

VISA 2018/113257-7481-0-PC

L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité

Luxembourg, le 2018-07-25

Commission de Surveillance du Secteur Financier



## Old Mutual Global Portfolios

### Prospectus

July 2018

Investment Fund under Luxembourg Law  
Société d'Investissement à Capital Variable

## Contents

1	Notice to Investors .....	4
2	Directory .....	6
3	Definitions .....	9
4	General Information.....	12
4.1	Organisation.....	12
4.2	Structure of the Fund .....	12
4.3	Meetings and Announcements .....	12
4.4	Reports and Accounts .....	12
4.5	Determination of the Net Asset Value of Shares .....	13
4.6	Temporary Suspension of the determination of the Net Asset Value per Share, of Issues, Redemptions and Conversions.....	14
4.7	Liquidation of the Fund .....	15
4.8	Merger, Liquidation and Reorganisation of Sub-Funds or Classes of Shares.....	15
4.9	Material Contracts.....	16
4.10	Documents Available for Inspection.....	16
4.11	Management and Administration .....	16
4.12	The Management Company .....	17
4.13	Investment Manager and Global Distributor.....	18
4.14	Depositary .....	18
4.15	Administrative Agent, Registrar and Transfer Agent.....	19
4.16	Investment Advisor .....	20
5	Investment Policies.....	21
5.1	Investment Policy of each Sub-Fund.....	21
5.2	Financial Techniques and Instruments .....	21
5.3	Global Exposure.....	22
6	Risk Factors .....	23
6.1	General .....	23
6.2	General Risks .....	23
6.3	Risks of Investing in Investment Funds.....	26
6.4	Securities, Derivative and Investment Techniques.....	26
7	The Shares .....	31
7.1	General .....	31
7.2	Subscription for Shares.....	31
7.3	Class Descriptions, Eligibility for Shares, Minimum Subscription and Holding Amounts .....	32
7.4	Listing of Shares .....	33
7.5	Conversion of Shares.....	33
7.6	Redemption of Shares .....	35
7.7	Transfer of Shares .....	35
7.8	Late Trading and Market Timing.....	36
7.9	Data Protection.....	36
8	Dividend Policy.....	38
8.1	General .....	38

8.2	Dividend Payment.....	38
9	Management and Fund Charges .....	39
9.1	Management Fees .....	39
9.2	Performance Fees .....	39
9.3	Fees of the Depositary, Administrative Agent, Domiciliary Agent and Registrar and Transfer Agent.....	40
9.4	Operating and Administrative Expenses .....	40
9.5	Transaction Fees.....	41
10	Investment Restrictions and Financial Techniques and Instruments ..	42
10.1	Investment Restrictions .....	42
10.2	Investment Techniques and Instruments .....	48
11	Taxation.....	53
11.1	General .....	53
11.2	The Fund .....	53
11.3	Shareholders.....	54
11.4	Common Reporting Standard.....	55
	Appendix 1: Investment Objectives, Policies and Additional Information for Sub-Funds .....	56
	Appendix 2: Summary of Fees and Expenses for Sub-Funds .....	62

# 1 Notice to Investors

---

Old Mutual Global Portfolios (the "Fund") (previously known as "New Capital SICAV" and changed into "Old Mutual Global Portfolios" at the Extraordinary General Meeting of Shareholders as at November 14, 2013), is authorised under Part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time (the "Law of 2010"). The Fund has appointed Andbank Asset Management Luxembourg (the "Management Company") to serve as its designated management company in accordance with the Law of 2010. The Fund qualifies as an Undertaking for Collective Investment in Transferable Securities ("UCITS") under Article 1, paragraph 2 points a) and b) of the European Directive of 13 July 2009 (2009/65/EC) as may be amended from time to time (the "UCITS Directive"), and may therefore be offered for sale in the European Union ("EU") Member States (subject to registration in countries other than Luxembourg). In addition, applications to register the Fund may be made in other countries.

The registration of the Fund pursuant to Part I of the Law of 2010 constitutes neither approval nor disapproval by any Luxembourg authority as to the adequacy or accuracy of this Prospectus or as to the assets held in the various sub-funds of the Fund (individually a "Sub-Fund", collectively the "Sub-Funds"). Any representations to the contrary are unauthorised and unlawful.

The Shares have not been registered under the United States Securities Act of 1933, as amended (the "1933 Act"); they may therefore not be publicly offered, sold, transferred or delivered, directly or indirectly, in the USA, or in any of its territories subject to its jurisdiction or to or for the benefit of a US Person as such expression is defined by Article 10 of the Articles of Incorporation and hereinafter. The Shares are not being offered in the USA, and may be so offered only pursuant to an exemption from registration under the 1933 Act and with the consent of the Fund, and have not been registered with the Securities and Exchange Commission or any state securities commission nor has the Fund been registered under the Investment Company Act of 1940, as amended (the "1940 Act"). No transfer or sale of the Shares shall be made unless, among other things, such transfer or sale is exempt from the registration requirement of the 1933 Act and any applicable state securities laws or is made pursuant to an effective registration statement under the 1933 Act and such state securities laws and would not result in the Fund becoming subject to registration or regulation under the 1940 Act. Shares may furthermore not be sold or held either directly or indirectly by nor to the benefit of, among others, a citizen or resident of the USA, a partnership organized or existing in any state, territory or possession of the USA or other areas subject to its jurisdiction, an estate or trust the income of which is subject to United States federal income tax regardless of its source, or any corporation or other entity organized under the laws of or existing in the USA or any state, territory or possession thereof or other areas subject to its jurisdiction (a "US Person"). The sale and transfer of Shares to US Persons is restricted and the Fund may redeem Shares held by a US Person or refuse to register any transfer to a US Person as it deems appropriate to assure compliance with the 1933 Act and furthermore with the Foreign Account Tax Compliance Act ("FATCA"). For the purpose of compliance with FATCA, the restriction on investors is to be understood as a restriction on (i) specified US Persons, (ii) Non-participating Foreign Financial Institutions, (iii) Passive Non-Financial Foreign Entities with one or more substantial US owners (collectively the "ineligible investors"). All purchasers must certify that the beneficial owner of such Shares is not a US Person respectively an ineligible investor and is purchasing such Shares for its own account, for investment purposes only and not with a view towards resale thereof.

The Prospectus may not be delivered to US Persons, ineligible investors or to any person who may not legally be able to receive it or in respect of whom a sales solicitation is unlawful (collectively the "unauthorised persons").

The Board of Directors will demand the immediate refunding of the Shares bought or held by an authorized person, including by investors who would have become unauthorized persons after the acquisition of shares.

Shareholders shall notify the Fund and/or the Registrar and Transfer Agent i) if they become unauthorized persons or ii) if they hold Shares in the Fund in breach of the applicable laws and regulations, the Prospectus or the Articles, or iii) in any circumstances which may affect the taxation of and/or have legal and/or regulatory consequences for the Fund or the shareholders or which may otherwise have a negative impact on the Fund or the other shareholders.

A Key Investor Information Document ("KIID") for each available Class of each Sub-Fund shall be made available to investors free of charge prior to their subscription for Shares. Prospective investors must consult the KIID for the relevant Class and Sub-Fund in which they intend to invest. Prospective investors should review this Prospectus carefully and in its entirety and consult with their legal, tax and financial advisors in relation to: (i) the legal and regulatory requirements within their own countries for the subscribing, purchasing, holding, converting, redeeming or disposing of Shares; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the subscribing, purchasing, holding, converting, redeeming or disposing of Shares; (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, converting, redeeming or disposing of Shares; and (iv) any other consequences of such activities.

Before consent to distribute this Prospectus is granted, certain jurisdictions require it to be translated into an appropriate language. Unless contrary to local law in the jurisdiction concerned, in the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English version shall prevail.

Any information or representation given or made by any person which is not contained herein or in any other document which may be available for inspection by the public should be regarded as unauthorised and should accordingly not be relied upon. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares shall under any circumstances constitute a representation that the information given in this Prospectus is correct as at any time subsequent to the date hereof.

The Management Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the 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 invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain Shareholder rights directly against the Fund. Investors are advised to take advice on their rights.

Unless stated to the contrary, all references herein to times and hours refer to Luxembourg local time.

Certain Shares may in the future be listed on the Luxembourg Stock Exchange.

#### Enquiries or Complaints

Any investor enquiries or complaints should be submitted to the Management Company at the following address: [compliance@aaml.lu](mailto:compliance@aaml.lu) and any response will be made in writing.

The complaints handling policy established by the Management Company may be requested, free of charge, by contacting the Management Company at the email address [compliance@aaml.lu](mailto:compliance@aaml.lu) or through the following website: [www.andbank.lu](http://www.andbank.lu).

## 2 Directory

---

### **MANAGEMENT COMPANY**

Andbank Asset Management Luxembourg  
4 rue Jean Monnet  
L-2180 Luxembourg  
Luxembourg

### **BOARD OF DIRECTORS OF THE FUND**

#### Chairman:

Mr. Jaime Alvarez Tapia  
Head of Investment  
Old Mutual LatAm  
Asset Management Old Mutual  
Bosque de Ciruelos N° 162  
Col. Bosque de las Lomas  
Del Miguel Hidalgo  
C.P. 11700  
Mexico, D.F.

#### Members:

Mr. Agustin Queirolo  
Sales Director  
AIVA Investment S.A.  
Zonamerica – Ruta 8km. 17.500  
Edif. Beta 3, Of.012c  
CP 91.600 Montevideo  
Uruguay

Mr. Donald Villeneuve  
Conducting Officer  
Samarang Asset Management S.A.  
11a Avenue MontereyL-2163 Luxembourg  
Luxembourg

### **BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY**

#### Members:

Mr. Alain Léonard  
Director  
Andbank Asset Management Luxembourg

Mr. Philippe Esser  
Director  
Andbank Asset Management Luxembourg

Mr. Josep Xavier Casanovas  
Chief Risk Officer  
Andorra Group

Mr. Jacobo Baltar Garcia-Peñuela  
General Secretary and Head of International Supervision  
Andorra Group

Dr. Dagmar Valcarcel Schnüll  
Independent Director

### **CONDUCTING PERSONS OF THE MANAGEMENT COMPANY**

Mr. Luis Gomez Gonzalez  
General Director  
Andbank Asset Management Luxembourg

Mr. Andres Pomar  
Head of Asset Management  
Andbank Asset Management Luxembourg

### **DEPOSITARY, ADMINISTRATIVE AGENT, REGISTRAR AND TRANSFER AGENT**

The Bank of New York Mellon SA/NV, Luxembourg branch  
2-4, Rue Eugène Ruppert  
L-2453 Luxembourg  
Luxembourg

### **DOMICILIARY AND CORPORATE AGENT**

Andbank Asset Management Luxembourg  
4 rue Jean Monnet  
L-2180 Luxembourg  
Luxembourg

### **INVESTMENT MANAGER (the "Investment Manager")**

Andbank Asset Management Luxembourg  
4 rue Jean Monnet  
L-2180 Luxembourg  
Luxembourg

### **INVESTMENT ADVISOR**

AIVA Investments S.A.  
Zonamerica – Ruta 8km. 17.500  
Edif. Beta 3, Of.009  
CP 91.600 Montevideo  
Uruguay

### **GLOBAL DISTRIBUTOR (the "Global Distributor")**

Andbank Asset Management Luxembourg  
4 rue Jean Monnet  
L-2180 Luxembourg  
Luxembourg

## **AUDITORS OF THE FUND**

Deloitte Audit S.à r.l.  
560, Rue de Neudorf  
L-2220 Luxembourg  
Luxembourg

### 3 Definitions

---

The following words shall have the following meanings in this Prospectus.

<b>"Annual General Meeting"</b>	means the annual general meeting of the Shareholders.
<b>"Appendix"</b>	means the relevant appendix of the Prospectus.
<b>"Articles of Incorporation"</b>	means the articles of incorporation of the Fund.
<b>"Board of Directors"</b>	means the board of directors of the Fund.
<b>"Business Day"</b>	means any day on which banks in Luxembourg are open for normal banking business (excluding Saturdays and Sundays as well as 24 December).
<b>"CET"</b>	means Central European Time.
<b>"Class"</b>	means the class of Shares of each Sub-Fund.
<b>"Collective Investment Schemes"</b>	means open ended investment companies or unit trusts, in which money from investors is pulled into a professionally managed fund.
<b>"Controlling Persons"</b>	means the natural persons who exercise control over an entity. In the case of a trust, the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term ("Controlling Persons") must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.
<b>"CSSF"</b>	means Commission de Surveillance du Secteur Financier, the financial regulatory authority in Luxembourg in charge of the supervision of UCIs in Luxembourg.
<b>"CSSF Circular 08/356"</b>	means the CSSF circular 08/356 of 4 June 2008 determining the rules applicable to undertakings for collective investment (UCIs) when they employ certain techniques and instruments relating to transferable securities and money market instruments.
<b>"CSSF Circular 11/512"</b>	means the CSSF circular 11/512 of 30 May 2011 determining (i) the presentation of the main regulatory changes in risk management following the publication of CSSF Regulation 10-4 and ESMA clarifications, (ii) further clarifications from the CSSF on risk management rules and (iii) the definition of the content and format of the risk management process to be communicated to the CSSF.
<b>"CSSF Circular 13/559"</b>	means the CSSF circular 13/559 of 18 February 2013 relating to the ESMA (European Securities and Markets Authority) guidelines on ETFs (Exchange Traded Funds) and other UCITS issues.

<b>"Directive 2009/65/EC"</b>	means the EC Council Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as may be amended from time to time.
<b>"EU"</b>	means the European Union.
<b>"EUR", "Euro" or "€"</b>	means the currency of the EU.
<b>"Extraordinary Expenses"</b>	means any extraordinary expenses of the Fund, including, without limitation, litigation expenses and the full amount of any tax, levy, duty or similar charge imposed on the Fund or its assets that would not be considered as ordinary expenses.
<b>"Group of Companies"</b>	means companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts and according to recognised international accounting rules, as amended.
<b>"Institutional Investors"</b>	means institutional investors as defined from time to time by the Luxembourg supervisory authority within the context of the Law of 2010.
<b>"ISDA"</b>	means the International Swap and Derivatives Association.
<b>"Law of 2010"</b>	means the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time.
<b>"Management Fee"</b>	means the fees paid by the Fund to the Management Company calculated as a percentage of the average net assets of each Sub-Fund or Class.
<b>"Member State"</b>	means a member state of the EU. The states that are contracting parties to the agreement creating the European Economic Area other than the member states of the EU, within the limits set forth by this agreement and related acts, are considered as equivalent to member states of the EU.
<b>"Money Market Instruments"</b>	means instruments normally dealt in on the money market which are liquid and have a value which can be accurately determined at any time.
<b>"OECD"</b>	means Organisation for Economic Cooperation and Development.
<b>"Operating and Administrative Expenses"</b>	means all ordinary operating expenses of the Fund as set out in Section 9.4 of this Prospectus.
<b>"Other Regulated Market"</b>	means a market which is regulated, operates regularly and is recognised and open to the public, namely a market: (i) that meets the following cumulative criteria: liquidity; multilateral order matching (general matching of bid and ask prices in order to establish a single price); transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are dealt in at a certain fixed frequency; (iii) which is recognised by a State or by a public authority which has been delegated by that State or by another entity which is recognised by that State or by that public authority such as a professional association; and (iv) on which the securities

dealt are accessible to the public.

<b>"Other State"</b>	means any state of Europe which is not a Member State, and any state of America, Africa, Asia, Australia and Oceania.
<b>"Performance Fees"</b>	means the fees paid by the Fund to the Management Company for certain Classes of Shares within certain Sub-Funds where the net asset value per Share of such Class outperforms its benchmark.
<b>"Prospectus"</b>	means this prospectus of the Fund as amended from time to time.
<b>"Reference Currency"</b>	means the currency in which all the underlying assets of the relevant Sub-Fund are valued and reported. The Reference Currency for each Sub-Fund is set out in Appendix 1.
<b>"Regulated Market"</b>	means a regulated market as defined in the EC Parliament and Council Directive 2004/39/EC dated 21 April 2004 on markets on financial instruments, as amended from time to time.
<b>"Retail Investor"</b>	means any investor who is not an Institutional Investor.
<b>"Shareholders"</b>	means shareholders of the Fund.
<b>"Shares"</b>	means the shares of the Fund.
<b>"Sub-Fund"</b>	means a sub-fund of the Fund.
<b>"Transaction Fees"</b>	means in respect of each Sub-Fund the costs and expenses of buying and selling its portfolio securities and financial instruments, brokerage fees and commissions, interest or taxes payable, and other transaction-related expenses.
<b>"Transferable Securities"</b>	means shares and other securities equivalent to shares, bonds and other debt instruments, and any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchanges, with the exclusion of techniques and instruments.
<b>"UCI(s)"</b>	means undertaking(s) for collective investment.
<b>"UCITS"</b>	means undertaking(s) for collective investment in transferable securities pursuant to Article 1, paragraph 2, points a) and b) of Directive 2009/65/EC.
<b>"United States"</b>	means the United States of America.
<b>"USD"</b>	means United States Dollars.
<b>"Valuation Day"</b>	means the Business Day on which the net asset value per Share of a Sub-Fund is determined, as set out in Appendix 1.

