



**LFIS**  
CAPITAL

VISA 2023/172252-7896-0-PC

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

Luxembourg, le 2023-02-02

Commission de Surveillance du Secteur Financier

# PRIVATE PLACEMENT MEMORANDUM

## LFIS VISION

A public limited company (*société anonyme*), organized as an investment company with variable capital (*société d'investissement à capital variable*), under the laws of the Grand Duchy of Luxembourg

JANUARY 2023

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The consolidated Private Placement Memorandum is divided into Part A "General Information", which describes the general features of the Company, the content of which was last updated in November 2022 and Part B "The Sub-Funds", which contains the Supplement for each Sub-Fund describing each Sub-Fund's specific features:

- LFIS VISION - Premia Opportunities, dated January 2023;
- LFIS VISION - Premia Amplitude, dated January 2023;
- LFIS VISION - Dispersion Opportunities, dated January 2023;
- LFIS VISION - Systematic Opportunities, dated November 2022.

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## **MANAGEMENT AND ADMINISTRATION**

### **LFIS VISION**

REGISTERED OFFICE  
60, avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

DIRECTORS OF THE COMPANY  
Christophe Arnould Independent Director  
Sophie Mosnier Independent Director  
Laurent Marx Independent Director

### **ALTERNATIVE INVESTMENT FUND MANAGER**

LFIS Capital  
104, boulevard Montparnasse  
F-75014 Paris  
France

### **DEPOSITARY BANK AND PAYING AGENT**

BNP Paribas, Luxembourg Branch  
60, avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

### **CENTRAL ADMINISTRATION (ADMINISTRATIVE, REGISTRAR AND TRANSFER AGENT)**

BNP Paribas, Luxembourg Branch  
60, avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

### **LEGAL ADVISERS**

For matters relating to Luxembourg Law

Elvinger Hoss Prussen  
*société anonyme*  
2, place Winston Churchill  
L-1340 Luxembourg  
Grand Duchy of Luxembourg

For matters relating to US Law

Dechert LLP1900 K Street NW  
Washington, DC 20006 USA

## **AUDITOR**

PricewaterhouseCoopers, Société coopérative  
2, rue Gerhard Mercator  
L-2182 Luxembourg  
Grand Duchy of Luxembourg

## PART A: GENERAL INFORMATION

### 1. DEFINITIONS

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"**AIFM Directive**" means the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010, as amended;

"**AIFM Law**" or "**2013 Law**" means the Luxembourg law of 12 July 2013 on alternative investment fund managers as amended;

"**AIFM Regulation**" means the Commission delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision;

"**Alternative Investment Fund Manager**" or "**AIFM**" means LFIS Capital;

"**Alternative Investment Fund Management Agreement**" means the agreement between the Company and the Alternative Investment Fund Manager as amended, supplemented or otherwise modified from time to time;

"**Annual General Meeting**" means the annual general meeting of the Shareholders;

"**Articles**" or "**Articles of Association**" means the articles of association of the Company, as the same may be amended, supplemented or otherwise modified from time to time;

"**Administrative Agent**" means BNP Paribas, Luxembourg Branch;

"**Administrative Agreement**" means the agreement concluded between BNP Paribas, Luxembourg Branch and the Company;

"**Business Day**" means, unless stated otherwise in a particular Supplement with respect to a particular Sub-Fund, any day on which banks are open for business in Paris and Luxembourg;

"**Board of Directors**" or "**Directors**" means the board of directors of the Company;

"**Benchmark Regulation**" means the Regulation (EU) No 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds;

"**Central Administration**" means BNP Paribas, Luxembourg Branch;

"**Class Currency**" refers to the currency of a Class, which may be different to the Sub-Fund currency;

"**Class(es) of Shares**" or "**Class(es)**" means a Class or Classes of Shares relating to a Sub-Fund for which specific features with respect to fee structures, distribution, marketing target or other specific features may be applicable. The details applicable to each Class will be described in the Supplement for the relevant Sub-Fund;

"**Cleared Funds Deadline**" means the deadline of receipt of subscription monies, as specified in the Supplement for each Sub-Fund;

"**Company**" means LFIS VISION, a public limited company (*société anonyme* or *S.A.*) under the laws of Luxembourg, which is registered as an investment company with variable capital (*société d'investissement à capital variable*) under the 2007 Law and the 1915 Law and which has been approved by the CSSF;

"**Constitutive Documents**" refers to this Private Placement Memorandum and the Articles of Association;

"**Controlling Person (US)**" means pursuant to article 1.1. (mm) of the IGA (as defined hereinafter) the natural person who exercises control over an entity. This term shall be interpreted in a manner consistent with the Financial Action Task Force Recommendations;

"**CSSF**" means the Luxembourg financial supervisory authority ("*Commission de Surveillance du Secteur Financier*");

**"Depository" or "Depository Bank" or "Depository Bank and Paying Agent"** means BNP Paribas, Luxembourg Branch;

**"Depository Agreement" or "Depository Bank and Paying Agent Agreement"** refers to the agreement between the Company and the Depository Bank;

**"Dilution Levy"** means the dilution levy that might be applied on a Sub-Fund if so specified in the Supplement for that particular Sub-Fund, the mechanism of which is described in section 19;

**"Director"** means a director of the Company;

**"Distributor"** means a duly appointed distributor with respect to a Sub-Fund, including, as the case may be, the AIFM;

**"ERISA Plan"** means the employee benefit plans subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and retirement plans subject to Section 4975 of the Internal Revenue Code, such as plans intended to qualify under Code Section 401(a) (including plans covering only self-employed individuals) and individual retirement accounts;

**"EURO" or "EUR"** refers to the currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome in 1957) as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992);

**"EU 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;

**"Exchange Business Day"** means a day other than (1) (i) a day observed as a holiday on a stock exchange which (a) is the principal market for a significant proportion of the Sub-Fund's investment or (b) is a market for a significant proportion of the Sub-Fund's investment (the "**Stock Exchange**") or (ii) a day upon which the Stock Exchange closes before its scheduled closing time or (2) a day that is a holiday elsewhere and impedes the calculation of the fair market value of the investments of the Sub-Fund(s);

**"Extended Redemption Deadline"** means, with respect to a given Valuation Day for a Class of Shares of a Sub-Fund, the deadline of receipt of redemption orders to benefit from a partial or total exemption of any applicable Redemption Charge, if so specified in the Supplement for that particular Sub-Fund;

**"Fiscal Year"** means the first fiscal year and subsequently, the fiscal year of the Company, as further described in section 29;

