MAGALLANES VALUE INVESTORS UCITS

SOCIETE D'INVESTISSEMENT A CAPITAL VARIABLE

PROSPECTUS

JULY 2025

IMPORTANT INFORMATION

General

Magallanes Value Investors UCITS (the **Company**) is registered in the Grand Duchy of Luxembourg as an undertaking for collective investment pursuant to Part I of the act of 17 December 2010 relating to undertakings for collective investment, as amended (the **2010 Act**) and qualifies as an undertaking for collective investments in transferable securities (**UCITS**) under the EC Directive 2009/65 of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as may be amended or supplemented from time to time (**UCITS Directive**), and may therefore be offered for sale in European Union (**EU**) Member States (subject to applicable notification process). The Company is structured as an umbrella fund to provide both institutional and retail investors with a variety of sub-funds (the **Sub-funds**, each a **Sub-fund**).

The registration of the Company does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of this Prospectus or the assets held in the various Sub-funds.

Definitions

Unless the context otherwise requires, or as otherwise provided in this Prospectus, capitalised words and expressions will bear the respective meanings ascribed thereto in the Section "Definitions" below.

Stock Exchange Listing

Application may be made to list certain Classes of the Shares on the Luxembourg Stock Exchange and any other stock exchange, regulated market or other multilateral trading facility as determined by the board of directors of the Company (the **Board**).

The approval of any listing particulars pursuant to the listing requirements of the relevant stock exchange, regulated market or multilateral trading facility does not constitute a warranty or representation by such stock exchange, regulated market or multilateral trading facility as to the competence of the service providers or as to the adequacy of information contained in the listing particulars or the suitability of the Shares for investment or for any other purpose.

Reliance

Shares in the Company are offered solely on the basis of the information and the representations contained in the current Prospectus accompanied by the KID(s), the latest annual report and semi-annual report, if published after the latest annual report, as well as the documents mentioned herein which may be inspected by the public at the offices of the Company and UCI Administrator. The annual report and the semi-annual report form an integral part of the Prospectus. All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Prospectus and the Articles.

In addition to the General Section, investors must refer to the relevant Special Section(s) attached at the end of the Prospectus. Each Special Section sets out the specific objectives, policy and other features of the relevant Sub-fund to which the Special Section relates as well as risk factors and other information specific to the relevant Sub-fund.

No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription, sale, conversion or redemption of Shares other than those contained in this Prospectus and the KID(s) and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Company. Neither the delivery of this Prospectus or of the KID(s) nor the offer, placement, subscription or issue of any of the Shares

will under any circumstances create any implication or constitute a representation that the information given in this Prospectus and in the KID(s) is correct as of any time subsequent to the date hereof.

Responsibility for the Prospectus

The members of the Board, whose names appear under the Section "General Information", accept joint responsibility for the information and statements contained in this Prospectus and in the KID issued for each Sub-fund. They have taken all reasonable care to ensure that the information contained in this Prospectus and in the KID(s) is, to the best of their knowledge and belief, true and accurate in all material respects and that there are no other material facts the omission of which makes misleading any statement herein, whether of fact or opinion at the date indicated on this Prospectus.

Umbrella structure and Sub-funds

Investors may, subject to applicable law, invest in any Sub-fund offered by the Company. Investors should choose the Sub-fund that best suits their specific risk and return expectations as well as their diversification needs and are encouraged to seek independent advice in that regard. A separate pool of assets will be maintained for each Sub-fund and will be invested in accordance with the Investment Policy applicable to the relevant Sub-fund in seeking to achieve its Investment Objective. The Net Asset Value and the performance of the Shares of the different Sub-funds and Classes thereof are expected to differ. The price of Shares and the income (if any) from them may fall as well as rise and there is no guarantee or assurance that the stated Investment Objective of a Sub-fund will be achieved.

General risk warnings

An investment in the Company involves investment risks including those set out in Schedule 2. In addition, investors should refer to the Section "Specific risk factors" of the Special Section of the relevant Sub-fund (if any) in order to assess and inform themselves on the specific risks associated with an investment in such Sub-fund.

The Company is allowed to invest in financial derivative instruments. While the prudent use of derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. A more detailed description of the risks relating to the use of derivatives is set out in Schedule 2. The Special Section relating to each Sub-fund will give more precise information on the types of derivatives, if any, which may be used by a Sub-fund for investment purposes.

Selling restrictions

The distribution of this Prospectus and the offering or purchase of Shares is restricted in certain jurisdictions. This Prospectus and the KID(s) do not constitute an offer of or invitation or solicitation to subscribe for or acquire any Shares in any jurisdiction in which such offer or solicitation is not permitted, authorised or would be unlawful. Persons receiving a copy of this Prospectus or of the KID(s) in any jurisdiction may not treat this Prospectus or KID(s) as constituting an offer, invitation or solicitation to them to subscribe for or acquire Shares notwithstanding that, in the relevant jurisdiction, such an offer, invitation or solicitation could lawfully be made to them without compliance with any registration or other legal requirement. It is the responsibility of any persons in possession of this Prospectus or of the KID(s) and any persons wishing to apply for or acquire Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. In particular, prospective applicants for or purchasers of Shares should inform themselves as to the legal requirements of so applying or purchasing, and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile. Prospective investors should review this Prospectus carefully and in its entirety and consult with their legal, tax and financial advisers in relation to (i) the legal and regulatory requirements within their own countries for the subscribing, purchasing, holding, switching, 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, switching, redeeming or disposing

of Shares; (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, switching, redeeming or disposing of Shares; and (iv) any other consequences of such activities.

The Shares have not been registered under the US Securities Act of 1933, as amended (the **US Securities Act**) or the securities laws of any state or political subdivision of the United States, and may not be offered, sold, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any US Person. The Company has not registered and does not intend to register: (a) under the United States Investment Company Act of 1940, as amended (the **Investment Company Act**) in reliance on the exemption from such registration pursuant to Section 3(c)(7) thereunder; or (b) with the United States Commodity Futures Trading Commission (the **CFTC**) as a commodity pool operator, in reliance on the exemption from such registration pursuant to CFTC Rule 4.13(a)(4). Accordingly, the Shares are being offered and sold only outside the United States to persons other than US Persons in offshore transactions that meet the requirements of Regulation S under the US Securities Act.

This Prospectus does not constitute an offer or solicitation in respect of any US Person, as defined herein. The Shares may not be offered, sold, transferred or delivered, directly or indirectly, in the United States of America, its territories or possessions or to US Persons. Neither the Shares nor any interest therein may be beneficially owned by any other US Person. Any re-offer or resale of any of the Shares in the United States or to US Persons is prohibited.

Each applicant for the Shares must certify that it is not a US person as defined in Regulation S under the US Securities Act and CFTC Rule 4.7 and not a US resident within the meaning of the Investment Company Act.

If you are in any doubt as to your status, you should consult your financial, tax, legal or other professional adviser.

Foreign Account Tax Compliance Act ("FATCA")

Sections 1471 through 1474 of the U.S. Internal Revenue Code (**FATCA**) impose a new reporting regime and, potentially, a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or "**FFI**" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service (**IRS**) to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States Account" of the FFI (a **Recalcitrant Holder**). The new withholding regime has been phased in as of 1 July 2014 for payments from sources within the United States and will apply to "**foreign passthru payments**" (a term not yet defined) no earlier than 1 January 2017. The Company should be classified as an FFI.

The United States and a number of other jurisdictions have announced their intention to negotiate intergovernmental agreements to facilitate the implementation of FATCA (each an **IGA**). Pursuant to FATCA and the "**Model 1**" and "**Model 2**" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "**Reporting Financial Institution**" or otherwise as being exempt from or in deemed compliance with FATCA (a **Non-Reporting Financial Institution**). A Reporting Financial Institution or Non-Reporting Financial Institution is not subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being a **FATCA Withholding**) from payments it makes (unless it has agreed to do so under the U.S. "qualified intermediary", "withholding foreign partnership", or "withholding foreign trust" regimes). The Model 2 IGA leaves open the possibility that a Reporting Financial Institution might in the future be required to withhold as a Participating FFI on foreign passthru payments and payments that it makes to Recalcitrant Holders. Under each Model IGA, a Reporting Financial Institution would still be required to report certain information in respect of its account holders and investors to its home government, in the case of a Model 1 IGA jurisdiction, or to the IRS, in the case of a Model 2 IGA jurisdiction.

On 28 March 2014, the United States and the Grand Duchy of Luxembourg have entered into an agreement (the **US-Luxembourg IGA**) based largely on the Model 1 IGA.

The Company intends to qualify as a "**Collective Investment Vehicle**" (as defined in the IGA) and therefore expects to be treated as a Non-Reporting Financial Institution pursuant to the IGA. In order to qualify as a Collective Investment Vehicle, Shares and any other interests in the Company (including debt interests in excess of USD50,000) may only be held by or through "exempt beneficial owners" (as defined by FATCA), "Active NFFEs" (as defined in the IGA), "US Persons" that are not "Specified US Persons" (each as defined in the US-Luxembourg IGA), and FFIs that are not "**Non-participating Financial Institutions**" (as defined in the US-Luxembourg IGA.

Against this background, the Company does not anticipate being subject to withholding under FATCA on payments it receives or being obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that the Company will be treated as a Non-Reporting Financial Institution, or that it would in the future not be required to deduct FATCA Withholding from payments it makes. Accordingly, the Company and financial institutions through which payments on the Shares are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Shares is a Non-participating Financial Institution or (ii) an investor is a Recalcitrant Holder.

If an amount in respect of FATCA were to be withheld either from amounts due to the Company or from any payments on the Shares, neither the Company nor any other person would be required to pay additional amounts.

The Company reserves the right to request from any investor any such information as may be required in order to comply with FATCA, the related U.S. Treasury Regulations or any other guidance issued or agreements entered into thereunder, or any IGA entered into by any taxing jurisdiction with the United States. Each Shareholder must waive the application of any non-U.S. laws which, but for such waiver, would prevent the Company or any other Person from reporting information in respect of FATCA, and, if necessary to effectuate the information reporting contemplated by FATCA, must obtain similar waivers from its direct and indirect owners.

To ensure the Company's compliance with FATCA and the US-Luxembourg IGA in accordance with the foregoing, the Company may:

- request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a Shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such shareholder's FATCA status;

- report information concerning a Shareholder and his/her/its account holding in the Company to the Luxembourg tax authorities if such account is deemed a reportable account under the US-Luxembourg IGA; and

- deduct applicable US withholding taxes from certain payments made to a Shareholder by or on behalf of the Company in accordance with FATCA and the US-Luxembourg IGA.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Company and to payments they may receive in connection with the Shares.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR

MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

Prevailing language

The distribution of this Prospectus and the KID(s) in certain countries may require that these documents be translated into the official languages of those countries. Should any inconsistency arise between the translated versions of this Prospectus, the English version will always prevail.

Data protection

Investors or individuals related to investors are hereby informed that Schedule 3 headed « Privacy Notice » attached hereto applies to the processing of their personal data by the Company. If investors share personal data on individuals relating to such investors with the Company, investors must ensure that they have provided a fair processing notice informing the data subjects of the Company's processing of such personal data as described in the Privacy Notice, including notifying data subjects of any updates to the Privacy Notice. Where required, investors must obtain the necessary consent from data subjects to the processing of personal data as described in the Privacy Notice. Investors who share personal data relating to such investors with the Company shall indemnify and hold the Company harmless for any and against all direct and indirect damages and financial consequences arising from any breach of these warranties.

SFDR

SFDR which is part of a broader legislative package under the European Commission's Sustainable Action Plan, came into effect on 10 March 2021. To meet the SFDR disclosure requirements, the Management Company identifies and analyses Sustainability Risk as part of its risk management process. The Investment Managers believe that the integration of this risk analysis could help to enhance long-term risk adjusted returns for Shareholders, in accordance with the investment objectives and policies of the Sub-funds. Where Sustainability Risks occur for assets of a specific Sub-fund, there will be a negative impact on such Sub-fund that may result in a negative impact on the returns for the investors of such Sub-fund. The Management Company therefore requires the Investment Managers to integrate Sustainability Risks in their investment process.

Unless otherwise set out in the relevant Special Section, Sustainability Risks may not be considered by the Investment Managers to be relevant because Sustainability Risks are not (a) systematically integrated by the relevant Investment Managers in the investment decisions of the relevant Sub-funds; and/or (b) a core part of the investment strategy of the Sub-funds, due to the nature of the investment objectives of the Sub-funds. However it cannot be excluded that among other counterparties or sectors in which such Sub-funds will invest may have bigger exposure to such Sustainability Risks than others. An ESG event or condition that, if it occurs, could potentially or actually cause a material negative impact on the value of a Sub-fund's investment. Sustainability Risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks. Assessment of Sustainability Risks is complex and may be based on ESG data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed. Consequent impacts to the occurrence of Sustainability Risks can be many and varied according to a specific risk, region or asset class.

Unless otherwise provided for a specific Sub-fund in the relevant Special Section, the Sub-funds do not promote environmental or social characteristics, and do not have as objective sustainable investments (as provided by Articles 8 or 9 of SFDR). The Sub-funds which do not promote environmental or social characteristics nor have as objective sustainable investments (as provided by Articles 8 or 9 of SFDR) will remain subject to Sustainability Risks.

For the purposes of Article 7(2) of SFDR, the Management Company, in relation to the Company and each Sub-fund, unless otherwise provided for a specific Sub-fund, does not consider the adverse impacts of investment decisions on sustainability factors. Sustainability factors are defined by SFDR as environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The main reason for which the Management Company is currently not considering adverse impacts is the nature of its third-party Management Company business model (which encompasses a large variety of delegated investment managers, for which the ESG consideration can significantly vary from one to another). Furthermore, the SFDR regulation provides that only financial market participants which, on their balance sheet dates, exceed the criterion of an average of 500 employees during the financial year (the Management Company is below this threshold) must publish and have on their websites a statement on their due diligence policies with respect to the principal adverse impacts of investment decisions on sustainability factors.

The Management Company intends to monitor the industry position closely and to update its approach in due course as the industry position evolves and further regulatory guidance is made available. Pictet Group, of which the Management Company is an integral part, has committed to comply with the provisions of a number of international and Swiss codes for responsible investment. In addition, as outlined in the Group's ambitions, it is Pictet's intention to not only consider, but mitigate where possible, material adverse impacts of investments and operations.

GENERAL INFORMATION

Registered office

15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Members of the board of directors

- Mrs Blanca Hernández Rodríguez, Chairman, Chief Executive Officer, Magallanes Value Investors S.A. S.G.I.I.C;
- Mrs Mónica Delclaux Real de Asua, Chief Financial Officer, Magallanes Value Investors S.A. S.G.I.I.C;
- Mr Iván Martin Aranguez, Chief Investment Officer, Magallanes Value Investors S.A. S.G.I.I.C;
- Mr Rafael Ruiz Hernández, Independent Director.

Management Company

FundPartner Solutions (Europe) S.A.
15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Directors of the Management Company

Mr Marc Briol
CEO Pictet Asset Services
Banque Pictet & Cie S.A., Geneva
60, route des Acacias
CH-1211 Geneva 73
Switzerland

Mr Dorian Jacob
Managing Director, Chief Executive Officer
FundPartner Solutions (Europe) S.A.
15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Mr Geoffroy Linard De Guertechin
Independent Director
15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Mrs Christel Schaff,
Independent Director
15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Mr Cédric Vermesse
CFO, Pictet Asset Management
Banque Pictet & Cie S.A., Geneva
60, route des Acacias
CH-1211 Geneva 73
Switzerland

Mr Pierre Etienne,
Director
15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Conducting persons of the Management Company

- Mr Dorian Jacob, *Chief Executive Officer*
- Mr Abdellali Khokha, *Conducting Officer in charge of Risk Management, Conducting Officer in charge of Compliance*
- Mr Thomas Labat, *Conducting Officer in charge of the Portfolio Management*

Investment Manager

Magallanes Value Investors S.A. S.G.I.I.C
Calle Lagasca, 88
28001 Madrid
Spain

Depositary

Bank Pictet & Cie (Europe) AG, *succursale de Luxembourg*
15A, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

UCI Administrator

FundPartner Solutions (Europe) S.A.
15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Auditor

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

Legal and tax adviser

Allen Overy Shearman Sterling SCS, *Société en commandite simple*
5, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

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DEFINITIONS

In this Prospectus, the following terms have the following meanings.

144 A Securities means Shares sold to US Persons who are "qualified institutional buyers" within the meaning of Rule 144A under the US Securities Act and "qualified purchasers" within the meaning of Section 2(a)(51) of the Investment Company Act.

1915 Act means the Luxembourg act of 10 August 1915 on commercial companies, as amended.

2008 Regulation means the grand-ducal regulation of 8 February 2008 implementing Commission Directive 2007/16 of 19 March 2007 as regards the clarification of certain definitions.

2010 Act means the act dated 17 December 2010 on undertakings for collective investment, as amended.

Accumulation Class means a Class for which it is not intended to make distributions, as set out in the relevant Special Section.

Administration Agreement means the agreement between the Company, the Management Company and the UCI Administrator as amended, supplemented or otherwise modified from time to time.

Affiliate means in relation to any person, any entity Controlled by or Controlling such person or under common Control.

Ancillary must be read in each Sub-fund's Special Section as "up to 49%" of a Sub-fund's net assets.

Articles means the articles of incorporation of the Company as the same may be amended, supplemented or otherwise modified from time to time.

Auditor means Deloitte Audit, S.à.r.l.

Board means the board of directors of the Company.

Business Day means, unless otherwise defined in respect of a specific Sub-fund in the relevant Special Section, a day on which banks are generally open for business in Luxembourg during the whole day (excluding Saturdays and Sundays and public holidays).

Cash Equivalents means bank term deposits, Money Market Instruments, money market UCITS and/or other UCIs or, any other financial instruments (listed under article 41(1) of the 2010 Act) that are highly liquid assets and that can be easily converted into cash;

CFTC means the United States Commodity Futures Trading Commission.

Circular 04/146 means the CSSF circular 04/146 on the protection of UCIs and their investors against Late Trading and Market Timing practices.

Circular 14/592 means the CSSF circular 14/592 implementing the ESMA guidelines 2014/937 of 1 August 2014 on ETFs and other UCITS issues.

Circular 18/698 means the CSSF circular 18/698 on authorisation and organisation of investment fund managers incorporated under Luxembourg Law; specific provisions on the fight against money laundering and terrorist financing applicable to investment fund managers and entities carrying out the activity of registrar agent.

Class means a class of Shares issued in any Sub-fund.

Class Launch Date means the date, as determined by the Board, on which the Company (re)opens a Class for subscription.

Clearstream means Clearstream Banking, *société anonyme*.

Company means Magallanes Value Investors UCITS, a public limited liability company incorporated as an investment company with variable capital under the laws of Luxembourg and registered pursuant to part I of the 2010 Act.

Control means, in relation to an entity: (a) the holding, directly or indirectly, of the majority votes which may be cast at that entity's ordinary shareholders', partners' or members' meetings or the votes necessary to direct or cause the direction of that entity's ordinary shareholders', partners' or members' meetings. and (b) any contractual relationship by virtue of which a person can direct the business activities of a company or other entity and "controlled" or "to control" will be construed accordingly.

Conversion Fee means the fee that may be paid by Shareholders in the event of a conversion of Shares as described under Section 6.4 of the General Section.

CSSF means the *Commission de Surveillance du Secteur Financier*, the Luxembourg supervisory authority of the financial sector.

Depositary means Bank Pictet & Cie (Europe) AG, *succursale de Luxembourg*, in its capacity as depositary of the Company.

Depositary Agreement means the depositary agreement between the Company and the Depositary as amended, supplemented or otherwise modified from time to time.

Directive 78/660/EEC means Council Directive 78/660/EEC of 25 July 1978 based on Article 54 (3) g) of the Treaty on the annual accounts of certain types of companies, as amended from time to time.

Directive 83/349/EEC means Council Directive 83/349/EEC of 13 June 1983 based on the Article 54 (3) (g) of the Treaty on consolidated accounts, as amended from time to time.

Directive 2009/65/EC means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in Transferable Securities (UCITS), as may be amended or supplemented from time to time.

Directors means the directors of the Company, whose details are set out in this Prospectus and/or the annual and semi-annual reports.

Distribution Class means a Class for which it is intended to make distributions, as set out in the relevant Special Section.

Distributors means any person from time to time appointed or authorised by the Company to distribute the Shares of one or more Sub-funds or Classes (including, for the avoidance of doubt, the Management Company).

EEA means the European Economic Area.

Eligible Investments means eligible investments for UCITS within the meaning of Article 41 (1) of the 2010 Act.

Eligible Investor means, in relation to each Class in each Sub-fund, an investor that satisfies the relevant criteria to invest in the relevant Class as is stipulated in the relevant Special Section and that is not a Restricted Person.

EPM Techniques means (reverse) repurchase transactions or securities lending transactions.

ESG means environmental, social and governance.

EU means the European Union whose member States at the date of this Prospectus include Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, The Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden.

EU Member State means a member State of the EU.

EUR or **€** means the Euro, the single currency of the Participating Member States.

Euroclear means Euroclear Bank S.A./N.V. as the operator of the Euroclear System.

FATCA means sections 1471 through 1474 of the U.S. Internal Revenue Code.

FATCA Eligible Investor means (i) an "exempt beneficial owner" (as defined by FATCA), (ii) an "Active NFFE" (as defined in the IGA), (iii) a "U.S. person" that is not a "Specified U.S. Person" (each as defined in the IGA), or (iv) a "Financial Institution" that is not a "Nonparticipating Financial Institution" (each as defined in the IGA).

First Class Institutions means first class financial institutions selected by the Company, subject to prudential supervision and belonging to the categories approved by the CSSF for the purposes of the OTC Derivative transactions and EPM Techniques and specialised in this type of transaction.

Fiscal Year means the twelve (12) month period ending on 31 December in each year.

General Meeting means a general meeting of the Shareholders.

General Section means the general section of the Prospectus that sets out the general terms and conditions applicable to all Sub-funds of the Company, unless otherwise provided in any of the Special Sections.

IGA means the intergovernmental agreement signed on 28 March 2014 between the Government of Luxembourg and the Government of the United States of America to improve international tax compliance and with respect to the United States information reporting provisions commonly known as FATCA.

Initial Sub-funds means Magallanes Value Investors UCITS – European Equity and Magallanes Value Investors UCITS – Iberian Equity.

Initial Subscription Period or **Initial Subscription Date** means, with respect to each Sub-fund, the first offering of Shares in a Sub-fund made pursuant to the terms of the Prospectus and the relevant Special Section.

Initial Subscription Price means the price at which Shares are issued in respect of subscriptions received during the Initial Subscription Period or on the Initial Subscription Date or on the Class Launch Date, as determined for each Sub-fund and Class in the relevant Special Section.

Institutional Investors means investors who qualify as institutional investors according to article 174 of the 2010 Act.

Investing Sub-fund has the meaning ascribed to this term in Schedule 1, Section 1.10.

Investment Adviser means such person from time to time appointed by the Company as the investment adviser to a particular Sub-fund and disclosed (if and to the extent required) in the relevant Special Section.

Investment Company Act means the United States Investment Company Act of 1940, as amended.

Investment Manager means such person from time to time appointed by the Company and the Management Company as the investment manager to a particular Sub-fund and disclosed in the relevant Special Section.

Investment Objective means the investment objective of a Sub-fund as specified in the relevant Special Section.

Investment Policy means the investment policy of a Sub-fund as specified in the relevant Special Section.

Investment Restrictions means the investment restrictions applicable to the Sub-funds. The investment restrictions applicable to all Sub-funds are set out under Section 3 of the General Section. Additional investment restrictions may be applicable to each Sub-fund as set out in the relevant Special Section.

KID means the key information document in respect of each Sub-fund or category of Shares (as appropriate) for the purpose of Regulation (EU) 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs), as amended.

Late Trading means any market timing practice within the meaning of Circular 04/146 or as that term may be amended or revised by the CSSF in any subsequent circular, i.e., the acceptance of a subscription, conversion or redemption order after the time limit fixed for accepting orders (cut-off time) on the relevant day and the execution of such order at the price based on the net asset value applicable to such same day.

Launch Date means the date on which the Company issues Shares relating to a Sub-fund in respect of subscriptions received during the Initial Subscription Period or on the Initial Subscription Date as set out in respect of each Sub-fund in the relevant Special Section.

Luxembourg means the Grand Duchy of Luxembourg.

Luxembourg Law means the applicable laws of the Grand Duchy of Luxembourg.

Luxembourg Official Gazette means the *Mémorial C, Recueil des Sociétés et Associations* or the *Recueil électronique des sociétés et associations* (**RESA**).

Management Company means FundPartner Solutions (Luxembourg) S.A.

Management Company Agreement means the agreement, which is entitled "management company agreement", between the Company and the Management Company as amended, supplemented or otherwise modified from time to time.

Market Timing means any market timing practice within the meaning of Circular 04/146 or as that term may be amended or revised by the CSSF in any subsequent circular, i.e., an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same Luxembourg undertaking for collective investment within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the methods of determination of the net asset value of the UCI.

Master-Feeder Agreement means the agreement, which is entitled “exchange of information agreement between master UCITS and feeder UCITS”, between the Company in respect of the Magallanes Value Investors UCITS – Iberian Equity sub-fund and the Master Fund as amended, supplemented or otherwise modified from time to time.

Master Fund Prospectus means the prospectus of the Master Fund.

Minimum Net Asset Value means the minimum Net Asset Value for a Sub-fund to be operated in an economically efficient manner. Unless otherwise specified in respect of a Sub-fund in the relevant Special Section, the Minimum Net Asset Value per Sub-fund will be EUR 5 million (or the equivalent in the Reference Currency of the relevant Sub-fund). If the Net Asset Value of a Sub-fund falls below the Minimum Net Asset Value, the Board may decide to proceed to the liquidation of such Sub-fund (or to merge such Sub-fund) in accordance with the terms of Section 12.5 of the General Section.

Minimum Subscription Amount means the minimum number of Shares or amount which a Shareholder or subscriber must subscribe for in a particular Class in a particular Sub-fund in which the Shareholder or subscriber does not hold Share(s) prior to such subscription, as set out in the relevant Special Section.

Minimum Subsequent Subscription Amount means the minimum number of Shares or amount which a Shareholder must subscribe for in a particular Class in a particular Sub-fund when subscribing for additional Shares of the relevant Class, as set out in the relevant Special Section.

Money Market Instruments means instruments normally dealt in on a money market which are liquid and have a value which can be accurately determined at any time.

NAV Calculation Day means the Business Day on which the Net Asset Value is calculated in respect of a specific Valuation Day. Unless otherwise provided for in respect of a specific Sub-fund in the relevant Special Section and provided that the subscription, conversion or redemption request is received on the Valuation Day before the applicable Subscription Cut-Off Time or Redemption Cut-Off Time, the NAV Calculation Day will be the first Business Day following the relevant Valuation Day.

Net Asset Value or **NAV** means the net asset value of the Company, each Sub-fund, each Class and each Share as determined in accordance with Section 11 of the General Section.

OECD means the Organisation for Economic Co-operation and Development.

OECD Member State means any of the member States of the OECD.

OTC means over-the-counter.

OTC Derivative means any financial derivative instrument dealt in over-the-counter.

Participating Member State means any member state of the European Union that adopts or has adopted and, in each case, continues to adopt the Euro as its lawful currency in accordance with the legislation of the European Union.

Prospectus means this prospectus, as amended or supplemented from time to time.

Redemption Cut-Off Time means the deadline for the submission of redemption requests as set out in Section 7.1 of the General Section, unless otherwise specified in respect of a specific Sub-fund in the relevant Special Section.

Redemption Fee means the fee that may be levied in case of redemption of Shares of any Class in any Sub-fund, details of which are set out in the relevant Special Section.

Reference Currency means, in relation to each Sub-fund and Class, the currency in which the Net Asset Value of such Sub-fund or Class is calculated, as stipulated in the relevant Special Section.

Regulated Market means a regulated market as defined in the Council Directive 2004/39/EEC dated 21 April 2004 on markets in financial instruments or any other market established in the EEA which is regulated, operates regularly and is recognised and open to the public.

Restricted Person means any US Person and any person, determined in the sole discretion of the Board as being not entitled to subscribe or hold Shares in the Company or any Sub-fund or Class if, in the opinion of the Board, (i) such person would not comply with the eligibility criteria of a given Class or Sub-fund, (ii) a holding by such person would cause or is likely to cause the Company some pecuniary, tax or regulatory disadvantage, (iii) a holding by such person would cause or is likely to cause the Company to be in breach of the law or requirements of any country or governmental authority applicable to the Company, or (iv) such person is not a FATCA Eligible Investor.

Retail Investor means any investor not qualifying as an Institutional Investor.

Securities Financing Transaction or **SFT** means (i) a repurchase transaction; (ii) securities or commodities lending and securities or commodities borrowing; (iii) a buy-sell back transaction or sell-buy back transaction; (iv) a margin lending transaction as defined under the SFTR.

SFT Agent means any person involved in SFTs and/or TRSs as agent, broker, collateral agent or service provider and that is paid fees, commissions, costs or expenses out of any Sub-fund's assets (which can be the counterparty of a Sub-fund in an SFT and/or a TRS).

SFDR means Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector.

SFTR means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.

