luxembourg law states that, unless otherwise provided for in the constituent documentation of the Fund, there is no cross-liability, there can be no assurance that such provisions of Luxembourg law will be recognised and effective in other jurisdictions.

Cross Class Liability

The Classes within a Sub-Fund are not separate legal entities. Thus, all of the assets of a Sub-Fund are available to meet all the liabilities of such Sub-Fund. In practice, cross-class liability will only arise where any Class becomes insolvent and is unable to meet all its liabilities. In this case, all of the assets of a Sub-Fund may be applied to cover the liabilities of the insolvent Class.

FATCA Risk

Pursuant to FATCA, the Fund (or each Sub-Fund) will be required to comply (or be deemed compliant) with extensive new reporting and withholding requirements designed to inform the U.S. Department of the Treasury of U.S.-owned foreign investment accounts. Failure to comply (or be deemed compliant) with these requirements will subject the Fund (or each Sub-Fund) to U.S. withholding taxes on certain US-sourced income and gains. Pursuant to an intergovernmental agreement between the United States and Luxembourg, the Fund (or each Sub-Fund) may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports U.S. taxpayer information directly to the Luxembourg government. Investors may be requested to provide additional information to the Fund to enable the Fund (or each Sub-Fund) to satisfy these obligations. Failure to provide requested information or, if applicable, satisfy its own FATCA obligations may subject an investor to liability for any resulting U.S. withholding taxes, U.S. tax information reporting and/or mandatory redemption, transfer or other termination of the investor's investment in its Shares. Detailed guidance as to the mechanics and scope of this new reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future operations of the Fund or its Sub-Funds.

EU Bank Recovery and Resolution Directive

Pursuant to the EU Bank Recovery and Resolution Directive (2014/59/EU) ("BRRD") Member States were required to introduce a recovery and resolution framework for banks and significant investment firms ("institutions") giving national competent and resolution authorities powers of intervention where such an institution is deemed to be failing or likely to fail. Member States were required to transpose the BRRD into national law by January 2015 or, in certain cases, January 2016.

Among other things the BRRD provides for the introduction of a "bail-in tool" under which resolution authorities may write down claims of the institution's shareholders and creditors and/or convert such claims into equity. Exceptions to this include secured liabilities, client assets and client money. If following a bail-in it is determined, based on a post-resolution valuation, that shareholders or creditors whose claims have been written down or converted into equity have incurred greater losses than they would have done had the institution had been wound up under normal insolvency proceedings, the BRRD provides that they are entitled to payment of the difference.

Other powers of intervention include the power to close out open derivatives positions, temporarily to suspend payment or delivery obligations, restrict or stay the enforcement of security interests and suspend termination rights.

The implementation of a resolution process in relation to an institution which is a counterparty to or obligor of the Fund could result in a bail-in being exercised in respect of any unsecured claims of the Fund, derivatives positions being closed out, and delays in the ability of the Fund to enforce its rights in respect of collateral or otherwise against the institution concerned. Any payment of compensation due to the Fund as a result of the Fund being worse off as a result of a buy is likely to be delayed until after the completion of the resolution process and may prove to be less than anticipated or expected.

United Kingdom's Withdrawal from the European Union

The U.K. withdrew from the EU and the EEA on 31 January 2020.

Following withdrawal from the EU, the U.K. has entered a transition period, during which EU law will continue to apply in the U.K.. New EU legislation that takes effect before the end of the transition period will also apply to the UK. As at today's date, the transition period will last until 31 December 2020 but may be extended. During and following the transition period, there is likely to be considerable uncertainty as to the U.K.'s post-transition framework, and in particular as to the arrangements which will apply to its relationships with the EU and with other countries.

This process and/or the uncertainty associated with it may, at any stage, adversely affect the Fund and its investments. There may be detrimental implications for the value of the Fund's investments and/or its ability to implement its investment programme. This may be due to, among other things:

- a) increased uncertainty and volatility in U.K., EU and other financial markets;
- b) fluctuations in asset values;
- c) fluctuations in exchange rates;
- d) increased illiquidity of investments located, listed or traded within the U.K., the EU or elsewhere;
- e) changes in the willingness or ability of financial and other counterparties to enter into transactions, or the price at which and terms on which they are prepared to transact; and/or
- f) changes in legal and regulatory regimes to which the Fund, the Management Company, the Investment Manager, certain of the Fund's assets and/or service providers are or become subject.

The U.K.'s vote to leave the EU has created a degree of political uncertainty, as well as uncertainty in monetary and fiscal policy, which is expected to continue during the transition period. It may have a destabilising effect on some of the remaining members of the EU, the effects of which may be felt particularly acutely by Member States within the Eurozone.

The withdrawal of the U.K. from the EU could have a material impact on the U.K.'s economy and its future growth, impacting adversely the Fund's investments in the U.K.. It could also result in prolonged uncertainty regarding aspects of the U.K. economy and damage customers' and investors' confidence. Any of these events could have a material adverse effect on the Fund.

Impact of Global Pandemics

In December 2019, an outbreak of a contagious respiratory virus now known as COVID - 19 occurred and it has since spread globally. The virus has resulted in government authorities in many countries (including the People's Republic of China and Hong Kong, the United States and Europe) taking extreme measures to arrest or delay the spread of the virus including the declaration of states of emergency, restrictions on movement, border controls, travel bans and the closure of offices, schools and other public amenities such as bars, restaurants and sports facilities. This has resulted in major disruption to businesses, both regionally and globally, substantial market volatility, exchange trading suspensions and closures. While the full impact is not yet known, it is anticipated that these events will have a material adverse effect on general global economic conditions and market liquidity.