**"General Meeting"** refers to the general meeting of Shareholders of the Company or of any Sub-Fund, where applicable;

**"Income Policy"** means the income policy (accumulation or distribution) of a Sub-Fund, as specified in the Supplement for each Sub-Fund;

**"Initial Subscription Period"** means the period as defined in the Supplement for each Sub-Fund during which Shares of a Class of that Sub-Fund are offered for subscription at a fixed price;

**"Initial Subscription Price"** means the subscription price for Shares during the Initial Subscription Period, as defined in the Supplement for each Sub-Fund;

**"Institutional Investor"** means investors who qualify as institutional investor(s) including but not limited to credit institutions, other professional of the financial sector, insurance and reinsurance companies, social security institutions investing on their own account, pension funds, industrial and financial groups and their respective subsidiaries in charge of fund or asset management, as further defined under Luxembourg laws and the practice of the CSSF;

**"Investment Advisor"** means any investment advisor appointed from time to time by the AIFM with respect to any Sub-Fund, as indicated as the case may be in the Supplement for a particular Sub-Fund;

**"Management Fee"** refers to the management fee payable by the Company to the AIFM;

**"Market Timing"** refers to any arbitrage method through which an investor or a Shareholder systematically subscribes and redeems or converts Shares of the Company within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value of the Company;

"**Member State**" refers to a member state of the European Union;

"**Mémorial**" means the *Mémorial, Recueil des Sociétés et Associations* of the Grand Duchy of Luxembourg;

"**Monthly Indicative Net Asset Value**" means the official, but non-tradable, indicative only, net asset value of a Class of Shares of a Sub-Fund, calculated by the Central Administration, if so specified in a Supplement for a particular Sub-Fund;

"**Net Asset Value**" means the net asset value of the Company calculated as explained in section "Net Asset Value" of this Private Placement Memorandum;

"**Net Asset Value per Share**" means the Net Asset Value of the relevant Sub-Fund divided by the number of Shares in issue at the relevant time (including Shares in relation to which a Shareholder has requested redemption) or if a Sub-Fund has more than one Class of Shares in issue, the portion of the Net Asset Value of the relevant Sub-Fund attributable to a particular Class of Shares divided by the number of Shares of such Class in the relevant Sub-Fund which are in issue at the relevant time (including Shares in relation to which a Shareholder has requested redemption);

"**OECD Member State**" refers to a Member State of the Organization for Economic Co-operation and Development;

"**Offer**" refers to the offer by the Company of the Shares for subscription as described in this Private Placement Memorandum;

"**Payment for Redemptions**" means the timeline for payment of redemption proceeds, as specified in the Supplement for each Sub-Fund;

"**Performance Fee**" refers to the performance fee payable by the Sub-Funds to the AIFM, the details of which are set forth in the Supplement for each Sub-Fund as the case may be;

"**Prohibited Person**" means any person, firm, partnership or corporate body, if in the sole opinion of the Company such holding may be detrimental to the interests of the existing shareholders of the Company, if it may result in a breach of any law or regulation, whether Luxembourg or otherwise, or if as a result thereof the Company may become exposed to tax disadvantages, fines or penalties that it would not have otherwise incurred;

"**Professional Investors**" refers to investors who qualify as professional investors under the laws and regulations of Luxembourg, and notably as listed in Annex II of Directive 2014/65/EU of the European parliament and of the council of 15 May 2014 on markets in financial instruments ("MiFID II"), as amended or supplemented from time to time;

"**PRIIPs KID**" means packaged retail and insurance-based investment products key information document within the meaning of the Regulation (EU) n°1286/2014;

"**Private Placement Memorandum**" means the present Private Placement Memorandum of the Company including all Supplements for Sub-Funds;

"**Redemption Charge**" means any charge applied in case of redemption of Shares, based on the "**Redemption Charge Rate**", the details of which are set forth in the Supplement for each Sub-Fund as the case may be;

"**Redemption Deadline**" means the deadline of receipt of redemption orders, as specified in the Supplement for each Sub-Fund;

"**Redemption Price**" means the price of Share redemption;

"**Reference Currency**" means the currency of the Company, i.e. Euro;

"**Register**" means the register of Shareholders kept pursuant to the Articles;

"**Registrar and Transfer Agent**" means BNP Paribas, Luxembourg Branch;

"**RESA**" means Recueil Electronique des Sociétés et Associations;

"**SFDR**" means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability related disclosures in the financial services sector, as amended;

**"Share(s)"** means share(s) in the Company, of such Classes and denominated in such currencies and relating to such Sub-Funds as may be issued by the Company from time to time;  
**"Shareholders"** means a person who is the holder of Shares in the Company;

**"SIF"** refers to a specialized investment fund subject to the 2007 Law;

**"Sub-Fund"** means each sub-fund of the Company, as established from time to time by the Directors, the details of which are set forth in the relevant Supplement;

**"Sub-Fund Currency"** refers to the currency that the assets of a Sub-Fund are valued in and which may differ from the Class Currency;

**"Subscription Charge"** means any charge applied in case of subscription of Shares, based on the **"Subscription Charge Rate"**, the details of which are set forth in the Supplement for each Sub-Fund as the case may be;

**"Subscription Deadline"** means the deadline of receipt of subscription orders, as specified in the Supplement for each Sub-Fund;

**"Subscription Agreement"** means the agreement(s) which the Board of Directors may require to be signed by subscribers;

**"Subscription Form"** means the form(s) to be used for initial Share subscription, available at the Registrar and Transfer Agent including any Subscription Agreement if and as required by the Board of Directors;

**"Subscription Price"** means the price of Share subscription;

**"Supplement"** means, with respect to each Sub-Fund, its supplement attached in Part B of the Private Placement Memorandum, setting forth the details of the relevant Sub-Fund;

**"Total Return Swaps"** means derivative contract 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;

**"United States"** or **"US"** means the United States of America and any of its territories, possessions and other areas subject to its jurisdiction;

**"US Person"** shall mean any person who meets any of the following: (i) a "US Person" as defined in Rule 902 of Regulation under the 1933 Act (as defined below), as amended; (ii) a person excluded from the definition of a "Non-United States person" as used in Rule 4.7 under the Commodity Exchange Act, as amended; or (iii) a "US Person" as defined in any other applicable law, regulation or rule (including but not limited to FATCA, as defined below); except that the Board of Directors may further define the term "US Person";

**"Valuation Day"** refers to the date of determination of the Net Asset Value as more fully described for each Sub-Fund under Part B of this Private Placement Memorandum;

**"Well-Informed Investor"** refers to well-informed investors as defined in Article 2 of the 2007 Law, as amended from time to time;

**"1915 Law"** refers to the law relating to commercial companies dated 10 August 1915 as amended;

**"2007 Law"** refers to the law concerning specialized investment funds dated 13 February 2007 as amended;

**"2010 Law"** refers to the law relating to undertakings for collective investment dated 17 December 2010 as amended.

## 2. IMPORTANT INFORMATION

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This Private Placement Memorandum is issued by LFIS VISION (the "**Company**"), an umbrella fund incorporated as a public limited company ("*société anonyme*" or S.A.) under the laws of Luxembourg, which is registered as an investment company with variable capital ("*société d'investissement à capital variable*") under Part II of the 2007 Law as amended and the 1915 Law. The Company is managed by the Alternative Investment Fund Manager who is established in another Member State (France) in accordance with Chapter II of the AIFM Directive and transposed locally within Luxembourg law by the 2013 Law.