Service Agreements means the Depositary Agreement, the Management Company Agreement the Administration Agreement and any other agreement between the Company and/or the Management Company on account of one or more Sub-fund(s) and any other Service Provider.

Service Providers means the Management Company, the Investment Manager(s) (if any), the Investment Adviser(s) (if any), the Depositary, and the Administrative Agent and any other person who provides services to the Company from time to time (including, for the avoidance of doubt, any Investment Adviser or Investment Manager).

Shareholder means any registered holder of Shares.

Shares means all shares issued by the Company from time to time, representing the total outstanding shares.

Special Section means each and every supplement to this Prospectus describing the specific features of a Sub-fund. Each such supplement is to be regarded as an integral part of the Prospectus.

Sub-Classes means each sub-class of Shares which may be issued within each Class with a distinct valuation currency.

Sub-fund means a separate portfolio of assets established for one or more Classes of the Company which is invested in accordance with a specific Investment Objective. The Sub-funds do not have a legal existence distinct from the Company; however each Sub-fund is liable only for the debts, liabilities and obligations attributable to it. The specifications of each Sub-fund will be described in the relevant Special Section.

Subscription Cut-Off Time means the deadline for the submission of subscription requests as set out in Section 5.2(a) of the General Section, unless otherwise specified in respect of a specific Sub-fund in the relevant Special Section.

Subscription Fee means the fee that may be levied in case of subscription of Shares of any Class in any Sub-fund, details of which are set out in the relevant Special Section.

Supermajority Resolution means a resolution of the Shareholders' meeting in accordance with the quorum and majority requirements set out in the 1915 Act for amendments to the Articles, i.e., a resolution passed at a meeting where holders representing half of the issued share capital are present or represented and that is passed by not less than two-thirds of the votes cast in relation to such resolution provided that if the quorum requirement is not fulfilled at the occasion of the first general meeting, a second meeting may be convened at which meeting resolutions are passed at a two third majority of the votes cast without any quorum requirement.

Sustainability Risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment and potentially a total loss of its value and therefore an impact on the Net Asset Value of the concerned Sub-fund.

Sustainable Investment means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

Target Sub-fund has the meaning ascribed to this term in Section 1.10.

Taxonomy Regulation means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

Territories means the Netherlands, Antilles, Aruba, Jersey, Guernsey, Isle of Man, Montserrat and the British Virgin Islands.

Transferable Securities means:

- shares and other securities equivalent to shares;
- bonds and other debt instruments;
- any other negotiable securities which carry the right to acquire any such transferable securities by subscription or to exchanges, with the exclusion of techniques and instruments.

TRS means total return swap, i.e., a derivative contract as defined in point (7) of article 2 of the SFTR in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty;

UCI means an undertaking for collective investment within the meaning of article 1, paragraph (2), points a) and b) of the UCITS Directive, whether situated in an EU Member State or not, provided that:

- such UCI is authorised under laws which provide that it is subject to supervision that is considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;
- the level of guaranteed protection for Shareholders in such UCI is equivalent to that provided for Shareholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and

uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;

- the business of such UCI is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period.

UCI Administrator means the Management Company when providing administrative agency, registrar and transfer agency, paying agency and domiciliary services.

UCITS means an undertaking for collective investment in transferable securities under the UCITS Directive.

UCITS-CDR means the Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing the UCITS Directive with regard to obligations of depositaries.

UCITS Directive means Directive 2009/65/EC of the European Parliament and of the 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 may be amended or supplemented from time to time.

UCITS Rules means the UCITS Directive, the UCITS-CDR, the 2010 Act as well as any other implementing measures of the UCITS Directive and the 2010 Act, to the extent applicable.

USD means the currency of the United States of America.

US Person means a person that is a US person for purposes of Regulation S under the US Securities Act and CFTC Rule 4.7 or a US resident within the meaning of the Investment Company Act, which includes any natural person who is a resident of the United States, any partnership or corporation organised or incorporated under the laws of the United States, any estate of which any executor or administrator is a US person and the income of such estate is subject to United States income tax regardless of source, any trust of which any trustee is a US person and the income of such trust is subject to United States income tax regardless of source and any other US person that is a US person or US resident for purposes of Regulation S under the US Securities Act, the Investment Company Act and CFTC Rule 4.7.

US Securities Act means the US Securities Act of 1933, as amended.

Valuation Day means such day as is specified in each Special Section as a Valuation Day and as of which the NAV of the relevant Sub-fund (and each Class and Share) will be calculated.

PART A – GENERAL SECTION

The General Section applies to all Sub-funds of the Company. Each Sub-fund is subject to specific rules which are set forth in the Special Section.

1. STRUCTURE OF THE COMPANY

1.1 The Company

The Company is an open-ended investment company organised under the laws of Luxembourg as a *société d'investissement à capital variable* (**SICAV**), incorporated on 3 December 2015 under the form of a public limited liability company (*société anonyme*) under part I of the 2010 Act. The Company is registered with the Trade and Companies Register of Luxembourg under number B 202078. Its deed of incorporation was published in the Luxembourg Official Gazette on 15 December 2015.

The Company is subject to the provisions of the 2010 Act and of the 1915 Act insofar as the 2010 Act does not derogate therefrom. The registration of the Company pursuant to the 2010 Act 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.

The Shares are not currently listed on the Luxembourg Stock Exchange but the Board may decide that one or more Classes of a Sub-fund be listed or admitted to trading on the Luxembourg or any other stock exchange, regulated or alternative market.

There is no limit to the number of Shares which may be issued. Shares will be issued to subscribers in registered form or dematerialised form.

Shares will have the same voting rights and will have no pre-emptive subscription rights. In the event of the liquidation of the Company, each Share is entitled to its proportionate share of the relevant Sub-fund's assets after payment of the Company's debts and expenses, taking into account the Company's rules for the allocation of assets and liabilities.

The initial subscribed capital of the Company was EUR31,000. The minimum share capital of the Company must at all times be EUR1,250,000 which amount had to be attained within six months of the Company's authorisation to operate as a UCI, being provided that Shares of a Target Sub-fund held by an Investing Sub-fund will not be taken into account for the purpose of the calculation of the EUR1,250,000 minimum capital requirement. The Company's share capital is at all times equal to its Net Asset Value. The Company's share capital is automatically adjusted when additional Shares are issued or outstanding Shares are redeemed, and no special announcements or publicity are necessary in relation thereto.

1.2 Shares

Any Eligible Investor may acquire Shares in the Company against payment of the subscription price as defined in Section 5.1 of the General Section.

Shares may be issued in registered or dematerialised form. A holder of dematerialised Shares will have its Shares deposited on a securities account in the name of its beneficiary. All Shares must be fully paid up. Fractional Shares may be issued up to five (5) decimal places and will carry rights in proportion to the fraction of a Share they represent but will carry no voting rights.

The register of the Shareholders will be kept by the UCI Administrator on behalf of the Company, and the register (and the Shareholders' personal data contained therein) will be available for inspection by any Shareholder. The register will contain the name of each owner of registered Shares, his/her/its residence or elected domicile as indicated to the Company and the number and Class held by him/her/it

and the transfer of Shares and the dates of such transfers. The ownership of the Shares will be established by the entry in this register.

Each registered Shareholder will provide the Company with an address, fax number and email address to which all notices and announcements may be sent. Such address will also be entered into the register of Shareholders. Shareholders may, at any time, change their address as entered into the register of Shareholders by way of a written notification sent to the Company.

The Shares confer no preferential subscription rights at the time of the issue of new Shares.

Within the same Sub-fund, all Shares have equal rights as regards voting rights in all general meetings of Shareholders and in all meetings of the Sub-fund concerned.

The Special Sections indicate, for each Sub-fund, which Classes are available and their characteristics.

For each Sub-fund, the Board may, in respect of Shares in one or several Class(es) if any, decide to close subscriptions temporarily or definitively, including those arising from the conversion of Shares of another Class or another Sub-fund.

Shareholders may ask for the conversion of all or a part of their Shares from one Class to another in compliance with the provisions of Section 5 of the General Section.

1.3 Umbrella structure - Sub-funds and Classes

The Company has an umbrella structure consisting of one or several Sub-funds. A separate portfolio of assets is maintained for each Sub-fund and is invested in accordance with the Investment Objective and Investment Policy applicable to that Sub-fund. The Investment Objective, Investment Policy, as well as the other specific features of each Sub-fund (such as risk profile and duration (including limited duration)) are set forth in the relevant Special Section.

The Company is one single legal entity. However, the rights of the Shareholders and creditors relating to a Sub-fund or arising from the setting-up, operation and liquidation of a Sub-fund are limited to the assets of that Sub-fund. The assets of a Sub-fund are exclusively dedicated to the satisfaction of the rights of the Shareholders relating to that Sub-fund and the rights of those creditors whose claims have arisen in connection with the setting-up, operation and liquidation of that Sub-fund.

The Company may be comprised of one or more feeder Sub-funds, with each such feeder Sub-fund being authorised to invest up to 100% of its assets in units of another eligible master UCITS (or sub-fund thereof) under the conditions set out by applicable law, as may be set forth in the relevant Special Section.

Within a Sub-fund, the Board may decide to issue one or more Classes the assets of which will be commonly invested but subject to different fee structures, distribution, marketing targets, currency or other specific features. A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Class. The Board may, at any time, create additional Classes whose features may differ from the existing Classes and additional Sub-funds whose Investment Objectives may differ from those of the Sub-funds then existing. Upon creation of new Sub-funds or Classes, the Prospectus will be updated, if necessary, or supplemented by a new Special Section. Classes of some Sub-funds, indicated in the Special Sections, may, on the decision of the Board, be subdivided into several Sub-Classes with a different valuation currency. **The attention of investors is drawn to the fact that, depending on whether foreign exchange hedging instruments are used in respect of each Class, an investor may be exposed to the risk that the Net Asset Value of one Class denominated in a given valuation currency may fluctuate in a way that compares unfavourably to that of another Class denominated in another valuation currency. It should nevertheless be noted that all expenses associated with the financial instruments, if any, used for**

the purpose of hedging foreign exchange risks related to the Sub-Class concerned will be allocated to that Sub-Class. To the extent permitted by the Prospectus, and in relation to Sub-Classes that are denominated in a currency other than the Reference Currency of a Sub-fund or Class, the Company may (but is under no obligation to) employ techniques and instruments intended to provide protection, so far as possible, against movements of the currency in which the relevant Sub-Class is denominated.

The Sub-funds are described in more detail in the relevant Special Sections.

Investors should note however that some Sub-funds or Classes may not be available to all investors. The Company retains the right to offer only one or more Classes for purchase by investors in any particular jurisdiction in order to conform to local law, customs or business practice or for fiscal or any other reason. The Company may further reserve one or more Sub-funds or Classes to Institutional Investors only.

1.4 Term of the Company – Term of the Sub-funds

The Company will exist for an indefinite period. However, the Company will be automatically put into liquidation upon the termination of a Sub-fund if no further Sub-fund is active at that time.

The Sub-funds may be created with a limited duration in which case Shares for which no redemption request has been submitted in respect of the maturity date as set out in the relevant Special Section will be compulsory redeemed at the Net Asset Value per Share calculated as at such maturity date.

2. MANAGEMENT, ADMINISTRATION AND DISTRIBUTION

2.1 The Board

The Company will be managed by the Board. The Board is vested with the broadest powers to perform all acts of administration and disposition in the Company's interests. All powers not expressly reserved by law to the general meeting of Shareholders fall within the competence of the Board.

The Board must be composed at all times of at least three Directors (including the chairman of the Board).

Any Director may be removed with or without cause or be replaced at any time by resolution adopted by the general meeting of Shareholders.

The Company may indemnify any Director or officer, and his heirs, executors and administrators against expenses reasonably incurred by him or her in connection with any action, suit proceeding to which he or she may be made a party by reason of his or her being or having been a director or officer of the Company or, at its request, of any other company of which the Company is a shareholder or creditor and from which he or she is not entitled to be indemnified, except in relation to matters as which he or she shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or wilful misconduct; in the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Company is advised by counsel that the person to be indemnified did not commit such a breach of duty. The foregoing right of indemnification shall not exclude other rights to which he or she may be entitled.

The Board is currently composed as follows:

- Mrs Blanca Hernández Rodríguez, Chairman;
- Mrs Mónica Delclaux Real de Asua;
- Mr Iván Martin Aranguez;
- Mr Rafael Ruiz Hernández.

The Board will appoint a chairman. The chairman will have a casting vote in case of a tied vote.

2.2 Management Company and UCI Administrator

Corporate information

The Board has appointed FundPartner Solutions (Europe) S.A. (the **Management Company**) as the management company of the Company to serve as its designated management company within the meaning of Part I of the 2010 Act pursuant to a management company services agreement with effect as of 3 December 2015 (the **Management Company Agreement**).

FundPartner Solutions (Europe) S.A. is a public limited company incorporated under the laws of Luxembourg for an unlimited duration on 17 July 2008. Its articles have been published in the Luxembourg Official Gazette on 26 August 2008. It is registered on the official list of Luxembourg management companies governed by Chapter 15 of the Law of 2010. At the date of this Prospectus, the authorised capital of the Management Company which is fully paid up is CHF 6,250,000 and the own funds of the Management Company comply with the requirements of the 2010 Act and of the Circular 18/698. Its board of directors is composed as follows:

Mr Marc Briol
CEO Pictet Asset Services
Banque Pictet & Cie S.A., Geneva
60, route des Acacias
CH-1211 Geneva 73
Switzerland

Mr Dorian Jacob
Managing Director, Chief Executive Officer
FundPartner Solutions (Europe) S.A.
15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Mr Geoffroy Linard De Guertechin
Independent Director
15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Mrs Christel Schaff
Independent Director
15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Mr Cédric Vermesse,
CFO
Pictet Asset Management
Banque Pictet & Cie S.A., Geneva
60, route des Acacias
CH-1211 Geneva 73
Switzerland

Mr Pierre Etienne
Director
15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Duties of FundPartner Solutions (Europe) S.A. as Management Company

The Management Company will provide, subject to the overall control of the Board and without limitation, (i) investment management services, (ii) administrative services and (iii) marketing, distribution and sales services to the Company as listed in Annex II of the 2010 Act. The rights and duties of the Management Company are further laid down in articles 107 et seq. of the 2010 Act. The Management Company must at all times act honestly and fairly in conducting its activities in the best interest of the Shareholders and in conformity with the 2010 Act, the Prospectus and the Articles.

The Management Company is vested with the day-to-day administration of the Company. In fulfilling its duties as set forth by the 2010 Act and the Management Company Agreement, the Management Company is authorised, for the purpose of more efficient conduct of its business, to delegate, under its responsibility and control, and with the prior consent of the Company and subject to the approval of

the CSSF, part or all of its functions and duties to any third party, which, having regard to the nature of the functions and duties to be delegated, must be qualified and capable of undertaking the duties in question. The Management Company will remain liable to the Company in respect of all matters so delegated.

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

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

The Management Company will be careful and diligent in the selection and monitoring of the third parties to whom functions and duties may be delegated and ensure that the relevant third parties have sufficient experience and knowledge as well as the necessary authorisations required to carry out the functions delegated to them.

The following functions may be delegated by the Management Company to third parties: investment management of certain Sub-funds, administration, marketing and distribution, as further set forth in this Prospectus and in the Special Sections.

The Management Company has established and applies a remuneration policy and practices that are consistent with, and promote, sound and effective risk management and that neither encourage risk taking which is inconsistent with the risk profiles, rules, this Prospectus or the Articles nor impair compliance with the Management Company's obligation to act in the best interest of the Company (the **Remuneration Policy**).

The Remuneration Policy includes fixed and variable components of salaries and applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profiles of the Management Company, the Company or the Sub-funds.

The Remuneration Policy is in line with the business strategy, objectives, values and interests of the Management Company, the Company and the Shareholders and includes measures to avoid conflicts of interest.

In particular, the Remuneration Policy will ensure that:

(a) the staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas that they control;

(b) the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the Company in order to ensure that the assessment process is based on the longer-term performance of the Company and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;

(c) the 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;

(d) the measurement of performance used to calculate variable remuneration components or pools of variable remuneration components includes a comprehensive adjustment mechanism to integrate all relevant types of current and future risks;

(e) if at any point of time, the management of the Company were to account for 50 % or more of the total portfolio managed by the Management Company, at least 50 %, of any variable remuneration component will have to consist of Shares, equivalent ownership interests, or share-linked instruments or equivalent non-cash instruments with equally effective incentives as any of the instruments referred to in this item (e); and

(f) a substantial portion, and in any event at least 40 %, of the variable remuneration component, is deferred over a period which is appropriate in view of the holding period recommended to the Shareholders and is correctly aligned with the nature of the risks of the Company.

Details of the Remuneration Policy, including the persons in charge of determining the fixed and variable remunerations of the staff, a description of the key remuneration elements and an overview of how remuneration is determined, is available on the website www.group.pictet/fps.

A paper copy of the summarised Remuneration Policy is available free of charge to the Shareholders upon request.

The Management Company Agreement has been entered into for an undetermined period of time and may be terminated by either party upon serving to the other a three months' prior written notice. At the date of this Prospectus, the Management Company has also been appointed to act as the management company for other investment funds, the list of which is available at the registered office of the Management Company and which will be set out in the Management Company's annual reports.

Conducting persons

The conducting persons of the Management Company are responsible for the conduct of the day-to-day business of the Management Company. As at the date of this Prospectus, the conducting persons of the Management Company are Dorian Jacob, Abdellali Khokha, Pierre Bertrand and Thomas Labat.

The conducting persons, acting as a management committee, have the duty to ensure that the different service providers to which the Management Company has delegated certain functions perform their functions in compliance with the 2010 Act, Circular 18/698, the Articles, the Prospectus and the provisions of the relevant services agreements between the Management Company, the Company and each of them. The conducting persons will also ensure compliance of the Company with the investment restrictions and oversee the implementation of the Sub-funds' investment policies. The conducting persons will also report to the board of directors of the Management Company on a regular basis and inform the board of directors of the Management Company without delay of any non-compliance of the Company with the investment restrictions.

Duties of FundPartner Solutions (Europe) S.A. as UCI Administrator

The Management Company also provides administrative agency, registrar and transfer agency, paying agency and domiciliary services to the Company (the Management Company in this capacity, the UCI Administrator). In that context Administration Agreement, the UCI Administration will as:

- register and transfer agent, inter alia be responsible to maintain the register of Shareholders and to proceed with the issue, conversion and redemption of Shares in accordance with this Prospectus and the Articles;

- administrative agent, be responsible (i) for the calculation and publication of the Net Asset Value of the Shares of each Sub-fund and Class pursuant to the 2010 Act, the Articles and the Prospectus, (ii) to perform administrative and accounting services for the Company as necessary and (iii) to provide client communication services;

- domiciliary agent, be primarily responsible for receiving and keeping safely any and all notices, correspondence, telephonic advice or other representations and communications received for the account of the Company, as well as for providing such other facilities as may from time to time be necessary in the course of the day-to-day administration of the Company; and

- paying agent, be responsible to arrange for the payment of dividend or distributions and redemptions proceeds to Shareholder.

2.3 Investment Manager(s)

The Management Company has, with the consent of the Company, appointed Magallanes Value Investors S.A. S.G.I.I.C (the **Investment Manager**) as investment manager of all Sub-funds pursuant to an investment management agreement with effect as of 3 December 2015 (the **Investment Management Agreement**). The Investment Manager will carry out investment management services pursuant to the Investment Management Agreement and will be responsible for the Sub-funds' investment activities within the parameters and restrictions set out in this Prospectus and the relevant Special Section.

Magallanes Value Investors S.A. S.G.I.I.C, whose registered office is at Calle Lagasca, 88, 28001 Madrid, Spain, is a public limited liability company (*sociedad anonima*) formed under the laws of Spain under the supervision of the Spanish financial regulator (*Comisión Nacional del Mercado de Valores*).

The Investment Manager will provide or procure each such Sub-fund investment advisory and investment management services, pursuant to the provisions of the Investment Management Agreement and in accordance with the investment policy, objective and restrictions of the relevant Sub-fund as set out in the Articles, the Prospectus and the relevant Special Section and with the aim to achieve the Sub-fund's investment objective.

Any such Investment Manager may be assisted by one or more Investment Advisers or delegate its functions, with the approval of the CSSF, the Management Company and the Board, to one or more sub-managers. In case sub-managers/advisers are appointed, the relevant Special Section will be updated.

Based on article 110(1)(g) of the 2010 Act, the Management Company may (i) give any further instructions to, and (ii) terminate the mandate of, any Investment Manager which is appointed in accordance with the above paragraph, at any time when this is in the interests of the Shareholders.

Unless otherwise stated in the relevant Special Section, the Investment Manager is responsible for, among other matters, identifying and acquiring the investments of the Company. The Investment Manager is granted full power and authority and all rights necessary to enable it to manage the investments of the relevant Sub-funds and provide other investment management services to assist the Company and the Management Company to achieve the investment objectives and policy set out in this Prospectus and any specific investment objective and policy set out in the relevant Special Section. Consequently, the responsibility for making decisions to buy, sell or hold a particular security or asset rests with the Board, the Management Company, the Investment Manager and, as the case may be, the relevant sub-investment manager appointed by them, subject always to the overall policies, direction, control and responsibility of the Board and the Management Company.

If an Investment Manager is entitled to receive a remuneration out of the assets of the relevant Sub-fund, then such remuneration will be disclosed in the relevant Special Section.

2.4 Investment Adviser(s)

The Management Company or an Investment Manager may appoint one or more Investment Advisers to provide advisory services in respect of a Sub-fund as stipulated in the relevant Special Section.

If an Investment Adviser is entitled to receive a remuneration directly out of the assets of the relevant Sub-fund, then such remuneration will be disclosed in the relevant Special Section.

2.5 Depositary

Bank Pictet & Cie (Europe) AG, *succursale de Luxembourg* has been designated as the Depositary for the Company pursuant to a depositary agreement (the **Depositary Agreement**) entered into for an indefinite period.

Bank Pictet & Cie (Europe) AG, *succursale de Luxembourg* is a branch of the German credit institution Bank Pictet & Cie (Europe) AG, is situated at 15A, avenue J.F. Kennedy, L-1855 Luxembourg, and is registered with the Luxembourg register of commerce and companies under number B277879. It is licensed to carry out depositary functions under the terms of Luxembourg Law.

On behalf of and in the interests of the Shareholders, Bank Pictet & Cie (Europe) AG, *succursale de Luxembourg* is in charge of (i) the safekeeping of cash and securities comprising the Company's assets, (ii) the cash monitoring, (iii) the oversight functions and (iv) such other services as agreed from time to time and reflected in the Depositary Agreement.

Duties of the Depositary

The Depositary is entrusted with the safekeeping of the Company's assets. For the financial instruments which can be held in custody, they may be held either directly by the Depositary or, to the extent permitted by applicable laws and regulations, through every third-party custodian/sub-custodian providing, in principle, the same guarantees as the Depositary itself, i.e. for Luxembourg institutions to be a credit institution within the meaning of the Luxembourg law of 5 April 1993 on the financial sector as amended or for foreign institutions, to be a financial institution subject to the rules of prudential supervision considered as equivalent to those provided by EU legislation. The Depositary also ensures that the Company's cash flows are properly monitored, and in particular that the subscription monies have been received and all cash of the Company has been booked in the cash account in the name of (i) the Company, (ii) the Management Company on behalf of the Company or (iii) the Depositary on behalf of the Company.

The Depositary must notably:

(a) perform all operations concerning the day-to-day administration of the Company's securities and liquid assets, e.g. pay for securities acquired against delivery, deliver securities sold against collection of their price, collect dividends and coupons and exercise subscription and allocation rights;

(b) ensure that the value of the Shares is calculated in accordance with Luxembourg Law and the Articles;

(c) carry out the instructions of the Company, unless they conflict with Luxembourg Law or the Articles;

(d) ensure that proceeds are remitted within the usual time limits for transactions relating to the Company's assets;

(e) ensure that Shares are sold, issued, redeemed or cancelled by the Company or on its behalf in accordance with Luxembourg Law and the Articles; and

(f) ensure that the Company's income is allocated in accordance with Luxembourg Law and the Articles.

The Depositary regularly provides the Company and the Management Company with a complete inventory of all assets of the Company.

Delegation of functions

Pursuant to the provisions of the Depositary Agreement, the Depositary may, subject to certain conditions and in order to more efficiently conduct its duties, delegate part or all of its safekeeping duties over the Company's assets including but not limited to holding assets in custody or, where assets are of such a nature that they cannot be held in custody, verification of the ownership of those assets as well as record-keeping for those assets, to one or more third-party delegates appointed by the Depositary from time to time. The Depositary shall exercise care and diligence in choosing and appointing the third-party delegates so as to ensure that each third-party delegate has and maintains the required expertise and competence. The Depositary shall also periodically assess whether the third-party delegates fulfil applicable legal and regulatory requirements and will exercise ongoing supervision over each third-party delegate to ensure that the obligations of the third-party delegates continue to be competently discharged. The fees of any third-party delegate appointed by the Depositary shall be paid by the Company.

The liability of the Depositary shall not be affected by the fact that it has entrusted all or some of the Company's assets in its safekeeping to such third-party delegates.

In case of a loss of a financial instrument held in custody, the Depositary shall return a financial instrument of an identical type or the corresponding amount to the Company without undue delay, except if such loss results from an external event beyond the Depositary's reasonable control and the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

An up-to-date list of the appointed third-party delegates is available upon request at the registered office of the Depositary and is available on the website of the Depositary: https://www.group.pictet/asset-services/custody/safekeeping-delegates-sub-custodians.

Conflicts of interests

In carrying out its functions, the Depositary shall act honestly, fairly, professionally, independently and solely in the interest of the Company and the Shareholders.

Potential conflicts of interest may nevertheless arise from time to time from the provision by the Depositary and/or its delegates of other services to the Company, the Management Company and/or other parties. As indicated above, Depositary's affiliates may also be also appointed as third-party delegates of the Depositary. Potential conflicts of interest which have been identified between the Depositary and its delegates are mainly fraud (unreported irregularities to the competent authorities to avoid bad reputation), legal recourse risk (reluctance or avoidance to take legal steps against the depositary), selection bias (the choice of the depositary not based on quality and price), insolvency risk (lower standards in asset segregation or attention to the depositary's solvency) or single group exposure risk (intragroup investments).

The Depositary (or any of its delegates) may in the course of its business have conflicts or potential conflicts of interest with those of the Company and/or other funds for which the Depositary (or any of its delegates) acts.

The Depositary has pre-defined all kind of situations which could potentially lead to a conflict of interest and has accordingly carried out a screening exercise on all activities provided to the Company either by the Depositary itself or by its delegates. Such exercise resulted in the identification of potential conflicts of interest that are however adequately managed. The details of potential conflicts of interest listed above are available free of charge from the registered office of the Depositary and on the following website: https://www.pictet.com/content/dam/www/documents/legal-and-notes/bank-pictet-cie-europe-ag/BPAG-Lux-conflicts-of-interest-register-FR.pdf.coredownload.pdf.

On a regular basis, the Depositary re-assesses those services and delegations to and from delegates with which conflicts of interest may arise and will update such list accordingly.

Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations to the Company and will treat the Company and the other funds for which it acts fairly and such that, so far as is practicable, any transactions are effected on terms which shall be based on objective pre-defined criteria and meet the sole interest of the Company and the Shareholders. Such potential conflicts of interest are identified, managed and monitored in various other ways including, without limitation, the hierarchical and functional separation of Depositary's depositary functions from its other potentially conflicting tasks and by the Depositary adhering to its own conflicts of interest policy.

The Depositary or the Company may terminate the Depositary Agreement at any time, by giving at least three months' written notice to the other party; provided, however, that any decision by the Company to end the Depositary's appointment is subject to another custodian bank taking on the duties and responsibilities of the Depositary, and provided further that, if the Company terminates the Depositary's duties, the Depositary will continue to perform its duties until the Depositary has been relieved of all the Company's assets that it held or had arranged to be held on behalf of the Company. Should the Depositary itself give notice to terminate the Depositary Agreement, the Company will be required to appoint a new depositary bank to take over the duties and responsibilities of the Depositary; provided, however, that, as of the date when the notice of termination expires and until a new depositary bank is appointed by the Company, the Depositary will only be required to take any necessary measures to safeguard the best interests of Shareholders.

Up-to-date information regarding the description of the Depositary's duties and of conflicts of interest that may arise as well as of any safekeeping functions delegated by the Depositary and any conflicts of interest that may arise from such a delegation will be made available to investors on request at the Company's registered office.

The Depositary is remunerated in accordance with customary practice in the Luxembourg financial market. Such remuneration is expressed as a percentage of the Company's net assets and paid on a quarterly basis.

2.6 Distributors and nominees

The Company and the Management Company may enter into distribution agreement(s) to appoint Distributor(s) to distribute Shares of different Sub-funds from time to time.

It is expected that the Management Company and/or any distributor(s) will offer to enter into arrangements with investors to provide nominee services to those investors in relation to the Shares or arrange for third party nominee service providers to provide such nominee services to the underlying investors.