This may in turn cause material disruptions to business operations of service providers on which the Fund relies, including the Investment Manager. It may also adversely impact the Fund's investments, the ability of the Investment Manager to access markets or implement the Fund's investment policy in the manner originally contemplated, the Fund's net asset value and therefore its investors. The Fund's access to liquidity could also be impaired in circumstances where the need for liquidity to meet redemption requests may rise significantly.

The impact of a health crisis such as the COVID - 19 pandemic, and other epidemics and pandemics that may arise in the future, could affect the global economy in ways that cannot necessarily be foreseen at the present time. A health crisis may exacerbate other pre-existing political, social and economic risks. Any such impact could adversely affect the Fund's performance, resulting in losses to investors.

European Economic Risk

In recent years, European financial markets have periodically experienced volatility and been adversely affected by concerns about government debt levels, credit rating downgrades, and or restructuring of, government debt. There have been concerns that certain Member States within the Eurozone may default on meet their debt obligations or funding requirements. These states may be reliant on continuing assistance from other governments and institutions and/or multilateral agencies and offices, and could be detrimentally affected by any change in or withdrawal of such assistance. Any sovereign default is likely to have adverse consequences for the Member State concerned, the Eurozone and the wider world economy.

It is possible that one or more Member States within the Eurozone could at some point exit the Euro and return to a national currency and/or that the Euro will cease to exist as a single currency in its current form. The effects of a Member State's exit from the Euro are impossible to predict, but are likely to be negative, and may include, without limitation, flight of capital from perceived weaker countries to stronger countries in the EU, default on the exiting state's domestic debt, collapse of its domestic banking system, seizure of cash or assets, imposition of capital controls that may discriminate in particular against foreigners' asset holdings, and political or civil unrest. The exit of any country from the Euro is likely to have an extremely destabilising effect on all Eurozone countries and their economies and a negative effect the global economy as a whole.

Events of this nature could have an adverse impact on the Fund including, among other things, causing extreme fluctuations in the value and exchange rate of the euro, market disruption, governmental

intervention, and difficulties in valuing assets, obtaining funding or credit, transacting business with counterparties and managing investment risk.

MiFID II Regulatory Risk

MiFID II will take effect on 3 January 2018. MiFID II is a wide ranging piece of legislation that will affect financial market structure, trading and clearing obligations, product governance and investor protection. While MiFIR and a majority of the so-called “Level 2” measures are directly applicable across the EU as EU regulations, the revised MiFID directive must be “transposed” into national law by Member States. The transposition process can open the door to the act of so-called “gold-plating”, where individual Member States and their national competent authorities (“NCAs”) introduce requirements over and above those of the European text and apply MiFID II provisions to market participants that would not otherwise be caught by MiFID II. NCAs in certain jurisdictions may propose a number of regulatory measures and/or regulatory positions that may be unclear in scope and application (absent ESMA guidance) resulting in confusion and uncertainty. It is not possible to predict how these regulatory positions or additional governmental restrictions may be imposed on market participants (including the Management Company and the Investment Manager (as applicable)) and/or the effect of such restrictions on the Investment Manager’s ability to implement a Sub-Fund’s investment objective. It is also not possible to predict the unintended consequences of MiFID II on the operation of the Fund and the performance of a Sub-Fund, which may be directly or indirectly impacted by changes to market structure, trading and clearing obligations, product governance and investor protection and/or regulatory interpretation.

Emerging Markets Risk

In certain circumstances a Sub-Fund may invest a proportion of its assets in Emerging Markets. Investment in such markets involves risk factors and special considerations, including the following, which may not be typically associated with investing in more developed markets. Political or economic change and instability may be more likely to occur and have a greater effect on the economies and markets of emerging countries. Adverse government policies, taxation, restrictions on foreign investment and on currency convertibility and repatriation, currency fluctuations and other developments in the laws and regulations of emerging countries in which investments may be made, including expropriation, nationalisation or other confiscation could result in loss to the Sub-Fund. By comparison with more developed securities markets, most emerging countries’ securities markets are comparatively small, less liquid and more volatile. In addition, settlement, clearing and registration procedures may be under-developed, enhancing the risks of error, fraud or default. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in Emerging Markets may not provide the same degree of investor information or protection as would generally apply to more developed markets.

General Risk Factors Relating to Russia

The performance of the Shares or the possibility to purchase, sell, or redeem may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and changes in regulatory requirements.

The United States and the European Union have instituted additional sanctions against certain Russian issuers which include prohibitions on transacting in or dealing in new debt of longer than 30 days maturity or new equity of such issuers. Securities held by the Sub-Fund issued prior to the date of the sanctions

being imposed are not currently subject to any restrictions under the sanctions. However, compliance with each of these sanctions may impair the ability of the Sub-Fund to buy, sell, hold, receive or deliver the affected securities or other securities of such issuers. If it becomes impracticable or unlawful for the Sub-Fund to hold securities subject to, or otherwise affected by, sanctions (collectively, "affected securities"), or if deemed appropriate by the Investment Manager respect of the affected securities.

Also, if an affected security is included in the Sub-Fund's Reference Index, the Sub-Fund may, where practicable and permissible, seek to eliminate its holdings of the affected security by using optimisation techniques to seek to track the investment returns of its Reference Index. The use of (or increased use of) optimisation techniques may increase the Sub-Fund's tracking error risk. If the affected securities constitute a significant percentage of the Reference Index, the Sub-Fund may not be able to effectively implement optimisation techniques, which may result in significant tracking error between the Sub-Fund's performance and the performance of its Reference Index.

Sanctions may now, or in the future, result in retaliatory measures by Russia, including the immediate freeze of Russian assets held by the Sub-Fund. In the event of such a freeze of any Sub-Fund's assets, the Sub-Fund may not be able to pay out redemption proceeds in respect of the assets which are frozen or may need to liquidate non-restricted assets in order to satisfy redemption orders. The liquidation of the Sub-Fund's assets during this time may also result in the Sub-Fund receiving substantially lower prices for its securities.