The Offer contained in this Private Placement Memorandum is limited to Well-Informed Investors who have expressed an interest in investing in the Company. Pursuant to Article 2 of the 2007 Law, Well-Informed Investors refer to (i) an Institutional Investor, (ii) a Professional Investor (iii) or any other investor who has confirmed in writing that he adheres to the status of Well-Informed Investor and who either invests a minimum of EUR 125,000.- in the Company or has obtained an assessment made by a credit institution within the meaning of Directive 2013/36/EU, an investment company within the meaning of Directive 2014/65/EU or a management company within the meaning of Directive 2009/65/EC certifying the investor's expertise, experience and knowledge in adequately appraising an investment in the Company.

The registration of the Company as a specialized investment fund should not be interpreted as a positive assessment of the quality of the proposed investment by the CSSF. This Private Placement Memorandum is being issued to certain persons to whom it is permitted to promote investment in the Company in accordance with the 2007 Law and any regulations hereunder and the distribution of this Private Placement Memorandum to persons other than those thereby permitted is forbidden. The recipients of this Private Placement Memorandum may not forward or distribute copies of it to any other person.

Prospective investors in the Company must only rely on their own examination of the legal, taxation, financial and other consequences of any investment in the Company, including the risks involved. Prospective investors should not treat the contents of this Private Placement Memorandum as advice relating to legal, taxation, or investment matters described herein and are advised to consult their own professional advisors. This Private Placement Memorandum does not purport to be all-inclusive or necessarily to contain all the information that an investor may desire in investigating the Company or necessary to make an informed investment decision regarding the Offer.

The Company has taken reasonable care to ensure that the information stated in this Private Placement Memorandum is true and accurate. Neither the Company, the Board of Directors, nor any member, partner, manager, employee, counsel, officer, representative, agent or affiliate of any of them, makes any express or implied representation or warranty as to the accuracy or completeness of the information contained in this Private Placement Memorandum or made available in connection with any further investigation of the terms of the Offer. No person has been authorized to make any representation or to give any information other than the representations and information included in this document and, if made or given, any such other representations or information may not be relied upon as having been made or given by or on behalf of the Company, the Board of Directors, or any other person. Neither the delivery of this Private Placement Memorandum nor the Offer shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date of this Private Placement Memorandum or that any information contained herein is correct at any time subsequent to the date hereof. In particular, investors should note that the information contained in this Private Placement Memorandum may be amended from time to time.

Any information which the AIFM or the Company is under a mandatory obligation (i) to make available to investors before investing in the Company, including any material change thereof and updates of this Private Placement Memorandum essential elements, or (ii) to disclose (periodically or on a regular basis) to investors, in accordance with applicable laws and regulations (including article 21 of the AIFM Law) (each such information under (i) or (ii) being hereafter referred to as a "**Mandatory Information**") shall be validly made available or disclosed to investors via and/or at any of the following information means (the "**Information Means**"): (i) the Company's sales documents, offering or marketing documentation, (ii) Subscription Form, (iii) contract note, statement or confirmation in any other form, (iv) letter, telecopy, email or any type of notice or message (including verbal notice or message), (v) publication in the (electronic or printed) press, (vi) the Company's periodic report, (vii) the Company's, AIFM's or any third party's registered office, (viii) a third-party, (ix) internet/a website (as the case may be subject to password or other limitations) and (x) any other means or medium to be freely determined from time to time by the Company or its AIFM to the extent that such means or medium comply and remain consistent with the Articles and applicable laws and regulations.

Investors are reminded that certain Information Means (each hereinafter an "**Electronic Information Means**") require an access to internet and/or to an electronic messaging system and that, by the sole fact of investing or soliciting an investment in the Company, investors acknowledge the possible use of Electronic Information Means and confirm having access to internet and to an electronic messaging system allowing them to access any Mandatory Information made available or disclosed via an Electronic Information Means.

In principle, this Private Placement Memorandum mentions the specific relevant Information Means via and/or at which an Investor may access any Mandatory Information that is not available or disclosed in this Private Placement Memorandum. If this were not the case, Investors acknowledge that the relevant Information Means is available or disclosed at the registered office of the Company. No investor will be allowed to invoke or claim the unavailability or non-disclosure of any Mandatory Information if this Mandatory Information was contained in this Private Placement Memorandum or was available or disclosed via and/or at the relevant Information Means available or disclosed at the registered office of the Company.

All questions regarding the Company should be directed to the Board of Directors.

This Private Placement Memorandum is submitted to the recipient on a confidential basis. By accepting this Private Placement Memorandum and other information supplied to prospective investors by the Company, the recipient agrees that neither it nor any of its members, partners, directors, employees or advisors shall use the information for any purpose other than for evaluating its proposed investment in the Company nor shall they divulge such information to any other party. This Private Placement Memorandum shall not be photocopied, reproduced or distributed to others without the prior written consent of the Board of Directors.

**THIS PRIVATE PLACEMENT MEMORANDUM DOES NOT CONSTITUTE AN OFFER OF, OR THE SOLICITATION OF AN OFFER TO ACQUIRE, SHARES TO ANY PERSON IN ANY JURISDICTION TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. THE DISTRIBUTION OF THIS DOCUMENT IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW AND THEREFORE PERSONS INTO WHOSE POSSESSION IT COMES SHOULD INFORM THEMSELVES ABOUT AND OBSERVE ANY SUCH RESTRICTIONS. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE SECURITIES LAWS OF ANY SUCH JURISDICTION.**

Practices related to Market Timing are not allowed and the Board of Directors reserves the right to reject subscription, redemption and conversion orders from any investor or Shareholder who the Board of Directors suspects of using such practices and to take, if appropriate, the necessary measures to protect the other Shareholders of the Company.