All distributors that are entitled to receive subscription monies and/or subscription, redemption or conversion orders on behalf of the Company and nominee service providers must be (i) professionals of the financial sector of a FATF member country which are subject under their local regulations to anti money laundering rules equivalent to those required by Luxembourg Law or (ii) professionals established in a non-FATF member State provided they are a subsidiary of a professional of the financial sector of a FATF member State and they are obliged to follow anti money laundering and terrorism financing rules equivalent to those required by Luxembourg Law because of internal group policies. Whilst and to the extent that such arrangements subsist, underlying investors will not appear in the register of the Company and will have no direct right of recourse against the Company.

The Management Company and/or any distributors or nominee service providers holding their Shares through Euroclear or Clearstream or any other relevant clearing system as an accountholder also will not be recognised as the registered Shareholder in the register. The relevant nominee of Euroclear or Clearstream or the other relevant clearing system will be recognised as the registered Shareholder in the register in such event, and in turn would hold the Shares for the benefit of the relevant accountholders in accordance with the relevant arrangements.

The terms and conditions of any (sub-)distribution agreement(s) with arrangements to provide nominee services will have to allow that an underlying investor who (i) has invested in the Company through a nominee and (ii) is an Eligible Investor, may at any time, require the transfer in his/her/its name of the Shares subscribed through the nominee. After this transfer, the investor will receive evidence of his shareholding at the confirmation of the transfer from the nominee.

Investors may subscribe directly to the Company without having to go through the Management Company or any distributors or nominee.

Copies of the various agreements between the Company, the Management Company and distributors or nominee(s) are available at the registered office of the Company as well as at the registered office of the UCI Administrator or of the Management Company, distributor(s)/nominee(s) during the normal business hours on any Business Day.

The Management Company and any Investment Manager or Investment Adviser may enter into retrocession fee arrangements with any distributor in relation to their distribution services. Any such retrocession fee will be paid by the Management Company, the Investment Manager or the Investment Adviser out of its own remuneration.

2.7 Auditor

Deloitte Audit, S.à r.l. has been appointed as the Company's approved statutory auditor and will fulfil all duties prescribed by the 2010 Act.

3. INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS

3.1 Investment Objective and Investment Policy

The Investment Objective and Investment Policy of each Sub-fund are as set out in respect of that Sub-fund in the relevant Special Section.

3.2 Investment Restrictions

The Company and the Sub-funds are subject to the Investment Restrictions set forth in Schedule 1.

3.3 Use of financial derivative instruments

Certain Sub-funds are authorised to use financial derivative instruments either for hedging or efficient portfolio management purposes or as part of their investment strategies as described in the relevant Special Sections. Unless stated otherwise in a Special Section, a Sub-fund which uses financial derivative instruments will do so for hedging and/or efficient portfolio management purposes only. Sub-funds using derivatives will do so within the limits specified in Schedule 1. **Investors should refer to the risk factors in Schedule 2 for special risk considerations applicable to financial derivative instruments. The Sub-funds will only enter into OTC transactions with first class financial institutions specialised in those transactions.**

As at the time of this prospectus and notwithstanding any provisions to the contrary herein, the Sub-funds do not use SFT or TRS which fall under the scope of the SFTR. Whenever this situation changes, the Prospectus will be updated accordingly beforehand.

4. CO-MANAGEMENT

Subject to the general provisions of the Articles, the Board may choose to co-manage the assets of certain Sub-funds on a pooled basis for the purposes of efficient portfolio management. In these cases, assets of the Sub-funds participating in the co-management process will be managed according to a common investment objective and will be referred to as a "pool". These pools, however, are used solely for internal management efficiency purposes or to reduce management costs.

The pools do not constitute separate legal entities and are not directly accessible to Shareholders. Cash, or other assets, may be allocated from one or more Sub-funds into one or more of the pools established by the Company. Further allocations may be made, from time to time, thereafter. Transfers from the pool(s) back to the Sub-funds may only be made up to the amount of that Sub-fund's participation in the pool(s).

The proportion of any Sub-fund's participation in a particular pool will be measured by reference to its initial allocation of cash and/or other assets to such a pool and, on an ongoing basis, according to adjustments made for further allocations or withdrawals.

The entitlement of each Sub-fund participating in the pool, to the co-managed assets applies proportionally to each and every single asset of such pool.

Where the Company incurs a liability relating to any asset of a particular pool or to any action taken in connection with an asset of a particular pool, such liability is allocated to the relevant pool. Assets or liabilities of the Company which cannot be attributed to a particular pool, are allocated to the Sub-fund they belong or relate to. Assets or expenses which are not directly attributable to a particular Sub-fund are allocated among the various Sub-funds pro rata, in proportion to the Net Asset Value of each Sub-fund.

Upon dissolution of the pool, the pool's assets will be allocated to the Sub-fund(s) in proportion to its/their participation in the pool.

Dividends, interest, and other distributions of an income nature earned in respect of the assets of a particular pool will be immediately credited to the Sub-funds in proportion to its respective participation in the pool at the time such income is recorded.

Expenses directly attributable to a particular pool will be recorded as a charge to that pool and, where applicable, will be allocated to the Sub-funds in proportion to their respective participation in the pool at the time such expense is incurred. Expenses, that are not attributable to a particular pool, will be charged to the relevant Sub-fund(s).

In the books and accounts of the Company the assets and liabilities of a Sub-fund, whether participating or not in a pool, will, at all times, be identified or identifiable as an asset or liability of the Sub-fund concerned including, as the case may be, between two accounting periods a proportionate entitlement of a Sub-fund to a given asset. Accordingly such assets can, at any time, be segregated. On the Depositary's records for the Sub-fund such assets and liabilities will also be identified as a given Sub-fund's assets and liabilities and, accordingly, segregated on the Depositary's books.

5. SUBSCRIPTION FOR SHARES

5.1 Initial Subscription Period/Date and Ongoing Subscriptions

During the Initial Subscription Period or on the Initial Subscription Date or on the Class Launch Date, the Company is offering the Shares under the terms and conditions as set forth in the relevant Special Section. The Company may offer Shares in one or several Sub-funds or in one or more Classes in each

Sub-fund. If so provided for in a Special Section, the Board may extend the Initial Subscription Period and/or postpone the Launch Date subject to the terms of the relevant Special Section.

After the Initial Subscription Period, the Initial Subscription Date or the Class Launch Date, the Company may offer Shares of each existing Class in each existing Sub-fund on any day that is a Valuation Day, as stipulated in the relevant Special Section. The Company may decide that for a particular Class or Sub-fund no further Shares will be issued after the Initial Subscription Period or Initial Subscription Date (as will be set forth in the relevant Special Section). However, the Board reserves the right to authorise at any time and without notice the issue and sale of Shares for Classes or Sub-funds that were previously closed for further subscriptions. Such decision will be made by the Board with due regard to the interest of the existing Shareholders in the relevant Class or Sub-fund.

The Board may in its discretion decide to cancel the offering of a Sub-fund. The Board may also decide to cancel the offering of a new Class. In such case, investors having made an application for subscription will be duly informed and any subscription monies already paid will be returned. For the avoidance of doubt, no interest will be payable on such amount prior to their return to the relevant investors.

Shareholders or prospective investors may subscribe for a Class in a Sub-fund at a subscription price per Share equal to:

(a) the Initial Subscription Price where the subscription relates to the Initial Subscription Period, the Initial Subscription Date or the Class Launch Date; or

(b) the Net Asset Value per Share as of the Valuation Day on which the subscription is effected where the subscription relates to a subsequent offering (other than the Initial Subscription Period, the Initial Subscription Date or the Class Launch Date) of Shares of an existing Class in an existing Sub-fund.

A Subscription Fee may be added to the subscription price to be paid by the investor. The applicable Subscription Fee will be stipulated in the relevant Special Section. This fee will be payable to the Company, the Management Company or the Distributor, unless otherwise specified in respect of a Sub-fund in the relevant Special Section.

Subscriptions will be accepted in amounts and number of Shares, unless stated otherwise in a Special Section.

With regard to the Initial Subscription Period or Initial Subscription Date, Shares will be issued on the Initial Subscription Date or the first Business Day following the end of the Initial Subscription Period. With regards to the Class Launch Date, Shares will be issued on the Class Launch Date.

5.2 Subscription procedure

After the end of the Initial Subscription Period, the Initial Subscription Date or the Class Launch Date, subscriptions may be made only by investors who are Eligible Investors by:

(a) submitting a written subscription request by fax, swift or any other transmission method allowed by the UCI Administrator to the UCI Administrator or Distributor(s) to be received by the UCI Administrator by such time as set out in the relevant Special Section (the **Subscription Cut-Off Time**). Subscription orders for Shares received by the UCI Administrator in respect of a Valuation Day prior to the relevant Subscription Cut-Off Time, will be processed on the first NAV Calculation Day following such Valuation Day on the basis of the Net Asset Value per Share calculated on such NAV Calculation Day. Any applications received after the Subscription Cut-Off Time in respect of the relevant Valuation Day will be deferred to the next Valuation Day and will be dealt with on the basis of the Net

Asset Value per Share calculated on the NAV Calculation Day immediately following such next Valuation Day;

(b) delivering to the account of the Depositary funds for the full amount of the subscription price (plus any Subscription Fee) of the Shares being subscribed for pursuant to the subscription request by such time as set out in the relevant Special Section.

If the Depositary does not receive the funds in time the investor will be liable for the costs of late or non-payment in which the case the Board will have the power to redeem all or part of the investor's holding of Shares in the Company in order to meet such costs. In circumstances where it is not practical or feasible to recoup a loss from an applicant for Shares, any losses incurred by the Company due to late or non-payment of the subscription proceeds in respect of subscription applications received may be borne by the relevant Sub-fund.

Subscribers for Shares must make payment in the Reference Currency of the relevant Sub-fund or Class.

Subscribers for Shares are to indicate the allocation of the subscription monies among one or more of the Sub-funds and/or Classes offered by the Company. Subscription requests are irrevocable, unless in the period during which the calculation of the Net Asset Value is suspended in accordance with Section 11.2 of the General Section.

In the event that the subscription order is incomplete (i.e., all requested papers are not received by the UCI Administrator or a Distributor by the relevant deadline set out above) the subscription order will be rejected and a new subscription order will have to be submitted.

The applicable Minimum Subscription Amount and Minimum Subsequent Subscription Amount may be waived or varied on a case-by-case basis, by the Company.

In the event that the Company or the Management Company decide to reject any application to subscribe for Shares the monies transferred by a relevant applicant will be returned to the prospective investor without undue delay (unless otherwise provided for by law or regulations).

5.3 Ownership Restrictions

A person who is a Restricted Person may not invest in the Company. In addition, each applicant for Shares must certify that it is either (a) not a US Person or (b) a "qualified institutional buyer" within the meaning of Rule 144A under the US Securities Act and a "qualified purchaser" within the meaning of section 2(a)(51) of the Investment Company Act. The Company may, in its sole discretion, decline to accept an application to subscribe for Shares from any prospective subscriber, including any Restricted Person or any person failing to make the certification set forth in (a) or (b) above. Shares may not be transferred to or owned by any Restricted Person. The Shares are subject to restrictions on transferability to a US Person and may not be transferred or re-sold except pursuant to an exemption from registration under the US Securities Act or an effective registration statement under the US Securities Act. In the absence of an exemption or registration, any resale or transfer of any of the Shares in the United States or to US Persons may constitute a violation of US law (See "Important Information – Selling Restrictions"). It is the responsibility of the Board to verify that Shares are not transferred in breach of the above. The Company reserves the right to redeem any Shares which are or become owned, directly or indirectly, by a Restricted Person or (a) in the case of Regulation S Shares, are or become owned, directly or indirectly, by a US Person or (b) in the case of 144 A Securities, are or become owned, directly or indirectly, by a US Person who is not a "qualified institutional buyer" within the meaning of Rule 144A under the US Securities Act and a "qualified purchaser" within the meaning of section 2(a)(51) of the Investment Company Act in accordance with the Articles. Any prospective investor will only be issued Shares for Institutional Investor if such person provides a representation that it qualifies as an Institutional Investor pursuant to Luxembourg Law.

5.4 Subscription in kind

At the entire discretion of the Board, Shares may be issued against contributions of Transferable Securities or other eligible assets to the Sub-funds provided that these assets are Eligible Investments and the contributions comply with the investment policies and restrictions laid out in the Prospectus and the relevant Special Sections and have a value equal to the issue price of the Shares concerned. The assets contributed to the Sub-fund, as described above, will be valued separately in a special report of the Auditor. These contributions in kind of assets are not subject to brokerage costs. The Board will only have recourse to this possibility (i) at the request of the relevant investor and (ii) if the transfer does not negatively affect current Shareholders. All costs related to a contribution in kind will be paid for by the Sub-fund concerned provided that they are lower than the brokerage costs which the Sub-fund would have paid if the assets concerned had been acquired on the market. If the costs relating to the contribution in kind are higher than the brokerage costs which the Sub-fund concerned would have paid if the assets concerned had been acquired on the market, the exceeding portion thereof will be supported by the subscriber.

5.5 Institutional Investors

The sale of Shares of certain Sub-funds or Classes may be restricted to Institutional Investors and the Company will not issue or give effect to any transfer of Shares of such Sub-funds or Classes to any investor who may not be considered as an Institutional Investor. The Company may, at its discretion, delay the acceptance of any subscription for shares of a Sub-fund or Class restricted to Institutional Investors until such date as it has received sufficient evidence on the qualification of the investor as an Institutional Investor. If it appears at any time that a holder of Shares of a Sub-fund or Class restricted to Institutional Investors is not an Institutional Investor, the Company will, at its discretion, either redeem the relevant shares in accordance with Section 7.9 of this General Section or convert such Shares into Shares of a Sub-fund or Class which is not restricted to Institutional Investors (provided there exists such a Sub-fund or Class with similar characteristics) and which is essentially identical to the restricted Sub-fund or Class in terms of its investment object (but, for avoidance of doubt, not necessarily in terms of the fees and expenses payable by such Sub-fund or Class), unless such holding is the result of an error of the Company or its agents, and notify the relevant Shareholder of such conversion.

Considering the qualification of a subscriber or a transferee as Institutional Investor, the Company will have due regard to the guidelines or recommendations (if any) of the competent supervisory authorities.

Institutional Investors subscribing in their own name, but on behalf of a third party, may be required to certify that such subscription is made either on behalf of an Institutional Investor or on behalf of a Retail Investor provided in the latter case that the Institutional Investor is acting within the framework of a discretionary management mandate and that the Retail Investor has no right to lay a claim against the Company for direct ownership of the Shares.

6. CONVERSION OF SHARES

6.1 General

Unless otherwise stated in the relevant Special Section, Shareholders are allowed to convert all, or part, of the Shares of a given Class into Shares of the same Class of another Sub-fund. However, the right to convert Shares is subject to compliance with any condition (including any Minimum Subscription Amounts and eligibility requirements) applicable to the Class into which 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 applicable Minimum Subscription Amount, the Board may decide not to accept the request for conversion of the Shares. Shareholders are not allowed to convert all, or part, of their Shares into Shares of a Sub-fund which is closed for further subscriptions after the Initial Subscription Period or Initial Subscription Date (as will be set forth in the relevant Special Section).

6.2 Procedure

If the criteria to become a Shareholder of such other Class and/or such other Sub-fund are fulfilled, the Shareholder will make an application to convert Shares by sending a written request by swift or fax for conversion to the Distributor or the UCI Administrator. Shares may be converted at the request of the Shareholders on any day that is a Valuation Day. The conversion request must be received by the Distributor or the UCI Administrator by such time as set out in the relevant Special Section on the relevant Valuation Day. Conversion requests received after this deadline will be deemed received at the next forthcoming Valuation Day and will processed on the basis of the Net Asset Value per Share as of the first Valuation Day after the relevant Valuation Day. The conversion request must state the number of Shares of the relevant Classes in the relevant Sub-fund, which the Shareholder wishes to convert.

6.3 10% Gate

If any application for conversion is received in respect of any one Valuation Day (the **First Valuation Day**) which either singly or when aggregated with other applications so received (including redemption requests), is more than 10% of the total net assets of the relevant Sub-fund, the Company reserves the right in its sole and absolute discretion (and taking into account the best interests of the remaining Shareholders) to scale down pro rata each application with respect to such First Valuation Day so that not more than 10% of the total net assets of the Sub-fund be redeemed or converted on such First Valuation Day. To the extent that any application is not given full effect on such First Valuation Day by virtue of the exercise of the power to prorate applications, it will be treated with respect to the unsatisfied balance thereof as if a further request had been made by the Shareholder in respect of the next Valuation Day and, if necessary, subsequent Valuation Days. With respect to any application received in respect of the First Valuation Day, to the extent that subsequent applications will be received in respect of following Valuation Days, such later applications will be postponed in priority to the satisfaction of applications relating to the First Valuation Day, but subject thereto will be dealt with as set out in the preceding sentence.

6.4 Conversion Fee

A Conversion Fee, in favour of Sub-fund from which the Shares are converted, of up to 1% of the Net Asset Value of the Shares of the relevant Class of the relevant new Sub-fund to be issued may be levied to cover conversion costs. The same rate of Conversion Fee will be applied to all conversion requests (deemed) received on the same Valuation Day.

6.5 Conversion process

Conversion of Shares will be effected on the first NAV Calculation Day after the relevant Valuation Day on which the conversion request is deemed received, by the simultaneous:

(a) redemption of the number of Shares of the relevant Class in the relevant Sub-fund specified in the conversion request at the Net Asset Value per Share of the relevant Class in the relevant Sub-fund; and

(b) issue of Shares on that Valuation Day in the new Sub-fund or Class, into which the original Shares are to be converted, at the Net Asset Value per Share for Shares of the relevant Class in the (new) Sub-fund.

Subject to any currency conversion (if applicable) the proceeds resulting from the redemption of the original Shares will be applied immediately as the subscription monies for the Shares in the new Class or Sub-fund into which the original Shares are converted.

Where Shares denominated in one currency are converted into Shares denominated in another currency, the number of such Shares to be issued will be calculated by converting the proceeds resulting from the redemption of the Shares into the currency in which the Shares to be issued are denominated. The exchange rate for such currency conversion will be calculated by the Depositary in accordance with the rules laid down in Section 11 of the General Section.

If conversion requests would result in a residual holding in any one Sub-fund or Class of less than the Minimum Net Asset Value applicable, the Company reserves the right to compulsory redeem the residual Shares in that Sub-fund or Class at the relevant redemption price and make payment of the proceeds thereof to the Shareholders.

7. REDEMPTION OF SHARES

7.1 Timing, form of redemption request

Shares in a Sub-fund may be redeemed at the request of the Shareholders on any day that is a Valuation Day. Redemption requests must be sent in writing by fax, swift or any other transmission method allowed by the UCI Administrator to the Distributor(s) or the UCI Administrator or such other place as the Company may advise. Redemption requests must be received by the UCI Administrator at the time specified in the relevant Special Section (the **Redemption Cut-Off Time**) to be eligible for processing as of such Valuation Day (unless another Redemption Cut-Off Time is specified in respect of a Sub-fund in the relevant Special Section). Redemption requests received after the Redemption Cut-Off Time will be deemed received at the next forthcoming Valuation Day and will be processed on the basis of the Net Asset Value per Share as of the first NAV Calculation Day after the relevant Valuation Day.

The Board, the UCI Administrator and the Distributor(s) will ensure that the relevant Redemption Cut-Off Times of each Sub-fund are strictly complied with and will therefore take all adequate measures to prevent practices known as "Late Trading".

Requests for redemption must be for either a number of Shares or an amount denominated in the Reference Currency of the Class of the Sub-fund. Redemption requests must be addressed to the UCI Administrator or the Distributor. Redemption requests will not be accepted by telephone or telex. Redemption requests are irrevocable (except during any period where the determination of the Net Asset Value, the issue, redemption and conversion of Shares is suspended) and proceeds of the redemption will be remitted to the account indicated by the Shareholder in its subscription request. The Company reserves the right not to redeem any Shares if it has not been provided with evidence satisfactory to the Company that the redemption request was made by a Shareholder of the Company. Failure to provide appropriate documentation to the UCI Administrator may result in the withholding of redemption proceeds.

7.2 Redemption Price

A Shareholder who redeems his/her/its Shares will receive an amount per Share redeemed equal to the Net Asset Value per Share as of the applicable Valuation Day for the relevant Class in the relevant Sub-fund, less, as the case may be, the Redemption Fee as stipulated in the relevant Special Section and any tax or duty imposed on the redemption of the Shares.

7.3 Redemption Fee

If a Shareholder wants to redeem Shares of the Company, a Redemption Fee may be levied on the amount to be paid to the Shareholder. The applicable Redemption Fee will be stipulated in the relevant Special Section. This fee will be payable to the Company, unless otherwise specified in respect of a Sub-fund in the relevant Special Section. For the avoidance of doubt, the Redemption Fee is calculated on the redemption price of the Shares.

7.4 Payment of the redemption price

Payment of the redemption proceeds will be made generally within 3 (three) Business Days following the relevant Valuation Day (unless otherwise specified in respect of a Sub-fund in the relevant Special Section). Where a Shareholder redeems Shares that he/she/it has not paid for within the required subscription settlement period, in circumstances where the redemption proceeds would exceed the subscription amount that he/she/it owes, the Company will be entitled to retain such excess for the benefit of the Company.

7.5 Minimum Net Asset Value

If redemption requests would result in a residual holding in any one Sub-fund or Class of less than the Minimum Net Asset Value applicable, the Company reserves the right to compulsory redeem the residual Shares in that Sub-fund or Class at the relevant redemption price and make payment of the proceeds thereof to the Shareholder.

7.6 Suspension of redemption

Redemption of Shares may be suspended for certain periods of time as described under Section 11.2 of the General Section.

7.7 10% Gate

If any application for redemption is received in respect of a Valuation Day which either singly or when aggregated with other applications so received (including conversion requests), is more than 10% of the total net assets of the relevant Sub-fund, the Company reserves the right in its sole and absolute discretion (and taking into account the best interests of the remaining Shareholders) to scale down pro rata each application with respect to such Valuation Day so that not more than 10% of the total net assets of the Sub-fund be redeemed or converted on such Valuation Day. To the extent that any application is not given full effect on such Valuation Day by virtue of the exercise of the power to prorate applications, it will be treated with respect to the unsatisfied balance thereof as if a further request had been made by the Shareholder in respect of the next Valuation Day and, if necessary, subsequent Valuation Days. With respect to any application received in respect of the relevant Valuation Day, to the extent that subsequent applications will be received in respect of following Valuation Days, such later applications will be postponed in priority to the satisfaction of applications relating to the relevant Valuation Day, but subject thereto will be dealt with as set out in the preceding sentence.

7.8 Redemption in-kind

The Company may, at the request of a Shareholder, agree to make, in whole or in part, a distribution in-kind of securities of the Sub-fund to that Shareholder in lieu of paying to that Shareholder redemption proceeds in cash. The Company will agree to do so if it determines that such a transaction would not be detrimental to the best interests of the remaining Shareholders of the relevant Sub-fund. Such redemption will be effected at the Net Asset Value per Share of the relevant Class of the Sub-fund which the Shareholder is redeeming, and thus will constitute a pro rata portion of the Sub-fund's assets attributable in that Class in terms of value. The assets to be transferred to such Shareholder will be determined by the Company and the Depositary, with regard to the practicality of transferring the assets and to the interests of the Sub-fund and continuing participants therein and to the Shareholder. Such a Shareholder may incur brokerage and/or local tax charges on any transfer or sale of securities so received in satisfaction of redemption. The net proceeds from this sale by the redeeming Shareholder of such securities may be more or less than the corresponding redemption price of Shares in the relevant Sub-fund due to market conditions and/or differences in the prices used for the purposes of such sale or transfer and the calculation of the Net Asset Value of Shares of the Sub-fund. The selection, valuation and transfer of assets will be subject to the review and approval of the Auditor of the Company.

Any costs incurred in connection with a redemption in-kind will be borne by the relevant Shareholder.

7.9 Compulsory redemptions by the Company

The Company may redeem Shares of any Shareholder if the Board or the Management Company whether on its own initiative or at the initiative of a Distributor, determines that:

(a) any of the representations given by the Shareholder to the Company or the Management Company were not true and accurate or have ceased to be true and accurate; or

(b) the Shareholder is not or ceases to be an Eligible Investor; or

(c) the continuing ownership of Shares by the Shareholder would cause an undue risk of adverse tax consequences to the Company or any of its Shareholders; or

(d) the continuing ownership of Shares by such Shareholder may be prejudicial to the Company or any of its Shareholders.

8. PRICE ADJUSTMENT POLICY

The basis on which the assets of each Sub-fund are valued for the purposes of calculating the Net Asset Value per Shares is set out in Section 11 of the General Section. The actual cost of purchasing or selling assets and investments for a Sub-fund may however deviate from the latest available price or net asset value used, as appropriate, in calculating the Net Asset Value per Shares due to duties and charges and spreads from buying and selling prices of the underlying investments. These costs have an adverse effect on the value of a Sub-fund and are known as "dilution". To mitigate the effects of dilution, the Company may, at its discretion, make a dilution adjustment to the Net Asset Value per Shares.

Shares will in principle be issued and redeemed on the basis of a single price, i.e., the Net Asset Value per Share. However – to mitigate the effect of dilution – the Net Asset Value per Share may be adjusted on any Valuation Day in the manner set out below depending on whether or not a Sub-fund is in a net subscription position or in a net redemption position on such Valuation Day. Where there is no dealing on a Sub-fund or Class of a Sub-fund on any Valuation Day, the applicable price will be the unadjusted Net Asset Value per Share. The Company will retain the discretion in relation to the circumstances under which to make such a dilution adjustment. As a general rule, the requirement to make a dilution adjustment will depend upon the volume of subscriptions or redemptions of Shares in the relevant Sub-fund. The Company may make a dilution adjustment if, in their opinion, the existing Shareholders (in case of subscriptions) or remaining Shareholders (in case of redemptions) might otherwise be adversely affected. In particular, the dilution adjustment may be made where, for example but without limitation:

(a) a Sub-fund is in continual decline (i.e. is experiencing a net outflow of redemptions);

(b) a Sub-fund is experiencing large levels of net subscriptions relevant to its size;

(c) a Sub-fund is experiencing a net subscription position or a net redemption position on any Valuation Day;

(d) in any other case where the Company is of the opinion that the interests of Shareholders require the imposition of a dilution adjustment.

The dilution adjustment will involve adding to, when the Sub-fund is in a net subscription position, and deducting from, when the Sub-fund is in a net redemption position, the Net Asset Value per Share such figure as the Board considers represents an appropriate figure to meet duties and charges and spreads. In particular, the Net Asset Value of the relevant Sub-fund will be adjusted (upwards or downwards) by an amount which reflects (i) the estimated fiscal charges, (ii) dealing costs that may be incurred by the Sub-fund and (iii) the estimated bid/offer spread of the assets in which the Sub-fund invests. As certain stock markets and jurisdictions may have different charging structures on the buy and sell sides, the resulting adjustment may be different for net inflows than for net outflows. Adjustments will however be limited to a maximum of 2.5% of the then applicable Net Asset Value per Share.

The Net Asset Value of each Class in the Sub-fund will be calculated separately but any dilution adjustment will in percentage terms affect the Net Asset Value of each Class in an identical manner.

9. RESTRICTIONS ON TRANSFER OF SHARES

All transfers of Shares will be effected by a transfer in writing in any usual or common form or any other form approved by the Company and every form of transfer will state the full name and address of the transferor and the transferee. The instrument of transfer of a Share will be signed by or on behalf of the transferor and the transferee. The transferor will be deemed to remain the holder of the Share until the name of the transferee is entered on the Share register in respect thereof. The Company may decline to register any transfer of a Share if, in consequence of such transfer, the value of the holding of the transferor or transferee does not meet the minimum subscription or holding levels of the relevant Share Class or Sub-fund as set out in this Prospectus or the relevant Special Section. The registration of transfer may be suspended at such times and for such periods as the Company may from time to time determine, provided, however, that such registration will not be suspended for more than five (5) days in any calendar year. The Company may decline to register any transfer of Shares unless the original instruments of transfer, and such other documents that the Company may require are deposited at the registered office of the Company or at such other place as the Company may reasonably require, together with such other evidence as the Company may reasonably require to show the right of the transferor to make the transfer and to verify the identity of the transferee. Such evidence may include a declaration as to whether the proposed transferee (i) is a US Person or acting for or on behalf of a US Person, (ii) is a Restricted Person or acting for or on behalf of a Restricted Person or (iii) does qualify as Institutional Investor.

The Company may decline to register a transfer of Shares:

(a) if in the opinion of the Company, the transfer will be unlawful or will result or be likely to result in any adverse regulatory, tax or fiscal consequences to the Company or its Shareholders; or

(b) if the transferee is a US Person or is acting for or on behalf of a US Person; or

(c) if the transferee is a Restricted Person or is acting for or on behalf of a Restricted Person; or

(d) in relation to Classes reserved for subscription by Institutional Investors, if the transferee is not an Institutional Investor; or

(e) in circumstances as set out in Section 10.2 of this General Section; or

(f) if in the opinion of the Company, the transfer of the Shares would lead to the Shares being registered in a depositary or clearing system in which the Shares could be further transferred otherwise than in accordance with the terms of this Prospectus or the Articles.