## 4 General Information

---

### 4.1 Organisation

The Fund is an investment company organised as a *société anonyme* under the laws of the Grand-Duchy of Luxembourg and qualifies as a SICAV, incorporated under the Law of 2010 and listed on the official list of UCITS, authorised under Part I of the Law of 2010. The Fund's registered office is at 4, rue Jean Monnet, L-2180 Luxembourg. The Fund was incorporated in Luxembourg on 23 March 2012 for an unlimited period. The Articles of Incorporation were published in the *Mémorial C, Recueil des Sociétés et Associations* (the "Mémorial") on 3 April 2012, recently renamed *Recueil Electronique des Sociétés et Associations*, (the "RESA"). The Fund is registered with the *Registre de Commerce et des Sociétés*, Luxembourg, under number B 167765.

### 4.2 Structure of the Fund

The Fund comprises several Sub-Funds. The Fund offers investors within the same investment vehicle a choice of investment in one or more Sub-Funds, which are distinguished mainly by their specific investment policy and objective and/or by the reference currency in which they are denominated. The specifications of each Sub-Fund are described in Appendices 1 and 2. The Board of Directors may, at any time, decide to create additional Sub-Funds and, in such case, this Prospectus will be updated by adding the details of such Sub-Fund(s) to Appendices 1 and 2.

Each Sub-Fund constitutes a separate portfolio. The assets and liabilities relating to each Sub-Fund are segregated from each other. No Sub-Fund will be liable for obligations incurred in relation to any other Sub-Fund.

Each Sub-Fund may decide to issue separate Classes whose assets will be commonly invested but where a specific sales or redemption charge structure, fee structure, minimum subscription amount, dividend policy or such other distinctive feature as decided from time to time by the Board of Directors may be applied. Where different Classes are issued within a Sub-Fund, the details of each Class are described in Appendix 2.

### 4.3 Meetings and Announcements

Unless otherwise stated in the notice of convocation, the Annual General Meeting of Shareholders will be held at the registered office of the Fund in Luxembourg on the last Tuesday of the month of April each year at 11.00 CET or, if any such day is not a Business Day, on the next following Business Day. The first Annual General Meeting will be held in 2013. Notices of all general meetings will be sent to registered Shareholders by post at least eight calendar days prior to the meeting at the addresses shown on the register of Shareholders. Such notices will include the meeting agenda and will specify the time and place of the meeting and the conditions of admission. Notices of meetings will also refer to the rules of quorum and majorities required by Luxembourg law and laid down in Articles 67 and 67-1 of the Luxembourg law of 10 August 1915 on commercial companies (as amended) and the Articles of Incorporation.

Each whole Share confers the right to one vote. The vote on the payment of a dividend (if any) on a particular Sub-Fund or Class requires a separate majority vote from the meeting of Shareholders of the Sub-Fund or Class concerned. Any change in the Articles of Incorporation affecting the rights of a Sub-Fund or Class must be approved by a resolution of both the general meeting of the Fund and the Shareholders of the Sub-Fund or Class concerned.

### 4.4 Reports and Accounts

Audited annual reports shall be published within four months following the end of each accounting year and unaudited semi-annual reports shall be published within two months following the period to which they refer. Annual reports shall be sent to each registered Shareholder by electronic means or, if so requested by a Shareholder, in hard copy form to the address shown on the register of Shareholders upon request and the annual and semi-annual reports shall be made available at the registered offices of the Fund during ordinary office hours, on the website of the Management Company [www.andbank.lu](http://www.andbank.lu). The Fund's accounting year ends on 31 December each year and for the first time on 31 December 2012. The first audited annual report was published for the period ending

on 31 December 2012. The first semi-annual report was published for the period ending on 30 June 2012.

The Reference Currency of the Fund is the USD. The aforesaid reports will comprise consolidated accounts of the Fund expressed in USD as well as individual information on each Sub-Fund expressed in the Reference Currency of each Sub-Fund.

#### **4.5 Determination of the Net Asset Value of Shares**

The net asset value per Share of each Sub-Fund is typically determined on each day which is a Business Day. The frequency of the valuation applicable to each Sub-Fund is set out in Appendix 1.

The net asset value of the Shares of each Class is determined in such Class's Reference Currency on each Valuation Day by dividing the net assets attributable to each Class by the number of Shares of such Class then outstanding. Fractions of Shares, calculated to three decimal places, may be allocated as required.

The net assets of each Class are made up of the value of all the assets attributable to such Class less the total liabilities attributable to such Class calculated at such time as the Board of Directors shall have set for such purpose.

The value of the assets of the Fund is determined as at the end of the relevant Valuation Day. The actual calculation of the value of the assets and of the net asset value per Share will take place on the following Business Day and is determined in the following manner:

1. the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid, and not yet received shall be deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof;
2. the value of Transferable Securities and Money Market Instruments and any other assets which are quoted or dealt in on any stock exchange shall be based on the latest available closing price and Transferable Securities and Money Market Instruments and any other assets traded on any Other Regulated Market shall be valued in a manner as similar as possible to that provided for quoted securities;
3. for non-quoted assets or assets not traded or dealt in on any stock exchange or Other Regulated Market, as well as quoted or non-quoted assets on such other market for which no valuation price is available, or assets for which the quoted prices are not representative of the fair market value, the value thereof shall be determined prudently and in good faith by the Board of Directors on the basis of foreseeable purchase and sale prices;
4. shares or units in underlying open-ended UCIs shall be valued at their last determined and available net asset value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors on a fair and equitable basis. Units or shares of closed-ended UCIs will be valued in accordance with the valuation rules set out in items 2. and 3. above;
5. Money Market Instruments with a remaining maturity of less than 90 days at the time of purchase or securities whose applicable interest rate or reference interest rate is adjusted at least every 90 days on the basis of market conditions shall be valued at cost plus accrued interest from their date of acquisition, adjusted by an amount equal to the sum of: (i) any accrued interest paid on their acquisition; and (ii) any premium or discount from their face amount paid or credited at the time of their acquisition, multiplied by a fraction the numerator, which is the number of days elapsed from their date of acquisition to the relevant Valuation Day and the denominator, which is the number of days between such acquisition date and the maturity date of such instruments;
6. Money Market Instruments with a remaining maturity of more than 90 days at the time of purchase shall be valued at their market price. When their remaining maturity falls under 90 days, the Board of Directors may decide to value them as stipulated in item 5. above;

7. liquid assets may be valued at nominal value plus any accrued interest or on an amortised cost basis;
8. the liquidating value of futures, forward and options contracts not traded on exchanges or on Other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward and options contracts traded on exchanges or on Other Regulated Markets shall be based upon the last available settlement prices of these contracts on exchanges and/or Regulated Markets on which the particular futures, forward or options contracts are traded by the Fund; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable.

The Fund is authorised to apply other appropriate valuation principles for the assets of the Fund and/or the assets of a given Class if the aforesaid valuation methods appear impossible or inappropriate due to extraordinary circumstances or events, in order to reflect better the probable realisation value established with prudence and good faith.

The value of assets denominated in a currency other than the Reference Currency of a Sub-Fund shall be determined by taking into account the rate of exchange prevailing at the time of the determination of the net asset value.

The net asset value per Share of each Class and the issue and redemption prices thereof are available at the registered office of the Fund.

#### **4.6 Temporary Suspension of the determination of the Net Asset Value per Share, of Issues, Redemptions and Conversions**

The determination of the net asset value of Shares of one or more Classes may be suspended during: (a) any period when any of the principal markets or stock exchanges on which a substantial portion of the investments of the Sub-Fund concerned is quoted or dealt in, is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; (b) the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of assets of the Sub-Fund concerned would be impracticable; (c) any breakdown in the means of communication or computation normally employed in determining the price or value of the assets of the Sub-Fund concerned or the current prices or values on any market or stock exchange; (d) during the whole or any part of any period when for any other reason the price or value of any of the Fund's investments cannot be reasonably, promptly or accurately ascertained; (e) any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of Shares 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; (f) following the notification of a possible decision to merge, liquidate or dissolve the Fund or, if applicable, one or several Compartment(s); (g) following the suspension of the calculation of the net asset value per share/unit at the level of a master fund in which a Sub-Fund invests in its quality of feeder fund of such master fund; (h) following the suspension of the issue, redemption and/or conversion of shares/units at the level of a master fund in which a Sub-Fund invests in its quality of feeder fund of such master fund, the Sub-Fund may also suspend its issue, redemption and/or conversion of shares or (i) any other circumstance or circumstances beyond the control and responsibility of the Board of Directors where a failure to do so might result in the Fund or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the Fund or its Shareholders might not otherwise have suffered.

The Board of Directors has the power to suspend the issue, redemption and conversion of Shares in one or more Classes for any period during which the determination of the net asset value per Share of the Sub-Fund(s) concerned is suspended by the Fund by virtue of the powers described above. Any subscription/redemption/conversion request made or in abeyance during such a suspension period may be withdrawn by written notice to be received by the Fund before the end of such suspension period. Should such withdrawal not be effected the Shares in question shall be subscribed/redeemed/converted on the first Valuation Day following the termination of the suspension

period. Investors who have requested the subscription, redemption or conversion of Shares shall be informed of such suspension when such request is made. In the event where a suspension period exceeds a certain period determined by the Board of Directors, all Shareholders of the Class concerned shall be informed.

#### **4.7 Liquidation of the Fund**

The Fund is incorporated for an unlimited period and liquidation shall normally be decided upon by an extraordinary general meeting of Shareholders. Such meeting will be convened in compliance with Luxembourg law.

If the net assets of the Fund fall below two-thirds of the minimum capital as required by law (€1,250,000), the decision will be taken by a simple majority of the Shares represented at the meeting. If the net assets of the Fund fall below one-quarter of the minimum capital as required by law, the decision will be taken by the Shareholders present at the meeting holding one-quarter of the Shares.

Should the Fund be liquidated, such liquidation shall be carried out in accordance with the provisions of the Law of 2010 which specifies the steps to be taken to enable Shareholders to participate in the liquidation distributions and in this connection provides for deposit in escrow at the *Caisse de Consignation* in Luxembourg of any amounts which it has not been possible to distribute to the Shareholders at the close of liquidation. Amounts not claimed within the prescribed period are liable to be forfeited in accordance with the provisions of Luxembourg law. The net liquidation proceeds of each Sub-Fund shall be distributed to the Shareholders of each Class of the relevant Sub-Fund in proportion to their respective holdings of such Class.

The liquidation of the last remaining Sub-Fund will result in the liquidation of the Fund as referred to in Article 145(1) of the Law of 2010.

#### **4.8 Merger, Liquidation and Reorganisation of Sub-Funds or Classes of Shares**

The Board of Directors may decide to liquidate any Sub-Fund or any Class if the net assets of such Sub-Fund or Class have not reached or have decreased to an amount determined by the Board of Directors in the interests of Shareholders to be the minimum level for such Sub-Fund or Class to be operated in an economically efficient manner (i.e. USD 1,000,000 for a Sub-Fund), or in case of a substantial modification in the political, economic or monetary situation or as a matter of economic rationalisation. If such circumstances do not apply, a decision to liquidate any one or all Classes of Shares issued in any Sub-Fund may only be taken at an extraordinary general meeting of the Shareholders of the Class(es) concerned. Such extraordinary meeting may decide to liquidate the relevant Class(es) without quorum conditions and with a simple majority of the Shareholders present or represented. Registered Shareholders will be notified by letter of the decision to liquidate prior to the effective date of the liquidation and the letter will indicate the reasons for, and the procedures of, the liquidation operations. Unless the Board of Directors otherwise decides in the interests of, or to keep equal treatment between, the Shareholders, the Shareholders of the Sub-Fund or Class(es) concerned may continue to request redemption or conversion of their Shares free of charge.

The Board of Directors or, respectively, the Shareholders concerned, may decide to proceed with a merger of the assets of the Fund or of any Sub-Fund with those of (i) another Sub-Fund or another sub-fund within such other Luxembourg or foreign UCITS (the "New Sub-Fund") or of (ii) another Luxembourg or foreign UCITS (the "New UCITS"). Shareholders will be informed of such a decision in the same manner as described in the preceding paragraph and, in addition, the letter of notification will contain information in relation to the New Sub-Fund or New UCITS. Such notice will be sent one month before the date on which the merger becomes effective in order to enable Shareholders to request redemption of their Shares, free of charge, before the operation involving contribution into the New Sub-Fund or New UCITS becomes effective.

In the event that the Board of Directors believes it is required for the interests of the Shareholders of the relevant Sub-Fund or that a change in the economic or political situation relating to the Sub-Fund concerned has occurred which would justify it, the reorganisation of one Sub-Fund, by means of a division into two or more new Sub-Funds, may be decided by the Board of Directors. Such decision will be notified in the same manner as described above and, in addition, the notification will contain information in relation to the two or more new Sub-Funds. Such notification will be made one month

before the date on which the reorganisation becomes effective in order to enable Shareholders to request redemption of their Shares, free of charge, before the operation involving division into two or more new Sub-Funds becomes effective.

In the event that for any reason the value of the assets in any Class has decreased to an amount determined by the Board of Directors in the interests of Shareholders to be the minimum level for such Class to be operated in an economically efficient manner, or if a change in the economical, political or monetary situation relating to the Class concerned would have material adverse consequences on the investments of that Class or if the range of products offered to investors is rationalised, the Board of Directors may decide to allocate the assets of any Class to those of another existing Class within the Fund and to redesignate the Shares of the Class or Classes concerned as Shares of another Class (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to Shareholders). The Fund shall send a written notice to the Shareholders of the relevant Class one month prior to the effective date for the amalgamation in order to enable Shareholders to request redemption or conversion of their Shares, free of charge, during such period. This notice will indicate the reasons and the procedure for the amalgamation operations. Unless it is otherwise therein advised in the interests of Shareholders, or to maintain equality of treatment between Shareholders, the Shareholders of the Class concerned may continue to request redemption or conversion of their Shares without any additional charges (but taking into account actual realisation prices of investments and realisation expenses) prior to the effective date of the amalgamation.

#### **4.9 Material Contracts**

The following material contracts have been entered into:

1. A Collective Portfolio Management Agreement dated 23 March 2012 between the Fund and the Management Company pursuant to which the latter acts as the management company, including as Investment Manager and Global Distributor of the Fund. Under this agreement, the Management Company provides management, administrative, marketing, compliance and risk management services to the Fund, subject to the overall supervision and control of the Board of Directors. This agreement is entered into for an unlimited period and is terminable by either party upon three months' written notice.
2. A Depositary Agreement dated 11 October 2016 between the Fund and The Bank of New York Mellon SA/NV, Luxembourg branch pursuant to which the latter is appointed as Depositary of the assets of the Fund. This agreement is entered into for an unlimited period and is terminable by either party upon ninety days' written notice.
3. A Fund administration Agreement dated 9 March 2018 between the Fund, the Management Company and Bank of New York Mellon SA/NV, Luxembourg Branch pursuant to which the latter is appointed as Administrative Agent, Registrar and Transfer Agent of the Fund. This agreement is entered into for an unlimited period and is terminable by either party upon ninety days' written notice.
4. A Domiciliation Agreement dated 23 March 2012 between the Fund and the Management Company pursuant to which the latter is appointed as Domiciliary and Corporate Agent of the Fund. This agreement is entered into for an unlimited period and is terminable by either party upon ninety days' written notice.

#### **4.10 Documents Available for Inspection**

Copies of the contracts mentioned above are available for inspection, and copies of the Articles of Incorporation, the current Prospectus, the KIIDs and the latest periodical reports may be obtained free of charge during normal office hours at the registered office of the Fund and are available on the website of the Management Company [www.andbank.lu](http://www.andbank.lu). Such reports form an integral part of this Prospectus.

#### **4.11 Management and Administration**

The Management Company is responsible for the management and control of the Fund. The Management Company will also act as Investment Manager, Global Distributor and Domiciliary and

Corporate Agent of the Fund. The Bank of New York Mellon SA/NV, Luxembourg Branch, has been appointed to act as Registrar, Transfer and Administrative Agent. Deloitte Audit S.à r.l. has been appointed as the independent auditor of the Management Company.

#### **4.12 The Management Company**

Andbank Asset Management Luxembourg is a *société anonyme* incorporated under Luxembourg law on 13 July 2009 for an unlimited period of time. The articles of incorporation of the Management Company were published in the *Mémorial C* of 7 August 2009 and filed with the Chancery of the District Court of Luxembourg (Greffes du Tribunal d'Arrondissement). The capital of the Management Company currently amounts to EUR 3,000,000.

The Management Company is registered on the official list of Luxembourg management companies governed by Chapter 15 of the Law of 2010.

Mr. Luis Gomez Gonzalez and Mr. Andres Pomar are responsible for the Management Company's daily business and operations.

The Management Company is responsible for the day-to-day operations of the Fund. In fulfilling its responsibilities set for by the Law of 2010 and the Collective Portfolio Management Agreement, it is permitted to delegate all or a part of its functions and duties to third parties, provided that it retains responsibility and oversight over such delegates. The appointment of third parties is subject to the approval of the Fund and the CSSF. The Management Company's liability shall not be affected by the fact that it has delegated its functions and duties to third parties.

The Management Company has delegated the following functions to third parties: registrar, transfer agency and administration functions, marketing and distribution.