Personal data related to identified or identifiable natural persons provided to, collected or otherwise obtained by or on behalf of, the Company, the Administrative Agent and the Depository (the "**Controllers**") will be processed by the Controllers in accordance with the Privacy Notice (as defined further below) referred to in section "Processing of Personal Data", a current version of which is available and can be accessed or obtained online ([www.lfis.com](http://www.lfis.com)). Investors and any person contacting, or otherwise dealing directly or indirectly with the Controllers are invited to and read and carefully consider the Privacy Notice, prior to contacting or otherwise so dealing, and in any event prior to providing or causing the provision of any Data (as defined further below) directly or indirectly to the Controllers.

Nothing contained in this Private Placement Memorandum is intended to constitute investment, legal, tax, accounting or other professional advice. This Private Placement Memorandum is for your information only and nothing in it is intended to endorse or recommend a particular course of action. Persons considering acquiring Shares should consult with an appropriate professional for specific advice rendered based on their personal situation. Prospective purchasers of Shares to which this Private Placement Memorandum relates should conduct their own due diligence on them. If you do not understand the contents of this Private Placement Memorandum, you should consult an authorised financial advisor.

All applicable laws and regulations must be observed in any jurisdiction in which Shares may be offered or sold. No person may directly or indirectly offer, sell, reoffer, resell or transfer Shares or distribute this Private Placement Memorandum or any related document, circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge or belief, in compliance with all applicable laws and regulations.

No action has been nor will be taken to permit a public offer of the Shares in any jurisdiction. The shares are to be distributed on a private placement basis only.

The investors are not subscribing to the Shares with a view to distribution. They will be individually approached from time to time. This document is personal to each recipient thereof and does not constitute an offer to any other person. This document may only be used by the persons to whom it has been delivered in connection with the offering.

Generally, investment values can go down as well as up. Past performance is not indicative of future returns which may or may not be the same as or similar to past performance.

Terms in capital letters and abbreviations used in this Private Placement Memorandum have defined meanings, which are explained in the glossary at the beginning of this Private Placement Memorandum. The financial amounts in this Private Placement Memorandum are expressed in Euro unless otherwise stated.

This Private Placement Memorandum should be read in conjunction with, and is subject to, the detailed terms of the Articles of Association of the Company, which shall prevail in all cases.

The text of the Articles of Association, the Subscription Form in relation to the Offer and the last published annual report are available for inspection by investors at the registered office of the Company and the Depositary respectively. Such documents will be sent free of charge to any investor upon request.

By accepting this Private Placement Memorandum, the recipient hereof agrees to be bound by this Private Placement Memorandum, the Articles of Association and the Subscription Form.

If you are in any doubt about the contents of this Private Placement Memorandum or the suitability of an investment in the Shares, you should consult your stockbroker, solicitor, accountant or other professional advisor.

For more information or to obtain a copy of the Private Placement Memorandum and the latest published annual report, please contact:

LFIS VISION  
60, avenue J.F. Kennedy  
L - 1855 Luxembourg  
Grand Duchy of Luxembourg

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

As also indicated in the Articles, the Board of Directors may restrict or prevent the ownership of Shares by Prohibited Persons. For further information on Prohibited Persons, please consult the Company.

### 3. THE COMPANY

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The Company was incorporated in the Grand Duchy of Luxembourg on 14<sup>th</sup> May 2013. The Company is organized as an umbrella fund incorporated as a public limited company (*société anonyme* or *S.A.*) under the laws of Luxembourg, which is registered as an investment company with variable capital ("*société d'investissement à capital variable*") under the 2007 Law and the 1915 Law.

The Articles were published in the Mémorial on 4<sup>th</sup> June 2013 under the register number B177538. The Articles and any amendments thereto, together with the mandatory legal notice, have been deposited with the *Registre du Commerce et des Sociétés* of Luxembourg where they are available for inspection and where copies thereof can be obtained.

Annual General Meetings will be held on the third Friday of May each year, at 11:00 am Luxembourg time at the Company's office or at such other place as is specified in the notice of meeting.

If any of such scheduled day is a legal bank holiday in Luxembourg, the Annual General Meeting shall be held on the next following bank business day in Luxembourg. Other meetings of shareholders may be held at such place and time as may be specified in the respective notices of meetings that will be published in compliance with the provisions of the 1915 Law.

Resolutions concerning the interests of the Shareholders of the Company shall be taken in a general meeting and resolutions concerning the particular rights of the Shareholders of a specific Sub-Fund shall in addition be taken by this Sub-Fund's general meeting.

The Reference Currency of the Company is the Euro.

#### 4. THE ALTERNATIVE INVESTMENT FUND MANAGER

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The Board of Directors has appointed LFIS Capital, with registered office at 104, boulevard Montparnasse, F-75014 Paris, France (new registered address of LFIS Capital as from 5 March 2021), as AIFM to serve as the Company's alternative investment fund manager within the meaning of Chapter II of AIFM Directive and Chapter 2 of the AIFM Law and in accordance with the provisions of Part II of the 2007 Law.

The AIFM has been appointed under an Alternative Investment Fund Management Agreement, concluded for an indefinite period of time and which may be terminated by either party with three months' written notice, to manage the assets of the Company.

The Alternative Investment Fund Management Agreement is subject to Luxembourg law and any dispute may be raised before Luxembourg competent jurisdiction.

In consideration of its services, the AIFM is entitled to receive fees paid directly from the Company (out of the assets of the relevant Sub-Fund, as described in the Supplement for each Sub-Fund).

Third parties other than the Distributors, any appointed Investment Advisor, may receive a remuneration directly from the Company (out of the assets of the relevant Sub-Fund), as described in section 28 "Fees and Costs" and in the Supplement for each Sub-Fund.

LFIS Capital is regulated in France by the *Autorité des Marchés Financiers* as a management company as from 12 February 2013 under number GP 13000004 and as an alternative investment fund manager as from 29 April 2014.

In order to cover potential liability risks resulting from professional negligence, the AIFM holds appropriate additional own funds in accordance with the provisions of the AIFM Directive as implemented in its legal order to cover any potential professional liability resulting from its activities as AIFM.

The AIFM shall in particular be responsible for the following duties towards the Company:

1. management of the assets of the Company (including portfolio and/or risk management as regards these assets);
2. marketing and distribution (if applicable) of the shares of the Company.