10. ANTI-MONEY LAUNDERING AND TERRORIST FINANCING REQUIREMENTS – MARKET TIMING AND LATE TRADING

10.1 Anti-money laundering and terrorist financing requirements

Measures aimed towards the prevention of money laundering and terrorism financing as provided by Luxembourg Laws, regulations and circulars as issued by the CSSF are the responsibility of the Company, who delegates to the UCI Administrator (acting in capacity as registrar and transfer agent) such controls.

These measures may require the UCI Administrator to request verification of the identity of any prospective investor. By way of example, an individual may be required to produce a copy of his passport or identification card duly certified by a competent authority (e.g. embassy, consulate, notary, police officer, solicitor, financial institution domiciled in a country imposing equivalent identification requirements or any other competent authority. In the case of corporate applicants, this may require, amongst others, production of a certified copy of the certificate of incorporation (and any change of name) and investor's memorandum and articles of association (or equivalent), a recent list of its shareholders showing a recent stake in its capital in order to identify, where applicable, any beneficial owner(s) holding 25% or more of the participations of the corporate applicant, printed on the letterhead of the investor duly dated and signed, an authorised signature list and an excerpt of the trade register. It should be noted that the above list is not exhaustive and that the investors may be required to provide further information to the UCI Administrator in order to ensure the identification of the final beneficial owner of the Shares.

Until satisfactory proof of identity is provided by potential investors or transferees as determined by the UCI Administrator, it reserves the right to withhold issue or approval of registration of transfers of Shares. Similarly, redemption proceeds will not be paid unless compliance with these requirements has been made in full. In any such event, the UCI Administrator will not be liable for any interest, costs or compensation.

In case of a delay or failure to provide satisfactory proof of identity, the UCI Administrator may take such action as it thinks fit.

These identification requirements may be waived by the UCI Administrator in the following circumstances (to be analysed on a case by case basis on a risk based approach):

(a) in the case of a subscription through a financial intermediary which is supervised by a regulatory authority which imposes an investors' or transferees' identification obligation equivalent to that required under Luxembourg Law for the prevention of money laundering and terrorism financing and to which the financial intermediary is subject;

(b) in the case of a subscription through a financial intermediary whose parent is supervised by a regulatory authority which imposes an investors' or transferees' identification obligation equivalent to that required under Luxembourg Law for the prevention of money laundering and terrorism financing and where the law applicable to the parent or the group policy imposes an equivalent on its subsidiaries or branches.

10.2 Market Timing and Late Trading

Prospective investors and Shareholders should note that the Company may reject or cancel any subscription, conversion or redemption orders for any reason and in particular in order to comply with the Circular 04/146 relating to the protection of UCIs and their investors against Late Trading and Market Timing practices.

For example, excessive trading of Shares in response to short-term fluctuations in the market, a trading technique sometimes referred to as Market Timing, has a disruptive effect on portfolio management and increases the Sub-funds' expenses. Accordingly, the Company may, in the sole discretion of the Board, compulsorily redeem Shares or reject any subscription orders and conversions orders from any investor that the Company reasonably believes has engaged in Market Timing activity. For these purposes, the Company may consider an investor's trading history in the Sub-funds and accounts under common control or ownership.

In addition to the Subscription or Conversion Fees which may be of application to such orders as set forth in the Special Section of the relevant Sub-fund, the Company may impose a penalty of maximum 2% (two per cent.) of the Net Asset Value of the Shares subscribed or converted where the Company reasonably believes that an investor has engaged in Market Timing activity. The penalty will be credited to the relevant Sub-fund. Neither the Company nor the Board will be held liable for any loss resulting from rejected orders or mandatory redemption.

Furthermore, the Company will ensure that the relevant deadlines for requests for subscriptions, redemptions or conversions are strictly complied with and will therefore take all adequate measures to prevent practices known as Late Trading.

11. CALCULATION AND SUSPENSION OF NET ASSET VALUE

11.1 Net Asset Value calculation

The Company, each Sub-fund and each Class in a Sub-fund have a Net Asset Value determined in accordance with the Articles. The Reference Currency of the Company is the EUR. The Net Asset Value of each Sub-fund and Class will be calculated in the Reference Currency of the Sub-fund or Class, as it is stipulated in the relevant Special Section, and will be determined by the UCI Administrator for each Valuation Day as at each NAV Calculation Day as stipulated in the relevant Special Section, by calculating the aggregate of:

(a) the value of all assets of the Company which are allocated to the relevant Sub-fund in accordance with the provisions of the Articles; less

(b) all the liabilities of the Company which are allocated to the relevant Sub-fund and Class in accordance with the provisions of the Articles, and all fees attributable to the relevant Sub-fund and Class, which fees have accrued but are unpaid on the relevant Valuation Day.

The Net Asset Value per Share for a Valuation Day will be calculated in the Reference Currency of the relevant Sub-fund and will be calculated by the UCI Administrator as at the NAV Calculation Day of the relevant Sub-fund by dividing the Net Asset Value of the relevant Sub-fund by the number of Shares which are in issue on such Valuation Day in the relevant Sub-fund (including Shares in relation to which a Shareholder has requested redemption on such Valuation Day in relation to such NAV Calculation Day). The Net Asset Value will be calculated up to five decimal places, provided that the UCI Administrator can apply its own rounding policy to such calculation.

If the Sub-fund has more than one Class in issue, the UCI Administrator will calculate the Net Asset Value per Share of each Class for a Valuation Day by dividing the portion of the Net Asset Value of the relevant Sub-fund attributable to a particular Class by the number of Shares of such Class in the relevant Sub-fund which are in issue on such Valuation Day (including Shares in relation to which a Shareholder has requested redemption on such Valuation Day in relation to such NAV Calculation Day).

The Net Asset Value per Share may be rounded up or down to the nearest whole hundredth share of the currency in which the Net Asset Value of the relevant Shares are calculated.

The allocation of assets and liabilities of the Company between Sub-funds (and within each Sub-fund between the different Classes) will be effected so that:

(a) The subscription price received by the Company on the issue of Shares, and reductions in the value of the Company as a consequence of the redemption of Shares, will be attributed to the Sub-fund (and within that Sub-fund, the Class) to which the relevant Shares belong.

(b) Assets acquired by the Company upon the investment of the subscription proceeds and income and capital appreciation in relation to such investments which relate to a specific Sub-fund (and within a Sub-fund, to a specific Class) will be attributed to such Sub-fund (or Class in the Sub-fund).

(c) Assets disposed of by the Company as a consequence of the redemption of Shares and liabilities, expenses and capital depreciation relating to investments made by the Company and other operations of the Company, which relate to a specific Sub-fund (and within a Sub-fund, to a specific Class) will be attributed to such Sub-fund (or Class in the Sub-fund).

(d) Where the use of foreign exchange transactions, instruments or financial techniques relates to a specific Sub-fund (and within a Sub-fund, to a specific Class) the consequences of their use will be attributed to such Sub-fund (or Class in the Sub-fund).

(e) Where assets, income, capital appreciations, liabilities, expenses, capital depreciations or the use of foreign exchange transactions, instruments or techniques relate to more than one Sub-fund (or within a Sub-fund, to more than one Class), they will be attributed to such Sub-funds (or Classes, as the case may be) in proportion to the extent to which they are attributable to each such Sub-fund (or each such Class).

(f) Where assets, income, capital appreciations, liabilities, expenses, capital depreciations or the use of foreign exchange transactions, instruments or techniques cannot be attributed to a particular Sub-fund they will be divided equally between all Sub-funds or, in so far as is justified by the amounts, will be attributed in proportion to the relative Net Asset Value of the Sub-funds (or Classes in the Sub-fund) if the Company, in its sole discretion, determines that this is the most appropriate method of attribution.

(g) Upon payment of dividends to the Shareholders of a Sub-fund (and within a Sub-fund, to a specific Class) the net assets of this Sub-fund (or Class in the Sub-fund) are reduced by the amount of such dividend.

The assets of the Company will be valued as follows:

(a) Transferable Securities or Money Market Instruments quoted or traded on an official stock exchange or any other Regulated Market, are valued on the basis of the last known price as of the relevant Valuation Day, and, if the securities or Money Market Instruments are listed on several stock exchanges or Regulated Markets, the last known price of the stock exchange which is the principal market for the security or Money Market Instrument in question, unless these prices are not representative.

(b) For Transferable Securities or Money Market Instruments not quoted or traded on an official stock exchange or any other Regulated Market, and for quoted Transferable Securities or Money Market Instruments, but for which the last known price as of the relevant Valuation Day is not representative, valuation is based on the probable sales price estimated prudently and in good faith by the Board.

(c) Units and shares issued by UCITS or other UCIs will be valued at their last available net asset value as of the relevant Valuation Day.

(d) The liquidating value of futures, forward or options contracts that are not traded on exchanges or on other Regulated Markets will be determined pursuant to the policies established in good faith by the Board, on a basis consistently applied. The liquidating value of futures, forward or options contracts traded on exchanges or on other Regulated Markets will be based upon the last available settlement prices as of the relevant Valuation Day of these contracts on exchanges and Regulated Markets on which the particular futures, forward or options contracts are traded; provided that if a futures, forward or options contract could not be liquidated on such Business Day with respect to which a Net Asset Value is being determined, then the basis for determining the liquidating value of such contract will be such value as the Board may, in good faith and pursuant to verifiable valuation procedures, deem fair and reasonable.

(e) Liquid assets and Money Market Instruments with a maturity of less than 12 months may be valued at nominal value plus any accrued interest or using an amortised cost method (it being understood that the method which is more likely to represent the fair market value will be retained). This amortised cost method may result in periods during which the value deviates

from the price the Company would receive if it sold the investment. The Board may, from time to time, assess this method of valuation and recommend changes, where necessary, to ensure that such assets will be valued at their fair value as determined in good faith pursuant to procedures established by the Board. If the Board believes that a deviation from the amortised cost may result in material dilution or other unfair results to Shareholders, the Board will take such corrective action, if any, as it deems appropriate, to eliminate or reduce, to the extent reasonably practicable, the dilution or unfair results.

(f) The swap transactions will be consistently valued based on a calculation of the net present value of their expected cash flows. For certain Sub-funds using OTC Derivatives as part of their main Investment Policy, the valuation method of the OTC Derivative will be further specified in the relevant Special Section.

(g) Accrued interest on securities will be taken into account if it is not reflected in the share price.

(h) Cash will be valued at nominal value, plus accrued interest.

(i) All assets denominated in a currency other than the Reference Currency of the respective Sub-fund/Class will be converted at the mid-market conversion rate as of the relevant Valuation Day between the Reference Currency and the currency of denomination.

(j) All other securities and other permissible assets as well as any of the above mentioned assets for which the valuation in accordance with the above paragraphs would not be possible or practicable, or would not be representative of their probable realisation value, will be valued at probable realisation value, as determined with care and in good faith pursuant to procedures established by the Board.

In the context of Sub-funds which invest in other UCIs, valuation of their assets may be complex in some circumstances and the administrative agents of such UCIs may be late or delay communicating the relevant net asset values. Consequently, the UCI Administrator, under the responsibility of the Board, may estimate the assets of the relevant Sub-funds as of the Valuation Day considering, among other things, the last valuation of these assets, market changes and any other information received from the relevant UCIs. In this case, the Net Asset Value estimated for the Sub-funds concerned may be different from the value that would have been calculated on the said Valuation Day using the official net asset values calculated by the administrative agents of the UCIs in which the Sub-fund invested. Nevertheless, the Net Asset Value calculated using this method will be considered as final and applicable despite any future divergence.

For the purpose of determining the value of the Company's assets, the UCI Administrator, having due regards to the standard of care and due diligence in this respect, may, when calculating the Net Asset Value, completely and exclusively rely, unless there is manifest error or negligence on its part, upon the valuations provided either (i) by the Board, (ii) by various pricing sources available on the market such as pricing agencies (i.e., Bloomberg, Reuters, etc.) or administrators of underlying UCIs, (iii) by prime brokers and brokers, or (iv) by (a) specialist(s) duly authorised to that effect by the Board. In particular, for the valuation of any assets for which market quotations or fair market values are not publicly available (including but not limited to non-listed structured or credit-related instruments and other illiquid assets), the UCI Administrator will exclusively rely on valuations provided either by the Board or by third party pricing sources appointed by the Board under its responsibility or other official pricing sources like UCIs' administrators and others like Telekurs, Bloomberg, Reuters and will not check the correctness and accuracy of the valuations so provided. If the Board gives instructions to the UCI Administrator to use a specific pricing source, the Board will make its own prior due diligence on such agents as far as its competence, reputation, professionalism are concerned so as to ensure that the prices which will be given to the UCI Administrator are reliable and the UCI Administrator will not, and will not be required to, carry out any additional due diligence or testing on any such pricing source.

If one or more sources of quotation are not able to provide relevant valuations to the UCI Administrator, the latter is authorised to not calculate the Net Asset Value and, consequently, not to determine subscription, redemption and conversion prices. The UCI Administrator will immediately inform the Board if such a situation arises. If necessary, the Board may decide to suspend the calculation of the Net Asset Value in accordance with the procedures described in Section 11.2 of the General Section.

11.2 Suspension of Determination of Net Asset Value, Issue, Redemption and Conversion of Shares

The Company may at any time and from time to time suspend the determination of the Net Asset Value of Shares of any Sub-fund or Class and/or the issue of the Shares of such Sub-fund or Class to subscribers and/or the redemption of the Shares of such Sub-fund or Class from its Shareholders as well as conversions of Shares of any Class in a Sub-fund:

(a) when one or more stock exchanges or markets, which provide the basis for valuing a substantial portion of the assets of the relevant Sub-fund or Class, or when one or more foreign exchange markets in the currency in which a substantial portion of the assets of the relevant Sub-fund or Class are denominated, are closed otherwise than for ordinary holidays or if dealings therein are restricted or suspended;

(b) when, as a result of political, economic, military or monetary events or any circumstances outside the responsibility and the control of the Board, disposal of the assets of the relevant Sub-fund or Class is not reasonably or normally practicable without being seriously detrimental to the interests of the Shareholders;

(c) in the case of a breakdown in the normal means of communication used for the valuation of any investment of the relevant Sub-fund or Class or if, for any reason beyond the responsibility of the Board, the value of any asset of the relevant Sub-fund or Class may not be determined as rapidly and accurately as required;

(d) if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Company are rendered impracticable or if purchases and sales of the Sub-fund's assets cannot be effected at normal rates of exchange;

(e) when the Board so decides, provided that all Shareholders are treated on an equal footing and all relevant laws and regulations are applied (i) upon publication of a notice convening a general meeting of Shareholders of the Company or of a Sub-fund for the purpose of deciding on the liquidation, dissolution, the merger or absorption of the Company or the relevant Sub-fund and (ii) when the Board is empowered to decide on this matter, upon their decision to liquidate, dissolve, merge or absorb the relevant Sub-fund;

(f) in case of the Company's liquidation or in the case a notice of termination has been issued in connection with the liquidation of a Sub-fund or a Class;

(g) where, in the opinion of the Board, circumstances which are beyond the control of the Board make it impracticable or unfair vis-à-vis the Shareholders to continue trading the Shares.

Any such suspension may be notified by the Company or the Management Company in such manner as it may deem appropriate to the persons likely to be affected thereby. The Company or the Management Company will notify Shareholders requesting redemption or conversion of their Shares of such suspension.

Such suspension as to any Sub-fund will have no effect on the calculation of the Net Asset Value per Share, the issue, redemption and conversion of Shares of any other Sub-fund.

Any request for subscription, redemption and conversion will be irrevocable except in the event of a suspension of the calculation of the Net Asset Value per Share in the relevant Sub-fund. Withdrawal of a subscription or of an application for redemption or conversion will only be effective if written notification (by electronic mail, regular mail, courier or fax) is received by the UCI Administrator before termination of the period of suspension, failing which subscription, redemption applications not withdrawn will be processed on the first Valuation Day following the end of the suspension period, on the basis of the Net Asset Value per Share determined for such Valuation Day.

12. GENERAL INFORMATION

12.1 Fiscal Year – Reporting

The Fiscal Year will begin on 1 January and terminate on 31 December of each year, except for the first Fiscal Year which began on the date of incorporation of the Company and ended on 31 December 2016.

Audited annual reports of the end of each Fiscal Year will be established as at 31 December of each year and, for the first time as at 31 December 2016. In addition, unaudited semi-annual reports will be established as per the last day of the month of June and for the first time in June 2016. Those financial reports will provide for information on each of the Sub-fund's assets as well as the consolidated accounts of the Company and be made available to the Shareholders free of charge at the registered office of the Company and of the UCI Administrator.

The financial statements of each Sub-fund will be established in the Reference Currency of the Sub-fund but the consolidated accounts will be in EUR.

Audited annual reports will be published within 4 months following the end of the accounting year and unaudited semi-annual reports will be published within 2 months following the end of period to which they refer.

The Net Asset Value per Share of each Class within each Sub-fund will be made public at the offices of the Company, the Management Company and the UCI Administrator on each NAV Calculation Day.

12.2 Documents available to Shareholders

Documents available for inspection by Shareholders free of charge, during usual business hours at the offices of the Company, the Management Company and the UCI Administrator in Luxembourg (copies of these documents may also be delivered without cost to Shareholders at their request):

(a) the Articles;

(b) the Depositary Agreement;

(c) the Management Company Agreement;

(d) the Investment Management Agreement; and

(e) the most recent annual and semi-annual financial statements of the Company;

(f) the Master-Feeder Agreement; and

(g) the Master Fund Prospectus.

The above agreements may be amended from time to time by all the parties involved.

A copy of the Prospectus, KID, the most recent financial statements and the Articles may be obtained free of charge upon request at the registered office of the Company.

12.3 General Meeting of Shareholders

The annual general meeting of the Shareholders in the Company will be held at the registered office of the Company or on the place specified in the convening notice on the third Friday in April of each year at 2 p.m. (Luxembourg time).

Notice of any general meeting of shareholders (including those considering amendments to the Articles or the dissolution and liquidation of the Company or of any Sub-fund) will be mailed to each registered Shareholder at least eight days prior to the meeting and will be published to the extent required by Luxembourg Law in the Luxembourg Official Gazette and in any Luxembourg and other newspaper(s) that the Board may determine.

Such notices will contain the agenda, the date and place of the meeting, the conditions of admission to the meeting and they will refer to the applicable quorum and majority requirements. The meetings of Shareholders of Shares of a particular Sub-fund may decide on matters which are relevant only for the Sub-fund concerned.

The convening notice to a General Meeting may provide that the quorum and majority requirements will be assessed against the number of Shares issued and outstanding at midnight (Luxembourg time) on the fifth day prior to the relevant meeting (the **Record Date**) in which case, the right of any Shareholder to participate in the meeting will be determined by reference to his/her/its holding as at the Record Date. The right of a holder of dematerialised Shares to attend a General Meeting and to exercise the voting rights attached to such Shares will be determined by reference to the Shares held by this holder as at the time and date provided for by Luxembourg laws and regulations.

12.4 Dividend policy

Each year the general meeting of Shareholders will decide, based on a proposal from the Board, for each Sub-fund, on the use of the balance of the year's net income of the investments. A dividend may be distributed, either in cash or Shares. Further, dividends may include a capital distribution, provided that after distribution the net assets of the Company total more than EUR1,250,000 (being provided that Shares of a Target Sub-fund held by an Investing Sub-fund will not be taken into account for the purpose of the calculation of the EUR1,250,000 minimum capital requirement).

The Company may issue Accumulation Classes and Distribution Classes within the Classes of each Sub-fund, as indicated in the Special Section. Accumulation Classes capitalise their entire earnings whereas Distribution Classes pay dividends.

For Distribution Classes, dividends, if any, will be declared and distributed on an annual basis as determined by the Board.

Payments will be made in the Reference Currency of the relevant Sub-fund. With regard to Shares held through Euroclear or Clearstream (or their successors), dividends will be paid by bank transfer to the relevant bank. Dividends remaining unclaimed for five years after their declaration will be forfeited and revert to the relevant Sub-fund.

Unless otherwise stated for a particular Sub-fund in the relevant Special Section, the Company is authorised to make in-kind distributions/payments of securities or other assets with the consent of the relevant Shareholder(s). Any such distributions/payments in kind will be valued in a report established by an auditor qualifying as a *réviseur d'entreprises agréé* drawn up in accordance with the requirements of Luxembourg Law, the costs of which report will be borne by the relevant Shareholder.

12.5 Liquidation and merger of Sub-funds or Classes

(a) Dissolution of the Company

The duration of the Company is not limited by the Articles. The Company may be wound up by decision of an extraordinary general meeting of Shareholders. If the total net assets of the Company falls below two-thirds of the minimum capital prescribed by law (i.e. EUR1,250,000), the Board must submit the question of the Company's dissolution to a general meeting of Shareholders for which no

quorum is prescribed and which will pass resolutions by simple majority of the Shares represented at the meeting.

If the total net assets of the Company fall below one-fourth of the minimum capital prescribed by law, the Board must submit the question of the Company's dissolution to a general meeting of Shareholders for which no quorum is prescribed. A resolution dissolving the Company may be passed by Shareholders holding one-fourth of the voting rights represented at the meeting.

The meeting must be convened so that it is held within a period of forty days from the date of ascertainment that the net assets have fallen below two-thirds or one-fourth of the legal minimum, as the case may be.

If the Company is dissolved, the liquidation will be carried out by one or several liquidators appointed in accordance with the provisions of the 2010 Act. The decision to dissolve the Company will be published in the Luxembourg Official Gazette and two newspapers with adequate circulation, one of which must be a Luxembourg newspaper. The liquidator(s) will realise each Sub-fund's assets in the best interests of the Shareholders and apportion the proceeds of the liquidation, after deduction of liquidation costs, amongst the Shareholders of the relevant Sub-fund according to their respective prorata entitlement. Any amounts unclaimed by the Shareholders at the closing of the liquidation and, at the latest, at the expiration of a period of nine (9) months following the decision to liquidate the Company will be deposited with the *Caisse de Consignation* in Luxembourg for a duration of thirty (30) years. If amounts deposited remain unclaimed beyond the prescribed time limit, they will be forfeited.

As soon as the decision to wind up the Company is made, the issue, redemption or conversion of Shares in all Sub-funds will be prohibited and will be deemed void.

(b) Liquidation of Sub-funds or Classes

If, for any reason, the net assets of a Sub-fund or of any Class fall below the equivalent of the Minimum Net Asset Value, or if a change in the economic or political environment of the relevant Sub-fund or Class may have material adverse consequences on the Sub-fund or Class's investments, or if an economic rationalisation so requires, the Board may decide on a compulsory redemption of all Shares outstanding in such Sub-fund or Class on the basis of the Net Asset Value per Share (after taking account of current realisation prices of the investments as well as realisation expenses), calculated as of the day the decision becomes effective. The Company will serve a notice to the holders of the relevant Shares at the latest on the effective date for the compulsory redemption, which will indicate the reasons of and the procedure for the redemption operations. Registered Shareholders will be notified in writing. Unless the Board decides otherwise in the interests of, or in order to keep equal treatment between the Shareholders, the Shareholders of the Sub-fund or Class concerned may continue to request redemption or conversion of their Shares free of redemption or conversion charge. However, the liquidation costs will be taken into account in the redemption and conversion price. Any amounts unclaimed by the Shareholders at the closing of the liquidation will be deposited with the *Caisse de Consignation* in Luxembourg for a duration of thirty (30) years. If amounts deposited remain unclaimed beyond the prescribed time limit, they will be forfeited.

Notwithstanding the powers granted to the Board as described in the previous paragraph, a general meeting of Shareholders of a Sub-fund or Class may, upon proposal of the Board, decide to repurchase all the Shares in such Sub-fund or Class and to reimburse the Shareholders on the basis of the Net Asset Value of their Shares (taking account of current realisation prices of the investments as well as realisation expenses) calculated as of the Valuation Day on which such decision will become effective. No quorum will be required at this general meeting and resolutions will be passed by a simple majority of the shareholders present or represented, provided that the decision does not result in the liquidation of the Company.

All the Shares redeemed will be cancelled.

(c) Merger of the Company and the Sub-funds

In accordance with the provisions of the 2010 Act and of the Articles, the Board may decide to merge or consolidate the Company with, or transfer substantially all or part of the Company's assets to, or acquire substantially all the assets of, another UCITS established in Luxembourg or another EU Member State. For the purpose of this Section 12.5(c), the term UCITS also refers to a sub-fund of a UCITS and the term Company also refers to a Sub-fund.

Any merger leading to termination of the Company must be approved by Supermajority Resolution at the Shareholders' meeting.

Shareholders will receive shares of the surviving UCITS or sub-fund and, if applicable, a cash payment not exceeding 10% of the net asset value of those shares.

The Company will provide appropriate and accurate information on the proposed merger to its Shareholders so as to enable them to make an informed judgment of the impact of the merger on their investment and to exercise their rights under this Section 12.5(c) and the 2010 Act.

The Shareholders have the right to request, without any charge other than those retained by the Company to meet disinvestment costs, the redemption of their Shares.

Under the same circumstances as provided by Section 12.5(b) above, the Board may decide to allocate the assets of a Sub-fund to those of another existing Sub-fund within the Company or to another Luxembourg UCITS or to another sub-fund within such other Luxembourg UCITS (the **New Sub-fund**) and to repatriate 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). Such decision will be published one month before its effectiveness (and, in addition, the publication will contain information in relation to the New Sub-fund), in order to enable the Shareholders to request redemption of their Shares, free of charge, during such period.

Notwithstanding the powers conferred to the Board by the paragraph above, a contribution of the assets and of the liabilities attributable to any Sub-fund to another Sub-fund within the Company may in any other circumstances be decided by a general meeting of Shareholders of the Class or Classes issued in the Sub-fund concerned for which there will be no quorum requirements and which will decide upon such a merger by resolution taken by simple majority of those present or represented and voting at such meeting.

If the interest of the Shareholders of the relevant Sub-fund or in the event that a change in the economic or political situation relating to a Sub-fund so justifies, the Board may proceed to the reorganisation of a Sub-fund by means of a division into two or more Sub-funds. Information concerning the New Sub-fund(s) will be provided to the relevant Shareholders. Such publication will be made one month prior to the effectiveness of the reorganisation in order to permit Shareholders to request redemption of their Shares free of charge during such one month prior period.

13. FEES AND EXPENSES

13.1 Fees and expenses payable directly by the Company

(a) Operation and administration expenses

The Company will pay out of the assets of the relevant Sub-fund all expenses incurred by it, which will include but not be limited to: all taxes which may be due on the assets and the income of the Company; the reasonable disbursements and out-of-pocket expenses (including without limitation telephone, telex, cable and postage expenses) incurred by the Depositary and any custody charges of banks and financial institutions to whom custody of assets of the Company is entrusted; usual banking fees due on transactions involving securities or other assets (including derivatives) held in the portfolio of the Company (such fees to be included in the acquisition price and to be deducted from the selling price); the fees, expenses and all reasonable out-of-pocket expenses properly incurred by the Company, the Service Providers and any other agent appointed by the Company; legal expenses incurred by the Company or the Service Providers while acting in the interests of the Shareholders; the cost and expenses of preparing and/or filing and printing the Articles and all other documents concerning the Company (in such languages as are necessary), including registration statements, prospectuses and explanatory memoranda with all authorities (including local securities dealers' associations) having jurisdiction over the Company or the offering of Shares of the Company; the cost of preparing, in such languages as are necessary for the benefit of the Shareholders (including the beneficial holders of the Shares), and distributing annual and semi-annual reports and such other reports or documents as may be required under applicable laws or regulations; the cost of accounting, bookkeeping and calculating the Net Asset Value; the cost of preparing and distributing notices to the Shareholders; a reasonable share of the cost of promoting the Company, as determined in good faith by the Company, including reasonable marketing and advertising expenses; the costs incurred with the admission and the maintenance of the Shares on the stock exchanges on which they are listed (if listed). The Company may accrue in its accounts for administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.

(b) Remuneration of the Depositary

The Depositary is entitled to receive out of the assets of each Class within each Sub-fund a depositary fee of up to 0.10% p.a. on the average of the value of the NAV of the relevant Class over the relevant period and is payable quarterly in arrears with a minimum fee not exceeding EUR10,000 p.a. per Sub-fund.

(c) Remuneration of the UCI Administrator

The UCI Administrator is entitled to receive out of the assets of each Class within each Sub-fund an administrative agent fee of up to 0.10% p.a. on the average of the value of the NAV of the relevant Class over the relevant period and is payable quarterly in arrears with a minimum fee not exceeding EUR10,000 p.a. per Sub-fund.

(d) Remuneration of the Management Company

Unless otherwise specified in respect of a Sub-fund in the relevant Special Section, the Management Company is entitled to receive out of the assets of each Class within each Sub-fund a management company fee (the **Management Company Fee**) of up to 0.10 % p.a. on the average of the value of the NAV of the relevant Class over the relevant period and is payable quarterly in arrears with a minimum fee not exceeding EUR20,000 p.a. per Sub-fund.

(e) Remuneration of the Investment Manager

The Investment Manager is entitled to be remunerated out of the assets of a Sub-fund, and such remuneration will be disclosed in the relevant Special Section.

(f) Formation and launching expenses

All formation and launching expenses (including but not limited to legal fees related to the set-up of the Company, travel expenses, etc.) incurred on behalf of, or in connection with, the formation of the Company except for the direct costs in relation to the launching of the Initial Sub-funds will be borne by the Company (and the Initial Sub-funds). Expenses incurred in connection with the creation of any additional Sub-fund may be borne by the relevant Sub-fund and be written off over a period not exceeding five years.