The Management Company has established a remuneration policy for those categories of staff, including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profiles of the Management Company or the Fund, that are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles or the Fund's Articles.

The remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the Fund and of its shareholders, and includes measures to avoid conflicts of interest.

The variable remuneration is granted on the basis of the results of the performance assessment process. It shall be based on relevant, pre-determined and measurable criteria linked to the Management Company's corporate values, business strategy goals, long-term interests of its shareholders and clients, and risk management.

The remuneration policy also ensures that 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.

This remuneration policy takes into account the principle of proportionality, which allows procedures, mechanisms and organizational structure to be calibrated to the nature, scale and complexity of the Management Company business and to the nature and range of activities carried out in the course of its business.

#### **Disclosure in the Annual Report:**

Information relating to the remuneration policy shall be available in the Annual Report of the Management Company, as well as the Annual Report of the Fund.

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 persons responsible for

awarding the remuneration and benefits, including the composition of the remuneration committee, are available at [www.andbank.lu](http://www.andbank.lu) and a paper copy will be made available free of charge upon request at the Management Company's registered office.

#### **4.13 Investment Manager and Global Distributor**

The investment management of the Fund is effected under the control and the responsibility of the Management Company, who will act as Investment Manager.

The Investment Manager has discretion, on a day-to-day basis, to purchase and sell securities and otherwise to manage the Sub-Funds' portfolios.

The Investment Manager, in the execution of its duties and the exercise of its powers, shall be responsible for the compliance of the Sub-Funds with their investment policies and restrictions.

Andbank Asset Management Luxembourg is also in charge of the distribution of the Fund. In that respect it acts as Global Distributor of the Fund and shall conclude agreements with sub-distributors in the different jurisdictions in which Shares may be distributed.

#### **4.14 Depositary**

Subject to the execution of a Depositary Agreement, the Fund has appointed The Bank of New York Mellon SA/NV, Luxembourg branch to act as the Depositary of the Fund's assets in accordance with the Directive 2009/65/EC of the European Parliament and European 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 by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 (the "UCITS V Directive"), as supplemented by the Level 2 Regulations adopted as delegated acts by the European Commission pursuant to Article 112a of the UCITS V Directive, following their entry into full legal force and effect in the European Union (and for the avoidance of doubt, following the expiration of any implementation period applicable to such regulations) (the "UCITS V Regulations"), and as incorporated into Luxembourg legislation by the law of 10 May 2016 (the "Luxembourg UCITS V Law") References hereinafter to the "Directive" shall include the UCITS V Directive as supplemented by the UCITS V Regulations and as incorporated into Luxembourg law by the Luxembourg UCITS V Law, and any other implementing legislation on an EU or Luxembourg level.

The duty of the Depositary is to provide safekeeping and oversight services in respect of the assets of the Fund and each Sub-Fund in accordance with the provisions of the Directive.

The Depositary will have, inter alia, to ensure that the sale, issue, repurchase and cancellation of Shares in the Fund is carried out in accordance with the UCITS Regulations and the Articles of Incorporation. The Depositary will carry out the instructions of the Fund, unless they conflict with the UCITS Regulations or the Articles of Incorporation.

Pursuant to the Depositary Agreement, the Depositary will be liable for loss of financial instruments held in custody or in the custody of any sub-depositary, unless it can prove that loss has arisen as a result of an external event beyond its control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary shall also be liable for all other losses suffered as a direct result of the Depositary's negligent or intentional failure to fulfil its obligations under the UCITS Regulations.

Under the Depositary Agreement, the Depositary has power to delegate the whole or any part of its depositary functions, however, its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping.

As part of the normal course of global custody business, the Depositary may from time to time have entered into arrangements with other clients, funds or other third parties, including affiliates for the provision of safekeeping and related services and as a result, potential conflict of interest situations may, from time to time, arise between the Depositary and its safekeeping delegates, for example, where an appointed delegate is an affiliated group company and is providing a product or service to a fund and has a financial or business interest in such product or service or where an appointed

delegate is an affiliated group company which receives remuneration for other related custodial products or services it provides to the funds e.g. foreign exchange, securities lending, pricing or valuation services.

The Depositary has also policies and procedures in place in relation to the management of conflicts of interest between the Depositary, the Fund and the Management Company that may arise where a group link as defined in the applicable regulations exists between them. It may be the case for example where the Management Company has delegated certain administrative functions to an entity within the same corporate group as the Depositary.

In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will at all times have regard to its obligations under applicable laws. Additionally, in order to address any situations of conflicts of interest, the Depositary has implemented and maintains a management of conflicts of interest policy, with the aim of:

- a) identifying and analysing potential situations of conflicts of interest;
- b) recording, managing and monitoring the conflict of interest situations by:
  - relying on permanent measures to address conflicts of interest such as maintaining separate legal entities, segregating duties, separating reporting lines and maintaining insider lists for staff members; or
  - implementing appropriate procedures on a case-by-case basis, such as establishing new information barriers, ensuring that operations are carried out at arm's length and/or informing the concerned shareholders of the Fund.

The Depositary has established a functional and hierarchical separation between the performance of its UCITS depositary functions and the performance of other tasks on behalf of the Fund.

Up-to-date information regarding the duties of the Depositary and any conflicts of interest that may arise and the delegated safekeeping functions as well as the delegates will be made available to investors by the Fund on request.

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

The Bank of New York Mellon SA/NV, Luxembourg Branch has been appointed as administrative agent, as well as registrar and transfer agent of the Fund.

In its function as registrar and transfer agent, The Bank of New York Mellon SA/NV, Luxembourg Branch will process all subscriptions, redemptions and transfers of Shares and will register these transactions in the register of Shareholders.

In its capacity as administrative agent, The Bank of New York Mellon SA/NV, Luxembourg Branch is notably responsible for the provision of administrative services to the Fund including carrying out the calculation of the net asset value of the Shares of the Fund. The relationship between the Fund and the Administrative Agent and Registrar and Transfer Agent is subject to the Fund Administration Agreement.

In its capacity as paying agent of the Fund, The Bank of New York Mellon SA/NV, Luxembourg Branch is in charge of the payment of dividends to Shareholders of the Fund or of the payment of dividends to the various paying agents that can be appointed from time to time by the Fund with the prior approval of the paying agent.

The Bank of New York Mellon SA/NV, Luxembourg Branch, under the responsibility of the Board of Directors of the Fund, ensures the compliance of the Shareholders with any eligibility requirement provided for in the Articles of Incorporation and/or in the Prospectus and inform the Board of Directors if anything is brought to its attention which in its opinion may conflict with such eligibility requirements.

The Fund, the Management Company and The Bank of New York Mellon SA/NV, Luxembourg Branch may terminate the Fund Administration Agreement upon ninety (90) calendar days prior written notice, however, material breach of any clause contained in the Fund Administration Agreement by

either party shall entitle the other party to terminate the Fund Administration Agreement upon one (1) calendar month's prior written notice unless such breach is cured within such period.

The Bank of New York Mellon SA/NV, Luxembourg Branch is regulated by National Bank of Belgium (NBB) and is also authorised by and under the additional supervision of the CSSF. The Bank of New York Mellon SA/NV is a Belgian public limited liability credit institution ("société anonyme"/"naamloze vennootschap") with registered office at 46 Rue Montoyer, B-1000 Brussels, Belgium. As of 1 August 2017, it had capital of one billion seven hundred twenty-three million four hundred eighty-five thousand and five hundred twenty-six euros and twenty-one cents (EUR 1,723,485,526.21) but also benefits from a guarantee of its financial liabilities from The Bank of New York Mellon Corporation.

#### **4.16 Investment Advisor**

AIVA Investments S.A. has been appointed as Investment Advisor of the Fund. The Investment Advisor provides investment advice and recommendations to the Management Company with regards to the investments of the Fund.

## 5 Investment Policies

---

### 5.1 Investment Policy of each Sub-Fund

The Sub-Funds will seek to achieve their objectives, in accordance with the specific investment policies established for each Sub-Fund by the Board of Directors, by investing primarily in a wide range of asset classes, including equities, fixed income, cash, properties, commodities, derivatives, futures and other alternative investments. The Board of Directors has determined the investment objective and policy of each Sub-Fund, as described in Appendix 1. There can be no assurance that the investment objective for any Sub-Fund will be attained. Pursuit of the investment objective and policy of each Sub-Fund must be in compliance with the limits and restrictions set forth in Section 10.1 "Investment Restrictions".

### 5.2 Financial Techniques and Instruments

If specifically described in the investment policy of any Sub-Fund as specified in Appendix 1 of this Prospectus, each Sub-Fund may utilise financial techniques and instruments for investment purposes and efficient portfolio management. The Fund may in respect of each Sub-Fund invest in financial derivative instruments, including but not limited to those described in more detail below.

The Fund shall ensure that the global exposure of each Sub-Fund relating to financial derivative instruments does not exceed the total net assets of that Sub-Fund. The Sub-Fund's overall risk exposure shall consequently not exceed 200% of its total net assets. In addition, this overall risk exposure may not be increased by more than 10% by means of temporary borrowings so that it may not exceed 210% of any Sub-Fund's total net assets under any circumstances.

The Sub-Funds may use financial derivative instruments for investment purposes and for hedging purposes, within the limits of the Law of 2010. Under no circumstances shall the use of these instruments and techniques cause a Sub-Fund to diverge from its investment policy or objective. The risks against which the Sub-Funds could be hedged may be, for instance, market risk, foreign exchange risk, interest rates risk, credit risk, volatility or inflation risks.

Such portfolio strategies include transactions in financial futures contracts and options thereon. The Sub-Funds may seek to hedge their investments against currency fluctuations which are adverse to the respective currencies in which these Sub-Funds are denominated by utilising currency options, futures contracts and forward foreign exchange contracts.

The Sub-Funds may sell interest rate futures contracts, write call options or purchase put options on interest rates or enter into swap agreements for the purpose of hedging against interest rate fluctuations. The Sub-Funds may hold such ancillary liquid assets as the Investment Manager considers appropriate including, without limitation, cash, cash equivalents and assets linked to repurchase agreements as part of a treasury management strategy. Each Sub-Fund may also engage in securities lending and enter into repurchase and reverse repurchase agreements in compliance with the provisions set out in the CSSF Circular 08/356.

A Sub-Fund will only enter into the aforementioned transactions with financial institutions specialised in such transactions and only in accordance with the standard terms laid down by the ISDA. The ISDA has produced standardised documentation for such transactions under the umbrella of its ISDA Master Agreement. Any legal restrictions will be applied to the issuer of the derivative instrument as well as to the underlying thereof.

When using the techniques and instruments, the Sub-Funds must comply with the limits and restrictions set forth in Section 10.1 "Investment Restrictions". Such techniques and instruments shall be used only to the extent that they do not affect the Sub-Funds' investment objectives and policies.

**Use of the aforesaid techniques and instruments involves certain risks and there can be no assurance that the objective sought to be obtained from such use will be achieved.**

Each Sub-Fund may further invest, within the 10% limit in relation to other Transferable Securities and Money Market Instruments pursuant to Article 41(2)(a) of the Law of 2010 as set out in Section

10.1.1(a), up to 10% of its net assets in loan participations and/or loan assignments provided such instruments constitute Money Market Instruments normally dealt in the money market, are liquid and have a value that may be accurately determined at any time.

Such loans are deemed to constitute Money Market Instruments (within the meaning of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010) normally dealt in on the money market where they fulfil one or more of the following criteria:

1. they have a maturity at issuance of up to and including 397 days;
2. they have a residual maturity of up to and including 397 days;
3. they undergo regular yield adjustments in line with money market conditions at least every 397 days; or
4. their risk profile, including credit and interest rate risks, corresponds to that of financial instruments which have a maturity as referred to in items (a) or (b) above, or are subject to a yield adjustment as referred to in item (c) above.

Such loans are deemed to be liquid where they can be sold at limited cost in an adequately short time frame, taking into account the obligation of the relevant Sub-Fund to repurchase its Shares at the request of any Shareholder.

Such loans are deemed to have a value which can be accurately determined at any time where such loans are subject to accurate and reliable valuations systems, which fulfil the following criteria:

1. they enable the relevant Sub-Fund to calculate the net asset value in accordance with the value at which the loan held in the portfolio could be exchanged between knowledgeable willing parties in an arm's length transaction; and
2. they are based either on market data or on valuation models including systems based on amortised costs.

### **5.3 Global Exposure**

The global exposure is determined by using the commitment approach taking into account the current value of the underlying assets, including embedded derivatives. The global commitment of the portfolio will be computed daily and shall not exceed the limit of 100% of the total net assets of the Sub-Fund.

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

## 6 Risk Factors

---

### 6.1 General

This Section 6 explains some of the risks that apply to the Sub-Funds. It does not purport to be a complete explanation and other risks may also be relevant from time to time.

The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount invested in the Fund. Past performance is not indicative of future performance. There is no assurance that the investment objective of any Sub-Fund will actually be achieved.

The risks which a prospective investor should take into account includes risks which are general to all Sub-Funds and those which are specific to certain Sub-Funds and arise in respect of the investment objective, policy and strategy which is adopted in relation to a specific Sub-Fund. Appendix 1 sets out which of the risk factors set out below are particularly relevant to each Sub-Fund.

### 6.2 General Risks

#### 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 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-indexed securities may experience greater losses than other fixed income securities with similar durations.

#### Counterparty Credit Risk

A Sub-Fund may be exposed to companies which act as a service provider, counterparty or guarantor when entering into over-the-counter markets in contracts. Their inability or unwillingness to honour obligations can subject a Sub-Fund to credit risk of losses incurred from late payments, failed payments and default.

#### Economic Risk

The value of a Sub-Fund may decline due to factors affecting market conditions generally or particular industries represented in the markets. The value of a security held by a Sub-Fund may decline due to an actual or perceived change in 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. During a general downturn in the economy, multiple asset classes may decline in value simultaneously. Economic downturn can be difficult to predict due to speculation in inflationary, fiscal and monetary factors.

#### Issuer Risk

An issuer of securities' inability or unwillingness to honour obligations can subject a Sub-Fund to the risk of losses. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, the issuer's inability to meet specific projected business forecasts or the unavailability of additional financing.

#### Liquidity Risk

Certain investment positions in which the Sub-Funds will have an interest may be illiquid. The Sub-Funds may invest in non-transferable securities, non-publicly traded securities or securities with a lack of trading volume. These investments could prevent the Sub-Fund from liquidating unfavourable

positions promptly and subject the Sub-Fund to substantial losses. Such investments could also impair the ability of Shareholders to collect redemption proceeds in a timely manner and Shareholders may incur a dilution adjustment.

During extreme market conditions securities that would normally be liquid may become more illiquid and it may be difficult for Shareholders to collect redemption proceeds in a timely manner or Shareholders may incur a dilution adjustment.

#### Currency Risk – Hedging Transactions

A Sub-Fund may enter into currency exchange transactions in an attempt to protect against changes in a country's currency exchange rates. A Sub-Fund may also enter into forward contracts to hedge against a change in such currency exchange rates that would cause a decline in the value of existing investments denominated or principally traded in a currency other than the Reference Currency of that Sub-Fund. To do this, the Sub-Fund would enter into a forward contract to sell the currency in which the investment is denominated or principally traded in exchange for the Reference Currency of the Sub-Fund.

Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, at the same time they limit any potential gain that might be realised should the value of the hedged currency increase. The precise matching of the forward contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the forward contract is entered into and the date when it matures. Therefore the successful execution of a hedging strategy which matches exactly the profile of the investments of any Sub-Fund cannot be assured.

#### Custodial Risk

A Sub-Fund may invest in markets where depositary and/or settlement systems are not fully developed. The assets of the Sub-Funds which are traded in such markets and which have been entrusted to sub-depositaries, in circumstances where the use of such sub-depositary is necessary, may be exposed to risk in circumstances whereby the depositary will have no liability.

#### Valuation Risk

A Sub-Fund's assets comprise mainly of quoted investments where a valuation price can be obtained from an exchange or similarly verifiable source. However, there is a risk that where the Sub-Fund invests in unquoted and/or illiquid investments the values at which these investments are realised may be significantly different to the estimated fair values of these investments.

#### Credit spread risk

A Sub-Fund's investments may be adversely affected if any of the issuers it is invested in are subject to an actual or perceived deterioration to their credit quality. Any actual or perceived deterioration may lead to an increase in the credit spreads of the issuer's securities.

#### Operational Risk

A Sub-Fund's investments may be adversely affected due to the operational process of the Sub-Fund. A Sub-Fund may be subject to losses arising from inadequate or failed internal controls, processes and systems, or from human or external events.

#### Regulatory, Business, Legal and Tax

In some jurisdictions the interpretation and implementation of laws and regulations and the enforcement of shareholders' rights under such laws and regulations may involve significant uncertainties. Furthermore, there may be differences between accounting and auditing standards, reporting practices and disclosure requirements and those generally accepted internationally. Some of the Sub-Funds may be subject to withholding and other taxes. Tax law and regulations of any country are constantly changing, and may be changed with retrospective effect. The interpretation and applicability of tax law and regulations by tax authorities in some jurisdictions are not consistent and

transparent and may vary from region to region. Any change in taxation legislation could affect the value of the investments held by and the performance of the Sub-Fund.

#### *Risk related to FATCA*

The withholding tax regime of FATCA became effective in phases since 1 July 2014. Although the Fund will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by the shareholders concerned may be adversely impacted to a significant extent.