These sanctions may also lead to changes in the Sub-Fund's Reference Index. An index provider may remove securities from a Reference Index or implement caps on the securities of certain issuers that have been subject to recent economic sanctions. In such an event, it is expected that the Sub-Fund will rebalance its portfolio to bring it in line with the relevant Reference Index as a result of any such changes, which may result in transaction costs and increased tracking error.

If any of the events above were to occur, the Directors may (at their discretion) take such action as they consider to be in the interests of investors in the Sub-Fund, including (if necessary) suspending trading in the Sub-Fund.

The laws relating to securities investments and regulations in Russia have been created on an ad-hoc basis and do not tend to keep pace with market developments leading to ambiguities in interpretation and inconsistent and arbitrary application. Monitoring and enforcement of applicable regulations is rudimentary.

Rules regulating corporate governance either do not exist or are underdeveloped and offer little protection to minority shareholders.

There are also counterparty risks in connection with the maintenance of portfolio securities and cash with local sub-custodians and securities depositories in Russia.

These factors may increase the volatility of the Sub-Fund and hence the risk of loss to the value of your investment.

Depository Receipts

Investment in a certain markets may be made via direct investments into that market or by depositary receipts traded on other international exchanges in order to benefit from increased liquidity in a particular security and other advantages. A depositary receipt, (such as American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs) or International Depositary Receipts (IDRs) and European Depositary Receipts (EDRs)) traded on an eligible market is deemed an eligible transferable security regardless of the eligibility of the market in which the security it relates to locally trades.

Assumption of Business, Terrorism and Catastrophe Risks

Opportunities involving the assumption by the relevant Sub-Fund of various risks relating to particular assets, markets or events may be considered from time to time. The relevant Sub-Fund is subject to the risk of loss arising from exposure that it may incur, directly or indirectly, due to the occurrence of various events, including, without limitation, hurricanes, earthquakes and other natural disasters, terrorism and other catastrophic events, and events that could adversely affect the health or life expectancy of people such as global pandemics. These risks of loss can be substantial, could greatly exceed all income or other gains, if any, received by the relevant Sub-Fund in assuming these risks and, depending on the size of the loss, could adversely affect the return of the relevant Sub-Fund.

Cyber Crime and Security Breaches

With the increasing use of the Internet and technology in connection with the Fund's operations, the Fund is susceptible to greater operational and information security risks through breaches in cyber security. Cyber security breaches include, without limitation, infection by computer viruses and gaining unauthorised access to the Fund's systems through "hacking" or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operations to be disrupted. Cyber security breaches may also occur in a manner that does not require gaining unauthorised access, such as denial-of-service attacks or situations where authorised individuals intentionally or unintentionally release confidential information stored on the Fund's systems. A cyber security breach may cause disruptions and impact the Fund's business operations, which could potentially result in financial losses, inability to determine each Sub-Fund's net asset value, violation of applicable law, regulatory penalties and/or fines, compliance and other costs. Each Sub-Fund and its investors could be negatively impacted as a result. In addition, because the Fund works closely with third-party service providers, indirect cyber security breaches at such third-party service providers may subject the Sub-Funds and their investors to the same risks associated with direct cyber security breaches. Further, indirect cyber security breaches at an issuer of securities in which the Fund invests may similarly negatively impact each Sub-Fund and its investors. While the Fund has established risk management systems designed to reduce the risks associated with cyber security breaches, there can be no assurances that such measures will be successful.

The foregoing list of risk factors does not purport to be an exhaustive list of all the risk factors relating to investments in any particular Sub-Fund. Various other risks may apply. Prospective investors should consult with their own professional advisors before deciding to subscribe.

APPENDIX I – ADELIO EUROPEAN FUND

TO THE PROSPECTUS OF ADELIO EUROPEAN FUND

1. Name

Adelio UCITS Fund – Adelio European Fund (the “**Adelio European Fund**”).

2. Reference Currency

The Reference Currency of the Adelio European Fund is the Euro.

3. Classes

Currently, Shares of the Adelio European Fund are issued in the following Classes:

Class and Reference Currency	ISIN
Class A (EUR) acc.	LU2262817625
Class A (GBP) acc.	LU2262818862
Class A (GBP) dis.	LU2262820090
Class A (CHF) acc.	LU2262820173
Class A (USD) acc.	LU2262820256
Class F (EUR) acc.	LU2262820330
Class F (GBP) acc.	LU2262820413
Class F (GBP) dis.	LU2262820504
Class F (CHF) acc.	LU2262820686
Class F (USD) acc.	LU2262820769
Class R (EUR) acc.	LU2405492047
Class R (GBP) acc.	LU2406743869
Class R (GBP) dis.	LU2406743943
Class R (CHF) acc.	LU2406744081
Class R (USD) acc.	LU2405492120
Class Z (EUR) acc.	LU2367602609

The Adelio European Fund offers Class A, Class F, Class R and Class Z Shares with different characteristics, including currencies and distribution policies.

Please visit the Website for a complete list of Classes available in the Adelio European Fund.

Class A Shares and Class R Shares are available for subscription by all eligible investors on the terms provided for in this Appendix.

Class F Shares are available for subscription by all eligible investors. Investments into Class F Shares shall be at the absolute discretion of the Board of Directors with the consent of the Investment Manager. The Class F Shares will be closed to investment on €300,000,000 having been invested in Class F.