(g) Annual subscription tax (Taxe d'abonnement)

The Company's assets are subject to tax (*taxe d'abonnement*) in Luxembourg at a rate of 0.05% p.a. on net assets (except for Sub-funds or Classes which are reserved to Institutional Investors which are subject to a tax at a reduced rate of 0.01% p.a. on net assets), payable quarterly. Some Sub-funds are exempt from the subscription tax, as more fully described in Section 14.1 of the General Section.

13.2 Fees and expenses payable directly by the investor

(a) Subscription Fee

If an investor wants to subscribe for Shares, a Subscription Fee may be added to the subscription price to be paid by the investor. The applicable Subscription Fee will be stipulated in the relevant Special Section. This fee will be payable to the Company, the Management Company or the Distributor, unless otherwise specified in respect of a Sub-fund in the relevant Special Section.

(b) Redemption Fee

If a Shareholder wants to redeem Shares of the Company, a Redemption Fee may be levied on the amount to be paid to the Shareholder. The applicable Redemption Fee will be stipulated in the relevant Special Section. This fee will be payable to the Company, unless otherwise specified in respect of a Sub-fund in the relevant Special Section.

(c) Conversion Fee

A Conversion Fee, in favour of Sub-fund from which the Shares are converted, of up to 2% of the Net Asset Value of the Shares of the relevant Class of the relevant new Sub-fund to be issued may be levied to cover conversion costs. The same rate of Conversion Fee will be applied to all conversion requests received on the same Valuation Day. The applicable Conversion Fee will be stipulated in the relevant Special Section.

14. TAXATION

14.1 General

The Company's assets are subject to a subscription tax (*taxe d'abonnement*) in Luxembourg at a rate of 0.05% p.a. on net assets (except for Sub-funds or Classes which are reserved to Institutional Investors or UCIs which are subject to a tax at a reduced rate of 0.01% p.a. on net assets), payable quarterly. In the case some Sub-funds are invested in other Luxembourg UCIs, which in turn are subject to the subscription tax provided for by the 2010 Act, no subscription tax is due by the Company on the portion of assets invested therein. Are exempt from the subscription tax, Sub-funds (i) whose Shares are listed or traded on at least one stock exchange or another regulated market operating regularly, recognised and open to the public and (ii) whose exclusive objective is to replicate the performance of one or more indices, it being understood that this condition of exclusive objective does not prevent the management of liquid assets, if any, on an ancillary basis, or the use of techniques and instruments used for hedging or for purposes of efficient portfolio management. In case of several Classes within a Sub-fund, the exemption only applies to the Classes fulfilling condition (i) above. Moreover, and without prejudice to additional or alternative criteria that may be determined by applicable law, the index referred to under condition (ii) above must represent an adequate benchmark for the market to which it refers and must be published in an appropriate manner.

The Company's income is not taxable in Luxembourg. Income received by the Company may be subject to withholding taxes in the country of origin of the issuer of the security, in respect of which such income is paid. No duty or tax is payable in Luxembourg in connection with the issue of Shares of the Company.

Under current legislation, Shareholders are not subject to any capital gains, income, withholding, or other taxes in Luxembourg with respect to their investment in the Shares, except for (i) those Shareholders resident of, or established in Luxembourg, or having a permanent establishment or permanent representative in Luxembourg, or (ii) the withholding tax referred to in Section 14.2 of the General Section.

The information referred to in the previous paragraph is limited to the taxation of the Shareholders in Luxembourg in respect of their investment in the Shares and does not include an analysis of their taxation resulting from the underlying investments of the Company.

14.2 Automatic exchange of information for tax purposes

The Company may be required to report certain information about its Shareholders and, as the case may be, about individuals controlling Shareholders that are entities, on an automatic and annual basis to the Luxembourg direct tax administration (*Administration des contributions directes*) in accordance with, and subject to, the Luxembourg law of 21 June 2005 implementing the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments, the Luxembourg law of 24 July 2015 concerning FATCA, and/or the Luxembourg legislation implementing Council Directive 2014/107/EU and the standard for automatic exchange of financial account information in tax matters developed by the OECD with the G20 countries (commonly referred to as the "**Common Reporting Standard**"), each as amended from time to time (each an "**AEOI Law**" and collectively the "**AEOI Laws**"). Such information, which may include personal data (including, without limitation, the name, address, country(ies) of tax residence, date and place of birth and tax identification number(s) of any reportable individual) and certain financial data about the relevant Shares (including, without limitation, their balance or value and gross payments made thereunder), will be transferred by the Luxembourg direct tax administration to the competent authorities of the relevant foreign jurisdictions in accordance with, and subject to, the relevant Luxembourg legislation and international agreements.

Each Shareholder and prospective investor agrees to provide, upon request by the Company (or its delegates), any such information, documents and certificates as may be required for the purposes of the Company's identification and reporting obligations under any AEOI Law. The Company reserves the right to reject any application for Shares or to redeem Shares (i) if the prospective investor or Shareholder does not provide the required information, documents or certificates or (ii) if the Company (or its delegates) has reason to believe that the information, documents or certificates provided to the Company (or its delegates) are incomplete or incorrect and the Shareholder does not provide, to the satisfaction of the Company (or its delegates), sufficient information to cure the situation. Prospective investors and Shareholders should note that incomplete or inaccurate information may lead to multiple and/or incorrect reporting under the AEOI Laws. Neither the Company nor any other person accepts any liability for any consequences that may result from incomplete or inaccurate information provided to the Company (or its delegates). Any Shareholder failing to comply with the Company's information requests may be charged with any taxes and penalties imposed on the Company attributable to such Shareholder's failure to provide complete and accurate information.

Each Shareholder and prospective investor acknowledges and agrees that the Company will be responsible to collect, store, process and transfer the relevant information, including the personal data, in accordance with the AEOI Laws. Each individual whose personal data has been processed for the purposes of any AEOI Law has a right of access to his/her personal data and may ask for a rectification thereof in case where such data is inaccurate or incomplete.

14.3 Other jurisdictions

Interest, dividend and other income realised by the Company on the sale of securities, may be subject to withholding and other taxes levied by the jurisdictions in which the income is sourced. It is impossible to predict the rate of foreign tax the Company will bear since the amount of the assets to be invested in various countries and the ability of the Company to reduce such taxes is not known.

It is expected that Shareholders may be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarise the tax consequences for each prospective investor of subscribing, converting, holding, redeeming or otherwise acquiring or disposing of Shares in the Company. These consequences will vary in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile or incorporation and with his or her personal circumstances.

14.4 Future changes in applicable law

The foregoing description of Luxembourg tax consequences of an investment in, and the operations of, the Company is based on laws and regulations which are subject to change through legislative, judicial or administrative action. Other legislation could be enacted that would subject the Company to income taxes or subject Shareholders to increased income taxes.

THE INFORMATION SET OUT ABOVE IS A SUMMARY OF THOSE TAX ISSUES WHICH COULD ARISE IN LUXEMBOURG AND DOES NOT PURPORT TO BE A COMPREHENSIVE ANALYSIS OF THE TAX ISSUES WHICH COULD AFFECT A PROSPECTIVE SUBSCRIBER.

THE TAX AND OTHER MATTERS DESCRIBED IN THIS PROSPECTUS DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE SUBSCRIBERS. PROSPECTIVE SUBSCRIBERS SHOULD CONSULT THEIR OWN COUNSEL REGARDING TAX LAWS AND REGULATIONS OF ANY OTHER JURISDICTION WHICH MAY BE APPLICABLE TO THEM.

15. CONFLICTS OF INTEREST

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

Interested dealings

The Directors, the Management Company, the Distributor(s), the Investment Manager, the Investment Adviser (if any), the Depositary and the UCI Administrator and any of their respective subsidiaries, affiliates, associates, agents, directors, officers, employees or delegates (together the **Interested Parties** and, each, an **Interested Party**) may:

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

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

- act as counterparty to the derivative transactions or contracts entered on behalf of the Company or act as index sponsor or calculation agent in respect of underlyings to which the Company will be exposed via derivative transactions; and

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

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

There will be no obligation on the part of any Interested Party to account to Shareholders for any benefits so arising and any such benefits may be retained by the relevant party.

Any such transactions must be carried out as if effected on normal commercial terms negotiated at arm's length.

Notwithstanding anything to the contrary herein and unless otherwise provided for in a Special Section for a particular Sub-fund, the Management Company, the Investment Manager or the Investment Adviser (if any) and their respective Affiliates may actively engage in transactions on behalf of other investment funds and accounts which involve the same securities and instruments in which the Sub-funds will invest. The Management Company, the Investment Manager or the Investment Adviser (if any) and their respective Affiliates may provide investment management/advisory services to other investment funds and accounts that have investment objectives similar or dissimilar to those of the Sub-funds and/or which may or may not follow investment programs similar to the Sub-funds, and in

which the Sub-funds will have no interest. The portfolio strategies of the Management Company, the Investment Manager or the Investment Adviser (if any) and their respective Affiliates used for other investment funds or accounts could conflict with the transactions and strategies advised by the Management Company, the Investment Manager or the Investment Adviser (if any) in managing a Sub-fund and affect the prices and availability of the securities and instruments in which such Sub-fund invests.

The Management Company, the Investment Manager or the Investment Adviser (if any) and their respective Affiliates may give advice or take action with respect to any of their other clients which may differ from the advice given or the timing or nature of any action taken with respect to investments of a Sub-fund. The Management Company, the Investment Manager or the Investment Adviser (if any) have no obligation to advise any investment opportunities to a Sub-fund which they may advise to other clients.

The Management Company, the Investment Manager or the Investment Adviser (if any) will devote as much of their time to the activities of a Sub-fund as they deem necessary and appropriate. The Management Company, the Investment Manager or the Investment Adviser (if any) and their respective Affiliates are not restricted from forming additional investment funds, from entering into other investment advisory/management relationships, or from engaging in other business activities, even though such activities may be in competition with a Sub-fund. These activities will not qualify as creating a conflict of interest.

Additional considerations relating to conflicts of interest may be applicable, as the case may be, for a specific Sub-fund as further laid down in the relevant Special Section.

PART B – SPECIAL SECTIONS

SPECIAL SECTION 1 – MAGALLANES VALUE INVESTORS UCITS – EUROPEAN EQUITY

This Special Section must be read in conjunction with the General Section of the Prospectus. This Special Section refers only to the Magallanes Value Investors UCITS – European Equity (the **Sub-fund**).

1. PROFILE OF THE TYPICAL INVESTOR

This Sub-fund is a high risk vehicle aiming to provide capital growth. It may be suitable for investors who are seeking long term growth potential offered through investment in equities and are more concerned with maximising long term returns than minimising possible short term losses; hence it requires an investment horizon of at least 7 years.

2. INVESTMENT OBJECTIVE

The Sub-fund's objective is to deliver high performance in both absolute and relative term over the long term horizon. There can be no assurance that the investment objective will be achieved.

The Sub-fund is actively managed. The benchmark index of the Sub-fund is the MSCI Europe Net Return Index. It is mentioned only for performance comparison purposes and the Sub-fund does not track the index. The Sub-fund can deviate significantly from the benchmark.

To achieve this, the Sub-fund will mainly invest in a select portfolio of Transferable Securities (including equity related securities such as American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs)) of companies which are domiciled in Europe.

Up to 10% of the Sub-fund's net assets can be invested in emerging countries.

Except for the geographical focus, the choice of investments will neither be limited by an economic sector nor in terms of currencies in which investments will be denominated. However, depending on financial market conditions, a particular focus can be placed in a single European country (or some European countries) and/or in a single currency and/or in a single economic sector.

On an Ancillary basis, the Sub-fund may invest in any other type of Eligible Investments, such as debt securities including Money Market Instruments with an investment grade rating (i.e. with a rating of not less than BBB- by Standard & Poor's Corporation or its equivalent by Moody's. In case of two different ratings, the higher credit rating will apply), UCITS and other eligible UCIs.

The Sub-fund's investments in units or shares of UCIs (UCITS and/or other eligible UCIs) will not exceed 10% of the net assets of the Sub-fund.

For hedging purposes, within the limits set out in the investment restrictions in Schedule 1, the Sub-fund may use all types of financial derivative instruments traded on a regulated market and/or OTC Derivatives provided they are contracted with leading financial institutions specialised in this type of transactions and subject to regulatory supervision. However, the Investment Manager intends to use principally options, futures and forward exchange contracts. Those investments may not be used to elude the investment policy of the Sub-fund.

The Sub-fund will ensure that its total commitment arising from financial derivative instruments, for purposes other than hedging, does not exceed 100% of its net assets.

The Sub-fund will not make use of SFTs or TRS.

The Sub-fund will continuously invest at least 51% of its net assets in equity assets as defined in sec. 2 para 8 German Investment Tax Act (2018) and therefore ensure eligibility for the partial tax exemption for equity funds for German resident investors.

The Sub-fund promotes certain environmental and social characteristics within the meaning of article 8 of SFDR, although no reference benchmark has been designated for the purpose of attaining the ESG characteristics.

The Investment Manager integrates Sustainability Risks and opportunities into its research, analysis and investment decision-making processes. The Sub-fund is managed to promote, among other characteristics, a combination of environmental and social characteristics (as provided under article 8 of SFDR), but does not have as its objective sustainable investments.

The Investment Manager uses a variety of indicators to attain the promotion of the environmental and social characteristics. For more details about the ESG methodology and restrictions, please refer to the pre-contractual disclosure included in the Annex 1 of this Special Section as per the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of 'do no significant harm', specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports (the SFDR RTS).

In accordance with SFDR RTS, further information related to environmental and/or social characteristics is available in Annex 1 of this Special Section that forms an integral part of this Prospectus.

In the context of the Taxonomy Regulation, in view of its ESG strategy, the Sub-fund promotes environmental characteristics and does not aim to invest in environmentally sustainable economic activities.

The investments underlying the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities, within the meaning of the Taxonomy Regulation and as a consequence thereof, the "do no significant harm" principle does not apply to the investments underlying the Sub-fund.

3. GLOBAL EXPOSURE

The Sub-fund will use the commitment approach to monitor its global exposure.

4. VALUATION DAY

Each Business Day is a Valuation Day.

5. CLASSES

For the time being, the following Classes are available for subscription by investors:

Class	**Class R**	**Class I**	**Class I GBP**	**Class P**
ISIN	LU1330191542	LU1330191385	LU1749426927	LU1330191625

Reference Currency	EUR	EUR	GBP	EUR
Eligible investors	Retail Investors	Institutional Investors Other Shareholders having entered into a discretionary mandate or fee based advisory mandate with financial intermediaries which, according to regulatory requirements or based on individual fee arrangements, may not accept and keep trail commissions	Institutional Investors	Institutional Investors
Distribution/ Accumulation	Accumulation	Accumulation	Accumulation	Accumulation
Initial Subscription Price	EUR100	EUR100	GBP100	EUR100
Minimum Subscription Amount	EUR100	EUR1,000,000 for Institutional Investors Not applicable for Shareholders having entered into a discretionary mandate or fee based advisory mandate with financial intermediaries which, according to regulatory requirements or based on individual fee arrangements, may not accept and keep trail commissions	EUR1,000,000 or equivalent	• During the Initial Subscription Period: EUR100 • After the Initial Subscription Period: EUR50,000,000 *
Subscription Fee	N/A	N/A	N/A	N/A
Redemption Fee	N/A	N/A	N/A	N/A

Conversion fee	N/A	N/A	N/A	N/A
Investment Management Fee	Up to 2% p.a.	Up to 2% p.a.	Up to 2% p.a.	Up to 1% p.a.
Subscription Tax Rate	0.05%	0.05%	0.01%	0.01%

* The applicable Minimum Subscription Amount may be waived or varied on a case-by-case basis, by the Board in its discretion.

6. SUBSCRIPTIONS – REDEMPTIONS - CONVERSIONS

6.1 Initial subscriptions

Shares were offered from 7 December 2015 to 28 December 2015 at the Initial Subscription Price set out under Section 5 of this Special Section (the **Initial Subscription Period**).

Subscription requests during the Initial Subscription Period must be sent in writing to the UCI Administrator or Distributor(s) and be received by the UCI Administrator no later than 3.00 p.m. (Luxembourg time) on the last day of the Initial Subscription Period. Payments for subscriptions must be received in the reference currency of the relevant Class at the latest 3 (three) Business Days following the last day of the Initial Subscription Period.

If the Depositary does not receive the funds in time the investor will be liable for the costs of late or non-payment in which the case the Board will have the power to redeem all or part of the investor's holding of Shares in the Company in order to meet such costs.

6.2 Ongoing Subscriptions

Ongoing subscriptions for Shares can be made to the UCI Administrator or the relevant Distributor on any day that is a Valuation Day in accordance with and subject to the terms of Section 4 of the General Section.

Subscriptions may be made only by investors who are Eligible Investors by:

(a) submitting a written subscription request by fax, swift or any other transmission method allowed by the UCI Administrator to the UCI Administrator or Distributor(s) to be received by the UCI Administrator by 3.00 p.m. (Luxembourg time) 1 (one) Business Days before the relevant Valuation Day at the latest (the **Subscription Cut-Off Time**). Subscription orders for Shares received by the UCI Administrator in respect of a Valuation Day prior to the relevant Subscription Cut-Off Time, will be processed on the first NAV Calculation Day following such Valuation Day on the basis of the Net Asset Value per Share calculated on such NAV Calculation Day. Any applications received after the Subscription Cut-Off Time in respect of the relevant Valuation Day will be deferred to the next Valuation Day and will be dealt with on the basis of the Net Asset Value per Share calculated on the NAV Calculation Day immediately following such next Valuation Day;

(b) delivering to the account of the Depositary funds for the full amount of the subscription price (plus any Subscription Fee) of the Shares being subscribed for pursuant to the subscription request at the latest 2 (two) Business Days after the relevant Valuation Day.

6.3 Redemption

Redemption requests for Shares in part or in whole can be made to the UCI Administrator or the relevant Distributor on any day that is a Valuation Day in accordance with and subject to the terms of Section 7 of the General Section. Redemption requests must be received by the UCI Administrator by 3.00 p.m. (Luxembourg time) 1 (one) Business Days before the relevant Valuation Day (the **Redemption Cut-Off Time**) to be eligible for processing as of such Valuation Day redemption requests received after the Redemption Cut-Off Time will be deemed received at the next forthcoming Valuation Day and will be processed on the basis of the Net Asset Value per Share as of the first NAV Calculation Day after the relevant Valuation Day. Payment of the redemption proceeds will be made generally within 3 (three) Business Days following the relevant NAV Calculation Day.

6.4 Conversion

Conversion requests for Shares in part or in whole can be made to the UCI Administrator or the relevant Distributor on any day that is a Valuation Day in accordance with and subject to the terms of Section 6 of the General Section. Conversion request must be received by 3.00 p.m. (Luxembourg time) 1 (one) Business Days before the relevant Valuation Day by the UCI Administrator.

7. PRICE ADJUSTMENT

With respect to subscriptions, redemptions and conversions of Shares of the Sub-fund, the Net Asset Value per Share on the relevant Valuation Day may be adjusted in accordance with Section 8 of the General Section.

8. REFERENCE CURRENCY AND HEDGING

The Reference Currency of the Sub-fund is the EUR.

In relation to investments that are denominated in a currency other than the currency of any particular Class, the Company may decide (but is not obliged) to enter into hedging transactions so as to mitigate the risk arising out of (adverse) currency exchange rate changes.

9. MANAGEMENT COMPANY FEE AND INVESTMENT MANAGEMENT FEE

9.1 Management Company Fee

The Management Company is entitled to the Management Company Fee as described in Section 13.1(d) of the General Section, based on the average of the value of the NAV of the relevant Class over the relevant period and is payable quarterly in arrears.

9.2 Investment Management Fee

The Investment Manager is entitled to an investment management fee at such rate as set out in respect of each Class in Section 5 of this Special Section (the **Investment Management Fee**). The Investment Management Fee is based on the average of the value of the NAV of the relevant Class over the relevant period and is payable quarterly in arrears.

10. SPECIFIC RISK FACTORS

10.1 In addition to the risk factors set out below, Shareholders should refer to the risk factors set out in Schedule 2 and in particular the following risks:

(a) investments in emerging markets;

(b) market-related risks;

(c) interest rate risk;

(d) fixed-interest securities;

(e) credit risk;

(f) liquidity risk.

10.2 Price Adjustment Policy.

Investors should note that in certain circumstances the Net Asset Value of the Shares in the Sub-fund may be adjusted in accordance with Section 8 of the General Section (by increasing or decreasing the applicable Net Asset Value per Share by up to 2.5%).

10.3 Risks related to using ESG criteria for investments

Applying ESG and sustainability criteria to the investment process may exclude securities of certain issuers for non-investment reasons and therefore some market opportunities available to funds that do not use ESG or sustainability criteria may be unavailable for the Sub-fund, and the Sub-fund's performance may at times be better or worse than the performance of relatable funds that do not use ESG or sustainability criteria. The selection of assets may in part rely on a proprietary ESG scoring process or ban lists that rely partially on third party data. Data sources used to attain each of the environmental or social characteristics promoted by the Sub-fund are:

(a) Sustainalytics;

(b) Institutional Shareholder Services;

(c) Trucost; and

(d) Clarity.

In absence of ESG data available on an investee companies, no estimations or adjustments are made by the Investment Manager. Clarity would be the one to provide an estimate thanks to artificial intelligence, benchmarking and the large database managed by them. To ensure data quality, the Investment Manager will only select reputable and high market standard data providers. Data are not processed or re-worked by the Investment Manager. The Investment Manager does not estimate data. This also means that it may be difficult to compare strategies integrating ESG and sustainability criteria to the extent that the selection and weightings applied to select investments may to a certain extent be subjective or based on metrics that may share the same name but have different underlying meanings. Investors should note that the subjective value that they may or may not assign to certain types of ESG criteria may differ substantially from the investment manager’s methodology. The lack of harmonised definitions may also potentially result in certain investments not benefitting from preferential tax treatments or credits because ESG criteria are assessed differently than initially thought.

ANNEX 1

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name: Magallanes Value Investors UCITS-European Equity (the **Sub-fund**)

Legal entity identifier: 222100Z0VBNN3MAC6G14

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**	●○ ☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** %	☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
☐ It will make a minimum of **sustainable investments with a social objective:** %	☐ with a social objective
	☒ It promotes E/S characteristic, but **will not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What environmental and/or social characteristics are promoted by this financial product?

The Sub-fund promotes, among other characteristics, the following characteristics:

Environmental characteristics: adaptation to climate change, pollution prevention and control, as well as sustainable use and protection of resources.

Social characteristics: reduction of reputational risk, prevention of workplace accidents, human talent attraction and retention.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Sub-fund promotes these characteristics by investing in companies with good Environmental, Social and Governance ratings, and rewarding, through the integration and monitoring of ESG factors into companies' analysis the internal valuation models (by adjusting the cost of capital), companies performing well in ESG terms and seeking to improve their ESG impact.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The Investment Manager uses the following sustainability metrics to measure the attainment of characteristics promoted by the Sub-fund:

Environmental sustainability indicators: greenhouse gases emission, responsible water consumption, R&D investment and environmental litigation.

Social sustainability indicators: equality and diversity, controversy ratios, employees' physical security, number of accidents and deaths, training and qualification, employee rotation and corporate social responsibility (CSR) policies.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

N/A.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Not applicable.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes,

☒ No

What investment strategy does this financial product follow?

The investment strategy aims at excluding companies not meeting the internal and subjective standards that the Investment Manager considers being the ESG requirements for a company to be included in the investable universe, following a qualitative internal analysis based on the Investment Manager's fundamental analysis and on the integration and monitoring of ESG factors into both company analysis and internal valuation models. Therefore, the investment process not only excludes companies presenting a weak ESG perception (understanding as weak ESG perception not a number but an opinion based on the preliminary analysis of the company which also includes financial and non-financial information, track-record, third-party research, company meetings, conference call …), but also rewards, through the integration in the valuation model (by adjusting the cost of capital), companies performing well in ESG terms and seeking to improve their ESG profile.

By doing so, the Sub-fund's investment process brings together both the internal knowledge Magallanes has generated due to the fundamental analysis of the companies, and the scores and ratings introduced by renowned ESG analysis external suppliers such as Sustainalytics, Institutional Shareholder Services, Trucost, and Refinitiv. These suppliers bring expert and independent information to the analysis. These external and independent scores serve as the basis to a final internal ESG scoring for each company.

Within the investment process, special attention is paid to these companies whose valuation, from a fundamental point of view, seems appropriate to the Investment Manager, considering that they present a clear sustainable vocation with an intention of constant improvement.

In the same way, and intrinsic to the investment process, non-financial aspects, such as the degree of interaction with the environment, employee and social policies and good governance practices, among other variables are also considered.

The application of these ESG variables in the valuation method serves to complete the financial and fundamental information of a company.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

  The following sectors are excluded (allowing a threshold of up to 10% of revenues):

  - adult entertainment/pornography;
  - weapons of mass destruction;
  - anti-personnel landmines; and
  - gambling, casinos.

  Complementary to this, the Investment Manager could also exclude investment in companies, on a "company-by-company" basis, if they show a deterioration in their ESG ratings and policies.

  Additionally, the investment process also excludes companies not meeting the internal and subjective standards that the Investment Manager considers being the ESG requirements for a company to be included in the investable universe, following a qualitative internal analysis based on the Investment Manager's fundamental analysis and on the integration and monitoring of ESG factors into both company analysis and internal valuation models.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Not applicable.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- **What is the policy to assess good governance practices of the investee companies?**

  The Investment Manager looks at companies' management teams fully aligned with the objectives of all shareholders.

  Key variables considered by the Investment Manager are listed below.

  Management Team and Board of Directors:

  - Alignment of interests ("Skin in The Game"): percentage of "Insider Ownership" of the Management Team and Board of Directors.
  - Track record as a company manager: what they did in the past, what positions they held, if they have pending causes, study of their reputation, etc.
  - Skills and competences of the Management Team and Board of Directors. See if they are prepared for the development of their functions.
  - Diversity of the Management Team Board of Directors. By age, nationality, gender.
  - Companies must have sufficient checks on the proper functioning of the board and its strategy decisions (Existence of Audit, Remuneration or Professional Ethics Committees).
  - The strategy should be medium-long-term with continuity and consistency in decisions taken.

- The Board must have enough independent directors.
- Board members should be renamed on a regular basis. Sufficient information should be available on the training and experience of the members.
- Litigation risks. Expenses and fines on filings, lawsuits related to anti-competitive behaviour, anti-trust and monopoly practices.
- Corruption.
- Quality of the Auditors.
- Audit companies of recognized prestige. Independence of the auditor
- The fees and payments made to the auditor must be clear, known and explained.

Structure and use of capital:

- Activity in terms of capital calls, debt, etc., correct use of the company's funding sources.
- The history of mergers, acquisitions, and sale of assets.
- Remuneration of the Management Team and the Board of Directors.
- The remuneration structure must be appropriate and aligned with the interests of shareholders.
- Variable incentives should be set clearly, publicly and the variables to be considered must be consistent with the interests of shareholders and the company itself.

What is the asset allocation planned for this financial product?

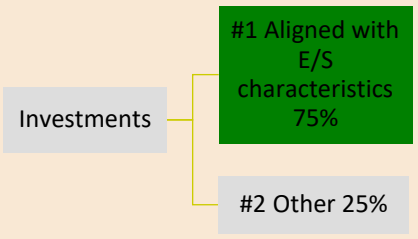
The Investment Manager is planning to invest at least 75% of the Sub-fund's net assets in investments aligned with the environmental and social characteristics, without being qualified as sustainable investments.

The Investment Manager is planning to invest a maximum of 25% of the Sub-fund's net assets in investments which will neither be aligned with environmental or social characteristic, nor qualified as sustainable investments.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial products used to attain the environmental or social characteristics promoted by the financial product.
#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Should the Sub-fund use derivatives, they will not be used to attain the environmental or social characteristics promoted by the Sub-fund.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable.

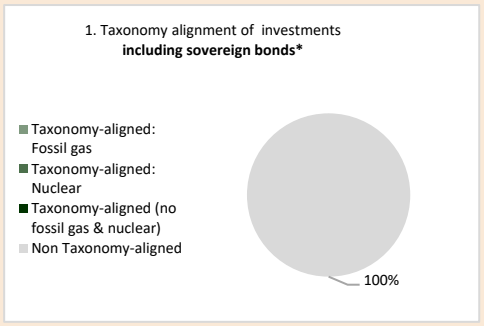
- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?**

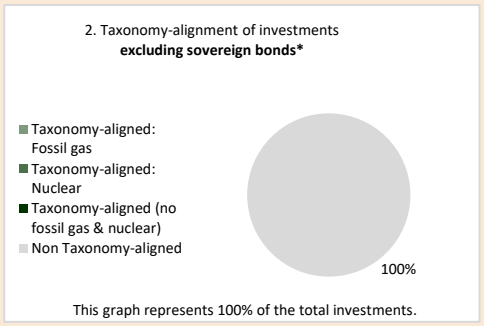
☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentaly sustainable economic activities under the EU Taxonomy.