#### *Risk related to Common Reporting Standard*

For exchange of information purpose, Shareholders are informed that their personal and account information (the Information as described in the Common Reporting Section) may be reported to the relevant tax authorities.

Any Shareholder that fails to comply with the Fund's Information or documentation requests may be held liable for penalties imposed on the Fund and attributable to such Shareholders' failure to provide the Information or subject to disclosure of the Information by the Fund to the Luxembourg tax authority (the "LTA") In addition, as the case may be, the Fund may redeem Shares held by such Shareholders.

#### *Conflicts of Interest*

The Management Company and the various third parties to which the Management Company has delegated its functions may have conflicts of interest in relation to its duties to the Fund. The Management Company will, however, ensure that all such potential conflicts of interest are resolved fairly and in the best interests of the Shareholders in so far as it is possible to do so.

#### *Emerging Markets*

A Sub-Fund may invest in less developed or emerging markets. These markets may be volatile and illiquid and the investments of the Sub-Fund in such markets may be considered speculative and subject to significant delays in settlement. Practices in relation to settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because the Fund will need to use brokers and counterparties which are less well capitalised, and custody and registration of assets in some countries may be unreliable. Delays in settlement could result in investment opportunities being missed if a Sub-Fund is unable to acquire or dispose of a security.

The risk of significant fluctuations in the net asset value and of the suspension of redemptions in those Sub-Funds may be higher than for Sub-Funds investing in major world markets. In addition, there may be a higher than usual risk of political, economic, social and religious instability and adverse changes in government regulations and laws in emerging markets and assets could be compulsorily acquired without adequate compensation. The assets of a Sub-Fund investing in such markets, as well as the income derived from the Sub-Fund, may also be affected unfavourably by fluctuations in currency rates and exchange control and tax regulations and consequently the net asset value of Shares of that Sub-Fund may be subject to significant volatility. Some of these markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those of more developed countries and the securities markets of such countries may be subject to unexpected closure.

There may be less government supervision and legal regulation and less well defined tax laws and procedures than in countries with more developed securities markets. Some emerging markets governments exercise substantial influence over the private economic sector and the political and social uncertainties that exist for many developing countries are particularly significant. Another risk common to most such countries is that the economy is heavily export oriented and, accordingly, is dependent upon international trade. The existence of overburdened infrastructures and obsolete financial systems also presents risks in certain countries, as do environmental problems.

### **6.3 Risks of Investing in Investment Funds**

#### Investment management fees

When investing in Shares of the Fund which in turn invests in securities issued by investment funds, Shareholders will incur the costs for investment management services and the fees and expenses paid by the Fund to its service providers, as well as fees and expenses paid by the investment funds to their service providers. These costs may in aggregate be higher than if the Sub-Fund had invested directly in equity and debt securities. Where investment funds invest in other collective investment vehicles, there may be further levels of fees and expenses. This will however not apply should any Sub-Fund invest in investment funds, managed by the Investment Manager of the Fund.

#### Valuation Risk

The method by which the net asset value per Share of each Class in each Sub-Fund is calculated assumes that the Fund is able to value its holdings in investment funds. In valuing those holdings, the Fund will need to rely on financial information provided by external sources including the investment funds themselves. Independent valuation sources such as exchange listing may not be readily available for investment funds.

The holdings in investment funds are valued on the basis of the last official net asset value of the underlying investment funds known at the time of calculating the net asset value, which may not necessarily correspond with the actual net asset value on the relevant date. However the Fund shall not make retroactive adjustments in the net asset value previously used for subscriptions, conversions and redemptions. Such transactions are final and binding notwithstanding any different later determinations (save in exceptional circumstances as provided for in the Articles of Incorporation).

#### Alternative Strategies Risk

A Sub-Fund may take on exposure to investments or investment funds that seek to provide an exposure to investments that would be thought of as alternative investment strategies. Alternative investment strategies can include exposure to commodities, derivatives techniques being used for investment purposes rather than risk reduction (within the investment limits allowable for UCITS funds) and any other type of investment strategy or instrument that would not be classified as equity, bonds or cash. As well as additional liquidity risks inherent in these types of strategies, the performance of these strategies may not be correlated to recognised indices.

### **6.4 Securities, Derivative and Investment Techniques**

#### Fixed Income Securities – General

Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Lower rated securities will usually offer higher yields than higher rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry.

Price changes in fixed-interest securities are influenced predominantly by interest rate developments in the capital markets, which are explained by macro-economic factors.

Investors should note that credit ratings may not necessarily reflect the true risk of an investment and that the Investment Manager may use its own set of credit rating criteria to perform its credit analysis, which may differ from the criteria used by the credit rating agencies.

#### Sovereign Bonds

A Sub-Fund may invest in debt obligations issued or guaranteed by governments or their agencies (sovereign bonds). The governmental entity that controls the repayment of sovereign bonds may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be

subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearage on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, governmental entities may default on their sovereign bonds.

Holders of sovereign bonds may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which sovereign bonds, on which a governmental entity has defaulted, may be collected in whole or in part.

### Corporate Bonds

A Sub-Fund may invest in corporate bonds. Corporate bonds are subject to the risk of the issuer's inability to meet principal and interest payments on the obligation and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity. When interest rates rise, the value of corporate bonds can be expected to decline. Corporate bonds with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities.

### Investment Grade Rated Securities

A Sub-Fund may invest in investment grade rated securities. Investment grade rated securities are assigned credit ratings by ratings agencies on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review, from time to time, such assigned ratings of the securities and may subsequently downgrade the rating if economic circumstances impact the relevant bond issues.

### Sub-Investment Grade/High Yield

A Sub-Fund may invest in sub-investment grade/high yield securities. These fixed income securities (rated BB+ or lower by Standard & Poor's, Ba1 or lower by Moody's or an equivalent rating from any other recognised rating agency) typically are subject to greater market fluctuations and to greater risk of loss of income and principal, due to default by the issuer, than are higher rated fixed income securities. Lower rated fixed income securities' values tend to reflect short term corporate, economic and market developments and investor perceptions of the issuer's credit quality to a greater extent than lower yielding higher rated fixed income securities' values. In addition, it may be more difficult to dispose of, or to determine the value of, high yield fixed income securities. There are fewer investors in lower rated securities, and it may be harder to buy and sell securities at an optimum time. Fixed income securities rated BB+ or Ba1 or lower, or an equivalent rating from any other recognised rating agency, are described by the ratings agencies as "predominantly speculative with respect to capacity to pay interest and repay principal in accordance with the terms of the obligation. While such debt will likely have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposures to adverse conditions".

### Convertible Bonds

Investments in convertible bonds may, in addition to normal bond risks and fluctuations, be subject to fluctuations in response to numerous factors, including but not limited to, variations in the periodic operating results of the issuer, changes in investor perceptions of the issuer, the depth and liquidity of the market for convertible bonds and changes in actual or forecasted global or regional economic conditions. In addition, the global bond markets have from time to time experienced extreme price and volume fluctuations. Any such broad market fluctuations may adversely affect the trading price of convertible bonds.

### Securitised Bonds

Certain Sub-Funds may have exposure to a wide range of asset backed securities (including asset pools in credit card loans, auto loans, residential and commercial mortgage loans, collateralised mortgage obligations and collateralised debt obligations), agency mortgage pass-through securities

and covered bonds. The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities such as government issued bonds. Asset backed securities and mortgage backed securities are securities that entitle the holders thereof to receive payments that are primarily dependent upon the cash flow arising from a specified pool of financial assets such as residential or commercial mortgages, motor vehicle loans or credit cards. Asset backed securities and mortgage backed securities are often exposed to extension and prepayment risks that may have a substantial impact on the timing and size of the cash flows paid by the securities and may negatively impact the returns of the securities. The average life of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets.

### Local Currency Securities

A Sub-Fund may invest in local currency securities. Such investments will be subject to the risks related to investing in emerging market securities as described above. In addition, when purchasing local Currency securities, exchange rate fluctuations may occur between the trade date for a transaction and the date on which the currency is acquired to meet settlement demands.

### Equities

A Sub-Fund may invest in equity or equity-related investments. 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.

### Investment in small and medium-capitalised companies (small and medium cap)

Investment in small and medium-sized companies can involve more risks than those normally associated with investment in larger and better established companies. Smaller companies, in particular, often have limits as regards product range, markets or financial resources, and there may be only one or two key manager(s).

### Loans

A Sub-Fund may invest in fixed and floating rate loans from one or more financial institutions ("lender(s)") to a borrower ("borrower") by way of (i) assignment/transfer of; or (ii) participation in the whole or part of the loan amount outstanding. The Sub-Funds will invest only in loans that qualify as Money Market Instruments for the purposes of the Law of 2010.

In both instances, assignments or participations of such loans must be capable of being freely traded and transferred between investors in the loans. Participations typically will result in the Sub-Fund having a contractual relationship only with a lender as grantor of the participation but not with the borrower. The Sub-Fund acquires a participation interest only if the lender(s) interpositioned between the Sub-Fund and the borrower is determined by the Investment Manager to be creditworthy. When purchasing loan participations, a Sub-Fund assumes the economic risk associated with the corporate borrower and the credit risk associated with an interposed bank or other financial intermediary. Loan assignments typically involve a transfer of debt from a lender to a third party. When purchasing loan assignments, a Sub-Fund assumes the credit risk associated with the corporate borrower only.

Such loans may be secured or unsecured. Loans that are fully secured offer a Sub-Fund more protection than an unsecured loan in the event of non-payment of scheduled interest or principal. However, there is no assurance that the liquidation of collateral from a secured loan would satisfy the corporate borrower's obligation. In addition, investments in loans through a direct assignment include the risk that if a loan is terminated, a Sub-Fund could become part owner of any collateral, and would bear the costs and liabilities associated with owning and disposing of the collateral.

Loan participations typically represent direct participation in a loan to a corporate borrower, and generally are offered by banks or other financial institutions or lending syndicates.

A loan is often administered by an agent bank acting as agent for all holders. Unless, under the terms of the loan or other indebtedness, a Sub-Fund has direct recourse against the corporate borrower, the Sub-Fund may have to rely on the agent bank or other financial intermediary to apply appropriate credit remedies against a corporate borrower.

The loan participations or assignments in which a Sub-Fund invests may not be rated by any internationally recognised rating service.

### Unlisted Securities

A Sub-Fund may invest in unlisted securities. In general there is less governmental regulation and supervision of transactions in the unlisted securities markets than for transactions entered into on organised exchanges. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, may not be available in connection with unlisted securities. Therefore, any Sub-Fund investing in unlisted securities will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Sub-Fund will sustain losses. Additional risks in relation to unlisted financial derivatives are set out below.

### Derivatives – General

A portion of a Sub-Fund's investments may consist of financial derivative instruments, to reduce risks or costs or to generate additional capital or income. Specific Sub-Funds may use more complex derivative investment instruments. The use of derivatives by each Sub-Fund is set out in more detail in Appendix 1.

Generally, derivative instruments are financial contracts whose value depends upon, or is derived from, the value of an underlying asset, reference rate or index, and may relate to stocks, bonds, leveraged loans, high yield debt securities, interest rates, currencies or currency exchange rates and related indexes. Examples of derivative instruments which a Sub-Fund may use include options contracts, futures contracts, options on futures contracts, swap agreements (including credit swaps, credit default swaps, options on swap agreements, straddles, forward currency exchange contracts and structured notes).

A Sub-Fund's use of derivative instruments involves risks different from, or possibly greater than, the risk associated with investing directly in the underlying asset. The following sets out important risk factors investors should understand and consider in relation to derivative instruments.

### *Management Risk*

Derivative instruments are highly specialised instruments that require investment techniques and risk analysis different from those associated with securities. The use of a derivative instrument requires an understanding not only of the underlying asset but also of the derivative instrument itself, without the benefit of observing the performance of the derivative instrument under all possible market conditions.

### *Liquidity risk*

Liquidity risk exists when a particular derivative instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

### *Market and Other Risks*

Like most other investments, derivative instruments are subject to the risk that the market value of the instrument will change in a way detrimental to a Sub-Fund's interest. While some strategies involving derivative instruments can reduce the risk of loss, they can also reduce the opportunity for gain or even result in losses by offsetting favourable price movements in other Sub-Fund investments.

### *Unlisted instruments*

For unlisted instruments, or over-the-counter derivative instruments, where two parties contract directly rather than through an exchange, a Sub-Fund will usually have a contractual relationship only with the counterparty of such unlisted instrument and not the reference obligor on the reference obligation. The Sub-Fund generally will have no right directly to enforce compliance by the reference obligor with the terms of the reference obligation nor any rights of set-off against the reference obligor, may be subject to set-off rights exercised by the reference obligor against the counterparty or another person or entity, and generally will not have any voting or other contractual rights of ownership with respect to the reference obligation.

The Sub-Fund will not directly benefit from any collateral supporting the reference obligation and will not have the benefit of the remedies that would normally be available to a holder of such reference obligation. In addition, in the event of the insolvency of the counterparty, the Sub-Fund will be treated as a general creditor of such counterparty, and will not have any claim with respect to the reference obligation. Consequently, the Sub-Fund will be subject to the credit risk of the counterparty as well as that of the reference obligor. As a result, concentrations of over-the-counter derivative instruments entered into with any one counterparty will subject the Sub-Fund to an additional degree of risk with respect to defaults by such counterparty as well as by the reference obligor. Additionally, while the Investment Manager expects that the returns on an over-the-counter derivative instrument will generally reflect those of the related reference obligation, as a result of the terms of the over-the-counter derivative instrument and the assumption of the credit risk of the over-the-counter derivative instrument counterparty, an over-the-counter derivative instrument may have a different expected return, a different (and potentially greater) probability of default and expected loss characteristics following a default, and a different expected recovery following default.

Additionally, when compared to the reference obligation, the terms of an over-the-counter derivative instrument may provide for different maturities, distribution dates, interest rates, interest rate references, credit exposures, or other credit or non-credit related characteristics. Upon maturity, default, acceleration or any other termination (including a put or call) other than pursuant to a credit event (as defined therein) of the over-the-counter derivative instrument, the terms of the over-the-counter derivative instrument may permit or require the issuer of such over-the-counter derivative instrument to satisfy its obligations under the over-the-counter derivative instrument by delivering to the relevant Sub-Fund securities other than the reference obligation or an amount different than the then current market value of the reference obligation.

### *Repurchase Agreements*

Repurchase agreements involve additional risks to financial derivative instruments in that: (i) in the event of the failure of the counterparty with which cash of a Sub-Fund has been placed there is the risk that collateral received may realise less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; and (ii) locking cash in transactions of excessive size or duration, delays in recovering cash placed out or difficulty in realising collateral may restrict the ability of the Fund to meet redemption requests, security purchases or, more generally, reinvestment.

## 7 The Shares

---

### 7.1 General

The Shares of each Sub-Fund will be offered in registered form and will be issued without certificates. Fractions of Shares will be issued up to three decimal places. All Shares are of no par value and must be fully paid upon issue.

Subject to the restrictions described below, Shares of each Class of each Sub-Fund are freely transferable and are each entitled to participate equally in the profits and liquidation proceeds attributable to that Class. The rules governing such allocation are set forth below.

The Shares carry no preferential or pre-emptive rights, and each Share entitles its registered holder to one vote at all general meetings of Shareholders and at all meetings of the Sub-Fund in which such Share is held. Shares redeemed by the Fund become null and void.

The Board of Directors may restrict or prevent the ownership of Shares by any person, firm or corporation if the ownership is such that it may be contrary to the interests of the Fund or of the majority of its Shareholders or of any Sub-Fund or Class therein. Where it appears to the Board of Directors that a person who is precluded from holding Shares, either alone or in conjunction with any other person, is a beneficial owner of Shares, the Fund may proceed to compulsorily redeem all Shares so owned.

The Board of Directors may fix minimum subscription amounts for each Class, which, if applicable, are detailed below in Section 7.3 "Class Description, Eligibility for Shares, Minimum Subscription and Holding Amounts".

Unless otherwise specified in Appendix 1 in relation to a specific Sub-Fund, applications for subscriptions can be submitted up to 12.00 CET on any Valuation Day, provided the application is received in good order. Applications for subscriptions received after such time will be dealt with on the following Valuation Day. Applications for redemptions and conversions from any Sub-Fund must be received in good order no later than 12.00 CET on the relevant Valuation Day. Redemption and conversion applications received after such time will be dealt with on the following Valuation Day.

Further information in relation to the subscription, conversion and redemption of Shares is set out below.

### 7.2 Subscription for Shares

Applications for subscriptions for Shares can be made on any Valuation Day for the relevant Sub-Fund prior to 12.00 CET. Applications for Shares should be sent to the Registrar and Transfer Agent at the address set out in Section 2 "Directory" of this Prospectus.

Shares of each Class shall be allotted at the net asset value per Share of such Class determined on the applicable Valuation Day, plus any applicable sales charge. A sales charge of up to 5% of the subscription amount may be applied, or may be waived in whole or in part at the discretion of the Board of Directors. The sales charge (if any) will be paid to, and retained by, the intermediary acting in relation to the distribution of Shares or may be credited to the relevant Sub-Fund for the benefit of its existing Shareholders. The sales charge attributable to each Class is specified in Appendix 2.