In accordance with applicable laws and regulations and with the prior consent of the *Autorité des Marchés Financiers*, the AIFM is empowered to delegate, under its responsibility, part of its duties and powers to any person or entity, which it may consider appropriate and which disposes of the requisite expertise and resources, it being understood that the Private Placement Memorandum shall the case being be amended accordingly.

Any such delegation will be performed in compliance with the provisions of Part II of the 2007 Law and the AIFM Law and Regulation.

The AIFM may further, under its control and supervision, and with consent and under supervision of the Board of Directors, appoint one or more Investment Advisors with respect to one or several Sub-Funds to provide investment information, recommendations and research concerning prospective and existing investments.

In accordance with the AIFM Directive and AIFM Regulation, the AIFM ensures that the delegates carry out the delegated functions effectively and in compliance with applicable law and regulatory requirements and must establish methods and procedures for reviewing on an ongoing basis the services provided by the delegates. The AIFM shall supervise effectively the delegated functions and manage the risks associated with the delegation and take appropriate action if it appears that the delegates cannot carry out the functions effectively or in compliance with applicable laws and regulatory requirements.

The AIFM shall:

1. act honestly, with due skill, care and diligence and fairly in conducting their activities;
2. act in the best interests of the Company or the investors of the funds they manage and the integrity of the market;

3. have and employ effectively the resources and procedures that are necessary for the proper performance of their business activities;
4. take all reasonable steps to avoid conflicts of interest and, when they cannot be avoided, to identify, manage and monitor and, where applicable, disclose, those conflicts of interest in order to prevent them from adversely affecting the interests of the Company and their investors and to ensure that the funds they manage are fairly treated;
5. comply with all regulatory requirements applicable to the conduct of their business activities so as to promote the best interests of the Company or the investors of the funds they manage and the integrity of the market; and
6. treat all the Company's investors fairly.

It cannot be excluded that a Shareholder be given a preferential treatment. Whenever a Shareholder obtains preferential treatment or the right to obtain preferential treatment, a description of that preferential treatment, the type of Shareholders who obtained such preferential treatment and, where relevant, their legal or economic links with the Company or the AIFM will be made available at the registered office of the Company within the limits required by the AIFM Law.

## **5. THE SUB-FUNDS**

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The Company is a multi-compartment structure consisting of several Sub-Funds, each one representing a specific portfolio of assets and liabilities. There is no cross liability between Sub-Funds.

The Sub-Funds may be distinguished mainly by their investment objectives and policies, minimum investment per investor, fee structure, Sub-Fund Currency, Class Currency and any other characteristics that the Board of Directors may decide from time to time. Unless specified otherwise in the Supplements, all Sub-Funds are established for an unlimited period of time. The specifications of each Sub-Fund are described within the relevant Sub-Fund Supplement in Part B of this Private Placement Memorandum. The Board of Directors may, in its discretion, at any time, decide to create additional Sub-Funds or to close an existing Sub-Fund and in such cases, this Private Placement Memorandum will be updated accordingly.

The Company retains the right to offer at its discretion certain Sub-Funds for purchase by specific investors. Information on the availability and specific features of each Sub-Fund are described within the relevant Sub-Fund Supplement in Part B of this Private Placement Memorandum.

## **6. INVESTMENTS BY WELL-INFORMED INVESTORS**

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Shares are exclusively reserved for Well-Informed Investors. The Company will not issue Shares, or give effect to any Transfer of Shares as specified in section 20 of this Private Placement Memorandum to any prospective investor who is not a Well-Informed Investor.

The Company (and the Central Administration acting on behalf of the Company) reserves the right to request the necessary information to verify the identity of a prospective investor and its status in respect of the qualification as a Well-Informed Investor. In the event of delay or failure by the prospective investor to provide the aforementioned necessary information, the Company (and the Central Administration acting on behalf of the Company) may refuse to accept the subscription application or transfer notice.

## **7. CAPITAL STOCK**

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The Company was incorporated with a subscribed capital of EUR 31,000.- as follows: thirty one (31) Shares at an initial price of EUR 1,000.-, with no par value and fully paid-up.

The Company's capital corresponds at all times to the aggregate Net Asset Value of the different Sub-Funds which is represented by the aggregate of the Classes of Shares. For the purpose of determining the capital of the Company, the net assets attributable to each Sub-Fund, if not expressed in Euro, will be converted into Euro at the then prevailing exchange rate in Luxembourg.

The minimum subscribed capital of the Company must reach EUR 1,250,000.- (one million two hundred fifty thousand euro) within 12 months following the authorization granted by the CSSF.

## **8. INVESTMENT OBJECTIVES AND RESTRICTIONS**

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### **8.1 General investment objectives**

The Board of Directors may change the investment policy of the Company or the specific investment policies of the Sub-Fund subject to a notification to shareholders at least one calendar month before the entry into force of the modification. Upon this sending, shareholders, if changes are material, are granted free of charge redemptions of their shares. Once the modification has occurred, the Private Placement Memorandum will be amended accordingly.

The objective of the Company is to ensure for the Shareholders the benefit of the results of the management of its assets and to seek to achieve the objectives of each Sub-Fund as described within the relevant Sub-Fund Supplement in Part B of this Private Placement Memorandum.

The Sub-Funds' assets will be invested in conformity with the investment objective and policy of each Sub-Fund as described in the Supplement for each Sub-Fund.

The Company may, for each Sub-Fund, enter into standard agreements for the purpose of investment, including but not limited to, the ISDA master agreement, the global master securities lending agreement or equivalent agreements under any relevant national law.

The Company may grant guarantees in favour of its creditors and/or counterparties.

Unless expressly mentioned otherwise in a Supplement for a particular Sub-Fund, the following principles will apply to the Sub-Funds.

### **8.2 General investment restrictions**

The risk spreading principles foreseen by CSSF Circular 07/309 as well as the following investment restrictions shall apply to each Sub-Fund.

I- In the case that the Company comprises more than one Sub-Fund, each Sub-Fund shall be regarded as a separate undertaking in collective investments for the purpose of the investment objectives, policy and restrictions of the Company.

II- The Company will be subject to the following investment restrictions:

- a) None of the Company's Sub-Funds may invest more than 30% of its assets in securities of the same type issued by the same issuer. This restriction does not apply to:
  1. investments in securities issued or guaranteed by an OECD Member State or its regional or local authorities or by European Union, regional or global supranational institutions and bodies;
  2. investments in underlying investment funds that are subject to risk-spreading requirements at least comparable to those applicable to Luxembourg-based SIFs. For the purpose of the application of this restriction, every sub-fund of an underlying umbrella investment fund is to be considered as a separate issuer provided that the principle of segregation of liabilities among the various sub-funds *vis-à-vis* third parties is ensured.
- b) Short sales may not in principle result in the SIF holding a short position in securities of the same type issued by the same issuer representing more than 30% of its assets.