Class Z Shares are available for subscription by one or more personnel of the Investment Manager. Class Z Shares shall bear all the formation costs and expenses of the Fund and its initial Sub-Fund (Adelio

UCITS Fund – Adelio European Fund). The investment to be made in Class Z Shares shall be at least as much as the aggregate formation costs and expenses of the Fund and its initial Sub-Fund (Adelio UCITS Fund – Adelio European Fund). To the extent that a redemption is requested that, if effected, would result in the total amortized but unpaid formation costs and expenses being in excess of the remaining Net Asset Value of the Class Z, the portion of such Redemption Price equal to the excess will not be paid to the redeeming Shareholder but instead will be used to reduce the amortized but unpaid formation costs and expenses by such excess amount.

4. Investment Objective, Policy and Restrictions

Investment Objective

The Adelio European Fund seeks to provide long-term capital growth by investing in European equities. The objective is to deliver a higher gross return than Relevant Benchmark (as defined below) over the long term.

Investment Policy

The Adelio European Fund will hold a portfolio of securities in listed companies, which may consist of ordinary shares or preferred shares, and to a lesser extent convertible bonds, structured products and FDIs such as options, warrants and contracts for differences.

The Adelio European Fund will be managed on a fundamental bottom-up basis. Based on its research, the Investment Manager will invest in securities that it considers to have attractive total return prospects over a three-year horizon, whether from earnings growth, dividend yield or undervaluation. The resulting portfolio will contain a limited number of securities considered to offer the greatest return potential, while ensuring sufficient diversification of risk.

The Adelio European Fund will invest at least 75% of its net assets in equities issued by companies headquartered in the European Union or the European Economic Area and is therefore eligible for the *Plan d'Épargne en Actions* (“**PEA**”) in France.

The Adelio European Fund may invest up to 10% of its net assets in securities from Israeli, Russian or Turkish issuers.

The Adelio European Fund may also invest in certain markets indirectly via depositary receipts (such as American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs) or International Depositary Receipts (IDRs) and European Depositary Receipts (EDRs)).

If the Investment Manager considers this to be in the best interests of the Shareholders, the Fund may hold up to 30% of its net assets in cash deposits and money market instruments. Save in the context of the use of FDIs, the Investment Manager will not utilise leverage within the meaning of Article 50 of the Law of 2010.

The Adelio European Fund may invest up to 3% of its net assets in contingent convertible bonds.

In managing the Adelio European Fund, the Investment Manager will only invest on an ancillary basis in FDI's such as index or sector futures, options on securities and potentially CFDs, for hedging or for efficient portfolio management purposes.

In investing the Adelio European Fund's assets, the Investment Manager is likely to invest in a way which results in differences when compared to the Relevant Benchmark for each Class (as set out in the table under the heading "PERFORMANCE FEE" below), including in terms of the equities and equity related securities held, sectors and geographies of such investments. The Relevant Benchmark for each Class is the benchmark against which the performance of that Class will be measured for the purposes of calculating a performance fee (see below). Although the Relevant Benchmark for each Class is not ESG compliant, the Sub-Fund will aim to score higher on the ESG rating scale.

ESG integration under the SFDR

As part of its investment process, in line with article 6 (1) of regulation (EU) 2019/2088 on sustainability-related disclosure requirements in the financial services sector, as amended (the Sustainable Finance Disclosure Regulation, "SFDR"), the Investment Manager in line with article 2 (22) of SFDR takes any environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the Adelio European Fund into account in its investment decision-making process ("**Sustainability Risks**") and evaluates them on an ongoing basis. The occurrence of Sustainability Risks may lead to a (substantial) decline in the financial profile, liquidity, profitability or reputation of the underlying investments of the Adelio European Fund and therefore potentially the Adelio European Fund itself. Sustainability Risks may have a significant impact on all known risk types and, as a factor, can contribute to the materiality of these risk types.

The Investment Manager for the Adelio European Fund integrates Sustainability Risks in the investment decision-making process by designing a portfolio of equities with the following characteristics:

- Sufficient liquidity in each stock to meet our stringent requirements – only c. 1,000 of the 14,000 listed names in our universe are eligible;
- A risk profile for each stock that falls within our acceptable limits – we turn away candidates we view as too dangerous, based on our proprietary scorecard in particular ESG or Sustainability Risks and other factors;
- Return expectations for each stock that are among the best we can find in our universe when adjusted for risk, including ESG or Sustainability Risks. That is, we select stocks that show the most potential upside *per unit of risk*.
- For the whole portfolio, sufficient factor diversification, and aggregate metrics that beat those of our benchmark: risk score, expected return, ESG score.

To implement this process, we have built a technology platform ("**AQUA**") which collects and standardizes data from various providers, automates valuation calculations and risk analysis using market estimates along with our own inputs, and supports our analysts' work.

AQUA collects industry and company ESG data from external providers as well as direct measures collected by us. These scores feed into our risk scorecard for every stock, with a 20% weight. The relative weights of industry score and company score vary, depending on the type of industry: a "good" company score carries more weight in a "bad" industry than in a "good" industry for instance.

Based on the above mentioned screening, target companies are allocated to one of three following groups:

- The first group are companies on our exclusion list, with names that we deem to have the worst ESG footprints and no reasonable hope of improvement even through strong shareholder engagement, such as controversial weapons and tobacco products. These securities are excluded from investment;
- The second group are securities issued by companies with a low ESG rating: we may invest in these securities, but cannot exceed their weight in the benchmark, and we must engage actively with the issuer to improve the ESG rating; and
- The third group are all other securities, which are freely investable but where we will continue to engage for continuous ESG improvement.

We track our portfolio's aggregate ESG score and aim to keep it above that of our benchmark index.

The Adelio European Fund does not promote environmental or social characteristics within the meaning of the Disclosure Regulation (Article 8 SFDR) nor is it classified as a sustainable investments (Article 9 SFDR).