- ***What is the minimum share of investments in transitional and enabling activities?***

Not applicable.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?
The "#2 other" portion of the portfolio includes cash and cash equivalent. As these do not take into consideration ESG criteria, no minimum environmental or social safeguards will apply.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?
No reference benchmark has been designated for the purpose of attaining the ESG characteristics promoted by this Sub-fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Where can I find more product specific information online.
More product-specific information can be found on the website:

https://assetservices.group.pictet/asset-services/fund-library/lu/en/financial-intermediary/funds

SPECIAL SECTION 2 – MAGALLANES VALUE INVESTORS UCITS – IBERIAN EQUITY

This Special Section must be read in conjunction with the General Section of the Prospectus. This Special Section refers only to the Magallanes Value Investors UCITS – Iberian Equity (the **Sub-fund**).

1. PROFILE OF THE TYPICAL INVESTOR

This Sub-fund is a high risk vehicle aiming to provide capital growth. It may be suitable for investors who are seeking long term growth potential offered through investment in equities and are more concerned with maximising long term returns than minimising possible short term losses, hence it may not be suitable for investors who expect to redeem their Shares in less than 5 years.

2. INVESTMENT OBJECTIVE

2.1 Investment Objective of the Sub-fund

In accordance with the terms set out in Section 1.3 of the General Section, the Sub-fund is a feeder of Magallanes Iberian Equity FI (the **Master Fund**), a Spanish UCITS registered under the Spanish Law of 35/2003 of 4 November 2003 related to collective investment institutions and transposing the UCITS Directive, as amended and registered in the registration files of the Spanish Supervisory Authority (the *Comisión Nacional del Mercado de Valores*) under number 4840. The Sub-fund will permanently invest at least 85% of its assets in share class F of the Master Fund.

On an ancillary basis, the Sub-fund may also invest up to 15% of its assets in one of more of the following categories:

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

(b) financial derivatives instruments (**FDIs**), which may be used only for hedging purposes, in accordance with Article 41(1), point g) and Article 42(2) and (3) of the 2010 Act.

The Sub-fund's objective is to achieve capital appreciation through its investment in the Master Fund. The Sub-fund intends to realise its investment objective by investing substantially all of its assets into the units of the Master Fund. The investment objective, policy, the risk profile and the performance of the Sub-fund and the Master Fund are identical. The investment objective and policy of the Master Fund, its organisation and risk profile are summarised in the sub-Section 2.2 below. The residual assets of the Sub-fund will consist in ancillary liquid assets and/or FDIs, as described above and as may be required from time to time for liquidity purposes and for the payment of costs and expenses of the Sub-fund. The Sub-fund intends to minimize the level of ancillary liquid assets held for these purposes. The Sub-fund will not enter into FDIs other than FX forwards. In the context of the Taxonomy Regulation, in view of its ESG strategy, the Master Fund promotes environmental characteristics and does not aim to invest in environmentally sustainable economic activities.

The investments underlying the Master Fund do not take into account the EU criteria for environmentally sustainable economic activities, within the meaning of the Taxonomy Regulation and as a consequence thereof, the "do no significant harm" principle does not apply to the investments underlying the Master Fund.

The Management Company has entered into a master feeder information sharing agreement in order to ensure that the Sub-fund is provided with all documents and information necessary for it to meet the requirements laid down in the 2010 Act or any other applicable provision transposing the UCITS Directive into national law (the **Agreement**). The Agreement provides, amongst other, information relating to (i) the Management Company's access to information; (ii) the basis of investment and disinvestment by the Sub-fund in the Master Fund; (iii) the responsibilities of the Sub-fund and the

Master Fund and their respective management companies in the performance of their duties; (iv) the remuneration and charges appliable to the Master Fund; (v) standard dealing arrangements; (vi) the changes to standing arrangements.

Shareholders may obtain further information on the Master Fund, the Master Fund Prospectus and the Master-Feeder Agreement upon request without charge**.**

2.2 The Master Fund

At least 75% of the total exposure of the Master Fund will be invested in equities. At least 60% of the total exposure of the Master Fund will be in Eurozone equities. Spanish and Portuguese issuers/markets will account for at least 75% of the equity exposure of the Master Fund and the remainder may be invested in issuers/markets from other OECD countries. Issuers may belong to any sector and may be large, mid or small capitalization. Investment in small-cap equities may have a negative impact on the Master Fund's liquidity. The Master Fund will invest in companies with medium and long term appreciation prospects following financial and extra-financial or ESG criteria.

The remainder of the total exposure of the Master Fund will be invested in fixed income from public or private issuers/markets (including deposits and money market instruments, listed or unlisted, that are liquid). The issuers/markets will be primarily Eurozone countries, but not excluding other OECD countries. Private fixed income will not include securitizations. The credit quality of fixed-income issues will be equal to or higher than that of Spain at any given time. In the case of unrated issues, the issuer's rating will be taken into account. The average duration of the fixed-income portfolio will range from 0 to 18 months.

The exposure of the Master Fund to currency risk will be a maximum of 30%.

More than 35% of the assets of the Master Fund may be invested in securities issued or guaranteed by an EU Member State, an autonomous community, a local entity, international organizations of which Spain is a member and States with solvency no less than that of Spain.

The Master Fund diversifies investments in the assets mentioned above in at least six different issues. The investment in securities of the same issue does not exceed 30% of the assets of the Master Fund.

The Master Fund will not make use of SFTs or TRS.

The Sub-fund will use the commitment approach to monitor its global exposure to FDIs. The Master Fund does not make use of FDIs.

Tax considerations

The investment into the Master Fund has no specific Luxembourg tax impact. Please also refer to Section 14 of the General Section. The taxation of partners or participants in Collective Investment Institutions regulated in Law 35/2003, of 4 November, on Collective Investment Institutions, such as the Master fund, is regulated in articles 52 et seq. of Law 27/2014, of 27 November, on Corporate Income Tax and its implementing regulations.

The taxation of non-residents in Spain is regulated by Royal Legislative Decree 5/2004, of 5 March, approving the revised text of the Non-Residents' Income Tax Law and its implementing regulations.

There is an agreement in force between the Kingdom of Spain and the Grand Duchy of Luxembourg for the avoidance of double taxation, signed in Madrid on 3 June 1986 and amended by a protocol dated 10 November 2009 with an exchange of information clause.

The Master Fund is taxed at a rate of 1% of its taxable income for corporate income tax purposes in Spain.

ESG considerations

The Master Fund promotes certain environmental and social characteristics within the meaning of article 8 of SFDR, although no reference benchmark has been designated for the purpose of attaining the ESG characteristics.

The Investment Manager integrates Sustainability Risks and opportunities into its research, analysis and investment decision-making processes. The Master Fund is managed to promote, among other characteristics, a combination of environmental and social characteristics (as provided under article 8 of SFDR), but does not have as its objective sustainable investments.

The Investment Manager uses a variety of indicators to attain the promotion of the environmental and social characteristics. For more details about the ESG methodology and restrictions, please refer to the pre-contractual disclosure included in the Annex 1 of this Special Section as per the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of 'do no significant harm', specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports (the **SFDR RTS**).

In accordance with SFDR RTS, further information related to environmental and/or social characteristics of the Sub-fund is available in Annex 1 of this Special Section that forms an integral part of this Prospectus.

3. VALUATION DAY

For the purpose of this Special Section, "Business Day" means a day on which banks are generally open for business in Spain and in Luxembourg during the whole day (excluding Saturday and Sundays, public holidays in the City of Madrid, December 24 and 31, and public holidays in Luxembourg). Each Business Day is a Valuation Day.

4. CLASSES

For the time being, the following Classes are available for subscription by investors:

Class	**Class R**	**Class I**
ISIN	LU1330191898	LU1330191971
Reference Currency	EUR	EUR
Eligible investors	Retail Investors	Institutional Investors Other Shareholders having entered into a discretionary mandate or fee based advisory mandate with financial intermediaries which, according to regulatory

		requirements or based on individual fee arrangements, may not accept and keep trail commissions
Distribution/ Accumulation	Accumulation	Accumulation
Initial Subscription Price	EUR100	EUR100
Minimum Subscription Amount	EUR100	EUR1,000,000 for Institutional Investors Not applicable for Shareholders having entered into a discretionary mandate or fee based advisory mandate with financial intermediaries which, according to regulatory requirements or based on individual fee arrangements, may not accept and keep trail commissions
Subscription Fee	N/A	N/A
Redemption Fee	N/A	N/A
Conversion fee	N/A	N/A
Investment Management Fee	Up to 2% p.a.	Up to 2% p.a.
Subscription Tax Rate	0.05%	0.05%

Aggregate charges of the Sub-fund and Master Fund[2]	**Sub-fund**	**Master Fund**	**Total**
- UCI Administrator fee	Up to 0.10% p.a.[3]	n/a	Up to 0.10% p.a. on the average value of the NAV of the feeder Sub-fund with a minimum of EUR10,000
- Depositary fee	Up to 0.10% p.a.[4]	0.04 p.a.	Up to 0.10% % p.a. on the average value of the NAV of the feeder Sub-fund with a

[2] Excluding for the avoidance of doubt any taxes to which the Master Fund or Feeder Fund may be subject.
[3] Calculated on the average of the value of the NAV of the relevant Class over the relevant period and is payable quarterly in arrears with a minimum fee not exceeding EUR10,000 p.a. per Sub-fund
[4] Calculated on the average of the value of the NAV of the relevant Class over the relevant period and is payable quarterly in arrears with a minimum fee not exceeding EUR10,000 p.a. per Sub-fund

			minimum of EUR10,000 plus *0.04 p.a.* of the NAV of the Master Fund
- Management Company fee	Up to 0.10% p.a.[5]	n/a	Up to 0.10% % p.a. on the average value of the NAV of the feeder Sub-fund with a minimum of EUR20,000
- Investment Management fee	Up to 2% p.a.	n/a	Up to 2% p.a. of the net assets of the feeder Sub-fund

5. SUBSCRIPTIONS – REDEMPTIONS – CONVERSIONS

For the purpose of this Section 5, it is understood that subscriptions for Shares will only be accepted in amounts and never in number of Shares.

5.1 Initial subscriptions

Shares were offered from 7 December 2015 to 28 December 2015 at the Initial Subscription Price set out under Section 5 of this Special Section (the **Initial Subscription Period**).

Subscription requests during the Initial Subscription Period must be sent in writing to the UCI Administrator or Distributor(s) and be received by the UCI Administrator no later than 3.00 p.m. (Luxembourg time) on the last day of the Initial Subscription Period. Payments for subscriptions must be received in the reference currency of the relevant Class at the latest 3 (three) Business Days following the last day of the Initial Subscription Period.

If the Depositary does not receive the funds in time the investor will be liable for the costs of late or non-payment in which the case the Board will have the power to redeem all or part of the investor's holding of Shares in the Company in order to meet such costs.

5.2 Ongoing Subscriptions

Ongoing subscriptions for Shares can be made to the UCI Administrator or the relevant Distributor on any day that is a Valuation Day in accordance with and subject to the terms of Section 4 of the General Section.

Subscriptions may be made only by investors who are Eligible Investors by:

(a) submitting a written subscription request by fax, swift or any other transmission method allowed by the UCI Administrator to the UCI Administrator or Distributor(s) to be received by the UCI Administrator by 3.00 p.m. (Luxembourg time) 1 (one) Business Days before the relevant Valuation Day at the latest (the **Subscription Cut-Off Time**). Subscription orders for Shares received by the UCI Administrator in respect of a Valuation Day prior to the

[5] Calculated on the average of the value of the NAV of the relevant Class over the relevant period and is payable quarterly in arrears with a minimum fee not exceeding EUR20,000 p.a. per Sub-fund

relevant Subscription Cut-Off Time, will be processed on the first NAV Calculation Day following such Valuation Day on the basis of the Net Asset Value per Share calculated on such NAV Calculation Day. Any applications received after the Subscription Cut-Off Time in respect of the relevant Valuation Day will be deferred to the next Valuation Day and will be dealt with on the basis of the Net Asset Value per Share calculated on the NAV Calculation Day immediately following such next Valuation Day;

(b) delivering to the account of the Depositary funds for the full amount of the subscription price (plus any Subscription Fee) of the Shares being subscribed for pursuant to the subscription request at least 2 (two) Business Days after the relevant Valuation Day.

5.3 Redemption

Redemption requests for Shares in part or in whole can be made to the UCI Administrator or the relevant Distributor on any day that is a Valuation Day in accordance with and subject to the terms of Section 7 of the General Section. Redemption requests must be received by the UCI Administrator by 3.00 p.m. (Luxembourg time) 1 (one) Business Days before the relevant Valuation Day (the **Redemption Cut-Off Time**) to be eligible for processing as of such Valuation Day redemption requests received after the Redemption Cut-Off Time will be deemed received at the next forthcoming Valuation Day and will be processed on the basis of the Net Asset Value per Share as of the first NAV Calculation Day after the relevant Valuation Day. Payment of the redemption proceeds will be made generally within 3 (three) Business Days following the relevant NAV Calculation Day.

5.4 Conversion

Conversion requests for Shares in part or in whole can be made to the UCI Administrator or the relevant Distributor on any day that is a Valuation Day in accordance with and subject to the terms of Section 6 of the General Section. Conversion request must be received by 3.00 p.m. (Luxembourg time) 1 (one) Business Days before the relevant Valuation Day by the UCI Administrator.

5.5 Master-feeder structure

As a result of the Sub-fund's investment in the Master Fund, if and when the Master Fund temporarily suspends, on its own initiative or at the request of its competent authorities, the subscription, the redemption or the conversion of its shares, the Sub-fund may suspend the subscription, the redemption or the conversion of its Shares for a duration identical to the duration of suspension of subscription, redemption, or conversion of the Master Fund.

6. PRICE ADJUSTMENT

With respect to subscriptions, redemptions and conversions of Shares of the Sub-fund, the Net Asset Value per Share on the relevant Valuation Day may be adjusted in accordance with Section 8 of the General Section

7. REFERENCE CURRENCY AND HEDGING

The Reference Currency of the Sub-fund is the EUR.

In relation to investments that are denominated in a currency other than the currency of any particular Class, the Company may decide (but is not obliged) to enter into hedging transactions so as to mitigate the risk arising out of (adverse) currency exchange rate changes.

8. MANAGEMENT COMPANY FEE, INVESTMENT MANAGEMENT FEE

8.1 Management Company Fee

The Management Company is entitled to the Management Company Fee as described in Section 13.1(d) of the General Section, based on the average of the value of the NAV of the relevant Class over the relevant period and is payable quarterly in arrears.

8.2 Investment Management Fee

The Investment Manager is entitled to an investment management fee at such rate as set out in respect of each Class in Section 5 of this Special Section (the **Investment Management Fee**). The Investment Management Fee is based on the average of the value of the NAV of the relevant Class over the relevant period and is payable quarterly in arrears.

9. SPECIFIC RISK FACTORS

9.1 In addition to the risk factors set out below, Shareholders should refer to the risk factors set out in Schedule 2 and in particular the following risks related to Sub-fund and the Master Fund:

(a) investments in emerging markets;

(b) market-related risks;

(c) interest rate risk;

(d) fixed-interest securities;

(e) credit risk;

(f) liquidity risk;

(g) geographic or sector concentration risk; and

(h) other risks including sustainability risks.

More details in relation to the risk factors that are specific to the Master Fund can be found in the prospectus of the Master Fund.

ANNEX 1

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Magallanes Value Investors UCITS-Iberian Equity (the **Sub-fund**)

Legal entity identifier: 222100JY13F8NROIST89

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**	●○ ☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** %	☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
☐ It will make a minimum of **sustainable investments with a social objective:** %	☐ with a social objective
	☒ It promotes E/S characteristic, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Master Fund promotes the following characteristics:

Environmental characteristics: adaptation to climate change, pollution prevention and control, as well as sustainable use and protection of resources. The purpose is to respond to the underlying risks of global warming and the importance of energy transition for decarbonization.

Social characteristics: reduction of the gender wage gap, prevention of occupational accidents, equal representation in management bodies and defense of the United Nations Global Compact Principles for companies.

No benchmark has been designated by the Master Fund to achieve the environmental and social characteristics promoted by the fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The Master Fund uses the following sustainability metrics to measure the degree of achievement of the characteristics promoted by the Master Fund:

CHARACTERISTICS ENVIRONMENTAL	METRICA	MEASUREMENT
Adaptation to climate change	Carbon footprint	tons CO2 emitted /million € invested
Pollution prevention and control	Percentage of investees' non-renewable energy consumption and production compared to renewable energy sources	percentage
	Emission of atmospheric pollutants	tons of atmospheric pollutants emitted / million € invested
Sustainable use and protection of resources	Emissions to water	tons of emissions / millions of € invested tons of
	Hazardous waste ratio	hazardous waste / millions of € invested
SOCIAL CHARACTERISTICS	**METRICA**	**MEASUREMENT**
reduction of the gender pay gap	Unadjusted gender wage gap	(Gross hourly wage male - Gross hourly wage female)/Gross hourly wage male = percentage
Prevention of occupational accidents	Accident rate	accidents / million hours worked
Composition of Governing Bodies	women in the management bodies of investee companies	number of female administrators / total number of administrators
Advocacy of the United Nations Global Compact principles for business	Percentage of investees involved in violations of UN principles.	yes/no

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The Master Fund does not make sustainable investments.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The Master Fund does make sustainable investments.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Not applicable.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Not applicable.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities. *Any other sustainable investments must also not significantly harm any environmental or social objectives.*



Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes

☒ No. The Master Fund does not take into consideration adverse occurrences on sustainability factors as it does not currently have due diligence policies in place in relation to such adverse occurrences.



The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The investment strategy of the Master Fund seeks to exclude companies that do not meet the standards that the Master Fund considers to be the ESG requirements for a company to be included in the investable universe.

The Master Fund's investment process combines both the internal knowledge that the Master Fund has generated thanks to the fundamental analysis of the companies, as well as the data and scores provided mainly by Clarity, an external ESG analysis provider that contributes expert and independent information to the analysis. This information is obtained in the form of data/indicators such as unadjusted gender pay gap, percentage of women on boards of directors, percentage of non-renewable vs. renewable energy consumption, among others. These external and independent data, once averaged, serve as the basis for obtaining an initial internal score from 1 to 10 (1 being the best and 10 being the worst) for each ESG component.

Each component analyzed at the company level, which includes not only the promoted characteristics but also other aspects such as controversy rating, membership in sustainable indexes or sustainability risk ratings, is weighted by sector/activity in order to identify and prioritize the most relevant ESG aspects for each portfolio company according to its activities. For example, the environmental factor will be more critical for an oil company than for a bank.

Therefore, each aspect will be evaluated with greater or lesser intensity depending on the company's activity and sector.

In this way, a final internal ESG score is obtained for each company between 1 (best) and 10 (worst). Companies with a score higher than 7 would not be considered to be in line with the environmental or social characteristics promoted. The average score of the portfolio will be lower than 6.

The final score obtained in this way either rewards or rewards companies by integrating this score into the valuation model by adjusting the cost of capital.

Within the investment process, special attention is paid to those companies whose valuation, from a fundamental point of view, seems adequate to the Master Fund, considering that they present a clear sustainable vocation with the intention of constant improvement.

Public fixed income that may be in the Master Fund's portfolio would not be considered aligned with environmental or social characteristics, accounting for 40% of the remaining investments.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The following sectors are excluded (allowing a threshold of up to 10% of revenues) by the Master Fund:

- adult entertainment/pornography;
- weapons of mass destruction;
- anti-personnel mines; and
- gambling, casinos.

In addition, the Master Fund may also exclude investment in companies on a company-by-company basis if, in the opinion of the management team, they show serious environmental, social or governance irregularities that jeopardize the viability and sustainability of the company.

Additionally, a final score higher than 7 excludes the company from being considered as an investment adjusted for environmental or social characteristics.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

There is no minimum percentage commitment to reduce the size of the investments considered prior to the implementation of the investment strategy of the Master Fund.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The Master Fund assesses that the management teams of the companies in which the Master Fund invests are fully aligned with the objectives of all shareholders. Scoring data on good governance obtained from external sources are internally parameterized together with the variables considered by the Master Fund in its process of analysis and continuous monitoring of investments, obtaining an internal score from 1 to 10 (1 better 10 worse) requiring a score of 7 or lower:

Management team and Board of Directors:

- Alignment of interests of interests ("Skin in The Game"): percentage of capital in excess of 5% in the hands of shareholders or the Management Team and the Board of Directors ("Insider Ownership").
- Track record as an executive of the company: what he/she has done in the past, what positions he/she has held, if he/she has pending cases, study of his/her reputation, etc.
- Capacities and competencies of the Management Team and the Board of Directors. To see if they are prepared for the development of their functions.
- Diversity of the Board of Directors. By age, nationality and gender.
- Companies must have sufficient controls over the proper functioning of the board and its strategic decisions (existence of audit, remuneration or professional ethics committees).
- The strategy must be medium and long-term, with continuity and consistency in the decisions adopted.
- The Board should have a sufficient number of independent directors.
- The members of the Board of Directors should be renewed periodically. Sufficient information should be available on the training and experience of the members.
- Ligation risks. Expenses and fines for proceedings, lawsuits related to anticompetitive behavior, antitrust and monopoly practices.
- Corruption.
- Quality of auditors.
- Audit firms of recognized prestige. Independence of the auditor.
- The fees and payments made to the auditor must be clear, known and explained.

Structure and use of capital:

- Activity in terms of capital calls, indebtedness, etc. Correct use of the company’s sources of financing.
- The history of mergers, acquisitions and asset sales.
- Remuneration of the management team and the Board of Directors.
- The remuneration structure must be appropriate and in line with shareholders’ interest.
- Variable incentives mut be clearly and publicly and the variables to be considered must be consistent with the interests of shareholders and the company itself.

Asset allocation describes the share of investments in specific assets.

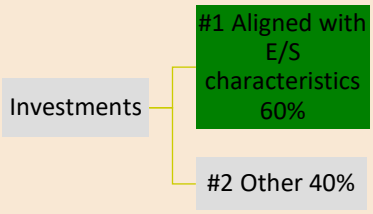
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

What is the asset allocation planned for this financial product?

At least 60% of the Master Fund's assets will be invested in investments aligned with the environmental and social characteristics promoted by the fund, without being qualified as sustainable investments.

A maximum of 40% of the Master Fund's assets will be investments that are not aligned with environmental or social characteristics, nor qualified as sustainable investments.



#1 Aligned with E/S characteristics includes the investments of the financial products used to attain the environmental or social characteristics promoted by the financial product.
#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Master Fund does not trade in derivatives.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Master Fund does not make sustainable investments.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[6]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

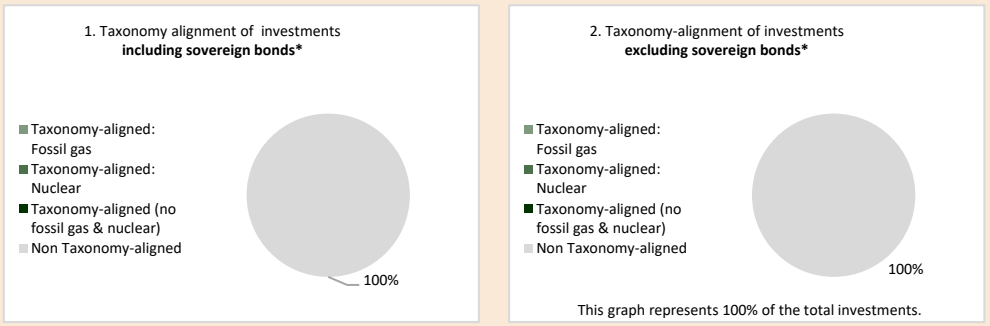
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

[6] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

What is the minimum share of investments in transitional and enabling activities?

The Master Fund does not invest in transitional or facilitating activities.

What is the minimum share of sustainable investments with an environmental objective that are aligned with the EU Taxonomy?

The Master Fund does not make sustainable investments with an environmental objective that do not conform to EU taxonomy.

What is the minimum share of socially sustainable investments?

The Master Fund does not make socially sustainable investments.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The "No. 2 Other" part of the portfolio of the Master includes cash and cash equivalents as well as, if available, government bonds or issuers that do not meet the prerequisites. Although these do not take ESG criteria into account, minimum environmental or social safeguards will apply.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No benchmark has been designated in order to achieve the ESG characteristics promoted by the Master Fund.

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.



Where can I find more product specific information online.
More product-specific information can be found on the website:

https://magallanesvalue.com/fondos-de-inversion

PART C – SCHEDULES

SCHEDULE 1 – INVESTMENT RESTRICTIONS

1. INVESTMENT RESTRICTIONS

The Company and the Sub-funds are subject to the restrictions and limits set forth below.

The management of the assets of the Sub-funds will be undertaken within the following investment restrictions. **A Sub-fund may be subject to additional investment restrictions set out in the relevant Special Section. In the case of any conflict, the provisions of the relevant Special Section will prevail.**

1.1 Eligible Investments

(a) The Company's investments may consist solely of:

(i) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in an EU Member State;

(ii) Transferable Securities and Money Market Instruments dealt on another Regulated Market;

(iii) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange or dealt in on another market in any country of Western or Eastern Europe, Asia, Oceania, the American continents or Africa;

(iv) new issues of Transferable Securities and Money Market Instruments, provided that:

(A) the terms of issue include an undertaking that application will be made for admission to official listing on any stock exchange or other Regulated Market referred to in Sections 1.1(a)(i), (ii) and (iii) of this Schedule;

(B) such admission is secured within a year of issue;

(v) units of UCITS and/or other UCIs within the meaning of Article 1, paragraph (2), points a) and b) of the UCITS Directive, whether situated in an EU Member State or not, provided that:

- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
- the level of protection for unitholders in the other UCIs is equivalent to that provided for share/unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;
- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
- no more than 10% of the net assets of the UCITS or other UCI whose acquisition is contemplated, can, according to their fund rules or constitutional documents, be invested in aggregate in units of other UCITS or other UCIs;

(vi) 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 an EU Member State or, if the registered office of the credit institution is situated in a non-EU Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;

(vii) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market referred to in Sections 1.1(a)(i), (ii) and (iii) of this Schedule; and/or OTC Derivatives, provided that:

(A) the underlying consists of instruments covered by this Section 1.1(a), financial indices, interest rates, foreign exchange rates or currencies, in which a Sub-fund may invest according to its investment objectives as stated in the relevant Special Section,

(B) the counterparties to OTC Derivative transactions are First Class Institutions, and

(C) the OTC Derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative;

(viii) Money Market Instruments other than those dealt in on a Regulated Market if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

(A) issued or guaranteed by a central, regional or local authority or central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in the 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 EU Member States belong; or

(B) issued by an undertaking, any securities of which are listed on a stock exchange or dealt in on Regulated Markets referred to in Sections 1.1(a)(i), (ii) or (iii) of this Schedule; or

(C) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or

(D) issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection rules equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least EUR10 million and which (i) presents and publishes its annual accounts in accordance with Directive 78/660/EEC, (ii) 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 (iii) is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

(b) However, each Sub-fund may:

(i) hold up to 20% of its net assets in bank deposits at sight, such as cash held in current accounts with a bank and accessible at any time, (i) for treasury purposes or (ii) for the time necessary to reinvest in eligible assets provided under article 41 (1) of the 2010 Act or (iii) for a period of time strictly necessary in case of unfavourable market conditions. This restriction shall only

be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such breach is justified having regard to the interests of the Shareholders;

(ii) for treasury purposes (in normal market conditions), invest in Cash Equivalents;

(iii) in case of unfavourable financial market conditions and for defensive purposes, on a temporary basis, invest up to 100% of its net assets in Cash Equivalents. For the avoidance of doubt, and unless otherwise provided in the relevant Sub-fund's Appendix, investment in such assets in such proportions is not part of the core investment policy of the Sub-fund.

1.2 Risk diversification

(a) In accordance with the principle of risk diversification, the Company is not permitted to invest more than 10% of the net assets of a Sub-fund in Transferable Securities or Money Market Instruments of one and the same issuer. The total value of the Transferable Securities and Money Market Instruments in each issuer in which more than 5% of the net assets are invested, must not exceed 40% of the value of the net assets of the respective Sub-fund. This limitation does not apply to deposits and OTC Derivative transactions made with financial institutions subject to prudential supervision.

(b) The Company is not permitted to invest more than 20% of the net assets of a Sub-fund in deposits made with the same body.

(c) Notwithstanding the individual limits laid down in Sections 1.2(a), 1.2(b) above and 1.7 below, a Sub-fund may not combine:

(i) investments in Transferable Securities or Money Market Instruments issued by a given single body,

(ii) deposits made with that single body, and/or

(iii) exposures arising from OTC Derivative transactions undertaken with that single body,

in excess of 20% of its net assets.

(d) The 10% limit set forth in Section 1.2(a) above can be raised to a maximum of 25% for covered bond as defined under article 3, point 1 of Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU, and for certain bonds when they are issued before 8 July 2022 by credit institutions with registered offices in a EU Member State and are subject by law to specific public supervision designed to ensure the protection of bondholders. In particular the sums arising from the issue of such bonds issued before 8 July 2022 must be invested in compliance with the legislation in assets which throughout the entire period of the validity of the bonds may cover debt securities arising from the bonds and which in the event of the bankruptcy of the issuer would be used as a priority to reimburse the principal and pay for the interest incurred. To the extent that a Sub-fund may invest more than 5% of its net assets in such bonds, issued by one and the same issuer, the total value of such investments may not exceed 80% of the value of the net assets of that Sub-fund.