Payment for Shares must be received by the Registrar and Transfer Agent in the Reference Currency of the relevant Class not later than 12.00 CET two Business Days after the relevant Valuation Day.

The Board of Directors reserves the right to accept or refuse any application in whole or in part and for any reason. The Fund may also limit the distribution of Shares of a given Class or Sub-Fund to specific countries. The issue of Shares of a given Class shall be suspended whenever the determination of the net asset value per Share of such Class is suspended by the Fund (see Section 4.6 "Temporary Suspension of the determination of the Net Asset Value per Share, of Issues, Redemptions and Conversions").

The Fund, the Management Company and the Registrar and Transfer Agent will at all times comply with any obligations imposed by any applicable laws, rules and regulations with respect to money laundering and terrorist financing, as they may be amended or revised from time to time, and will furthermore adopt procedures designed to ensure, to the extent applicable, that they shall comply with the foregoing undertaking. As a result, the Registrar and Transfer Agent has to ensure that the identity of subscribers who are individuals (demonstrated by a certified copy of their passport or identification card) or of subscribers who are not individuals (demonstrated by a certified copy of their articles of incorporation or equivalent documentation) or the status of financial intermediaries (demonstrated by a recent original extract of the Trade Register and, where applicable or if requested, a certified copy of the business authorisation delivered by the competent local authorities) are disclosed to the Fund. Such information shall be collected for compliance reasons only and shall not be disclosed to unauthorised persons.

Confirmation of completed subscriptions will be e-mailed or mailed, at the risk of the Shareholder, to the address indicated in the Shareholder's application, within 2 Business Days following the issue of Shares.

The Management Company has been appointed as Global Distributor for the Fund. The Global Distributor may enter into agreements with certain distributors pursuant to which they agree to act as, or appoint nominees for, investors subscribing for Shares through their facilities (distribution and nominee agreements). In such capacity the distributor may effect subscriptions, conversions and redemptions of Shares in a nominee name on behalf of individual investors and request the registration of such operations on the register of Shareholders of the Fund in such nominee name. The nominee/distributor maintains its own records and provides the investor with individualised information as to its holdings of Shares in the Fund.

### **7.3 Class Descriptions, Eligibility for Shares, Minimum Subscription and Holding Amounts**

#### *Classes of Shares*

The Board of Directors may from time to time decide to create within each Sub-Fund different Classes which may have any combination of the following features:

1. These Classes may differ in their minimum initial and additional subscription amounts, minimum holding amount, eligibility requirements, distribution channels, and applicable fees and expenses, as detailed in Appendix 2.
2. Each Class, where available, may be offered in the Reference Currency of the relevant Sub-Fund, or may be denominated in any other currency.
3. Specific dividend policies for different distributing Classes are described in Section 8 "Dividend Policy".
4. Each Class, where available, may charge a Performance Fee, as described in Section 9 "Management and Fund Charges". The applicable Performance Fee Rate for each Class is set out in Appendix 2.

The availability of any Class detailed above may differ from Sub-Fund to Sub-Fund. A complete list of Classes offered within each Sub-Fund may be obtained from the registered office of the Fund or from the Registrar and Transfer Agent upon request.

#### *Eligibility Requirements*

##### **1. Class A Shares**

May only be acquired by Institutional Investors with a minimum amount of USD 10,000.

## 2. Class C Shares

May only be acquired by either Institutional Investors or Retail Investors with a minimum amount of USD 10,000.

3. **Class I Shares** are not intended to be placed with the public and may only be acquired by qualified Institutional Investors with a minimum investment of USD1,000,000.

### *Initial Offering Price*

The initial offering price for the respective Classes of Shares of each Sub-Fund is set out below.

<b>Name of the Sub-Fund</b>	<b>Initial Offering Price</b>
Old Mutual Global Portfolios - Cautious Fund	Class A Shares USD 100 Class C Shares USD 100 Class I Shares USD 100
Old Mutual Global Portfolios - Balanced Fund	Class A Shares USD 100 Class C Shares USD 100 Class I Shares USD 100
Old Mutual Global Portfolios - Dynamic Fund	Class A Shares USD 100 Class C Shares USD 100 Class I Shares USD 100
Old Mutual Global Portfolios – Private Life Moderate Fund	Class A Shares USD 100

### *Minimum Subscription and Holding Amount*

The minimum subscription amount and minimum holding amount requirements for each Class of each Sub-Fund are set out in the table below, unless otherwise specified in Appendix 2. Where no minimum amount is specified for a particular Class, no minimum amount is applicable. The availability of any Class described below may differ from Sub-Fund to Sub-Fund. A complete list of Classes offered by each Sub-Fund may be obtained from the registered office of the Fund or from the Registrar and Transfer Agent upon request.

<b>Class</b>	<b>Currencies Offered</b>	<b>Minimum Subscription and Holding Amount</b>
<b>A</b>	USD	USD 10,000
<b>C</b>	USD	USD 10,000
<b>I</b>	USD	USD 1,000,000

The Board of Directors has the discretion, from time to time, to waive any applicable minimum subscription amounts.

The Board of Directors may, at any time, decide to compulsorily redeem all Shares from Shareholders whose holdings would, as a result of application for partial redemption of its Shares, be less than the minimum subscription amount or who consequently fail to satisfy any other applicable eligibility requirements set out above or stated in Appendix 2. In such case, the Shareholder concerned will receive one month's prior notice so as to be able to increase its holding above such amount or otherwise satisfy the eligibility requirements.

## 7.4 Listing of Shares

At the Board of Directors decision, the Shares of the Fund may be listed on the Luxembourg Stock Exchange.

## 7.5 Conversion of Shares

Subject to any suspension of the determination of the net asset values concerned, Shareholders have the right to convert all or part of their Shares of any Class into Shares of the same Class in another Sub-Fund or into Shares of another existing Class of the same or another Sub-Fund by applying for conversion in the same manner as for the issue of Shares. However, the right to convert Shares is subject to compliance with any conditions (including any minimum subscription amounts) applicable to

the Class into which the conversion is to be effected. Therefore, if, as a result of a conversion, the value of a Shareholder's holding in the new Class would be less than the minimum subscription amount (specified above in Section 7.3 "Class Descriptions, Eligibility for Shares, Minimum Subscription and Holding Amounts", or in Appendix 2, where appropriate), the Board of Directors may decide not to accept the request for conversion of the Shares. In addition, if, as a result of a conversion, the value of a Shareholder's holding in the original Class would become less than the relevant minimum subscription amount, the Shareholder may be deemed (if the Board of Directors so decides) to have requested the conversion of all of its Shares.

The number of Shares issued upon conversion will be based upon the respective net asset values of the two Classes concerned on the Valuation Day in respect of which the conversion request is processed.

*Requests for Conversion between Classes in the same Sub-Fund*

For Conversions between different Classes in the same Sub-Fund, conversion requests received in good order prior to 12.00 CET on any Valuation Day will be processed on that Valuation Day. Requests received after 12.00 CET on any Valuation Day will be deferred to the next Valuation Day in the same manner as for the issue and redemption of Shares.

*Requests for Conversion between Classes in different Sub-Funds*

For Conversions between Classes in different Sub-Funds, conversion requests received in good order prior to 12.00 CET on any common Valuation Day will be processed on such common Valuation Day. Requests received after 12.00 CET on any common Valuation Day will be deferred to the following common Valuation Day in the same manner as for the issue and redemption of Shares.

For the avoidance of doubt, for conversions between Classes in different Sub-Funds, the notification period for conversion requests shall be the same as the notification period for redemptions applicable to the Sub-Fund from which conversion is requested.

The number of Shares issued upon conversion will be based upon the respective net asset value of the Shares of the relevant Sub-Funds on the Valuation Day in respect of which the conversion request is accepted and will be calculated as follows:

$$A = \frac{[B \times C \times D]}{E}$$

- A is the number of Shares to be allocated in the new Sub-Fund/Class
- B is the number of Shares to be converted in the original Sub-Fund/Class
- C is the net asset value on the applicable Valuation Day of the Shares to be converted in the initial Sub-Fund/Class
- D is the exchange rate applicable on the effective transaction day for the currencies of the two Sub-Funds/Classes
- E is the net asset value on the applicable Valuation Day of the Shares to be allocated in the new Sub-Fund/Class

After the conversion, the Registrar and Transfer Agent will inform the Shareholder(s) as to the number of new Shares obtained as a result of the conversion, as well as the net asset value.

In exceptional circumstances, a conversion charge of up to 1% of the net asset value of the Shares to be converted may be applied at the discretion of the Board of Directors provided however that equal treatment of the Shareholders is observed by applying the same percentage to all conversion orders received for the same Valuation Day. The conversion charge (if any) will be applied for the benefit of the Classes or Sub-Funds between which the conversion is effected as appropriate to cover the costs of transactions arising from the conversion.

Additionally, if requests for conversions of more than 10% of the total number of Shares in issue of any Sub-Fund are received in respect of any Valuation Day, the Board of Directors may decide that conversions shall be postponed until the next Valuation Day following that in respect of which the relevant conversion requests were received. Conversion requests which have not been dealt with

because of such postponement will be given priority as if the request had been made for the next following Valuation Day until completion of full settlement of the original requests.

Conversions of Shares of a given Sub-Fund shall be suspended whenever the determination of the net asset value per Share of such Sub-Fund is suspended by the Fund (see Section 4.6 "Temporary Suspension of the determination of the Net Asset Value per Share, of Issues, Redemptions and Conversions").

## **7.6 Redemption of Shares**

Any Shareholder may apply for redemption of its Shares in part or in whole on any Valuation Day. For redemptions from any Sub-Fund, valid written redemption applications should be received in good order by the Registrar and Transfer Agent no later than 12.00 CET on the relevant Valuation Day.

Redemptions shall be effected at the net asset value per Share of the relevant Class determined on the applicable Valuation Day.

Redemption payments will be made in the Reference Currency of the relevant Class and the Registrar and Transfer Agent will issue payment instructions to its correspondent bank for payment normally no later than three Business Days after the relevant Valuation Day. The Board of Directors reserves the right to extend the period for payment of redemption proceeds to such period, not exceeding 10 Business Days, as shall be necessary to repatriate proceeds of the sale of investments in the event of impediments due to exchange control regulations or similar constraints in the market in which a substantial part of the assets of a Sub-Fund are invested or in exceptional circumstances where a Sub-Fund is unable to meet a redemption request within three Business Days after the relevant Valuation Day.

If, as a result of a redemption, the value of a Shareholder's holding falls below the relevant minimum subscription amount, that Shareholder may be deemed (if the Board of Directors so decides) to have requested redemption of all of its Shares.

Additionally, if requests for redemption of more than 10% of the total number of Shares in issue of any Sub-Fund are received, subject to the restrictions specified above, the Board of Directors may decide that such redemption requests be deferred to the next Valuation Day. Redemption requests which have not been dealt with because of such deferral will be given priority as if the request had been made for the next following Valuation Day until completion of full settlement of the original requests.

Redemption of Shares of a given Sub-Fund shall be suspended whenever the determination of the net asset value per Share of such Sub-Fund is suspended by the Fund (see Section 4.6 "Temporary Suspension of the determination of the Net Asset Value per Share, of Issues, Redemptions and Conversions").

From time to time it may be necessary for the Fund to borrow on a temporary basis to fund redemptions. For restrictions applicable to the Fund's ability to borrow, see Section 10.1 "Investment Restrictions".

The Articles of Incorporation contain at Article 10 provisions enabling the Fund to compulsorily redeem Shares held by U.S. persons.

## **7.7 Transfer of Shares**

The transfer of registered Shares may normally be effected by delivery to the Registrar and Transfer Agent of an instrument of transfer in appropriate form. On receipt of the transfer request, the Registrar and Transfer Agent may, after reviewing the endorsement(s), require that the signature(s) be guaranteed by an approved bank, stockbroker or public notary.

Shareholders are advised to contact the Registrar and Transfer Agent prior to requesting a transfer to ensure that they have all the correct documentation for the transaction.

## **7.8 Late Trading and Market Timing**

The Fund and the Registrar and Transfer Agent ensure that the practices of late trading and market timing will be eliminated in relation to the distribution of Shares. The cut-off times mentioned in this Section 7 will be observed rigidly. Investors do not know the net asset value per Share at the time of their request for subscription, redemption or conversion.

Subscriptions, redemptions and conversions of Shares should be made for investment purposes only. The Fund does not permit market-timing or other excessive trading practices. Excessive, short-term trading practices may disrupt portfolio management strategies and harm the Fund's performance. To minimise harm to the Fund and the Shareholders, the Board of Directors or the Registrar and Transfer Agent on its behalf has the right to reject any subscription or conversion order, or levy a fee of up to 2% of the value of the order for the benefit of the Fund from any investor who is believed to engage in excessive trading or has a history of excessive trading or if an investor's trading, in the opinion of the Board of Directors, has been or may be disruptive to the Fund or any of the Sub-Funds. In making this judgment, the Board of Directors may consider trading done in multiple accounts under common ownership or control. The Board of Directors also has the power to redeem all Shares held by a Shareholder who is or has been engaged in excessive trading. Neither the Board of Directors nor the Fund will be held liable for any loss resulting from rejected orders or mandatory redemptions.

## **7.9 Data Protection**

Any information concerning Shareholders (the "Personal Data") and other related natural persons (together "the Data Subjects"), provided to, or collected by or on behalf of the Fund and the Management Company (directly from Data Subjects or from publicly available sources) will be processed by the latter as joint data controllers (the "Controllers" – contact details available at the registered office of the Fund in compliance with applicable data protection laws, in particular Regulation (EU) 2016/679 of 27 April 2016, the "General Data Protection Regulation" (together the "Data Protection Legislation")).

Failure to provide certain requested Personal Data may result in the impossibility to invest or maintain Shares in the Fund.

Personal Data will be processed by the Controllers and disclosed to, and processed by, services providers acting as processors on behalf of the Controllers such as the Registrar and Transfer Agent, the Administrative Agent, the Paying Agent, the Auditor, legal and financial advisers and when applicable the Distributor and its appointed sub-distributors if any. (the "Processors") for the purposes of (i) offering and managing investments and performing the related services (ii) developing and processing the business relationship with the Processors, and (iii) if applicable direct or indirect marketing activities (the "Purposes").

Personal Data will also be processed by the Controllers and Processors to comply with legal or regulatory obligations applicable to them such as cooperation with, or reporting to, public authorities including but not limited to legal obligations under applicable fund and company law, anti-money laundering and counter terrorist financing ("AML-CTF") legislation, prevention and detection of crime, tax law such as reporting to the tax authorities under FATCA, the Common Reporting Standard ("CRS") or any other tax identification legislation to prevent tax evasion and fraud as applicable (the "Compliance Obligations"). The Controllers and/or the Processors may be required to report information (including name and address, date of birth and tax identification number ("TIN"), account number, balance on account, the "Tax Data") to the Luxembourg tax authorities (Administration des contributions directes) which will exchange this information with the competent authorities in permitted jurisdictions (including outside the European Economic Area) for the purposes provided for in FATCA and CRS or equivalent Luxembourg legislation. It is mandatory to answer questions and requests with respect to the Data Subjects' identification and Shares held in the Fund and, as applicable, FATCA and/or CRS and failure to provide relevant Personal Data requested by the Controllers or the Processors in the course of their relationship with the Fund may result in incorrect or double reporting, prevent them from acquiring or maintaining their Shares in the Fund and may be reported to the relevant Luxembourg authorities.

In certain circumstances, the Processors may also process Personal Data of Data Subjects as controllers, in particular for compliance with their legal obligations in accordance with laws and regulations applicable to them (such as anti-money laundering identification) and/or order of any

competent jurisdiction, court, governmental, supervisory or regulatory bodies, including tax authorities.

Communications (including telephone conversations and e-mails) may be recorded by the Controllers and Processors including for record keeping as proof of a transaction or related communication in the event of a disagreement and to enforce or defend the Controllers' and Processors' interests or rights in compliance with any legal obligation to which they are subject. Such recordings may be produced in court or other legal proceedings and permitted as evidence with the same value as a written document and will be retained for a period of 10 years starting from the date of the recording. The absence of recordings may not in any way be used against the Controllers and Processors.

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

Insofar as Personal Data is not provided by the Data Subjects themselves the Shareholders represent that they have authority to provide such Personal Data of other Data Subjects. If the Shareholders are not natural persons, they undertake and warrant to (i) adequately inform any such other Data Subject about the processing of their Personal Data and their related rights as described in the Prospectus and (ii) where necessary and appropriate, obtain in advance any consent that may be required for the processing of the Personal Data.

Personal Data of Data Subjects will not be retained for longer than necessary with regard to the Purposes and Compliance Obligations, in accordance with applicable laws and regulations, subject always to applicable legal minimum retention periods.

Detailed data protection information is contained in the information notice, in particular in relation to the nature of the Personal Data processed by the controllers and Processors, the legal basis for processing, recipients, safeguards applicable for transfers of Personal Data outside of the European Union and the rights of Data Subjects (including the rights to access to or have Personal Data about them rectified or deleted, ask for a restriction of processing or object thereto, right to portability, right to lodge a complaint with the relevant data protection supervisory authority and right to withdraw consent after it was given, etc.) and how to exercise them.

The full information notice is also available on demand at the registered office of the Fund or the Management Company at 4 rue Jean Monnet, L-2180 Luxembourg.