Adverse sustainability impacts

The Management Company does not consider principal adverse impacts on the basis that, in the context of the investment strategies of the Fund, it is not possible to conduct detailed diligence on the principal adverse impacts of the Investment Manager's investment decisions on sustainability factors.

Taxonomy Regulation

The investments underlying the Adelio European Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Benchmark

The Adelio European Fund is actively managed and as such does not seek to replicate its benchmark index, but instead will differ from the performance benchmark in order to achieve its objective. The Investment Manager is not constrained by the benchmark in the selection of investments and may use its discretion to invest in companies or sectors not included in the benchmark in order to take advantage of specific investment opportunities.

5. Dividend Policy

In respect of the Accumulation Classes, under normal circumstances, the Adelio European Fund does not intend to declare and make distributions with respect to the net investment income and realised capital gains of each Accumulation Class. Accordingly, the Net Asset Value per Share of these Accumulation Classes will reflect any net investment income or capital gains.

It is intended that the Distribution Classes will make sufficient distributions of income attributable to the relevant Distribution Class during each Financial Year in order to satisfy a UK Shareholder's liability to tax on such distributions and under the reporting fund rules. Such distributions will normally be payable annually in arrears within 10 calendar days following the end of each Financial Year. For the purposes of calculating such distributions, the Fund intends to operate dividend equalisation with a view to ensuring

that the level of distribution per Share is not affected by the issue and redemption of Shares within the relevant Distribution Class during the relevant Financial Year.

Shareholders in the Distribution Classes shall have the discretion to elect that any distribution payable or declared shall be reinvested in the Adelio European Fund instead of being paid in cash. Distributions reinvested shall be treated in the same way as a subscription for Shares in the Adelio European Fund.

Distributions unclaimed after five years from the end of the relevant Financial Year will lapse and revert to the Adelio European Fund as a whole. No interest will be payable by the Adelio European Fund on distributions declared and held for the benefit of the relevant Shareholder until the date of payment or the date upon which such distributions are forfeited.

6. Launch Date

Class A and Class F will be launched on 8 June 2021 and Class Z will be launched on 22 July 2021 at a price of €100 per Share respectively.

Class R Shares will be launched on 5 November 2021 at a price of €100 per Share respectively.

As from the first Business Day following the relevant launch date, Shares may be issued and redeemed according to the normal procedures of the Adelio European Fund described below.

7. Subscriptions

Subject to the discretion of the Board of Directors to determine otherwise, subscription applications should be received in proper form by the Central Administration Agent by 12:00 p.m. (Luxembourg time) on the relevant Valuation Day on which the investor is seeking to be issued Shares. Subscription applications must include details of the number of Shares or the cash amount being purchased.

The KIID for the relevant Share Class for which a subscription application is being made must be read prior to subscription.

Subject to the discretion of the Board of Directors to determine otherwise, subscription applications received and approved, or deemed to be received and approved, by the Central Administration Agent after 12:00 p.m. (Luxembourg time) on the relevant Valuation Day will be deemed to have been received for the next Valuation Day.

The Central Administration Agent will normally send a contract note confirming subscription by facsimile, email or post to the applicant as soon as reasonably practicable and normally within three Business Days following the relevant Valuation Day.

The Board of Directors may, in its sole discretion, decide that applications for subscriptions of two or more affiliated entities of the same group and/or different individuals of the same family will be treated as one single application for subscription.

8. Minimum Initial Subscription, Subsequent Subscription Amount, Minimum Holding Amount and Minimum Redemption Amount

Class	Minimum Initial Subscription Amount	Minimum Subsequent Subscription Amount	Minimum Holding Amount	Minimum Redemption Amount
Class A (EUR) acc.	No minimum	No minimum	No minimum	No minimum
Class A (GBP) acc.	No minimum	No minimum	No minimum	No minimum
Class A (GBP) dis.	No minimum	No minimum	No minimum	No minimum
Class A (CHF) acc.	No minimum	No minimum	No minimum	No minimum
Class A (USD) acc.	No minimum	No minimum	No minimum	No minimum
Class F (EUR) acc.	No minimum	No minimum	No minimum	No minimum
Class F (GBP) acc.	No minimum	No minimum	No minimum	No minimum
Class F (GBP) dis.	No minimum	No minimum	No minimum	No minimum
Class F (CHF) acc.	No minimum	No minimum	No minimum	No minimum
Class F (USD) acc.	No minimum	No minimum	No minimum	No minimum
Class R (EUR) acc.	No minimum	No minimum	No minimum	No minimum
Class R (GBP) acc.	No minimum	No minimum	No minimum	No minimum
Class R (GBP) dis.	No minimum	No minimum	No minimum	No minimum
Class R (CHF) acc.	No minimum	No minimum	No minimum	No minimum
Class R (USD) acc.	No minimum	No minimum	No minimum	No minimum
Class Z (EUR) acc.	No minimum	No minimum	No minimum	No minimum

9. Subscription Price

The Subscription Price, payable in the Reference Currency of the relevant Class, must be paid by the prospective Shareholder and received in cleared funds (net of all bank charges) by the Depositary within three Business Days following the Valuation Day on which the subscription application was accepted, subject to the discretion of the Board of Directors to determine otherwise.

The Subscription Price will be unknown at the time that the subscription application is made.

10. Redemptions

Each Shareholder may apply for the redemption of all or part of his Shares or for a fixed amount. If the value of a Shareholder's holding on the relevant Valuation Day following the requested redemption would be less than the specified minimum holding amount detailed in respect of each Class above, the Shareholder will at the discretion of the Fund be deemed to have requested the redemption of all of his Shares.

Redemption requests must be received in proper form by the Central Administration Agent no later than 12:00 p.m. (Luxembourg time) on the relevant Valuation Day on which the Shareholder is seeking to be redeemed, unless otherwise determined by the Board of Directors at their discretion.