(e) The 10% limit set forth in Section 1.2(a) above can be raised to a maximum of 35% for Transferable Securities and Money Market Instruments that are issued or guaranteed by an EU Member State or its local authorities, by a third country or by public international organisations of which one or more EU Member States are members.

(f) Transferable Securities and Money Market Instruments which fall under the special ruling given in Sections 1.2(d) and 1.2(e) above are not counted when calculating the 40% risk diversification ceiling mentioned in Section 1.2(a) above.

(g) The limits provided for in Sections 1.2(a) to 1.2(e) above may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits or derivative instruments made with this body will under no circumstances exceed in total 35% of the net assets of a Sub-fund.

(h) Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this Section 1.2.

(i) A Sub-fund may invest, on a cumulative basis, up to 20% of its net assets in Transferable Securities and Money Market Instruments of the same group.

1.3 Exceptions which can be made

(a) Without prejudice to the limits laid down in Section 1.7 below, the limits laid down in Section 1.2 are raised to a maximum of 20% for investment in shares and/or bonds issued by the same body if, according to the relevant Special Section, the investment objective and policy of that Sub-fund is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:

(i) its composition is sufficiently diversified,

(ii) the index represents an adequate benchmark for the market to which it refers,

(iii) it is published in an appropriate manner.

The above 20% limit may be raised to a maximum of 35%, but only in respect of a single body, where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant.

(b) The Company is authorised, in accordance with the principle of risk diversification, to invest up to 100% of the net assets of a Sub-fund in Transferable Securities and Money Market Instruments from various offerings that are issued or guaranteed by an EU Member State or its local authorities, by a G20 Member State, by another OECD Member State, Singapore, Hong-Kong or by public international organisations in which one or more EU Member States are members. That Sub-fund must hold securities from at least six different issues, but securities from any one issue may not account for more than 30% of its net assets.

1.4 Investment in UCITS and/or other UCIs

(a) A Sub-fund may acquire the units of UCITS and/or other UCIs referred to in Section 1.1(a)(v) of this Schedule provided that no more than 20% of its net assets are invested in units of a single UCITS or other UCI. If a UCITS or other UCI has multiple compartments (within the meaning of article 181 of the 2010 Act) and the assets of a compartment may only be used to satisfy the rights of the investors relating to that compartment and the rights of those creditors whose claims have arisen in connection with the setting-up, operation and liquidation of that compartment, each compartment is considered as a separate issuer for the purposes of applying the above limit.

(b) Investments made in units of UCIs other than UCITS may not exceed, in aggregate, 30% of the net assets of the Sub-fund.

(c) When a Sub-fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in Section 1.2 above.

(d) When a Sub-fund invests in the units of UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, (regarded as more than 10% of the voting rights or share capital), that management company or other company may not charge subscription, conversion or redemption fees on account of the Sub-fund's investment in the units of such UCITS and/or other UCIs.

(e) If a Sub-fund invests a substantial proportion of its assets in other UCITS and/or other UCIs, the maximum level of the management fees that may be charged both to the Sub-fund itself and to the other UCITS and/or other UCIs in which it intends to invest, will be disclosed in the relevant Special Section.

(f) In the annual report of the Company it will be indicated for each Sub-fund the maximum proportion of management fees charged both to the Sub-fund and to the UCITS and/or other UCIs in which the Sub-fund invests.

1.5 Master-feeder structures

Without prejudice to the limits set out in Section 1.4 above and under the conditions and within the limits laid down by the 2010 Act the Company can, to the widest extent permitted by Luxembourg laws and regulations, create one or more sub-funds that qualify as a master fund or a feeder fund, or can designate any existing Sub-fund a master fund or a feeder fund in which case further details in this respect are provided in the Special Section of such Sub-fund.

A feeder sub-fund is a sub-fund which has been approved to invest at least 85% of its assets in units of another fund set up as a UCITS or in a sub-fund thereof. A feeder sub-fund may hold up to 15 % of its assets in ancillary liquid assets in accordance with Article 41(2) of the 2010 Act, second sub-paragraph, or financial derivative instruments (**FDIs**) which must only be used for hedging purposes.

1.6 Tolerances and multiple compartment issuers

If, because of reasons beyond the control of the Company or the exercising of subscription rights, the limits mentioned in this Section 1 are exceeded, the Company must have as a priority objective in its sale transactions to reduce these positions within the prescribed limits, taking into account the best interest of the Shareholders.

Provided that they continue to observe the principles of risk diversification, newly established Sub-funds may deviate from the limits mentioned under Sections 1.2, 1.3 and 1.4 above as well as from the limits set out in the Special Sections for a period of six months following the date of their initial launch.

To the extent permitted by applicable law, if an issuer of Eligible Investments is a legal entity with multiple compartments and the assets of a compartment may only be used to satisfy the rights of the investors relating to that compartment and the rights of those creditors whose claims have arisen in connection with the setting-up, operation and liquidation of that compartment, each compartment is considered as a separate issuer for the purposes of applying the limits set forth under Sections 1.2 and 1.4, and 1.3(a) of this Schedule.

1.7 Investment prohibitions

The Company is prohibited from:

(a) acquiring equities with voting rights that would enable the Company to exert a significant influence on the management of the issuer in question;

(b) acquiring more than

(i) 10% of the non-voting equities of one and the same issuer,

(ii) 10% of the debt securities issued by one and the same issuer,

(iii) 10% of the Money Market Instruments issued by one and the same issuer, or

(iv) 25% of the units of one and the same UCITS and/or other UCI.

The limits laid down in (ii), (iii), and (iv) may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the Money Market Instruments, or the net amount of the securities in issue, cannot be calculated.

Transferable Securities and Money Market Instruments which, in accordance with article 48, paragraph 3 of the 2010 Act are issued or guaranteed by an EU Member State or its local authorities, by another Member State of the OECD or which are issued by public international organisations of which one or more EU Member States are members are exempted from the above limits.

(c) selling short Transferable Securities, Money Market Instruments and other Eligible Investments mentioned under Sections 1.1(a)(v), (vii) and (viii) of this Schedule;

(d) acquiring precious metals or related certificates;

(e) investing in real estate and purchasing or selling commodities or commodities contracts;

(f) borrowing on behalf of a particular Sub-fund, unless:

(i) the borrowing is in the form of a back-to-back loan for the purchase of foreign currency;

(ii) the loan is only temporary and does not exceed 10% of the net assets of the Sub-fund in question;

(g) granting credits or acting as guarantor for third parties. This limitation does not refer to the purchase of Transferable Securities, Money Market Instruments and other Eligible Investments mentioned under Sections 1.1(a)(v), (vii) and (viii) that are not fully paid up.

1.8 Investments in financial derivative instruments

(a) The Company must employ (i) a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio and (ii) a process for accurate and independent assessment of the value of OTC Derivatives.

(b) Each Sub-fund will ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio.

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

(d) A Sub-fund may invest, as a part of its investment policy, in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in Section 1.2 of this Schedule. Under no circumstances will these operations cause a Sub-fund to diverge from its investment objectives as laid down in the Prospectus and the relevant Special Section. When a Sub-fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in Section 1.2 of this Schedule.

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

(f) In accordance with Circular 14/592, the Company's annual reports will contain, in respect of each Sub-fund that has entered into financial derivative instruments over the relevant reporting period, details of:

- the underlying exposure obtained through financial derivative instruments;
- the identity of the counterparty(ies) to these financial derivative instruments;
- the type and amount of collateral received to reduce counterparty risk exposure.

1.9 Collateral policy for OTC Derivatives transactions

(a) Collateral received by a Sub-fund may be must comply at all times with the following principles:

(i) 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 acquisition limits set out in Section 1.7(b) of this Schedule.

(ii) Valuation – collateral will be valued on a daily basis, using available market prices and taking into account appropriate discounts which will be determined for each asset class based on its haircut policy set out under item (e) to (h) below.

(iii) Issuer credit quality – collateral received should be of high quality.

(iv) Correlation – the collateral received by the Sub-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.

(v) 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 Sub-fund receives from a counterparty of OTC Derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When a Sub-fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation, a Sub-fund may be fully collateralised in different Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, one or more of its local authorities or by another member state of the OECD, or a public international body to which one or more Member States belong, provided the Sub-fund receives securities from at least six different issues and any single issue does not account for more than 30% of the Sub-fund's NAV. If a Sub-fund intends to make use of this possibility, this will be set out in relevant Special Section.

(vi) Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.

(vii) Collateral received should be capable of being fully enforced by the Company for the account of the Sub-fund at any time without reference to or approval from the counterparty.

(b) Non-cash collateral received by a Sub-fund may not be sold, re-invested or pledged.

(c) Cash collateral received by a Sub-fund can only be:

(i) placed on deposit with credit institutions which either have their registered office in an EU Member State or are subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;

(ii) invested in high-quality government bonds;

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

(iv) invested in Short-Term Money Market Funds as defined in the CESR Guidelines 10-049 on a Common Definition of European Money Market Funds.

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

(e) Collateral posted in favour of a Sub-fund under a title transfer arrangement should be held by the Depositary or one of its correspondents or sub-custodians. Such collateral may be held by one of the Depositary's correspondents or sub-custodians provided that the Depositary has delegated the custody of the collateral to such correspondent or sub-custodian. Collateral posted in favour of a Sub-fund under a security interest arrangement (e.g., a pledge) can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

(f) In accordance with Circular 14/592, the Management Company has a haircut policy relating to the classes of assets received as collateral. The Management Company typically utilises cash and high-quality government bonds as collateral, but other permitted forms of collateral (with associated haircuts) may be utilised both with haircuts as set out under item (g) below. This policy takes into account a variety of factors, depending on the nature of the collateral received, such as the issuer's credit standing, the maturity, currency, price volatility of the assets and, where applicable, the outcome of liquidity stress tests carried out by the relevant Sub-fund under normal and exceptional liquidity conditions. No haircut will generally be applied to cash collateral.

(g) In case of non-cash collateral, a haircut will be applied. Non-cash collateral will only be accepted if such non-cash collateral does not exhibit high price volatility.

(h) For non-cash collateral, a haircut of 1% to 8% will be applied as follows:

	Remaining stated maturity of	**Haircut applied**
Government debts and supranational debt securities	Not exceeding 1 year	1%
	1 to 5 years	3%
	5 to 10 years	4%
	10 to 20 years	7%
	20 to 30 years	8%

(i) Collateral received by the Sub-funds will only consist in cash, government debts and supranational debt securities. In case of any amendment of the Sub-funds' collateral policy, this Prospectus will be amended accordingly.

1.10 Investments between Sub-funds

A Sub-fund (the **Investing Sub-fund**) may invest in one or more other Sub-funds. Any acquisition of Shares of another Sub-fund (the **Target Sub-fund**) by the Investing Sub-fund is subject to the following conditions:

(a) the Target Sub-fund may not invest in the Investing Sub-fund;

(b) the Target Sub-fund may not invest more than 10% of its net assets in UCITS (including other Sub-funds) or other UCIs referred to in Section 1.1(a)(v) of this Schedule;

(c) the voting rights attached to the Shares of the Target Sub-fund are suspended during the investment by the Investing Sub-fund; and

(d) the value of the Share of the Target Sub-fund held by the Investing Sub-fund are not taken into account for the purpose of assessing the compliance with the EUR1,250,000 minimum capital requirement.

SCHEDULE 2 – GENERAL RISK FACTORS

Before making an investment decision with respect to Shares of any Class in any Sub-fund, prospective investors should carefully consider all of the information set out in this Prospectus and the relevant Special Section, as well as their own personal circumstances. Prospective investors should have particular regard to, among other matters, the considerations set out in this Section and under the Sections "Specific risk factors" and "Profile of the typical investor" in the relevant Special Section. The risk factors referred to therein, and in this document, alone or collectively, may reduce the return on the Shares of any Sub-fund and could result in the loss of all or a proportion of a Shareholder's investment in the Shares of any Sub-fund. The price of the Shares of any Sub-fund can go down as well as up and their value is not guaranteed. Shareholders may not receive, at redemption or liquidation, the amount that they originally invested in any Class or any amount at all.

The risks may include or relate to equity markets, bond markets, foreign exchange rates, interest rates, credit risk, the use of derivatives, counterparty risk, market volatility and political risks. The risk factors set out in this Prospectus, the key investor information document and the relevant Special Section are not exhaustive. There may be other risks that a prospective investor should consider that are relevant to its own particular circumstances or generally.

An investment in the Shares of any Sub-fund is only suitable for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

Before making any investment decision with respect to the Shares, prospective investors should consult their own stockbroker, bank manager, lawyer, solicitor, accountant and/or financial adviser and carefully review and consider such an investment decision in the light of the foregoing and the prospective investor's personal circumstances.

The Company is intended to be a medium to long-term investment vehicle (depending on the Investment Policy of the relevant Sub-funds). Shares may however be redeemed on each Valuation Day. Substantial redemptions of Shares by Shareholders within a limited period of time could cause the Company to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of both the Shares being redeemed and the outstanding Shares. In addition, regardless of the period of time in which redemptions occur, the resulting reduction in the Net Asset Value per Share could make it more difficult for the Company to generate trading profits or recover losses.

1. GENERAL RISKS

1.1 Effect of performance fees

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

1.2 Future returns

No assurance can be given that the strategies employed by the Management Company, Investment Manager or Investment Adviser in the past to achieve attractive returns will continue to be successful or that the return on the Sub-funds' investments will be similar to that achieved by the Management Company, Investment Manager or Investment Adviser in the past.

1.3 Effects of redemptions

Large redemptions of Shares within a limited period of time could require the Company to liquidate positions more rapidly than would otherwise be desirable, adversely affecting the value of both the Shares being redeemed and the outstanding Shares. In addition, regardless of the period of time over which redemptions occur, the resulting reduction in a Sub-fund's Net Asset Value could make it more difficult for the Management Company, Investment Manager or Investment Adviser to generate profits or recover losses. Redemption proceeds paid by the Company to a redeeming Shareholder may be less than the Net Asset Value of such Shares at the time a redemption request is made due to fluctuations in the Net Asset Value between the date of the request and the applicable dealing day.

1.4 Concentration risks

Certain Sub-funds may concentrate their investments on certain geographical areas or sectors. Concentration of the investments of Sub-funds in any particular countries will mean that those Sub-funds may be more greatly impacted by adverse social, political or economic events which may occur in such countries. Similarly, Sub-funds concentrating their investments in companies of certain sectors will be subject to the risks associated with such concentration.

1.5 Credit risk

The creditworthiness (solvency and willingness to pay) of an issuer of a security held by the Company may fall. Bonds or debt instruments involve a credit risk with regard to the issuers, for which the issuers' credit rating can be used as a benchmark. Bonds or debt instruments floated by issuers with a lower rating are generally viewed as securities with a higher credit risk and greater risk of default on the part of the issuers than those instruments that are floated by issuers with a better rating. If an issuer of bonds or debt instruments gets into financial or economic difficulties, this can affect the value of the bonds or debt instruments (this value could drop to zero) and the payments made on the basis of these bonds or debt instruments (these payments could drop to zero).

1.6 Nominee arrangements

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his/her/its investor rights directly against the Company, in particular the right to participate in general meetings of Shareholders, if the investor is registered himself/herself/itself and in his/her/its own name in the register of the Shareholders. In cases where an investor invests in the Company through an intermediary investing into the Company in his/her/its own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

1.7 Indemnification rights in case of NAV calculation errors, breaches of investment restrictions or other errors for Investors subscribing through financial intermediaries

Shareholders must note that if subscriptions are received or made via a financial intermediary, i.e. where the investors are not registered themselves and in their own name in the register of the Company, their rights may be affected in relation to indemnification payments for NAV calculation errors, breaches of investment restrictions or other errors occurring at the level of the Company. For instance, transactions may be aggregated through financial intermediaries, therefore the Company may not be in a position to trace back through the intermediary chain the individual payments due and ensure that the payment of indemnifications take into account each investor’s individual situation.

Shareholders are therefore advised to contact the relevant financial intermediary through which they have subscribed for shares of the Company to receive information on the arrangements in place with the Company regarding the indemnification process in the event of a NAV calculation error, a breach of investment restriction or another type of error.

2. MARKET-RELATED RISKS

2.1 General economic conditions

The success of any investment activity is affected by general economic conditions, which may affect the level and volatility of interest rates and the liquidity of the markets for both equities and interest-rate-sensitive securities. Certain market conditions, including unexpected volatility or illiquidity in the market in which the Company directly or indirectly holds positions, could impair the Company's ability to achieve its objectives and/or cause it to incur losses.

2.2 Market risks

The success of a significant portion of each Sub-funds' investment program will depend, to a great extent, upon correctly assessing the future course of the price movements of stocks, bonds, financial instruments and foreign currencies. There can be no assurance that the Management Company, Investment Manager or Investment Adviser will be able to predict accurately these price movements.

2.3 Investing in fixed income securities

Even though interest-bearing securities are investments which promise a defined stream of income, the prices of such securities generally are inversely correlated to changes in interest rates and, therefore, are subject to the risk of market price fluctuations. The values of fixed-income securities also may be affected by changes in the credit rating, liquidity or financial conditions of the issuer. Certain securities that may be purchased by the Company may be subject to such risk with respect to the issuing entity and to greater market fluctuations than certain lower yielding, higher rated fixed-income securities.

The volume of transactions effected in certain international bond markets may be appreciably below that of the world's largest markets. Accordingly, a Sub-fund's investments in such markets may be less liquid and their prices may be more volatile than comparable investments in securities traded in markets with larger trading volumes. Moreover, the settlement periods in certain markets may be longer than in others which may affect portfolio liquidity.

2.4 Risks in transactions in currencies

In general, foreign exchange rates can be extremely volatile and difficult to predict. Foreign exchange rates may be influenced by, among other factors: changing supply and demand for a particular currency; trade, fiscal and monetary policies of governments (including exchange control programs, restrictions on local exchanges or markets and limitations on foreign investment in a country or on investment by residents of a country in other countries); political events; changes in balances of payments and trade; domestic and foreign rates of inflation; domestic and foreign rates of interest; international trade restrictions; and currency devaluations and revaluations. In addition, governments from time to time intervene, directly and by regulation, in the currency markets to influence prices directly. Variance in the degree of volatility of the market form the Management Company, Investment Manager and Investment Adviser's expectations may produce significant losses to a Sub-fund, particularly in the case of transactions entered into pursuant to non-directional strategies.

2.5 Lack of liquidity in markets

Despite the heavy volume of trading in securities and other financial instruments, the markets for some securities and instruments have limited liquidity and depth. This limited liquidity and lack of depth could be a disadvantage to the Sub-funds, both in the realisation of the prices which are quoted and in the execution of orders at desired prices.

2.6 Investments in emerging markets

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

Emerging country debt will be subject to high risk and will not be required to meet a minimum rating standard and may not be rated for creditworthiness by any internationally recognised credit rating organisation. The issuer or governmental authority that controls the repayment of an emerging country's debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. As a result of the foregoing, a government obligor may default on its obligations. If such an event occurs, the Company may have limited legal recourse against the issuer and/or guarantor. Remedies must, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of foreign government debt securities to obtain recourse may be subject to the political climate in the relevant country. In addition, no assurance can be given that the holders of commercial debt will not contest payments to the holders of other foreign government debt obligations in the event of default under their commercial bank loan agreements.

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

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

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

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

Furthermore, investments in Russia are currently subject to certain heightened risks with regard to the ownership and custody of securities. In Russia this is evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the Depositary). No certificates representing ownership of Russian companies will be held by the Depositary or any of its local correspondents or in an effective central depository system. As a result of this system and the lack of the effective state regulation and enforcement, the Company could lose its registration and ownership

of Russian securities through fraud, negligence or even mere oversight. In addition, Russian securities have an increased custodial risk associated with them as such securities are, in accordance with market practice, held in custody with Russian institutions which may not have adequate insurance coverage to cover loss due to theft, destruction or default whilst such assets are in its custody.

Some Sub-funds may invest a significant portion of their net assets in securities or corporate bonds issued by companies domiciled, established or operating in Russia as well as, as the case may be, in debt securities issued by the Russian government as more fully described for each relevant Sub-fund in its investment policy.

2.7 Investments in Russia

Investments in Russia, other than those that are listed on the "MICEX - RTS" or on any other regulated market in Russia will not represent more than 10% of the net assets of each Sub-fund.

2.8 Investments in small capitalisation companies

There are certain risks associated with investing in small cap stocks and the securities of small companies. The market prices of these securities may be more volatile than those of larger companies. Because small companies normally have fewer shares outstanding than larger companies it may be more difficult to buy and sell significant amounts of shares without affecting market prices. There is typically less publicly available information about these companies than for larger companies. The lower capitalisation of these companies and the fact that small companies may have smaller product lines and command a smaller market share than larger companies may make them more vulnerable to fluctuation in the economic cycle.

3. USE OF FINANCIAL DERIVATIVE INSTRUMENTS

While the prudent use of financial derivative instruments can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. The following is a general discussion of important risk factors and issues concerning the use of derivatives that investors should understand before investing in a Sub-fund.

3.1 Market risk

This is a general risk that applies to all investments meaning that the value of a particular derivative may change in a way which may be detrimental to a Sub-fund's interests.

3.2 Control and monitoring

Derivative products are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to a Sub-fund and the ability to forecast the relative price, interest rate or currency rate movements correctly.

3.3 Liquidity risk

Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, the Company will only enter into OTC Derivatives if it is allowed to liquidate such transactions at any time at fair value).

3.4 Counterparty risk

The Sub-funds may enter into transactions in OTC markets, which will expose the Sub-funds to the credit of its counterparties and their ability to satisfy the terms of such contracts. For example, the Sub-funds may enter into swap arrangements or other derivative techniques as specified in the relevant Special Sections, each of which expose the Sub-funds to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Sub-funds could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. However this risk is limited in view of the Investment Restrictions laid down in Schedule 1.

Certain markets in which the Sub-funds held by the Sub-funds may effect their transactions are over-the-counter or interdealer markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. To the extent a Sub-fund invests in swaps, derivative or synthetic instruments, or other over-the-counter transactions, on these markets, such Sub-fund may take credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions which generally are backed by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections. This exposes the Sub-funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Sub-fund to suffer a loss. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Company has concentrated its transactions with a single or small group of counterparties. In addition, in the case of a default, the respective Sub-fund could become subject to adverse market movements while replacement transactions are executed. The Sub-funds are not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. Moreover, the Sub-funds have no internal credit function which evaluates the creditworthiness of their counterparties. The ability of the Sub-funds to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Sub-funds.

3.5 Lack of availability

Because the markets for certain derivative instruments (including markets located in foreign countries) are relatively new and still developing, suitable derivatives transactions may not be available in all circumstances for risk management or other purposes. Upon the expiration of a particular contract, the Company, the Management Company or an Investment Manager may wish to retain the respective Sub-fund's position in the derivative instrument by entering into a similar contract, but may be unable to do so if the counterparty to the original contract is unwilling to enter into the new contract and no other suitable counterparty can be found. There is no assurance that the Sub-funds will engage in derivatives transactions at any time or from time to time. The Sub-funds' ability to use derivatives may also be limited by certain regulatory and tax considerations.

3.6 Synthetic short selling

Sub-funds may utilise synthetic short exposures through the use of cash settled derivatives such as swaps, futures and forwards in order to enhance their overall performance. A synthetic short sale position replicates the economic effect of a transaction in which a fund sells a security it does not own

but has borrowed, in anticipation that the market price of that security will decline. When a Sub-fund initiates such a synthetic short position in a security that it does not own, it enters into a derivative-based transaction with a counterparty or broker-dealer and closes that transaction on or before its expiry date through the receipt or payment of any gains or losses resulting from the transaction. A Sub-fund may be required to pay a fee to synthetically short particular securities and is often obligated to pay over any payments received on such securities. Each Sub-fund maintains sufficiently liquid long positions in order to cover any obligations arising from its short positions. If the price of the security on which the synthetic short position is written increases between the time of the initiation of the synthetic short position and the time at which the position is closed, the Sub-fund will incur a loss; conversely, if the price declines, the Sub-fund will realise a short-term capital gain. Any gain will be decreased and any loss increased by the transactional costs described above. Although a Sub-fund's gain is limited to the price at which it opened the synthetic short position, its potential loss is theoretically unlimited. Stop loss policies are typically employed to limit actual losses, which would otherwise have to be covered by closing long positions.

3.7 Synthetic leverage

A Sub-fund's portfolio may be leveraged by using derivative instruments (including OTC Derivatives) i.e. as a result of its transactions in the futures, options and swaps markets. A low margin deposit is required in futures trading and the low cost of carrying cash positions permit a degree of leverage, which may result in exaggerated profits or losses to an investor. A relatively small price movement in a futures position or the underlying instrument may result in substantial losses to the Sub-fund resulting in a similar decline to the Net Asset Value per Share. The writer of an option is subject to the risk of loss resulting from the difference between the premium received for the option and the price of the futures contract or security underlying the option which the writer must purchase or deliver upon exercise of the option. Contracts for differences and swaps may also be used to provide synthetic short exposure to a stock - the risks associated with using swaps and contract for differences are more fully disclosed in Section 4 below.

4. USE OF SPECIFIC DERIVATIVE CONTRACTS

The following only represents a limited choice of risks associated with derivatives the Sub-funds may elect to invest in. The Sub-funds are substantially unrestricted in their use of derivatives and may decide to use various other derivatives contracts associated with much higher or different risks, as the case may be.

4.1 Swap agreements

Sub-funds may enter into swap agreements. Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the Sub-funds' exposure to long-term or short-term interest rates, different currency values, corporate borrowing rates, or other factors such as without limitation security prices, baskets of equity securities or inflation rates. Swap agreements can take many different forms and are known by a variety of names. The Sub-funds are not limited to any particular form of swap agreement if consistent with the respective Sub-fund's investment objective and policies. Swap agreements tend to shift the respective Sub-fund's investment exposure from one type of investment to another. Depending on how they are used, swap agreements may increase or decrease the overall volatility of the Sub-funds' portfolio. The most significant factor in the performance of swap agreements is the change in the specific interest rate, currency, individual equity values or other factors that determine the amounts of payments due to and from the Sub-funds.

Inter alia, in order to seek to reduce the interest rate risk inherent in the Sub-funds underlying investments especially associated with bonds and other fixed income investments, the Sub-funds may employ interest rate swaps or option transactions. Interest rate swaps involve the Sub-funds' agreement with the swap counterparty to pay a variable rate payment on a notional amount in exchange for the

counterparty paying the Sub-funds a fixed rate payment on a notional amount that is intended to approximate the Sub-funds income on variable interest rates.

The use of interest rate swaps and options is a highly specialised activity that involves investment techniques and risks different from those associated with ordinary portfolio security transactions. Depending on the state of interest rates, the respective Sub-fund's use of interest rate instruments could enhance or harm the overall performance on the Shares in the respective Sub-fund. To the extent there is an increase in interest rates, the value of the interest rate swap or option could go down, and could result in a decline in the Net Asset Value of the Shares. If interest rates are higher than the respective Sub-fund's fixed rate of payment on the interest rate swap, the swap will reduce the net earnings. If, on the other hand, interest rates are lower than the fixed rate of payment on the interest rate swap, the swap will enhance net earnings.

Interest rate swaps and options generally do not involve the delivery of securities or other underlying assets or principal. Accordingly, the risk of loss with respect to interest rate swaps or options is limited to the net amount of interest payments that the Sub-funds are contractually obligated to make.

In addition, at the time the interest rate swap or option transaction reaches its scheduled termination date, there is a risk that the Sub-funds will not be able to obtain a replacement transaction or that the terms of the replacement will not be as favourable as the terms of the expiring transactions. If this occurs, it could have a negative impact on the performance of the Shares in the respective Sub-fund.

4.2 Call options

There are risks associated with the sale and purchase of call options. The seller (writer) of a call option that is covered (e.g., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security offset by the gain by the premium received if the option expires out of the money, and gives up the opportunity for gain on the underlying security above the exercise price of the option. If the seller of the call option owns a call option covering an equivalent number of shares with an exercise price equal to or less than the exercise price of the call written, the position is "fully hedged" if the option owned expires at the same time or later than the option written. The seller of an uncovered, unhedged call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The buyer of a call option assumes the risk of losing its entire investment in the call option. If the buyer of the call sells short the underlying security, the loss on the call will be offset in whole or in part by any gain on the short sale of the underlying security (if the market price of the underlying security declines).

4.3 Put options

There are risks associated with the sale and purchase of put options. The seller (writer) of a put option that is covered (e.g., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sale price of the short position of the underlying security offset by the premium if the option expires out of the money, and thus the gain in the premium, and the option seller gives up the opportunity for gain on the underlying security below the exercise price of the option. If the seller of the put option owns a put option covering an equivalent number of shares with an exercise price equal to or greater than the exercise price of the put written, the position is "fully hedged" if the option owned expires at the same time or later than the option written. The seller of an uncovered, unhedged put option assumes the risk of a decline in the market price of the underlying security to zero.

The buyer of a put option assumes the risk of losing his entire investment in the put option. If the buyer of the put holds the underlying security, the loss on the put will be offset in whole or in part by any gain on the underlying security.