The Shareholders's attention is drawn to the fact that the data protection information contained herein and in the Prospectus is subject to change at the sole discretion of the Controllers.

## 8 Dividend Policy

---

### **8.1 General**

Except as set out in Appendix 1, it is the policy of each Sub-Fund to reinvest all revenues and capital gains and not to pay any dividends. The Board of Directors shall nevertheless in each accounting year have the option, if it deems appropriate, to propose to the Shareholders of any Sub-Fund or Class at the Annual General Meeting the payment of a dividend out of all or part of the net investment income of such Sub-Fund or Class. At the sole discretion of the Board of Directors, an additional dividend may be declared annually. The Board of Directors may only propose the payment of a dividend if, after the deduction of such distribution, the Fund's capital will exceed the minimum capital required by Luxembourg law.

### **8.2 Dividend Payment**

Dividend payments will normally be made by electronic bank transfer. Shareholders should expect to receive the dividend payment within two Business Days following the payment date. Payment will be made in the Reference Currency of the relevant Shares.

Dividends not cashed within five years will lapse and the unclaimed dividend will revert to the relevant Class in accordance with Luxembourg law.

## 9 Management and Fund Charges

---

### 9.1 Management Fees

The Fund pays to the Management Company a Management Fee calculated as a percentage of the average net assets of each Sub-Fund or Class under its management. Management Fees are accrued on each Valuation Day and payable monthly in arrears at the rate specified in Appendix 2. This Management Fee includes the fee paid to the Investment Manager and Investment Advisor calculated as a percentage of the average net assets of the relevant Sub-Fund or Class.

Subject to the investment restrictions described in this Prospectus, Sub-Funds may invest in other collective investment schemes managed by the Investment Manager. Where such collective investment schemes are managed directly or indirectly by the Investment Manager or by a company to which it is linked by joint management or control or by a direct or indirect participation exceeding 10% of the capital or voting rights ("Related Funds"), no Management Fee will be charged to the relevant Sub-Fund in relation to such investments. Furthermore, no subscription, redemption and/or conversion fees may be charged to the relevant Sub-Fund in connection with Related Funds.

The maximum management fees of other UCIs or UCITS in which a Sub-Fund may invest is specified in Appendix 2.

### 9.2 Performance Fees

The Management Company earns a performance fee for certain Classes of Shares within certain Sub-Funds where the net asset value per Share of such Class outperforms its benchmark (see Appendix 2 for each Sub-Fund's benchmarks and for details of the percentage which applies) during a Calculation Period (as defined hereinafter).

The Management Company is not entitled to earn a performance fee in the following circumstances:

- where the Class underperforms its benchmark,
- where the return of the Class is negative over the Calculation Period regardless of how the Class performs against its benchmark, or
- where the net asset value per Share of the relevant Classes does not, during the Calculation Period, exceed their respective High Watermark when applicable (as defined hereinafter) regardless of how such Classes perform against their benchmark.

The Management Company and the Investment Managers will not indemnify any Shareholder for any under-performance of the relevant Classes of any Sub-Fund against their benchmark.

The Performance Fee in respect of each Performance Fee-paying Class of each Sub-Fund will be calculated in respect of each period of 12 months ending on the last Valuation Day in December in respect of the relevant Class of the relevant Sub-Fund (a "Calculation Period"). For each Sub-Fund, the first Calculation Period in relation to each Class is the period commencing on the date on which the relevant Class of the relevant Sub-Fund first becomes invested if it is a Valuation Day, or if such date is not a Valuation Day on the next following Valuation Day, and ending on the last Valuation Day in the next following December. Notwithstanding the foregoing, the Investment Manager may in its sole discretion delay the commencement of the first Calculation Period for a period not exceeding one month following the date on which the relevant Class first becomes invested, taking into account factors such as, but not limited to, the size of the initial investment, the liquidity of the underlying portfolio and the trading capacity of the Sub-Fund.

For each Calculation Period, the Performance Fee in respect of each Performance Fee-paying Class of each Sub-Fund will be equal to a percentage as set out in Appendix 2 ("Performance Fee Rate"). The Performance Fee will be calculated at the Class level and will be paid by the Sub-Fund to the Management Company.

The Performance Fee will normally be payable to the Management Company in arrears after the end of each Calculation Period.

If the Collective Portfolio Management Agreement is terminated before the end of any Calculation Period, the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant period.

Performance Fees are calculated on each Valuation Day for accrual thereof in the net asset value for each Calculation Period, subject at all times to the Performance Fee criteria above.

The Performance Fee is calculated by reference to the increase in the Class's assets over and above the increase in the benchmark for the relevant Classes during the Calculation Period. The calculation is as follows:

- where the benchmark returns are positive, the Management Company earns a Performance Fee equal to the percentage listed in the Class table (see Appendix 2 of this Prospectus) of the outperformance the relevant Classes achieved over their respective benchmark (subject to the High Watermark Principle as defined hereinafter as the case may be) during the Calculation Period.
- where the Sub-Fund's benchmark declines over the Calculation Period, the Management Company earns a Performance Fee equal to the percentage listed in the Class table (see Appendix 2 of this Prospectus) of the positive performance that the relevant Classes achieved (subject to the High Watermark as the case may be) during the Calculation Period.

The Management Company will apply at all times the high watermark principle (the "High Watermark Principle") when calculating the Performance Fee. The High Watermark Principle establishes a net asset value per Share below which Performance Fees will not be paid. This level is called the High Watermark and is set at the net asset value per Share of the relevant Classes at which the last Performance Fee was paid or at the net asset value per Share at which the Class was launched if no Performance Fee has ever been paid on that Class.

### **9.3 Fees of the Depositary, Administrative Agent, Domiciliary Agent and Registrar and Transfer Agent**

The Depositary, Administrative Agent, Registrar and Transfer Agent and the Domiciliary Agent are entitled to receive, out of the assets of each Class within each Sub-Fund, a fee calculated in accordance with customary banking practice in Luxembourg at the rates specified in Appendix 2.

In addition to the fees set out above and disclosed in Appendix 2, the Depositary will also be entitled to fees which will vary based on the value of the assets sub-custodied in the relevant jurisdictions.

In addition, the Depositary, Administrative Agent, Registrar and Transfer Agent and the Domiciliary Agent are entitled to be reimbursed by the Fund for their reasonable out-of-pocket expenses and disbursements and for charges of any correspondents.

For the moment there will be no listing of the Shares, therefore appointment of a Listing Agent will not be required. If in the future, the Board of Directors decides that the listing of the Shares is required, the Listing Agent will be entitled to receive, out of the assets of each Class within each Sub-Fund, a fee calculated in accordance with customary banking practice in Luxembourg. In addition, the Listing Agent will be entitled to be reimbursed by the Fund for their reasonable out-of-pocket expenses and disbursements and for charges of any correspondents.

### **9.4 Operating and Administrative Expenses**

The Fund bears all its Operating and Administrative Expenses including but not limited to: formation expenses such as organisation and registration costs; the Luxembourg asset-based tax d'abonnement (up to the maximum rate referred to in Section 11 "Taxation"); attendance fees and reasonable out-of-pocket expenses incurred by the Board of Directors; expenses incurred by the directors of the Management Company on behalf of the Fund; legal and auditing fees and expenses; ongoing registration and listing fees (if any) (including translation expenses); and the costs and expenses of preparing, printing, and distributing the Prospectus, the KIIDs, financial reports and other documents made available to Shareholders.

The Fund's final formation expenses of approximately USD 145,000 may be capitalised and amortised over a period not exceeding five years, as permitted by Luxembourg law. The expenses relating to the creation of new Sub-Funds may be capitalised and amortised over a period not exceeding five years, as permitted by Luxembourg law.

## **9.5 Transaction Fees**

Each Sub-Fund bears its own Transaction Fees. Transaction Fees are accounted for on a cash basis and are paid when incurred or invoiced from the net assets of the Sub-Fund to which they are attributable.

The Investment Manager may effect transactions or arrange for the effecting of transactions through brokers with whom it has "soft commission" arrangements. The benefits provided under such arrangements will assist the Investment Manager in the provision of investment services to the Fund. Specifically, the Investment Manager may agree that a broker shall be paid a commission in excess of the amount another broker would have charged for effecting such transaction so long as the broker agrees to provide "best execution" to the Fund and, in the good faith judgement of the Investment Manager, the amount of the commissions is reasonable in relation to the value of the brokerage and other services provided or paid for by such broker. Such services, which may take the form of research services, quotation services, news wire services, portfolio and trade analysis software systems, special execution and clearance capabilities, may be used by the Investment Manager in connection with transactions in which the Fund will not participate.

The soft commission arrangements are subject to the following conditions: (i) the Investment Manager will act at all times in the best interests of the Fund when entering into soft commission arrangements; (ii) the services provided will be directly to the Investment Manager; (iii) brokerage commissions on portfolio transactions for the Fund will be directed by the Investment Manager to brokers that are entities and not to individuals; and (iv) the Investment Manager will provide reports to the Management Company with respect to soft commission arrangements including the nature of the services it receives.

## 10 Investment Restrictions and Financial Techniques and Instruments

---

---

### 10.1 Investment Restrictions

As the Fund is composed of more than one Sub-Fund, each Sub-Fund should be regarded as a separate UCITS for the purpose of this Section.

#### 10.1.1 The assets of the Sub-Funds shall comprise only one or more of the following:

- (a) Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market;
- (b) Transferable Securities and Money Market Instruments dealt in on an Other Regulated Market in a Member State;
- (c) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in an Other State or dealt in on an Other Regulated Market in an Other State;
- (d) recently issued Transferable Securities and Money Market Instruments, provided that:
  - i) the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market or on an Other Regulated Market as described under items (a), (b) or (c) above of this Section 10.1.1; and
  - ii) such admission is secured within one year of issue;
- (e) units of UCITS and/or other UCIs within the meaning of the first and second indent of Article 1 paragraph 2, points a) and b) of Directive 2009/65/EC, whether or not established in a Member State or in an Other State, provided that:
  - i) such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured (currently the United States of America, Canada, Switzerland, Hong Kong, Japan, Norway, the Isle of Man, Jersey and Guernsey);
  - ii) the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of Directive 2009/65/EC;
  - iii) 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; and
  - iv) no more than 10% of the assets of such UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;
- (f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in an Other State, provided that it is

subject to prudential rules considered by the Regulatory Authority as equivalent to those laid down in EU law;

- (g) financial derivative instruments, i.e. in particular credit default swaps, options and futures, including equivalent cash-settled instruments, dealt in on a Regulated Market or on an Other Regulated Market referred to in item (a), (b) or (c) above of this Section 10.1.1, and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:
  - i) the underlying consists of instruments covered by this Section 10.1.1, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest according to its investment objectives;
  - ii) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Regulatory Authority; and
  - iii) 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 Sub-Fund's initiative.

Under no circumstances shall such operations cause the Sub-Fund to diverge from its investment objectives.

- (h) Money Market Instruments other than those dealt in on a Regulated Market or on an Other Regulated Market, to the extent that the issuer or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:
  - i) 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, an Other 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;
  - ii) issued by an undertaking any securities of which are dealt in on Regulated Markets or on Other Regulated Markets referred to in items (a), (b) or (c) above of this Section 10.1.1;
  - iii) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the Regulatory Authority to be at least as stringent as those laid down by EU law; or
  - iv) issued by other bodies belonging to the categories approved by the Regulatory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in any other sub-paragraph of this item (h) provided that the issuer is a company whose capital and reserves amount to at €10,000,000 and which presents and publishes its annual accounts in accordance with EC Directive 78/660/EEC as amended, 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.
- (i) Shares issued by one or several other Sub-Funds of the Fund (the "Target Sub-Fund"), under the following conditions:
  - i) the Target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this Target Sub-Fund; and
  - ii) not more than 10% of the assets of the Target Sub-Fund may be invested in other Sub-Funds of the Fund; and

- iii) the voting rights linked to the Transferable Securities of the Target Sub-Fund are suspended during the period of investment; and
- iv) in any event, for as long as these securities are held by the Fund, their value will not be taken into consideration for the calculation of the Net Asset Value for the purposes of verifying the minimum threshold of the net assets imposed by the Law of 2010; and
- v) there is no duplication of management/subscription or redemption fees between those at the level of the Sub-Fund of the Fund having invested in the Target Sub-Fund and this Target Sub-Fund.

**10.1.2 Each Sub-Fund may however:**

1. invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to above under items (a) to (d) and (h) of Section 10.1.1;
2. hold cash and cash equivalents on an ancillary basis (such restriction may exceptionally and temporarily be exceeded if the Board of Directors considers this to be in the best interest of the Shareholders);
3. borrow up to 10% of its net assets, provided that such borrowings are made only on a temporary basis (collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction); and
4. acquire foreign currency by means of a back-to-back loan.

**10.1.3 In addition, the Fund shall comply in respect of the net assets of each Sub-Fund with the following investment restrictions per issuer:**

**1. Risk Diversification Rules**

For the purpose of calculating the restrictions described under items (a) to (e) and (h) of this Section 10.1.3, companies which are included in the same Group of Companies are regarded as a single issuer.

*Transferable Securities and Money Market Instruments*

- (a) No Sub-Fund may purchase additional Transferable Securities and Money Market Instruments of any single issuer if:
  - (i) upon such purchase more than 10% of its net assets would consist of Transferable Securities or Money Market Instruments of one single issuer; or
  - (ii) the total value of all Transferable Securities and Money Market Instruments of issuers in which it invests more than 5% of its net assets would 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.
- (b) A Sub-Fund may invest on a cumulative basis up to 20% of its net assets in Transferable Securities and Money Market Instruments issued by the same Group of Companies.
- (c) The limit of 10% set forth above under item (a) i) of this Section 10.1.3 is increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any Other State or by a public international body of which one or more Member State(s) are member(s).

- (d) The limit of 10% set forth above under item (a) i) of this Section 10.1.3 is increased up to 25% in respect of qualifying debt securities issued by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public control in order to protect the holders of such qualifying debt securities. For the purposes hereof, "qualifying debt securities" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through to the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its net assets in debt securities issued by such an issuer, the total value of such investments may not exceed 80% of the net assets of such Sub-Fund.
- (e) The securities specified above under items (c) and (d) above of this Section 10.1.3 are not to be included for purposes of computing the limit of 40% set forth above under item (a) ii) of this Section 10.1.3.
- (f) Notwithstanding the limits set forth above, each Sub-Fund is authorised to invest, in accordance with the principle of risk spreading, up to 100% of its net assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any other country which is a member of the OECD or by a public international body of which one or more Member State(s) are member(s), provided that: (i) such securities are part of at least six different issues; and (ii) the securities from any such issue do not account for more than 30% of the net assets of such Sub-Fund.
- (g) Without prejudice to the limits set forth under Section 10.1.3, the limits set forth under item (a) above of this Section 10.1.3 are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body when the aim of the Sub-Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the Regulatory Authority, on the following basis:
  - (i) the composition of the index is sufficiently diversified;
  - (ii) the index represents an adequate benchmark for the market to which it refers; and
  - (iii) the index is published in an appropriate manner.

The limit of 20% is raised to 35% where justified by exceptional market conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. Investment up to such limit is only permitted for a single issuer.

#### *Bank Deposits*

- (h) A Sub-Fund may not invest more than 20% of its net assets in deposits made with the same body.

#### *Financial Derivative Instruments*

- (i) The risk exposure to a counterparty in an OTC derivative transaction may not exceed 10% of the Sub-Fund's net assets when the counterparty is a credit institution referred to in item (f) of Section 10.1.1 above or 5% of its net assets in other cases.
- (j) Investment in financial derivative instruments shall only be made provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in items (a) to (e), (h), (i), (m) and (n) of this Section 10.1.3. When the Sub-Fund invests in index-based financial derivative

instruments, these investments do not have to be combined to the limits set forth in items (a) to (e), (h), (i), (m) and (n) of this Section 10.1.3.

- (k) When a Transferable Security or Money Market Instrument embeds a financial derivative instrument, the latter must be taken into account when complying with the requirements of item (a) of this Section 10.1.3 and item (g) of Section 10.1.1 and above as well as with the risk exposure and information requirements laid down in this Prospectus.

#### *Units of Open-Ended Funds*

- (l) Except as otherwise stated in Appendix 1 with respect to a specific Sub-Fund, no Sub-Fund may invest in aggregate more than 20% of its net assets in the units of other single UCITS or other UCIs.

#### *Combined limits*

- (m) Notwithstanding the individual limits laid down in items (a), (h) and (i) above, a Sub-Fund may not combine:

- (i) investments in Transferable Securities or Money Market Instruments issued by;
- (ii) deposits made with; and/or
- (iii) exposures arising from OTC derivative transactions undertaken with

a single body in excess of 20% of its net assets.

- (n) The limits set out in items (a), (c), (d), (h), (i) and (m) above of this Section 10.1.3 may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits or financial derivative instruments made with this body carried out in accordance with (a), (c), (d), (h), (i) and (m) above of this Section 10.1.3 may not exceed a total of 35% of the net assets of the Fund.

## **2. Limitations on Control**

- (o) No Fund may acquire such amount of shares carrying voting rights which would enable the Fund to exercise a significant influence over the management of the issuer.