Subject to the discretion of the Board of Directors to determine otherwise, redemption requests received or deemed to be received by the Central Administration Agent later than 12:00 p.m. (Luxembourg time)

on the relevant Valuation Day will be held over until the next Valuation Day and Shares will then be redeemed at the price applicable to that next Valuation Day.

The Central Administration Agent will normally send a contract note confirming redemption by facsimile, email or post to the Shareholder as soon as reasonably practicable and normally within three Business Days following the relevant Valuation Day.

11. Payment of Redemption Proceeds

Redemption proceeds will be typically settled on the third Business Day following the Valuation Day on which the redemption request was received or was deemed to have been received at the Redemption Price.

In case the Shareholder account is not compliant with the applicable anti-money laundering requirements, the settlement of redemption proceeds will be delayed until such time that the Central Administration Agent is satisfied that the status on the account is compliant with the applicable anti-money laundering requirements.

The Redemption Price will be unknown at the time at which the redemption request is made.

12. Switches

Subject to the qualifications for investment being met, Shareholders may switch Shares of a Class of the Adelio European Fund into Shares of another Class of the Adelio European Fund or of another Sub-Fund.

Shareholders may only switch into Class F Shares of the Adelio European Fund with the prior consent of the Board of Directors and the Investment Manager.

Switching applications must be received in proper form by the Central Administration Agent no later than 12:00 p.m. (Luxembourg time) on the relevant Valuation Day on which the Shareholder is seeking to be switched from one Class to another, unless otherwise determined by the Board of Directors at their discretion. Shareholders must read the KIID relevant to the Class in which they are applying to switch before submitting a switching application.

Subject to the discretion of the Board of Directors to determine otherwise, switching requests received or deemed to be received by the Central Administration Agent later than 12:00 p.m. (Luxembourg time) on the relevant Valuation Day will be held over until the next Valuation Day and Shares will then be switched at the price applicable to that next Valuation Day.

13. Fees and expenses

Investment Management Fee

The Fund pays out of the assets of the Adelio European Fund to the Investment Manager an investment management fee monthly in arrears at the rate per annum, as set out below, of the Net Asset Value of the relevant Class of the Adelio European Fund. The investment management fee is calculated and paid in the Reference Currency of the Adelio European Fund.

Class and Currency Denomination	Investment Management Fee
Class A (EUR) acc.	1%
Class A (GBP) acc.	1%
Class A (GBP) dis.	1%
Class A (CHF) acc.	1%
Class A (USD) acc.	1%
Class F (EUR) acc.	0.5%
Class F (GBP) acc.	0.5%
Class F (GBP) dis.	0.5%
Class F (CHF) acc.	0.5%
Class F (USD) acc.	0.5%
Class R (EUR) acc.	1.4%
Class R (GBP) acc.	1.4%
Class R (GBP) dis.	1.4%
Class R (CHF) acc.	1.4%
Class R (USD) acc.	1.4%
Class Z (EUR) acc.	0%

The Investment Manager may waive the investment management fee in whole or in part for such period or periods as it may in its absolute discretion determine.

The investment management fee is normally payable by the Adelio European Fund to the Investment Manager within 10 calendar days after the end of each calendar month.

Performance Fee

In this section, the following words and phrases shall have the meanings indicated below:

“**First Performance Period**” commences on the first Valuation Day on which Shares of the relevant Class are issued and ends on 31 December of the same year.

“**High Water Mark**” the Net Asset Value per Share for the relevant Class on the first Valuation Day for the First Performance Period and, following the First Performance Period, the Net Asset Value per Share for the relevant Class on the last Valuation Day of the preceding Performance Period .

“**Outperformance**” the Net Asset Value per Share of the relevant Class less the value of the High Water Mark as such High Water Mark is adjusted by the performance of the Relevant Benchmark calculated on each Valuation Day.

“**Performance Fee Percentage**” the percentage designated for each Class of Shares as set out in the table at the end of this section 13

“**Performance Period**” for each Class of Shares, the first Valuation Day through to the last Valuation Day of the annual period which commences on 1 January and ends on 31 December each year, with the exception of the First Performance Period.

“**Relevant Benchmark**” the benchmark designated for each Class of Shares as set out in the table at the end of this section 13.

The Investment Manager is entitled to a Performance Fee for Outperformance during each Performance Period.

The Performance Fee will be calculated on each Valuation Day and an accrual will be reflected in the Net Asset Value per Share of the relevant Class on each Valuation Day on which there is Outperformance.

The Performance Fee due for the relevant Performance Period will be the aggregate amount of each Outperformance of the relevant Class as it is calculated on the last Valuation Day of the relevant Performance Period. The Performance Fee will be equal to the Outperformance multiplied by the Performance Fee Percentage.

The Performance Fee is payable on the last Valuation Day of each Performance Period, or if the Class is terminated before the end of a Performance Period, the Valuation Day on which the final redemption of Shares of the relevant Class takes place, or in the case of Shares being redeemed during a Performance Period, the accrued Performance Fee in respect of those Shares will be payable within 14 calendar days of the date of redemption (each a "**Payment Date**").

Outperformance will be adjusted for any dividends paid by Adelio European Fund during the Performance Period.

The value of the High Water Mark for the next Performance Period will be reset on 1 January to the Net Asset Value of the Shares of the relevant Class on the last Valuation Day of the preceding Performance Period, such Net Asset Value to be adjusted to reflect any underperformance against the Relevant Benchmark on a five year rolling basis.