4.4 Forward trading

Each Sub-fund may invest in forward contracts and options thereon, which, unlike futures contracts, are not traded on exchanges, and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. For example, there are no requirements with respect to record-keeping, financial responsibility or segregation of customer funds or positions. In contrast to exchange-traded futures contracts, interbank traded instruments rely on the fulfilment by the dealer or counterparty of its contract. As a result, trading in unregulated exchange contracts may be subject to more risks than futures or options trading on regulated exchanges, including, but not limited to, the risk of default due to the failure of a counterparty with which the respective Sub-fund has forward contracts. Although the Company seeks to trade with responsible counterparties, failure by a counterparty to fulfil its contractual obligation could expose the Company to unanticipated losses. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by the Sub-funds due to unusually high or low trading volume, political intervention or other factors. The imposition of credit controls by government authorities might also limit such forward trading to less than that which the Company, the Management Company or an Investment Manager would otherwise recommend, to the possible detriment of the Sub-funds.

4.5 Performance swaps, interest rate swaps, currency swaps, credit default swaps and interest rate swaptions

The Company, the Management Company or an Investment Manager may, as a part of the investment strategy of a Sub-fund, enter into performance swaps, interest rate swaps, currency swaps, credit default swaps and interest rate swaptions agreements. Interest rate swaps involve the exchange by a Sub-fund with another party of their respective commitments to pay or receive interest, such as an exchange of fixed rate payments for floating rate payments. Currency swaps may involve the exchange of rights to make or receive payments in specified currencies.

Where a Sub-fund enters into interest rate swaps on a net basis, the two payment streams are netted out, with each Sub-fund receiving or paying, as the case may be, only the net amount of the two payments. Interest rate swaps entered into on a net basis do not involve the physical delivery of investments, other underlying assets or principal. Accordingly, it is intended that the risk of loss with respect to interest rate swaps is limited to the net amount of interest payments that the Sub-fund is contractually obligated to make. If the other party to an interest rate swap defaults, in normal circumstances the Sub-fund's risk of loss consists of the net amount of interest that the Sub-fund is contractually entitled to receive. In contrast, currency swaps usually involve the delivery of the entire principal value of one designated currency in exchange for the other designated currency. Therefore, the entire principal value of a currency swap is subject to the risk that the other party to the swap will default on its contractual delivery obligations.

A Sub-fund may use credit default swaps. A credit default swap is a bilateral financial contract in which one counterparty (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations issued by the reference issuer for its par value (or some other designated reference or strike price) when a credit event (such as bankruptcy or insolvency) occurs or receive a cash settlement based on the difference between the market price and such reference price.

A Sub-fund may use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection. In addition, a Sub-fund may buy protection under credit default swaps without holding the underlying assets.

A Sub-fund may also sell protection under credit default swaps in order to acquire a specific credit exposure.

A Sub-fund may also purchase a receiver or payer interest rate swaption contract. Swaptions are options on interest rate swaps. These give the purchaser the right, but not the obligation to enter into an interest rate swap at a preset interest rate within a specified period of time. The interest rate swaption buyer pays a premium to the seller for this right. A receiver interest rate swaption gives the purchaser the right to receive fixed payments in return for paying a floating rate of interest. A payer interest rate swaption would give the purchaser the right to pay a fixed rate of interest in return for receiving a floating rate payment stream.

The use of interest rate swaps, currency swaps, credit default swaps and interest rate swaptions is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Company, the Management Company or an Investment Manager is incorrect in its forecasts of market values, interest rates and currency exchange rates, the investment performance of the Sub-fund would be less favourable than it would have been if these investment techniques were not used.

4.6 Contracts for differences

The Sub-funds may have an exposure in Contracts For Difference (**CFDs**). CFDs are synthetic instruments which mirror the profit (or loss) effect of holding (or selling) equities directly without buying the actual securities themselves. A CFD on a company's shares will specify the price of the shares when the contract was started. The contract is an agreement to pay out cash on the difference between the starting share price and the share price when the contract is closed. Accordingly, under such an instrument the relevant Sub-fund will make a profit if it has a purchase position and the price of the underlying security rises (and make a loss if the price of the underlying security falls). Conversely if the Sub-fund has a sale position, it will make a profit if the price of the underlying security falls (and make a loss if the price of the underlying security rises). As part of the normal market terms of trade the Company must comply with market participants terms and conditions and in particular initial margin has to be paid to cover potential losses (on set up) and variation margin on adverse price movements (during the term of the CFD). In addition it should be noted the relevant Sub-fund could suffer losses in event of the CFD issuer's default or insolvency.

4.7 Other derivative instruments

The Sub-funds may take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the investment objective of the Sub-funds and legally permissible. Special risks may apply to instruments that are invested in by the Company in the future that cannot be determined at this time or until such instruments are developed or invested in by the Sub-funds. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk.

4.8 Risks of options trading

In seeking to enhance performance or hedge assets, the Sub-fund may use options. Both the purchasing and selling of call and put options entail risks. Although an option buyer's risk is limited to the amount of the purchase price of the option, an investment in an option may be subject to greater fluctuation

than an investment in the underlying securities. In theory, an uncovered call writer's loss is potentially unlimited, but in practice the loss is limited by the term of existence of the call. The risk for a writer of a put option is that the price of the underlying security may fall below the exercise price.

4.9 Investing in futures is volatile and involves a high degree of leverage

Futures markets are highly volatile markets. The profitability of the Sub-fund will partially depend on the ability of the Company, the Management Company or an Investment Manager to make a correct analysis of the market trends, influenced by governmental policies and plans, international political and economical events, changing supply and demand relationships, acts of governments and changes in interest rates. In addition, governments may from time to time intervene on certain markets, particularly currency markets. Such interventions may directly or indirectly influence the market. Given that only a small amount of margin is required to trade on futures markets, the operations of the managed futures portion of the Sub-fund will be characterised by a high degree of leverage. As a consequence, a relatively small variation of the price of a futures contract may result in substantial losses for the Sub-fund and a correlated reduction of the Net Asset Value of the Shares of the Sub-fund.

4.10 Futures markets may be illiquid

Most futures markets limit fluctuation in futures contracts prices during a single day. When the price of a futures contract has increased or decreased by an amount equal to the daily limit, positions can be neither taken nor liquidated unless the Board or an Investment Manager are willing to trade at or within the limit. In the past futures contracts prices have exceeded the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the Sub-fund from promptly liquidating unfavourable positions and thus subject the Sub-fund to substantial losses. In addition, even if the prices do not get close to such limits, the Sub-fund may be in a position not to obtain satisfying prices if the volumes traded on the market are insufficient to meet liquidation requests. It is also possible that a stock exchange, the Commodity Futures Trading Commission in the United States or another similar institution in another country suspends the listing of a particular contract, instructs the immediate liquidation of the contract or limits transactions on a contract to the sole transactions against delivery.

4.11 Options on futures

The Company may engage in the management of options, in particular options on futures contracts. Such management carries risks similar to the risks inherent to the uncovered management of futures contracts on commodities as far as such options are volatile and imply a high degree of leverage. The specific movements of the commodities and futures contracts markets, which represent the underlying assets of the options may not be predicted with precision. The buyer of an option may lose the entire purchase price of the option. The seller of an option may lose the difference between the premium received for the option and the price of the commodity or of the futures contract underlying the option that the seller must buy or deliver, upon the exercise of the option.

4.12 Other risks

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular OTC Derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to a Sub-fund. However, this risk is limited as the valuation method used to value OTC Derivatives must be verifiable by an independent auditor.

Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, a Sub-fund's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, following a Sub-fund's Investment Objective.

5. USE OF STRUCTURED FINANCE SECURITIES

Structured finance securities include, without limitation, securitised credit and portfolio credit-linked notes.

Securitised credit is securities primarily serviced, or secured, by the cash flows of a pool of receivables (whether present or future) or other underlying assets, either fixed or revolving. Such underlying assets may include, without limitation, residential and commercial mortgages, leases, credit card receivables as well as consumer and corporate debt. Securitised credit can be structured in different ways, including "true sale" structures, where the underlying assets are transferred to a special purpose entity, which in turn issues the asset-backed securities, and "synthetic" structures, in which not the assets, but only the credit risks associated with them are transferred through the use of derivatives, to a special purpose entity, which issues the securitised credit.

Portfolio credit-linked notes are securities in respect of which the payment of principal and interest is linked directly or indirectly to one or more managed or unmanaged portfolios of reference entities and/or assets ("reference credits"). Upon the occurrence of a credit-related trigger event ("credit event") with respect to a reference credit (such as a bankruptcy or a payment default), a loss amount will be calculated (equal to, for example, the difference between the par value of an asset and its recovery value).

Securitised credit and portfolio credit-linked notes are usually issued in different tranches: Any losses realised in relation to the underlying assets or, as the case may be, calculated in relation to the reference credits are allocated first to the securities of the most junior tranche, until the principal of such securities is reduced to zero, then to the principal of the next lowest tranche, and so forth.

Accordingly, in the event that (a) in relation to securitised credit, the underlying assets do not perform and/or (b) in relation to portfolio credit-linked notes, any one of the specified credit events occurs with respect to one or more of the underlying assets or reference credits, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the Net Asset Value per Share In addition the value of structured finance securities from time to time, and consequently the Net Asset Value per Share, may be adversely affected by macro-economic factors such as adverse changes affecting the sector to which the underlying assets or reference credits belong (including industry sectors, services and real estate), economic downturns in the respective countries or globally, as well as circumstances related to the nature of the individual assets (for example, project finance loans are subject to risks connected to the respective project). The implications of such negative effects thus depend heavily on the geographic, sector-specific and type-related concentration of the underlying assets or reference credits. The degree to which any particular asset-backed security or portfolio credit-linked note is affected by such events will depend on the tranche to which such security relates; junior tranches, even having received investment grade rating, can therefore be subject to substantial risks.

Exposure to structured finance securities may entail a higher liquidity risk than exposure to sovereign bonds which may affect their realisation value.

6. FIXED-INTEREST SECURITIES

Investment in securities of issuers from different countries and denominated in different currencies offer potential benefits not available from investments solely in securities of issuers from a single country, but also involve certain significant risks that are not typically associated with investing in the

securities of issuers located in a single country. Among the risks involved are fluctuations in currency exchange rates and the possible imposition of exchange control regulations or other laws or restrictions applicable to such investments. A decline in the value of a particular currency in comparison with the reference currency of the Company would reduce the value of certain portfolio securities that are denominated in the former currency. The following risks may also be associated with fixed-interest securities:

Issuers are generally subject to different accounting, auditing and financial reporting standards in different countries throughout the world. The volume of trading, volatility of prices and liquidity of issuers may differ between the markets of different countries. In addition, the level of government supervision and regulation of securities exchanges, securities dealers and listed and unlisted companies differs from one country to another. The laws of some countries may limit the Company's ability to invest in securities of certain issuers.

Different markets also have different clearing and settlement procedures. Delays in settlement could result in temporary periods when a portion of the assets of a Sub-fund is uninvested and no return is earned thereon. The inability of the Company to make intended security purchases due to settlement problems could cause a Sub-fund to miss attractive investment opportunities. Inability to dispose of portfolio securities due to settlement problems could result either in losses to a Sub-fund due to subsequent declines in value of the portfolio security or, if a Sub-fund has entered into a contract to sell the security, could result in possible liability to the purchaser.

An issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, may fluctuate independently of each other.

7. HIGH-YIELD SECURITIES

Sub-funds may invest in high-yield securities. Such securities are generally not exchange traded and, as a result, these instruments trade in a smaller secondary market than exchange-traded bonds. In addition, each Sub-fund may invest in bonds of issuers that do not have publicly traded equity securities, making it more difficult to hedge the risks associated with such investments (neither Sub-fund is required to hedge, and may choose not to do so). High-yield securities that are below investment grade or unrated face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer's inability to meet timely interest and principal payments. The market values of certain of these lower-rated and unrated debt securities tend to reflect individual corporate developments to a greater extent than do higher-rated securities, which react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions than are higher-rated securities. Companies that issue such securities are often highly leveraged and may not have available to them more traditional methods of financing. It is possible that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is possible that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default of such securities.

8. EQUITIES

The risks associated with investments in equity (and equity-type) securities include significant fluctuations in market prices, adverse issuer or market information and the subordinate status of equity in relation to debt paper issued by the same company. Potential investors should also consider the risk attached to fluctuations in exchange rates, possible imposition of exchange controls and other restrictions.

9. FINANCIAL FAILURE OF INTERMEDIARIES

There is always the possibility that the institutions, including brokerage firms and banks, with which the Sub-funds do business, or to which securities have been entrusted for custodial purposes, will encounter financial difficulties that may impair their operational capabilities or result in losses to the Company.

10. SPECIFIC RESTRICTIONS IN CONNECTION WITH THE SHARES

Investors should note that there may be restrictions in connection with the subscription, holding and trading in the Shares. Such restrictions may have the effect of preventing the investor from freely subscribing, holding or transferring the Shares. In addition to the features described below, such restrictions may also be caused by specific requirements such as a Minimum Subscription Amount or due to the fact that certain Sub-funds may be closed to additional subscriptions after the Initial Subscription Period or Initial Subscription Date.

11. TAXATION

Shareholders should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of a Sub-fund, capital gains within a Sub-fund, whether or not realised, income received or accrued or deemed received within a Sub-fund etc., and this will be according to the laws and practices of the country where the Shares are purchased, sold, held or redeemed and in the country of residence or nationality of the Shareholder.

Shareholders should be aware of the fact that they might have to pay taxes on income or deemed income received by or accrued within a Sub-fund. Taxes might be calculated based on income received and/or deemed to be received and/or accrued in a Sub-fund in relation to their direct investments, whereas the performance of a Sub-fund, and subsequently the return Shareholders receive after redemption of the Shares, might partially or fully depend on the performance of underlying assets. This can have the effect that the investor has to pay taxes for income or/and a performance which he does not, or does not fully, receive.

Shareholders who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, Shareholders should be aware that tax regulations and their application or interpretation by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

12. POLITICAL FACTORS

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

13. SPECIFIC RESTRICTIONS IN CONNECTION WITH THE SHARES

Investors should note that there may be restrictions in connection with the subscription, holding and trading in the Shares. Such restrictions may have the effect of preventing the investor from freely subscribing, holding or transferring the Shares. In addition to the features described below, such restrictions may also be caused by specific requirements such as a Minimum Subscription Amount or due to the fact that certain Sub-funds may be closed to additional subscriptions after the Initial Subscription Period or Initial Offering Date.

14. CHANGE OF LAW

The Company must comply with regulatory constraints, such as a change in the laws affecting the investment restrictions and limits applicable to UCITS, which might require a change in the investment policy and objectives followed by a Sub-fund.

15. INVESTMENTS IN UNDERLYING UNDERTAKINGS FOR COLLECTIVE INVESTMENT

A Sub-fund may, subject to the conditions set out in Section 1.4 of Schedule 1, invest in other undertakings for collective investment. Shareholders in those Sub-funds will, in addition to the fees, costs and expenses payable by a Shareholder in the Sub-funds, also indirectly bear a portion of the fees, costs and expenses of the underlying undertakings for collective investment, including management, investment management and, administration and other expenses. However, when a Sub-fund invests in underlying undertakings for collective investment that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, (regarded as more than 10% of the voting rights or share capital), that management company or other company may not charge subscription, conversion or redemption fees on account of the Sub-fund's investment in the underlying undertakings for collective investment.

It is possible that certain underlying undertakings for collective investment may invest in the same security or in issues of the same asset class, industry, currency, country or commodity at the same time. Accordingly, there can be no assurance that effective diversification of the Sub-fund's portfolio will always be achieved.

16. TRANSACTION COSTS

Where a Sub-fund does not adjust its subscription and redemption prices by an amount representing the duties and charges associated with buying or selling underlying assets this will affect the performance of that Sub-fund.

17. GENERAL ECONOMIC CONDITIONS

The success of any investment activity is affected by general economic conditions, which may affect the level and volatility of interest rates and the liquidity of the markets for both equities and interest-rate-sensitive securities. Certain market conditions, including unexpected volatility or illiquidity in the market in which the Company directly or indirectly holds positions, could impair the Company's ability to achieve its objectives and/or cause it to incur losses.

18. INDEMNITIES

Certain Service Providers of a Sub-fund and their directors, managers, officers and employees may benefit from an indemnification under the relevant Service Agreement and could therefore, in certain circumstances, be indemnified out of the relevant Sub-fund's assets against liabilities, costs, expenses (including, e.g., legal expenses) incurred by reason of such person or entity providing services to the relevant Sub-fund. In principle, however, indemnification clauses will generally contain carve outs in relation to acts or omissions that incur, e.g., gross negligence, fraud, wilful default or reckless disregard.

19. EXCHANGE RATES

Investors in the Shares should be aware that an investment in the Shares may involve exchange rate risks. For example (i) a Sub-fund may have direct or indirect exposure to a number of different currencies of emerging market or developed countries; (ii) a Sub-fund may invest in securities or other eligible assets denominated in currencies other than the Sub-fund's Reference Currency; (iii) the

Shares may be denominated in a currency other than the currency of the investor's home jurisdiction; and/or (iv) the Shares may be denominated in a currency other than the currency in which an investor wishes to receive his monies. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets, which are influenced by macro economic factors (such as the economic development in the different currency areas, interest rates and international capital movements), speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Shares.

20. INTEREST RATE

Investors in the Shares should be aware that an investment in the Shares may involve interest rate risk in that there may be fluctuations in the currency of denomination of securities or other eligible assets in which a Sub-fund invests the Shares.

Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macro-economic factors, speculation and central bank and government intervention. Fluctuations in short term and/or long term interest rates may affect the value of the Shares. Fluctuations in interest rates of the currency in which the Shares are denominated and/or fluctuations in interest rates of the currency or currencies in which the securities or other eligible assets in which a Sub-fund invests are denominated may affect the value of the Shares.

21. MARKET VOLATILITY

Market volatility reflects the degree of instability and expected instability of the securities or other eligible assets in which a Sub-fund invests, the performance of the Shares, or the techniques used to link the net proceeds of any issue of Shares to OTC Derivatives underlying asset(s), where applicable. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for instruments which offer investors protection against such market volatility. The prices of these instruments are determined by forces of supply and demand in the options and derivatives markets generally. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macro-economic factors and speculation.

22. CREDIT RISK

Investors in the Shares should be aware that such an investment may involve credit risk. Bonds or other debt securities involve credit risk to the issuer which may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the Net Asset Value per Share.

SCHEDULE 3 – PRIVACY NOTICE

1. SCOPE OF THIS PRIVACY NOTICE

Investors who are individuals as well as individuals related to investors (including notably contact persons, representatives, agents, shareholders and beneficial owners) are hereby informed about the processing of their personal data (i.e. data by which individuals may be directly or indirectly identified) as well as of their rights in accordance with the Data Protection Legislation (the **Privacy Notice**).

Data Protection Legislation means Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 (the **GDPR**), as well as any other applicable laws, regulations and sector recommendations containing rules for the protection of individuals with regard to the processing of personal data, as such legislation and guidance may be complemented, amended, replaced or repealed from time to time.

Unless otherwise defined herein, the terms "personal data", "data subject", "data controller", "data processor" and "processing" (including the verb "to process") shall have the meaning given to them in the applicable Data Protection Legislation.

2. DATA CONTROLLER

Any personal data provided to or collected by the Company will be processed (i.e. used, stored, transmitted, etc.) in accordance with this Privacy Notice by Magallanes Value Investors UCITS (the **Company**), having its registered office at 15, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg and registered with the Trade and Companies Register of Luxembourg under number B 202078, acting as data controller.

If investors or individuals related to investors have any questions or comments or want to exercise their rights, they may contact the Company's manager at: data-protection@pictet.com.

Other actors involved in the management of the investor relationship may process personal data for their own purposes in their capacity as data controllers (for instance the Management Company, the UCI Administrator, the registrar and transfer agent, the paying agent and the domiciliary agent). In such case, these processing activities take place under the sole responsibility of these independent controllers and are governed by separate privacy notices.

3. PERSONAL DATA BEING PROCESSED

Information provided to the Company may include but is not limited to:

- identification data (e.g.: name, e-mail, postal address, telephone number, country of residence);
- personal characteristics (e.g.: nationality, date and place of birth);
- government issued identifiers (e.g.: passport, identification card, tax identification number, national insurance number);
- financial information (e.g.: bank details, credit history and credit score, income and other relevant information about the investor's financial situation);
- tax domicile and other tax related documents and information;
- knowledge and experience in investment matters, including investments previously made;

- origin of funds and assets;
- communication data (e.g.: exchange of letters, telephone recordings, e-mail); and
- any other personal information investors have provided directly to the Company.

(the **Personal Data**).

The Company may collect Personal Data directly from the investors or individuals related to the investors or from other public or private legitimate sources.

4. PURPOSES FOR WHICH PERSONAL DATA IS BEING PROCESSED

The Company processes the Personal Data where such processing is necessary:

4.1 For the conclusion and performance of a contract if the investor is an individual

This includes the processing of Personal Data for the purpose of the provision of investor-related services including account administration, handling of orders, management of subscription, redemption and transfer of shares, maintaining the register of investors and distributions, managing distributions including the allocations of profit and loss between investors, internal audit validations, communications and more generally performance of services requested by and operations in accordance with the instructions of the investor.

4.2 For compliance with legal and regulatory obligations

This includes the processing of Personal Data for the purpose of compliance with applicable legal and regulatory obligations such as the applicable legislation on markets in financial instruments (MiFID), Know-Your-Customer (**KYC**), and Anti-Money Laundering and Combating the Financing of Terrorism (**AML/CFT**), accounting obligations, complying with requests from, and requirements of, local or foreign regulatory or law enforcement authorities, tax identification and, as the case may be, reporting, notably under the act of 18 December 2015 concerning the automatic exchange of financial account information in tax matters implementing Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU), which notably is aimed at the implementation by financial institutions of reporting and due diligence rules which are fully consistent with those set out in OECD's standard for automatic exchange of financial account information (commonly referred to as the "Common Reporting Standard" or **CRS**), the act of 24 July 2015 approving the Agreement between the Grand Duchy of Luxembourg and the Government of the United States of America in view to improve international tax compliance and relating to the dispositions of the United States of America concerning the exchange of information commonly called the FATCA, as the afore mentioned laws may be modified from time to time, and any other automatic exchange of information (AEI) regimes to which the Company may be subject from time to time.

With respect to FATCA and/or CRS purposes, (i) Personal Data may be processed and transferred to the Luxembourg Direct Tax Authority who may transfer such data to the competent foreign tax authorities, including the US Internal Revenue Service or any other US competent authority, only for the purposes provided for in the FATCA and the CRS rules as well as to service providers for the purpose of effecting the reporting on the Company's behalf and (ii) for each information request sent to the investors, addressing such information requests is mandatory and failure to respond may result in incorrect or double reporting;

4.3 For the purpose of legitimate interests:

(a) Personal Data will be processed for risk management and fraud prevention purposes, for the evaluation of the investor's financial needs, monitoring the investor's financial situation

including assessing its creditworthiness and solvency, to manage litigation and for marketing purposes. The Company may also process Personal Data to the extent required for the establishment, exercise or defence of legal claims, for the protection of the rights of another natural or legal person or in the context of mergers, acquisitions and divestitures and the management of transactions related thereto.

(b) if Personal Data was provided to the Company by the investor (especially where the investor is a legal entity), the Company may also process Personal Data relating to investor-related individuals in its legitimate interest for the purposes of the provision of investor-related services including account administration, handling of orders, evaluation of the investor's financial needs, monitoring the investor's financial situation including assessing its creditworthiness and solvency, management of subscription, redemption and transfer of shares, maintaining the register of investors and distributions, managing distributions including the allocations of profit and loss between investors, internal audit validations, communications and more generally the performance of services requested by and operations in accordance with the instructions of the investor.

4.4 Based on consent

This includes the use and further processing of Personal Data with the investor's or the individual related to the investor's consent (which consent may be withdrawn at any time, without affecting the lawfulness of processing based on consent before its withdrawal), e.g. for the purpose of receiving marketing materials (about products and services of the group of companies to which the Company belongs or those of its commercial partners) or recommendations about services.

5. OBLIGATION TO PROVIDE THE PERSONAL DATA

Investors or individuals related to investors only have to provide those Personal Data that are necessary for the formation and termination of the relationship with the Company and that are required for the Company to comply with its legal obligations. Without the provision of these Personal Data, the Company will not be able to enter into or continue the execution of the contract with the investor or to perform a transaction.

6. DATA RECIPIENTS

The Company may disclose Personal Data to recipients such as:

- any third parties as may be required or authorized by law (including but not limited to public administrative bodies and local or foreign public and judicial authorities, including any competent regulators);

- any third parties acting on the Company's behalf, such as service providers, the Management Company, the UCI Administrator, the registrar and transfer agent, the paying agent and the domiciliary agent, including their respective advisers, auditors, delegates, agents and service providers;

- any subsidiary or affiliate of the Company (and their respective representatives, employees, advisers, agents, delegates, agents and service providers);

- any of the Company's respective shareholders, representatives, employees, advisers, agents or delegates;

- persons acting on behalf of investors, such as payment recipients, beneficiaries, account nominees, intermediaries, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade

repositories, stock exchanges, companies in which the investor has an interest in securities; and

- parties involved in connection with any business reorganization, transfer, disposal, merger or acquisition on the level of the Company.

7. TRANSFER OF PERSONAL DATA

For the purposes listed above, Personal Data will be transferred to any of the aforementioned recipients and service providers in countries located in or outside of the European Economic Area (the **EEA**).

Personal Data may be transferred to the following countries located outside of the EEA: Switzerland.

Personal Data may be transferred to a country outside of the EEA on the basis of the fact that the European Commission has decided that such country ensures an adequate level of protection. Certain countries in which recipients and data processors may be located and to which Personal Data may be transferred may however not have the same level of protection of Personal Data as the one afforded in the EEA. Personal Data transferred to countries outside of the EEA in such case will be protected by appropriate safeguards such as standard contractual clauses approved by the European Commission. The investors who are individuals and individuals related to investors whose data may be covered by such transfer may obtain a copy of such safeguards by contacting the Company at the contact details set out in Section 2 above.

8. DATA RETENTION PERIOD

The Company is subject to various retention and documentation obligations, which inter alia follow from the commercial code (*Code de Commerce*) and from AML and KYC legislation. The retention periods provided by those laws vary from five to ten years. If any relevant legal claims are brought, the Company and/or the Management Company may continue to process the Personal Data for such additional periods as necessary in connection with such claims.

The retention period will also be determined by the legal limitation periods that can for example be set forth by the commercial code and amount to up to ten years after the end of the contractual relationship with the investor.

9. AUTOMATED DECISION-MAKING PROCESS INCLUDING PROFILING

The Company does not use automated decision-making or profiling. Should the Company use these procedures in individual cases, it will inform investors separately.

10. INDIVIDUAL'S RIGHTS

The following rights apply to the investor who is an individual and to individuals related to the investor (whether the latter is an individual or not) whose Personal Data have been provided to the Company. All references made to investors below are deemed to refer to the individuals related to such investors if the investors are not themselves individuals.

10.1 Right to information, rectification, erasure and restriction of processing

Investors may request to obtain at no costs, within reasonable intervals, and in a timely manner, the communication of their Personal Data being processed, as well as all information on the origin of those data.

Investors have the right to rectify their Personal Data held about them that are inaccurate.

In cases where the accuracy of the Personal Data is contested, the processing is unlawful, or where investors have objected to the processing of their Personal Data, investors may ask for the restriction of the processing of such Personal Data. This means that Personal Data will, with the exception of storage, only be processed with or for the establishment, exercise or defence of legal claims, for the protection of the rights of another natural or legal person or for reasons of important public interest of the European Union or of an EU Member State. In case a processing is restricted, investors will be informed before the restriction of processing is lifted.

Investors may request the deletion of Personal Data held about them, without undue delay when the use or other processing of such Personal Data is no longer necessary for the purposes described above, and notably when consent relating to a specific processing has been withdrawn or where the processing is not or no longer lawful for other reasons.

10.2 Right to withdraw consent

Investors have the right to withdraw their consent at any time, without affecting the lawfulness of processing based on consent before its withdrawal.

10.3 Right to object

Investors may object to processing of their Personal Data which is based on the legitimate interests pursued by the Company or by a third party. In such a case the Company will no longer process these Personal Data unless the Company has compelling legitimate grounds for the processing which override investors' interests, rights and freedoms or for the establishment, exercise or defence of legal claims.

The investors' right to object is not bound to any formalities.

10.4 Right to data portability

Where the processing of data is based on consent or the execution of a contract with investors, investors also have the right to data portability for information they provided to the Company – this means that investors can obtain a copy of their data in a commonly use electronic format so that they can manage and transmit it to another controller.

10.5 Right to lodge a complaint

In addition to the rights listed above, should an investor or an individual related to an investor considers that the Company does not comply with the applicable privacy rules, or has concerns with regards to the protection of their Personal Data, they may file a complaint with the Luxembourg data protection authority (the *Commission Nationale pour la Protection des Données* - CNPD) or another European data protection authority (e.g. in the country of residence of the investor).

11. AMENDMENT OF THIS PRIVACY NOTICE

This Privacy Notice may be amended from time to time to ensure that full information about all processing activities is provided. Changes to the Privacy Notice will be notified by appropriate means.