- c) The Company may not grant guarantees in favor of a third party, but without prejudice to the rights of the Company to make financial commitments or guarantees or give warranties or indemnities in respect of its investment or disinvestment.
- d) When using financial derivative instruments (whether dealt in on a regulated market or in over-the-counter ("**OTC derivatives**") and/or securities lending transactions as well as sale with right of repurchase transactions, repurchase and reverse repurchase agreement transactions (here after "**Efficient Portfolio Management Techniques**"), each Sub-Fund must ensure, via appropriate diversification of the underlying assets, a similar level of risk-spreading. Similarly, the counterparty risk in an OTC transaction shall be limited having regard to the quality and qualification of the counterparty, as further specified in the relevant Supplement. As the case may be, cash collateral received by each Sub-Fund in relation to any of these OTC transactions may be reinvested. The securities purchased through a reverse repurchase agreement transaction must conform to the Company's investment policy and must, together with the other securities that the Company holds in its portfolio, globally respect the Company's investment restrictions.
- e) Unless otherwise stated in the relevant Supplement, none of the Sub-Funds will invest more than 10 per cent of its Net Asset Value in units of other collective investment undertakings.

When a Sub-Fund has acquired units of other collective investment undertakings, the assets of the respective UCITS or other collective investment undertakings do not have to be combined for the purposes of the limits laid down in this section.

- f) When a Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription or redemption fees on account of the Companies' investment in the units of such other UCITS and/or UCIs. The Company for each Sub-Fund that invests a substantial proportion of its assets in other UCITS and/or other UCIs will disclose in this Private Placement Memorandum 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.
- g) Pursuant to article 71(8) of the 2007 Law, 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:
  - (i) the Target Sub-Fund may not invest contemporaneously in the Investing Sub-Fund;
  - (ii) the voting rights attached to the Shares of the Target Sub-Fund are suspended during the investment by the Investing Sub-Fund;
  - (iii) 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 EUR 1,250,000 minimum capital requirement set out in section 7.

The Company may employ leverage (through the use of, without limitation, financial derivatives as well as any embedded derivatives, cash borrowing and/or reinvestment of collateral received under OTC derivative transactions or efficient portfolio management techniques) at any time to pursue its investment objectives and policies. The leverage of each Sub-Fund, defined as being the ratio between the market risk exposure and the Sub-Funds' net assets through the use of financial derivatives (as well as any embedded derivatives) shall be subject to the limitations as further specified in the relevant Supplement. In the same manner, any specific restriction on the use of leverage and collateral and assets reuse arrangements will be disclosed in the relevant Supplement.

During the initial ramp-up period (which lasts over a maximum period of 6 months after the launching of a Sub-Fund), the concerned Sub-Fund might not comply with the investment restrictions above mentioned.

## 9. FINANCIAL DERIVATIVE INSTRUMENTS

### 9.1 General

Each Sub-Fund may, subject to the conditions and within the limits laid down in the 2007 Law and any present or future related Luxembourg laws or implementing regulations, circulars and CSSF positions (the "Regulations"), invest in financial derivative instruments for efficient portfolio management purposes, investment purposes or to provide protection against risks. Financial derivative instruments include, but are not limited to, futures, forwards, options, swaps (including, but not limited to, credit and credit-default, interest rate, Total Return Swaps and inflation swaps), swaptions

and forward foreign currency contracts. New financial derivative instruments may be developed which may be suitable for use by the relevant Sub-Fund and such Sub-Fund may employ such financial derivative instruments in accordance with the Regulations, and collateral received in respect of those instruments will be according to its collateral policy.

The conditions of use and the limits applicable shall in all circumstances comply with the provisions laid down in the Law, in the rules and regulations of the CSSF and herein.

The global exposure of each Sub-Fund relating to the use of financial derivative instruments does not exceed the total net assets of that Sub-Fund.

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

The counterparties to the transaction will be counterparties approved and monitored by the AIFM. The counterparties to such transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Community law and specialised in this type of transaction. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The counterparties to such transactions will, as a general rule, be financial institutions headquartered in an OECD member state and have directly or at parent-level an investment grade credit rating from an internationally recognised rating agency. The AIFM reserves the right to adjust the criteria applicable to the counterparties to such transactions at any time (subject to the applicable laws and regulations), in which case the Private Placement Memorandum will be updated accordingly. Details of the selection criteria and a list of approved counterparties is available at the registered office of the AIFM.

Under EMIR, both parties to OTC derivative contracts not subject to central clearing obligations and not cleared through a central counterparty clearing house within the meaning of EMIR ("Non-Cleared OTC Transactions"), are required to implement appropriate procedures and arrangements to measure, monitor and mitigate operational risk and counterparty credit risk. This includes the need to put in place between the parties to these Non-Cleared OTC Transactions measures to ensure timely, accurate and appropriately segregated exchange of collateral.

The risk of counterparty default and the effect on investors' returns are described under "Risk Factors".

## **9.2 Total Return Swaps**

A Sub-Fund may enter into Total Return Swaps or into other financial instruments with similar characteristics, for the purpose of generating additional revenues and/or building exposures to the relevant underlying assets or to the risk factors related to such underlying assets and/or for other reasons set out in the Supplement of the relevant Sub-Fund.

Where a Sub-Fund uses Total Return Swaps, the types of assets as well as the maximum and expected proportion of assets that can be subject to those instruments will be set out in the Supplement of the relevant Sub-Fund. The actual amount of assets engaged in Total Return Swaps in respect of each Sub-Fund, as well as any other information required by the Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse, are disclosed in the periodic reports of the Sub-Fund.

At no time will a counterparty in a transaction have discretion over the composition or the management of a Sub-Fund's investment portfolio or over the underlying of the Total Return Swaps.

All revenues arising from Total Return Swaps, net of direct and indirect operational costs and fees, will be returned to the Sub-Fund concerned.

In particular, fees and cost may be paid to the relevant counterparty and/or other intermediaries providing services in connection with Total Return Swaps as normal compensation of their services. Information on direct and indirect operational costs and fees that may be incurred in this respect, the identity of the entities to which such costs and fees are paid as well as any relationship they may have with the AIFM will be available in the financial reports of the Sub-Fund.