The Performance Fee is calculated based on the Net Asset Value of the Shares of the relevant Class and no Shareholder level equalisation is undertaken. This may result in inequalities between Shareholders in relation to the payment of Performance Fees (with some Shareholders paying disproportionately higher performance fees in certain circumstances). Because there is no Shareholder level equalisation, this may also result in certain Shareholders having more of their capital at risk at any given time than other Shareholders. The methodology may, in certain circumstances, result in certain Shareholders being charged a Performance Fee in circumstances where the Net Asset Value per Share of their Shares has not increased over the relevant calculation period as a whole.

Calculation of the High Water Mark for the Performance Period beginning at launch

The Performance Fee is payable where there is an Outperformance during the Performance Period, although this may be due to market movements impacting on retained holdings in the Sub-Fund rather than specific actions undertaken by the Investment Manager.

Any change to the Relevant Benchmark will be disclosed in the periodic reports of Adelio European Fund.

For the purposes of the Performance Fee calculation, the Net Asset Value shall be calculated before the deduction of any accrual for Performance Fee for that Performance Period, other than Performance Fee accrued in relation to the Class in respect of redemptions during the Performance Period but not yet paid.

As the Performance Fee depends on the performance of the Net Asset Value per Share of the relevant Class of Shares, it is not possible to predict the amount of Performance Fee that will be payable and there is in effect, no maximum Performance Fee as it is impossible to quantify any Outperformance in advance.

A Performance Fee may be payable by Adelio European Fund even if the Net Asset Value per Share of the relevant Class declined during the Performance Period if the Adelio European Fund has outperformed the Benchmark Performance (which shall be the case if the Net Asset Value per Share declined by less than the High Water Mark as adjusted by the Benchmark Performance). In calculating the Performance Fee payable in respect of a Performance Period, any underperformance of the Net Asset Value per Share of the relevant Class relative to the value of the Relevant Benchmark for that Class during prior Performance Periods will be carried forward on a rolling five year basis.

Investors may request additional information on the way in which the Performance Fee calculation works from the Investment Manager.

The Performance Fee will be calculated and accrued on each Valuation Day by the Central Administration Agent. The Depositary shall verify the calculation of each Performance Fee prior to payment. Where Performance Fees are payable in respect of the relevant Class of Shares, these will be based on net realised and net unrealised gains and losses as at each Payment Date. As a result, Performance Fees may be paid on unrealised gains which may subsequently never be realised. Performance Fees will reduce investors' returns.

Class and Currency Denomination	Relevant Benchmark	Performance Fee Percentage
Class A (EUR) acc.	STOXX Europe 600 EUR (Net Return)	10%
Class A (GBP) acc.	STOXX Europe 600 GBP Net Total Return	10%
Class A (GBP) dis.	STOXX Europe 600 GBP Net Total Return	10%
Class A (CHF) acc.	STOXX Europe 600 EUR (Net Return)	10%
Class A (USD) acc.	STOXX Europe 600 Net Return USD	10%
Class F (EUR) acc.	STOXX Europe 600 EUR (Net Return)	10%
Class F (GBP) acc.	STOXX Europe 600 GBP Net Total Return	10%
Class F (GBP) dis.	STOXX Europe 600 GBP Net Total Return	10%
Class F (CHF) acc.	STOXX Europe 600 EUR (Net Return)	10%
Class F (USD) acc.	STOXX Europe 600 Net Return USD	10%
Class R (EUR) acc.	STOXX Europe 600 EUR (Net Return)	10%
Class R (GBP) acc.	STOXX Europe 600 GBP Net Total Return	10%
Class R (GBP) dis.	STOXX Europe 600 GBP Net Total Return	10%
Class R (CHF) acc.	STOXX Europe 600 EUR (Net Return)	10%
Class R (USD) acc.	STOXX Europe 600 Net Return USD	10%
Class Z (EUR) acc.	N/A	N/A

Whilst the Unhedged Classes will not be hedged against the Reference Currency of the Adelio European Fund, the Relevant Benchmark for each Class is calculated in the Reference Currency for such Unhedged Classes for the purposes of calculating the performance fee payable.

14. Global Exposure Calculation Methodology

The global exposure will be calculated by using the commitment approach.

15. Leverage

In managing the Adelio European Fund, save in the context of the use of FDIs, the Investment Manager will not utilise leverage within the meaning of Article 50 of the Law of 2010.

16. Risk Factors

The Adelio European Fund is subject to the risks described under the “RISK FACTORS ANNEX” of the Prospectus and in particular the following risks:

- Equity Risk,
- Market Risk,
- Economic Dislocation Risk,
- Foreign Exchange/Currency Risk,
- Past performance is not an Indication of Future Results,
- Liquidity Risk, and
- Derivative Risk and OTC Derivative Instrument Transactions Risk.

17. Profile of the Typical Investor and Target Market

The Adelio European Fund is available for investment by all eligible investors and is suitable for investors seeking capital growth over at least a 5 year investment period and who wish to gain exposure to targeted equities and similar investments of the type described in the investment policy described above. The Adelio European Fund may not be suitable for investors outside the target market.

18. Listing

The Shares of the Adelio European Fund are currently not listed on any stock exchange. The Board of Directors may, in its sole discretion, make an application for the listing of the Shares on the Luxembourg Stock Exchange or any other stock exchange.

19. Termination of the Adelio European Fund or a Class and merger of a Class

Subject to the discretion of the Board of Directors to determine otherwise, the Adelio European Fund or a Class may be terminated by resolution of the Board of Directors:

- (i) if the Net Asset Value of the Adelio European Fund is below EUR 10,000,000
- (ii) if the Net Asset Value of any Class is below EUR 10,000,000 (or the currency equivalent of EUR 10,000,000).