- (p) No Fund may acquire:

- (i) more than 10% of the outstanding non-voting shares of any one issuer;
- (ii) more than 10% of the outstanding debt securities of any one issuer;
- (iii) more than 10% of the Money Market Instruments of any one issuer; or
- (iv) more than 25% of the units of the same UCITS or other UCI.

The limits set forth in sub-paragraphs ii) to iv) above of this item (p) may be disregarded at the time of acquisition if at that time the gross amount of bonds or of the Money Market Instruments or the net amount of the securities in issue cannot be calculated.

- (q) The limits set forth above under items (o) and (p) of this Section 10.1.3 do not apply in respect of:

- (i) Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;
- (ii) Transferable Securities and Money Market Instruments issued or guaranteed by any Other State;
- (iii) Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s);
- (iv) shares in the capital of a company which is incorporated under or organised pursuant to the laws of an Other State provided that: (i) such company invests its assets principally in securities issued by issuers of that State; (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State; and (iii) such company observes in its investments policy the restrictions set forth in items (a) to (e), (h), (j) and (l) to (p) of this Section 10.1.3; or
- (v) shares in the capital of subsidiary companies which, exclusively on its or their behalf carry on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of shares at the request of shareholders.

**10.1.4 Finally, the Fund shall comply in respect of the assets of each Sub-Fund with the following investment restrictions:**

1. No Sub-Fund may acquire precious metals or certificates representative thereof.
2. No Sub-Fund may invest in real estate provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.
3. No Sub-Fund may use its assets to underwrite any securities.
4. No Sub-Fund may issue warrants or other rights to subscribe for Shares in such Sub-Fund.
5. A Sub-Fund may not grant loans or guarantees in favour of a third party, provided that such restriction shall not prevent each Sub-Fund from investing in non fully paid-up Transferable Securities, Money Market Instruments or other financial instruments, as detailed in items (e), (g) and (h) of Section 10.1.1.
6. No Sub-Fund may enter into uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments as listed in items (e), (g) and (h) of Section 10.1.1.

**10.1.5 Notwithstanding anything to the contrary herein contained:**

1. The limits set forth above may be disregarded by each Sub-Fund when exercising subscription rights attaching to Transferable Securities or Money Market Instruments in such Sub-Fund's portfolio.
2. If such limits are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the interests of its Shareholders.
3. The Board of Directors has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares Fund are offered or sold.

4. Subject to having due regard to the principle of risk spreading, a Sub-Fund need not comply with the investment restrictions set out in Section 10.1.3.(a) for a period of 6 months following the date of its authorisation.

## **10.2 Investment Techniques and Instruments**

If specifically described in the investment policy of any Sub-Fund as specified in Appendix 1 of this Prospectus, the Fund may employ the techniques and instruments available in the context of securities investments for the purpose of efficient asset management such as financial derivative instruments, securities lending and borrowing, repurchase agreements and reverse repurchase agreements transactions, under the conditions and within the limits laid down by law, regulation and administrative practice, and as described hereafter.

Notwithstanding the general explanations below, at the date of the Prospectus the Fund does not enter into total return swaps or securities financing transactions as defined by EU Regulation 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse. When any Sub-Fund intends to use them, the Prospectus will then be updated accordingly, including the policy regarding direct and indirect operational costs/fees arising therefrom that may be deducted from the revenue delivered to the relevant Sub-Fund(s).

The risk exposure to a counterparty to securities lending and borrowing transactions, repurchase agreements, reverse repurchase agreements and "réméré" transactions must be taken into account when calculating the combined limit of maximum 20% of the net assets of each Sub-Fund in a single issuer as set forth in Section 10.1.3 1) (m). Each Sub-Fund may take into account a guarantee conforming to the requirements set out under Sub-Section 3 below in order to reduce the counterparty risk in securities lending and borrowing, in sales with right of repurchase and/or reverse repurchase and repurchase transactions.

### **Financial Derivative Instruments**

When operations concern the use of financial derivative instruments, the relevant techniques and instruments shall conform to the provisions laid down in Section 10.1 "Investment Restrictions".

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment policies and objectives as laid down in Section 5 "Investment Policies" and in Appendix 1.

If specifically described in the investment policy of any Sub-Fund as specified in Appendix 1 of this Prospectus, a Sub-Fund may invest in financial derivative instruments including but not limited to foreign exchange forwards, non deliverable forwards, total return swaps, interest rate swaps, currency swaps, options, swaptions, credit default swaps, and credit linked note for either investment or for hedging purposes.

Non deliverable forwards is a generic term for a set of financial derivative instruments which cover notional currency transactions, including FX forward swaps, cross currency swaps and coupon swaps in non-convertible or highly restricted securities. Non deliverable forwards calculate the implied interest rates of the non-deliverable currency, given the settlement currency interest rates and either the current spot exchange rate and forward points, or the outright forwards.

*Total return swaps* are any swaps in which the non-floating rate side is based on the total return of a currency or fixed income instrument with a life longer than the swap. Total return swaps are most common in equity or physical commodity markets, but they can be used in fixed income markets where the non-domestic holder of a fixed income security would be subject to a withholding tax, but where the withholding tax may be avoided if the debt instrument is held by a domestic investor who pays the total return to a foreign investor by way of a total return swap. Total return swaps are also used to transfer credit exposure.

*Interest rate swaps* provide for an exchange between two parties of interest rate exposures from floating to fixed rate or vice versa. Each party thereby gains indirect access to the fixed or floating capital markets.

*Currency swaps* are bilateral financial contracts to exchange the principal and interest in one currency for the same in another currency in order to hedge specific currency risk.

*Swaptions* are options on an interest rate swap. The buyer of a swaption has the right to enter into an interest rate swap agreement by some specified date in the future. The swaption agreement will specify whether the buyer of the swaption will be a fixed-rate receiver or a fixed-rate payer. The writer of the swaption becomes the counterparty if the buyer exercises.

*Credit default swaps* are bilateral financial contracts in which one counterparty (the "protection buyer") pays a periodic fee in return for a contingent payment by the other counterparty (the "protection seller") following a credit event of a reference issuer. The protection buyer acquires the right to exchange particular bonds or loans issued by the reference issuer with the protection seller for its or their par value, in an aggregate amount up to the notional value of the contract, when a credit event occurs. A credit event is commonly defined as bankruptcy, insolvency, receivership, material adverse restructuring of debt, or failure to meet payment obligations when due. The ISDA has produced standardised documentation for these transactions under the umbrella of its ISDA Master Agreement.

### **Securities Lending and Borrowing and Repurchase and Reverse Repurchase Agreement Transactions**

Each Sub-Fund may, for efficient portfolio management purposes, enter into securities lending and borrowing and repurchase and reverse repurchase agreement transactions in compliance with the provisions of the CSSF Circular 08/356.

#### *Securities Lending and Borrowing*

- (a) Sub-Funds may enter into securities lending or borrowing transactions, provided that such transactions are carried out in accordance with the following guidelines and the provisions set out in the CSSF Circular 08/356.
  - i) Sub-Funds may only lend or borrow securities through a standardised system operated by a recognised securities clearing institution, such as Clearstream and Euroclear, through a lending program organised by a financial institution or through a first-class financial institution specialised in this type of transactions subject to prudential supervision rules which are considered by the CSSF as equivalent to those provided by EU Law.
  - ii) When engaging in lending transactions, the relevant Sub-Fund must receive collateral of a value which, during the lifetime of the lending agreement, must be at any time at least equal to 90% of the value of the securities lent. This collateral must be provided in the form of (i) liquid assets; (ii) sovereign OECD bonds; (iii) shares or units issued by specific money market UCIs; (iv) shares or units issued by UCITS investing in bonds issued or guaranteed by first class issuers offering an adequate liquidity; (v) shares or units issued by UCITS investing in shares listed or dealt on a stock exchange of a member state of the OECD provided they are included in a main index; and/or (vi) direct investment in bonds or shares with the characteristics detailed in (iv) and (v) of this item. The collateral must be valued on a daily basis. The collateral may be reinvested within the limits and conditions of the CSSF regulations.
  - iii) Securities lending or borrowing transactions may not extend beyond a period of 30 days.
  - iv) The restriction set out in item iii) above of this item (a) of Section 10.2 shall not apply if the Sub-Fund involved has the right to terminate the securities lending agreement at any time and request the restitution of the securities lent.
  - v) No securities borrowed by any individual Sub-Fund may be disposed of at any time during which they are held by the Sub-Fund, unless such securities are covered by sufficient financial instruments so as to enable the Sub-Fund to return the securities borrowed at the end of the contract term.

- (b) Sub-Funds may borrow transferable securities under the following circumstances in connection with the settlement of a securities transaction: (i) at any time in which the securities have been sent for re-registration; (ii) where securities have been lent and not returned on time; or (iii) to prevent failed settlement when the depositary bank fails to discharge its delivery obligation.

Any cash collateral received by the Fund in relation to any of these transactions may be reinvested, in a manner consistent with the investment objectives of the Fund, in (a) shares or units issued by money market undertakings for collective investment calculating a daily net asset value and being assigned a rating of AAA or its equivalent, (b) short-term bank deposits, (c) money market instruments as defined in Luxembourg regulation, (d) short-term bonds issued or guaranteed by an EU member state, Switzerland, Canada, Japan or the United States or by their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope, (e) bonds issued or guaranteed by first class issuers offering adequate liquidity, (f) reverse repurchase agreement transactions according to the provisions described in the CSSF regulations and (g) any other manner permitted by the Luxembourg regulations. Such reinvestment will be taken into account for the calculation of the Fund's global exposure, in particular if it creates a leverage effect.

#### *Repurchase and reverse repurchase agreements*

- (a) A repurchase (or repo) agreement is a contract by which the holder of securities sells the securities at a specified price to a counterparty with a commitment to repurchase the same or similar securities at a specified price from the same counterparty at a later date. A reverse repurchase (or reverse repo) agreement is a contract for the purchase of securities from a counterparty with an agreement to resell the same or similar securities at a specified price to the same counterparty at a later date.
- (b) Sub-Funds may, on an ancillary or a principal basis, as specified for each Sub-Fund in Appendix 1, enter into repurchase or reverse repurchase agreement transactions consisting of the purchase and sale of transferable securities, subject to the terms of any such agreement containing a clause providing that the seller has the right or is under an obligation to repurchase the securities from the buyer at an agreed date in the future and at an agreed price on terms specified by the two parties under the agreement. Sub-Funds may act as buyer or seller under a repurchase agreement or series of repurchase agreement transactions. However, Sub-Funds may only engage in such transactions subject to the following conditions:
- i) Sub-Funds may not buy or sell securities under a repurchase agreement unless the counterparty to such transaction is a first-class financial institution specialised in transactions of such type subject to prudential supervision rules considered by the CSSF as equivalent to those provided by EU law;
  - ii) during the term of the repurchase agreement, Sub-Funds may not sell any securities forming the object of such agreement either before the right to repurchase such securities has been exercised by the counterparty, or before the repurchase term has expired, except to the extent such Sub-Fund has other means of coverage; and
  - iii) since the Sub-Funds are open-ended and redeem Shares on demand, they must ensure that the level of their exposure to repurchase agreement transactions is such that they are able, at all times, to meet their redemption obligations.

It is not anticipated that repurchase agreements shall be entered into other than on an occasional basis.

#### **Management of the Collateral**

Where the Fund receives collateral in the context of OTC derivative instruments and efficient management portfolio techniques, it shall only accept cash and UCITS eligible investment grade government bonds. The value of the collateral should cover 100% of the risk exposure to a counterparty of the UCITS. The Fund shall ensure that such collateral comply with the following rules:

1. *Liquidity* – any collateral received other than cash should be highly liquid and traded on a Regulated Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of article 41 of the Law of 2010.

2. *Valuation* – the collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.

3. *Issuer credit quality* – the collateral received should be of high quality.

4. *Correlation* – the collateral received by the Fund should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

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

6. The Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the *risk management process*.

7. Where there is a title transfer, the collateral received should be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

8. The collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

9. Non-cash collateral received should not be sold, re-invested or pledged.

10. Cash collateral received should only be:

- placed on deposit with entities prescribed in article 41 of the Law of 2010;
- 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;
- invested in short-term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds.

The cash received in collateral may only be reinvested in investment grade government bonds complying with the criteria listed above. Re-investment of cash collateral shall not induce an increase of the level of risk taken by the Fund. In such case, the re-invested cash collateral will be diversified in accordance with the diversification requirements applicable to non-cash collateral and set out above.

The Fund has the following haircut policy in place:

- for cash and bonds rated higher than A no discount is applied. For ratings below A, a discount of 10% per notch is applied (10% discount for A- rating; 20% discount for BBB+ rating; 30% discount for BBB rating; 40% discount for BBB- rating).
- A further discount shall be applied depending on the remaining time to maturity of the bonds:
  - o of less than one (1) year: 1% discount
  - o of one (1) to five (5) years: 3% discount
  - o of more than five (5) years: 5% discount

In the event that the counterparty risk linked to OTC financial derivative transactions exceeds 10% in respect of credit institutions or 5% of the assets of a Sub-Fund in other cases, the relevant Sub-Fund shall cover this excess through collateral.

In the event that a given Sub-Fund receives collateral for more than 30% of its assets, it shall implement a liquidity stress test policy.

## 11 Taxation

---

### 11.1 General

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

### 11.2 The Fund

The Fund is not subject to taxation in Luxembourg on its income, profits or gains.

The Fund is not subject to net wealth tax in Luxembourg.

No stamp duty, capital duty or other tax will be payable in Luxembourg upon the issue of the shares of the Fund.

The Sub-Funds are, nevertheless, in principle, subject to a subscription tax (taxe d'abonnement) levied at the rate of 0.05% per annum based on their net asset value at the end of the relevant quarter, calculated and paid quarterly.

A reduced subscription tax rate of 0.01% per annum is however applicable to:

- any Sub-Fund whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both;
- any Sub-Fund or Class of Shares provided that their shares are only held by one or more Institutional Investor(s).

A subscription tax exemption applies to:

- The portion of any Sub-Fund's assets (prorata) invested in a Luxembourg investment fund or any of its sub-fund to the extent it is subject to the subscription tax;
- Any Sub-Fund (i) whose securities are only held by Institutional Investor(s), and (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and (iii) whose weighted residual portfolio maturity does not exceed 90 days, and (iv) that have obtained the highest possible rating from a recognised rating agency. If several Classes of Shares are in issue in the relevant Sub-Fund meeting (ii) to (iv) above, only those Classes of Shares meeting (i) above will benefit from this exemption;
- Any Sub-Fund, whose main objective is the investment in microfinance institutions; and
- Any Sub-Fund, (i) whose securities are listed or traded on a stock exchange and (ii) whose exclusive object is to replicate the performance of one or more indices. If several Classes are in issue in the relevant Sub-Fund meeting (ii) above, only those Classes meeting (i) above will benefit from this exemption.

To the extent that the Fund would only be held by pension funds and assimilated vehicles, the Fund as a whole would benefit from the subscription tax exemption.

### Withholding tax

Interest and dividend income received by the Fund may be subject to non-recoverable withholding tax in the source countries. The Fund may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin. The Fund may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from withholding tax or reduction of withholding tax rate.

Distributions made by the Fund as well as liquidation proceeds and capital gains derived therefrom are not subject to withholding tax in Luxembourg.

### **11.3 Shareholders**

#### **Luxembourg-resident individuals**

Capital gains realised on the sale of the Shares by Luxembourg-resident individual Shareholders who hold the Shares in their personal portfolios (and not as business assets) are generally not subject to Luxembourg income tax except if:

- the Shares are sold within 6 months from their subscription or purchase; or
- if the Shares held in the private portfolio constitute a substantial shareholding. A shareholding is considered as substantial when the seller holds or has held, alone or with his/her spouse and underage children, either directly or indirectly at any time during the five years preceding the date of the disposal, more than 10% of the share capital of the Fund.

Distributions received from the Fund will be subject to Luxembourg personal income tax.

Luxembourg personal income tax is levied following a progressive income tax scale, and increased by the solidarity surcharge (contribution au fonds pour l'emploi).

#### **Luxembourg-resident corporate**

Luxembourg-resident corporate Shareholders will be subject to corporate taxation on capital gains realised upon disposal of Shares and on the distributions received from the Fund.

Luxembourg-resident corporate Shareholders who benefit from a special tax regime, such as, for example, (i) a UCI subject to the Law of 17 December 2010 on undertakings for collective investment, as amended, (ii) a specialised investment fund subject to Law of 13 February 2007 on specialised investment funds, as amended, (iii) a reserved alternative investment funds subject to the Law of 23 July 2016 on reserved alternative investment funds (to the extent they have not opted to be subject to general corporation taxes), or (iv) a family wealth management company subject to the Law of 11 May 2007 related to family wealth management companies, as amended, are exempt from income tax in Luxembourg, but are instead subject to an annual subscription tax (taxe d'abonnement) and thus income derived from the Shares, as well as gains realised thereon, are not subject to Luxembourg income taxes.