## 10. USE OF TECHNIQUES AND INSTRUMENTS RELATING TO TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS

### a) *General*

To the maximum extent allowed by, and within the limits set forth in, the 2007 Law, each Sub-Fund may for the purpose of generating additional capital or income, or for reducing costs or risks, enter into repurchase/reverse repurchase transactions, buy-sell back transactions and/or securities lending transactions.

Any transaction expenses in connection with any techniques and instruments referred to below will be met by the Sub-Fund concerned.

In particular, fees and cost may be paid to agents of the Company and other intermediaries providing services in connection with efficient portfolio management techniques as normal compensation of their services. Such fees may be calculated as a percentage of gross revenues earned by the Sub-Fund through the use of such techniques. Information on direct and indirect operational costs and fees that may be incurred in this respect, the identity of the entities to which such costs and fees are paid as well as any relationship they may have with the AIFM or the Depositary will be available in the financial reports of the Sub-Fund.

The counterparty to the transaction will be a counterparty approved and monitored by the AIFM. The counterparties to such transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Community law and specialised in this type of transaction. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The counterparties to such transactions will, as a general rule, be financial institutions headquartered in an OECD member state and have directly or at parent-level an investment grade credit rating from an internationally recognised rating agency. The AIFM reserves the right to adjust the criteria applicable to the counterparties to such transactions at any time (subject to the applicable laws and regulation), in which case the present Private Placement Memorandum will be updated accordingly. Details of the selection criteria and a list of approved counterparties is available at the registered office of the AIFM.

## 11. PROCESSING OF PERSONAL DATA

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In accordance with Regulation on the protection of natural persons with regard to the processing of personal data and on the free movement of such data ("**GDPR**"), the Controllers process information relating to several categories of identified or identifiable natural persons (including, in particular but not limited to, prospective or existing investors, their beneficial owners and other natural persons related to prospective or existing investors) who are hereby referred to as the "Data Subjects". This information has been, is and/or will be provided to, obtained by, or collected by or on behalf of, the Controllers directly from the Data Subjects or from other sources (including prospective or existing investors, intermediaries such as distributors, wealth managers and financial advisers, as well as public sources) and is hereby referred to as the "Data".

Detailed and up-to-date information regarding the processing of Data by the Controllers is contained in a privacy notice (the "**Privacy Notice**"). Investors and any persons contacting, or otherwise dealing directly or indirectly with, any of the Controllers or their service providers in relation to the Company are invited to obtain and take the time to carefully consider and read the Privacy Notice.

Any question, enquiry or solicitation regarding the Privacy Notice and the processing of Data by the Controllers in general may be addressed to [dpo-lfis@lfis.com](mailto:dpo-lfis@lfis.com) or to LFIS Capital, 104, boulevard Montparnasse - 75014 Paris for the attention of Data Protection Officer.

### **Obtaining and accessing the Privacy Notice**

The Privacy Notice is available and can be accessed or obtained online ([www.lfis.com](http://www.lfis.com)), or upon request addressed to [dpo-lfis@lfis.com](mailto:dpo-lfis@lfis.com) or to LFIS Capital - 104, boulevard Montparnasse - 75014 Paris for the attention of Data Protection Officer. The Privacy Notice is available in both paper and e-format.

The Privacy Notice notably sets out and describes in more detail:

- the legal basis for processing the Data; and where applicable the categories of Data processed, from which source the Data originate, and the existence of automated decision-making, including profiling (if any);
- that Data will be disclosed to several categories of recipients; that certain of these recipients (the "**Processors**") are processing the Data on behalf of the Controllers; that the Processors include most of the service providers of the Controllers; and that the Processors will act as processors on behalf of the Controllers and may also process Data as controllers for their own purposes;
- that Data will be processed by the Controllers and the Processors for several purposes (the "**Purposes**") and that these Purposes include (i) the general holding, maintenance, management and administration of prospective and existing investment and interest in the Company, (ii) enabling the Controllers and the Processors to perform their services for the Company, and (iii) enabling the Controllers and the Processors to comply with legal, regulatory and/or tax (including FATCA/CRS) obligations;
- that Data may, and where appropriate will, be transferred outside of the European Economic Area, including to countries whose legislation does not ensure an adequate level of protection as regards the processing of personal data;
- that any communication (including telephone conversations) (i) may be recorded by the Controllers and the Processors and (ii) will be retained for a period of 10 years from the date of the recording;
- that Data will not be retained for longer than necessary with regard to the Purposes, in accordance with applicable laws and regulations, subject always to applicable legal minimum retention periods;
- that failure to provide certain Data may result in the inability to deal with, invest or maintain an investment or interest in, the Company;
- that Data Subjects have certain rights in relation to the Data relating to them, including the right to request access to such Data, or have such Data rectified or deleted, the right to ask for the processing of such Data to be restricted or to object thereto, the right to portability, the right to lodge a complaint with the relevant data protection supervisory authority, or the right to withdraw any consent after it was given.

All persons contacting, or otherwise dealing directly or indirectly with, any of the Controllers or their service providers in relation to the Company, will likely be requested to formally acknowledge, agree, accept, represent, warrant and/or undertake (where applicable) that they have obtained and/or have been able to access the Privacy Notice; that the Privacy Notice may be amended at the sole discretion of the Controllers; that they may be notified of any change to or update of the Privacy Notice by any means that the Controllers deem appropriate, including by public announcement; that they have authority to provide, or to cause or allow the provision, to the Controllers any Data relating to third-party natural persons that they provide, or cause or allow the provision, to the Controllers; that, if necessary and appropriate, they are required to obtain the (explicit) consent of the relevant third-party natural persons to such processing; that these third-party natural persons have been informed of the processing by the Controllers of the Data as described herein and their related rights; that these third-party natural persons have been informed of, and provided with, easy access to the Privacy Notice; that when notified of a change or update of the Privacy Notice they will continue this change or update to these third-party natural persons; that they and each of these third-party natural persons shall abide by any limitation of liability provision contained in the Privacy Notice; and that they shall indemnify and hold the Controllers harmless from and against adverse consequences arising from any breach of the foregoing.

## 12. SUSTAINABILITY-RELATED DISCLOSURES UNDER SFDR

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Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended (SFDR), governs the transparency requirements regarding the integration of sustainability risks into investment decisions, the consideration of adverse sustainability impacts and the disclosure of Environment, Social, and Governance ("ESG") and sustainability-related information.

Sustainability risk means the occurrence of an ESG event or condition that 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. Sustainability risks may have an impact on long-term risk adjusted returns for investors. 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. Please also refer to "ESG investment risk" in the section "Risk Factors" of the Private Placement Memorandum.