20. United Kingdom Reporting Fund Status

The Board of Directors may, in their sole discretion, apply to HM Revenue & Customs for approval of any Class as a reporting fund for UK tax purposes. Although in such case the Board of Directors will endeavour to ensure that approval as a reporting fund is obtained and maintained in respect of such Classes, this cannot be guaranteed. Investors are referred to HM Revenue & Customs' published list of reporting funds for a list of those Classes which have been approved as reporting funds.

21. STOXX Index

STOXX Limited (“STOXX”) is the source of STOXX[®] Europe 600 EUR (Net Return), STOXX[®] Europe 600 Net Return USD, STOXX[®] Europe 600 GBP Net Total Return¹ and the data comprised therein. STOXX has not been involved in any way in the creation of any reported information and does not give any warranty and excludes any liability whatsoever (whether in negligence or otherwise) – including without limitation for the accuracy, adequateness, correctness, completeness, timeliness, and fitness for any purpose – with respect to any reported information or in relation to any errors, omissions or interruptions in the STOXX[®] Europe 600 EUR (Net Return), the STOXX[®] Europe 600 Net Return USD, the STOXX[®] Europe 600 GBP Net Total Return or their respective data. Any dissemination or further distribution of any such information pertaining to STOXX is prohibited.

STOXX and its licensors (the “Licensors”) have no relationship to Adelio European Fund, other than the licensing of the STOXX[®] Europe 600 EUR (Net Return), the STOXX[®] Europe 600 Net Return USD, the STOXX[®] Europe 600 GBP Net Total Return and the related trademarks for use in connection with the Adelio European Fund.

STOXX and its Licensors do not:

- Sponsor, endorse, sell or promote the Adelio European Fund.
- Recommend that any person invest in the Adelio European Fund or any other securities.
- Have any responsibility or liability for or make any decisions about the timing, amount or pricing of the Adelio European Fund.
- Have any responsibility or liability for the administration, management or marketing of the Adelio European Fund.
- Consider the needs of the Adelio European Fund or the shareholders of the Adelio European Fund in determining, composing or calculating the STOXX[®] Europe 600 EUR (Net Return), the STOXX[®] Europe 600 Net Return USD, the STOXX[®] Europe 600 GBP Net Total Return or have any obligation to do so.

¹ The STOXX[®] Europe 600 EUR (Net Return), the STOXX[®] Europe 600 Net Return USD and the STOXX[®] Europe 600 GBP Net Total Return are administered by STOXX which has been recognized according to Art. 32 of the Benchmark Regulation with the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin*).

STOXX and its Licensors will not have any liability in connection with Adelio European Fund. Specifically,

- **STOXX and its Licensors do not make any warranty, express or implied and disclaim any and all warranty about:**
- **The results to be obtained by the Adelio European Fund, the shareholders of the Adelio European Fund or any other person in connection with the use of the STOXX® Europe 600 EUR (Net Return), the STOXX® Europe 600 Net Return USD, the STOXX® Europe 600 GBP Net Total Return and the data included in therein;**
 - **The accuracy or completeness of the STOXX® Europe 600 EUR (Net Return), the STOXX® Europe 600 Net Return USD, the STOXX® Europe 600 GBP Net Total Return and their respective data;**
 - **The merchantability and the fitness for a particular purpose or use of the STOXX® Europe 600 EUR (Net Return), the STOXX® Europe 600 Net Return USD, the STOXX® Europe 600 GBP Net Total Return and their respective data;**
- **STOXX and its Licensors will have no liability for any errors, omissions or interruptions in the STOXX® Europe 600 EUR (Net Return), the STOXX® Europe 600 Net Return USD, the STOXX® Europe 600 GBP Net Total Return and their respective data;**
- **Under no circumstances will STOXX or its Licensors be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or its Licensors knows that they might occur.**

The licensing agreement between the Adelio UCITS Fund and STOXX is solely for their benefit and not for the benefit of the owners of the Sub-Fund(s) or any other third parties.

The STOXX® Europe 600 EUR (Net Return), the STOXX® Europe 600 Net Return USD, the STOXX® Europe 600 GBP Net Total Return and the trademarks used in the index name are the intellectual property of STOXX Limited, Zurich, Switzerland and/or its licensors. The index is used under license from STOXX. The Adelio European Fund is in no way sponsored, endorsed, sold or promoted by STOXX and/or its licensors and neither STOXX nor its licensors shall have any liability with respect thereto.

ADDITIONAL INFORMATION FOR SHAREHOLDERS IN GERMANY

Right to Market in Germany

The Company has notified its intention to market Shares in Germany of the following Sub-Funds and has been authorized to sell Shares in these Sub-Funds in the Federal Republic of Germany since the completion of the notification process.

- Adelio UCITS Fund – Adelio European Fund

Information Agent in Germany

GerFIS – German Fund Information Service UG
Zum Eichhagen 4
21382 Brietlingen

has assumed the function of the information agent in Germany.

The Prospectus, Key Investor Information Documents, the Articles of Incorporation as well as the annual financial statements and semi-annual financial statements of the Company are available free of charge in paper form from the German information agent.

In addition, the following documents can be inspected free of charge at the German information agent during normal business hours on bank working days:

- Management Company Agreement
- Investment Management Agreement
- Depositary Agreement
- Administration Agreement

Furthermore, the issue, exchange and redemption prices of the Shares are available free of charge from the German information agent.

Redemption of Shares, Payments to Shareholders

The redemption of Shares and payments to Shareholders (redemption proceeds, any distributions and other payments) are affected through the entities maintaining the securities accounts of the Shareholders. Printed individual certificates are not issued.

Publications

In the Federal Republic of Germany, the issue and redemption prices are published at www.adelio.com, and any notifications to investors are published via a durable medium.

Furthermore, in the cases listed in Section 298 (2) German Investment Code (“KAGB”), Shareholders are informed in accordance with Section 167 KAGB by means of a durable medium.