The Shares shall be part of the taxable net wealth of the Luxembourg-resident corporate Shareholders except if the holder of the Shares is (i) a UCI subject to the Law of 17 December 2010 on undertakings for collective investment, as amended, (ii) a vehicle governed by the Law of 22 March 2004 on securitisation, as amended, (iii) an investment company in risk capital subject to the Law of 15 June 2004 on the investment company in risk capital, as amended, (iv) a specialised investment fund subject to the Law of 13 February 2007 on specialised investment funds, as amended, (v) a reserved alternative investment fund subject to the Law of 23 July 2016 on reserved alternative investment funds, or (vi) a family wealth management company subject to the Law of 11 May 2007 related to family wealth management companies, as amended. The taxable net wealth is subject to tax on a yearly basis at the rate of 0.5%. A reduced tax rate of 0.05% is due for the portion of the net wealth exceeding EUR 500 million.

#### **Non-Luxembourg residents**

Non-resident individuals or collective entities who do not have a permanent establishment in Luxembourg to which the Shares are attributable, are not subject to Luxembourg taxation on capital gains realised upon disposal of the Shares nor on the distribution received from the Fund and the Shares will not be subject to net wealth tax.

## **11.4 Common Reporting Standard**

The Organisation for Economic Co-operation and Development ("OECD") has developed a common reporting standard ("CRS") to achieve a comprehensive and multilateral automatic exchange of information (AEOI) on a global basis. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the "Euro-CRS Directive") was adopted in order to implement the CRS among the Member States. The Euro-CRS Directive was implemented into Luxembourg law by the Law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("CRS Law"). The CRS Law requires Luxembourg financial institutions to identify financial asset holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement. Accordingly, the Fund may require its Shareholders to provide information in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status. Responding to CRS-related questions is mandatory. The personal data obtained will be used for the purpose of the CRS Law or such other purposes indicated by the Fund in the data protection section of the Prospectus in compliance with Luxembourg data protection law. Information regarding a Shareholder and his/her/its account will be reported to the Luxembourg tax authorities (Administration des Contributions Directes), which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis, if such an account is deemed a CRS reportable account under the CRS Law.

Under the CRS Law, the first exchange of information will be applied by 30 September 2017 for information related to the calendar year 2016. Under the Euro-CRS Directive, the first AEOI must be applied by 30 September 2017 to the local tax authorities of the Member States for the data relating to the calendar year 2016.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to exchange information automatically under the CRS. The Multilateral Agreement aims to implement the CRS among non-Member States; it requires agreements on a country-by-country basis.

**Shareholders should consult their professional advisers on the possible tax and other consequences with respect to the implementation of the CRS.**

## Appendix 1: Investment Objectives, Policies and Additional Information for Sub-Funds

---

---

The information set out below in relation to each Sub-Fund should be read in conjunction with the full text of this Prospectus. Any investment policy will always be subject to the restrictions set out in Section 10 "Investment Restrictions and Financial Techniques and Instruments".

The specific risk factors for each Sub-Fund are set out below by reference to Section 6 "Risk Factors" which sets out the relevant risk factors for each Sub-Fund in more detail.

## **1. Old Mutual Global Portfolios - Cautious Fund**

**Reference Currency:** USD

**Benchmark:**

Equity (25%) - MSCI World Index (MXWO Index)

Fixed income (75%) - JPMorgan Hedged USD GBI Global (JHDCGBIG Index)

**Investment Objective**

To maximize total return (the combination of income and growth of capital) through investments in a diversified range of asset types.

**Investment Policy**

The investment objective is achieved through a diversified portfolio that invests, primarily via open ended investment companies, exchange traded funds and other collective investment schemes, across a wide range of asset classes in varying proportions over time. These include equities, fixed income, cash, properties, commodities and other alternative investments in compliance with the Law of 2010. The portfolio may also invest directly in Transferable Securities and/or unit trusts.

In addition to the information above, no more than 40% of the assets of the Sub-Fund will have exposure to equities and no more than 90% of the assets of the Sub-Fund will have exposure to bonds, notes and similar fixed or variable debt instruments. The remainder shall be invested or exposed in money market instruments, cash, cash equivalents and other assets which comply with the provisions set forth in section 10. "Investment Restrictions and Financial Techniques and Instruments".

The Sub-Fund may use financial derivative instruments for hedging and/or investment purposes in accordance with the investment objective and policy of the Sub-Fund and also in accordance with the conditions and within the limits laid down by law, regulation and administrative practice. Any resulting leverage will be within the limits specified by the Regulations. The Sub-Fund is expected to have a maximum of 10% derivatives exposure (netted).

The types of derivatives may include, but are not limited to, single stock and equity index futures and options, currency futures and forwards, OTC derivatives, single stock swaps, basket swaps, single stock CFDs, basket CFDs and index CFDs.

The Sub-Fund may have the possibility to be 100% invested in cash and equivalent for a limited period of time in order to protect shareholder in case of adverse market conditions.

**Specific Risk Factors**

When investing in the Sub-Fund, investors should review the risk factors set out in Section 6 "Risk Factors". Investors' attention is particularly drawn to the section entitled "Risks of Investing in Investment Funds".

**Investor Profile:** Designed for investors seeking security for their capital but able to accept small falls in the short term in order to make their investment grow.

**Global Risk Exposure:** The Sub-Fund employs the commitment approach to measure its market risk.

**Valuation:** Daily.

**Distribution Policy:** It is not the intention of the Board of Directors to distribute any dividends.

## 2. Old Mutual Global Portfolios - Balanced Fund

**Reference Currency:** USD

**Benchmark:**

Equity (60%) - MSCI World Index (MXWO Index)

Fixed income (40%) - JPMorgan Hedged USD GBI Global (JHDCGBIG Index)

**Investment Objective**

To maximize total return (the combination of income and growth of capital) through investments in a diversified range of asset types.

**Investment Policy**

The investment objective is achieved through a diversified portfolio that invests, primarily via open ended investment companies, exchange traded funds and other collective investment schemes, across a wide range of asset classes in varying proportions over time. These include equities, fixed income, cash, properties, commodities and other alternative investments in compliance with the Law of 2010. The portfolio may also invest directly in Transferable Securities and/or unit trusts.

Typically, the Sub-Fund will have 60% exposure to equities. According to market circumstances, the Investment Manager will have the flexibility to reduce the equity exposure to a minimum of 25% of the portfolio or to increase it to a maximum of 85% of the portfolio. The remainder shall be invested or exposed in bonds, notes and similar fixed or variable debt, money market instruments, cash, cash equivalents and other assets which comply with the provisions set forth in section 10. "Investment Restrictions and Financial Techniques and Instruments".

The Sub-Fund may use financial derivative instruments for hedging and/or investment purposes in accordance with the investment objective and policy of the Sub-Fund and also in accordance with the conditions and within the limits laid down by law, regulation and administrative practice. Any resulting leverage will be within the limits specified by the Regulations. The Sub-Fund is expected to have a maximum of 20% derivatives exposure (netted).

The types of derivatives may include, but are not limited to, single stock and equity index futures and options, currency futures and forwards, OTC derivatives, single stock swaps, basket swaps, single stock CFDs, basket CFDs and index CFDs.

The Sub-Fund may have the possibility to be 100% invested in cash and equivalent for a limited period of time in order to protect shareholder in case of adverse market conditions.

**Specific Risk Factors**

When investing in the Sub-Fund, investors should review the risk factors set out in Section 6 "Risk Factors". Investors' attention is particularly drawn to the section entitled "Risks of Investing in Investment Funds".

**Investor Profile:** Designed for investors seeking a balance between security for their capital and growth potential for their investment.

**Global Risk Exposure:** The Sub-Fund employs the commitment approach to measure its market risk.

**Valuation:** Daily.

**Distribution Policy:** It is not the intention of the Board of Directors to distribute any dividends.

### **3. Old Mutual Global Portfolios - Dynamic Fund**

**Reference Currency:** USD

**Benchmark:**

Equity (95%) - MSCI World Index (MXWO Index)

Fixed income (5%) - JPMorgan Hedged USD GBI Global (JHDCGBIG Index)

**Investment Objective**

To maximize total return (the combination of income and growth of capital) through investments in a diversified range of asset types.

**Investment Policy**

The investment objective is achieved through a diversified portfolio that invests, primarily via open ended investment companies, exchange traded funds and other collective investment schemes, across a wide range of asset classes in varying proportions over time. These include equities, fixed income, cash, properties, commodities and other alternative investments in compliance with the Law of 2010. The portfolio may also invest directly in Transferable Securities and/or unit trusts.

Typically, the Sub-Fund will have 95% exposure to equities. According to market circumstances, the Investment Manager will have the flexibility to reduce the equity exposure to a minimum of 50% of the portfolio or to increase it to a maximum of 110% of the portfolio. The later will be achieved by using derivatives. The remainder shall be invested or exposed in bonds, notes and similar fixed or variable debt, money market instruments, cash, cash equivalents and other assets which comply with the provisions set forth in section 10. "Investment Restrictions and Financial Techniques and Instruments".

The Sub-Fund may use financial derivative instruments for hedging and/or investment purposes in accordance with the investment objective and policy of the Sub-Fund and also in accordance with the conditions and within the limits laid down by law, regulation and administrative practice. Any resulting leverage will be within the limits specified by the Regulations. The Sub-Fund is expected to have a maximum of 30% derivatives exposure (netted).

The types of derivatives may include, but are not limited to, single stock and equity index futures and options, currency futures and forwards, OTC derivatives, single stock swaps, basket swaps, single stock CFDs, basket CFDs and index CFDs.

The Sub-Fund may have the possibility to be 100% invested in cash and equivalent for a limited period of time in order to protect shareholder in case of adverse market conditions.

**Specific Risk Factors**

When investing in the Sub-Fund, investors should review the risk factors set out in Section 6 "Risk Factors". Investors' attention is particularly drawn to the section entitled "Risks of Investing in Investment Funds".

**Investor Profile:** Designed for investors seeking a high growth level for their capital in the long term, willing to accept possible losses and a significant risk level in their investment.

**Global Risk Exposure:** The Sub-Fund employs the commitment approach to measure its market risk.

**Valuation:** Daily.

**Distribution Policy:** It is not the intention of the Board of Directors to distribute any dividends.

#### **4. Old Mutual Global Portfolios - Private Life Moderate Fund**

**Reference Currency:** USD

**Benchmark:**

MSCI World Index (MXWO Index) – 40%

Bloomberg Barclays Global Agg TR Index Value (hdg) USD (LEGATRUH Index) - 60%

**Investment Objective**

To maximize total return (the combination of income and growth of capital) through investments in a diversified range of asset types while preserving capital within a moderate risk/return investment profile.

**Investment Policy**

The investment objective is achieved through a diversified portfolio that invests, primarily via open ended investment companies, exchange traded funds, other collective investment schemes, across a wide range of asset classes, and corporate and sovereign bonds, in varying proportions over time. These include equities, fixed income, cash, properties, commodities and other alternative investments in compliance with the Law of 2010. The portfolio may also invest directly in Transferable Securities and/or unit trusts.

Typically, the Sub-Fund will have a target exposure to equities of 40% of the portfolio. According to market circumstances, the Investment Manager will have the flexibility to reduce the equity exposure to a minimum of 20% of the portfolio or to increase it to a maximum of 50% of the portfolio. The maximum investment in individual corporate and/or sovereign bonds will be of up to 30% of net assets, with no single position representing more than a 3% exposure. The remainder shall be invested or exposed in bonds, notes and similar fixed or variable debt, money market instruments, cash, cash equivalents and other assets, which comply with the provisions, set forth in section 10. "Investment Restrictions and Financial Techniques and Instruments".

The Sub-Fund may use financial derivative instruments primarily for hedging and/or investment purposes (for the latter, up to 30% of the global exposure to financial derivatives instruments) in accordance with the investment objective and policy of the Sub-Fund and also in accordance with the conditions and within the limits laid down by law, regulation and administrative practice. Any resulting leverage will be within the limits specified by the Regulations.

The types of derivatives may include, but are not limited to, single stock and equity index futures and options, currency futures and forwards and OTC derivatives.

Notwithstanding the above provisions and if justified by the investment manager's expectations or exceptional market conditions, the Sub-Fund may invest up to 100% of its net assets in cash and cash equivalents, money market instruments government bonds (and/or money market UCITS/UCI).

**Specific Risk Factors**

When investing in the Sub-Fund, investors should review the risk factors set out in Section 6 "Risk Factors". Investors' attention is particularly drawn to the section entitled "Risks of Investing in Investment Funds".

**Investor Profile:** Designed for investors seeking a balance between security—for their capital and growth potential for their investment.

**Global Risk Exposure:** The Sub-Fund employs the commitment approach to measure its market risk.

**Valuation:** Daily.

**Distribution Policy:** It is not the intention of the Board of Directors to distribute any dividends.

**Initial subscriptions**

The initial subscription period in the Class A will be from August 7 to August 21, 2017 (before 12.00 CET). Subscriptions shall be accepted at a price per Unit of USD 100.- and with payment value date August 23, 2017.

## Appendix 2: Summary of Fees and Expenses for Sub-Funds

The tables below set out:

1. the relevant Management Fee, Performance Fees and fixed fees and expenses for each Sub-Fund;
2. the relevant benchmarks or hurdle rates, where applicable, for the purposes of calculating the performance and Performance Fee (where applicable) for each Sub-Fund;
3. the minimum subscription and holding amounts for each Sub-Fund, if different to those specified in Section 7 "The Shares".

Detailed information about the various fund charges is set out in Section 9 "Management and Fund Charges".

<b>1. Old Mutual Global Portfolios - Cautious Fund</b>			
<b>Class</b>	<b>Management Fee</b>	<b>Performance Fee Rate</b>	<b>Fees and Expenses</b>
	<b>(%)</b>	<b>(%)</b>	<b>Up to (basis points)<sup>1</sup></b>
A	up to 1,35	N/A	25
C	up to 2,35	N/A	25
I	up to 0,85	N/A	25
<b>Investment management fees of other UCIs or UCITS (excluding any performance fees)</b>	May be in total up to 1,50% of the Sub-Fund's Net Asset Value		
<b>Class</b>	<b>Benchmark</b>		
A	No		
C			
I			

<sup>1</sup> It includes the following fees:

Depository	up to 0.0275% (subject to a minimum amount of USD 69,300 per Sub-Fund per year)
Administrative Agent	up to 0.0325% (subject to a minimum amount of USD 33,250 per Sub-Fund per year)
Registrar and Transfer Agent	0.00475% (with a minimum fee per Class per year of USD 4,750)
Domiciliary Agent	0.02%

<b>2. Old Mutual Global Portfolios - Balanced Fund</b>			
<b>Class</b>	<b>Management Fee</b>	<b>Performance Fee Rate</b>	<b>Fees and Expenses</b>
	<b>(%)</b>	<b>(%)</b>	<b>Up to (basis points)<sup>1</sup></b>
A	up to 1,60	N/A	25
C	up to 2,60	N/A	25
I	up to 0,95	N/A	25
<b>Investment management fees of other UCIs or UCITS (excluding any performance fees)</b>	May be in total up to 1,50% of the Sub-Fund's Net Asset Value		
<b>Class</b>	<b>Benchmark</b>		
A	No		
C			
I			

<sup>1</sup> It includes the following fees:

Depository	up to 0.0275% (subject to a minimum amount of USD 69,300 per Sub-Fund per year)
Administrative Agent	up to 0.0325% (subject to a minimum amount of USD 33,250 per Sub-Fund per year)
Registrar and Transfer Agent	0.00475% (with a minimum fee per Class per year of USD 4,750)
Domiciliary Agent	0.02%

<b>3. Old Mutual Global Portfolios - Dynamic Fund</b>			
<b>Class</b>	<b>Management Fee</b>	<b>Performance Fee Rate</b>	<b>Fees and Expenses</b>
	<b>(%)</b>	<b>(%)</b>	<b>Up to (basis points)<sup>1</sup></b>
A	up to 1,85	N/A	25
C	up to 2,85	N/A	25
I	up to 1,05	N/A	25
<b>Investment management fees of other UCIs or UCITS (excluding any performance fees)</b>	May be in total up to 1,50% of the Sub-Fund's Net Asset Value		
<b>Class</b>	<b>Benchmark</b>		
A	No		
C			
I			

<sup>1</sup> It includes the following fees:

Depository	up to 0.0275% (subject to a minimum amount of USD 69,300 per Sub-Fund per year)
Administrative Agent	up to 0.0325% (subject to a minimum amount of USD 33,250 per Sub-Fund per year)
Registrar and Transfer Agent	0.00475% (with a minimum fee per Class per year of USD 4,750)
Domiciliary Agent	0.02%

<b>4. Old Mutual Global Portfolios - Private Life Moderate Fund</b>			
<b>Class</b>	<b>Management Fee</b>	<b>Performance Fee Rate</b>	<b>Fees and Expenses</b>
	<b>(%)</b>	<b>(%)</b>	<b>Up to (basis points)<sup>i</sup></b>
A	up to 1.50	N/A	25
<b>Investment management fees of other UCIs or UCITS (excluding any performance fees)</b>	May be in total up to 1,50% of the Sub-Fund's Net Asset Value		
<b>Class</b>	<b>Benchmark</b>		
A	No		

<sup>i</sup> It includes the following fees:

Depository	up to 0.0275% (subject to a minimum amount of USD 69,300 per Sub-Fund per year)
Administrative Agent	up to 0.0325% (subject to a minimum amount of USD 33,250 per Sub-Fund per year)
Registrar and Transfer Agent	0.00475% (with a minimum fee per Class per year of USD 4,750)
Domiciliary Agent	0.02%