Unless specifically described in the Supplement of a Sub-Fund, the AIFM does not take into account sustainability risks in its investment decision-making process. All Sub-Funds may however be exposed to sustainability risks as described above.

Where a Sub-Fund promotes environmental or social characteristics within the meaning of Article 8 of SFDR or has a sustainable investment objective within the meaning of Article 9 of SFDR, this will be disclosed in its Supplement.

The AIFM does not currently consider principal adverse impacts of its investment decisions on the sustainability factors. The AIFM does not currently do so because, among other reasons, there is a lack of available data and the regulatory framework is not yet final. The AIFM's position on this matter will be reviewed regularly.

Unless stated otherwise, investments within the Sub-Funds do not take into account the EU Taxonomy Regulation criteria for environmentally sustainable economic activities. However, it cannot be excluded that some underlying investments are unintentionally aligned with the EU Taxonomy Regulation criteria for environmentally sustainable economic activities.

### 13. BENCHMARK REGULATION

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In accordance with the provisions of the Benchmark Regulation, supervised entities (such as AIFM) need to produce and maintain robust written plans setting out the actions that will be taken in the event that an index materially changes or ceases to be provided and which is available free of charge at the registered office of the AIFM.

### 14. RISK FACTORS

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The investments of each Sub-Fund are subject to market fluctuations and the risks are inherent to investments in transferable securities and other eligible assets. There is no guarantee that the investment-return objective will be achieved. The value of investments and the income they generate may go down as well as up and it is possible that Shareholders will not recover their initial investments.

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

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

#### 14.1 General

##### **(i) Risk of Loss**

An investment in the Shares of the Sub-Funds is speculative and entails substantial risk. An investor could lose all or substantially all of its investment in any Sub-Fund. The Shares of the Sub-Funds are only suitable for persons willing to accept and able to absorb such risks. No one should consider investing more than they can afford to lose.

##### **(ii) Reliance on the AIFM**

The AIFM will have the responsibility for the Sub-Fund's investment activities. Investors must rely on the judgment of the AIFM in exercising this responsibility. In addition, since the performance of a Sub-Fund is wholly dependent on the skills of the AIFM if the services of the AIFM or its principals were to become unavailable, such unavailability might have a detrimental effect on the relevant Sub-Fund and its performance.

Moreover, there can be no assurance that the AIFM of any Sub-Fund will successfully implement the strategy of the relevant Sub-Fund. The investments of the Sub-Funds may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

**(iii) Declining Performance with Asset Growth**

Trading large positions may adversely affect prices and performance. In addition, there can be no assurance that appropriate investment opportunities will be available to accommodate future increases in assets under management which may require the AIFM to modify its investment decisions for relevant Sub-Fund because the AIFM cannot deploy all the assets in the manner it desires.

**(iv) Effect of Substantial Redemptions**

Substantial redemptions by Shareholders within a short period of time could require a Sub-Fund to liquidate securities positions more rapidly than would otherwise be desirable, which could adversely affect the value of both the Shares being redeemed and the outstanding Shares and/or disrupt the AIFM's investment strategy. Reduction in the size of a Sub-Fund could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in such Sub-Fund's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.

**(v) Leverage**

The Sub-Funds may achieve some leverage through the use of, without limitation, financial derivatives as well as any embedded derivatives, cash borrowing and/or reinvestment of collateral received under OTC derivative transactions or efficient portfolio management techniques. The use of leverage creates special risks and may significantly increase the Sub-Funds' investment risk. Leverage creates an opportunity for greater yield and total return but, at the same time, exposes a Sub-Fund to greater capital risk than an unlevered vehicle.

**(vi) Hedging techniques**

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

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

**(vii) Trade execution and selection of brokers and dealers**

Many of the trading techniques used by the Sub-Funds require the rapid and efficient execution of transactions. Inefficient executions can result in a Sub-Fund being unable to exploit the small pricing differentials that the AIFM may seek to exploit and impact, possibly materially, the profitability of a Sub-Fund's positions.

The policy of the AIFM regarding purchases and sales for its portfolios is that primary consideration will be given to obtaining the most favorable execution of the transactions in seeking to implement the investment strategy of the

relevant Sub-Fund. The AIFM will effect transactions with those brokers, dealers, banks and other counterparties (collectively, "**brokers and dealers**") which the AIFM believes provide the most favorable net prices and who are capable of providing efficient executions. Additional considerations include the ability of brokers and dealers to provide internal and external research services, special execution capabilities, clearance, settlement or other services including communications and data processing and other similar equipment and services and the furnishing of stock quotation and other similar information. The AIFM also may cause a broker or dealer who provides such certain services to be paid a commission or, in the case of a dealer, a dealer spread for executing a portfolio transaction, which is in excess of the amount of commission or spread another broker or dealer would have charged for effecting that transaction. On some occasions the AIFM may "step out" a commission or send part of a commission to a broker who did not execute the order. Prior to making such an allocation to a broker or dealer, however, the AIFM will make a good faith determination that such commission or spread was reasonable in relation to the value of the brokerage, research or other services provided, viewed in terms of that particular transaction or in terms of all the transactions over which the AIFM or its affiliates exercise trading discretion and will ensure that the relevant Sub-Fund derives a direct or indirect economic interest from such an allocation.

**(viii) Restricted Securities**

A Sub-Fund may invest in securities which may only be offered to qualified institutional investors (such as but not limited to QIBS as defined in the US Securities Act of 1933) or other securities that contain restrictions of their negotiability and/or issue. Such investments may be less liquid, making it difficult to acquire or to dispose of such investments which may lead to a Sub-Fund experiencing adverse price movement upon any such disposal. Such restricted securities may be but are not limited to securities known as "Rule 144A Securities".

Rule 144A securities are privately offered securities that can be resold only to certain qualified institutional buyers. As such securities are traded among a limited number of investors, certain Rule 144A securities may be illiquid and involve the risk that a Sub-Fund may not be able to dispose of these securities quickly or in adverse market conditions.

**14.2 Market Risks**

**(i) Valuation of the Sub-Fund's assets**

Investors in the Shares should be aware that an investment in the Shares involves assessing the risk of an investment linked to the Sub-Fund's assets.

The value of the Sub-Fund's assets may vary over time and may increase or decrease by reference to a variety of factors which may include, amongst others, corporate actions, macro-economic factors and speculation.

**(ii) Interest rate risk**

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

**(iii) Credit risk**

An investment in bonds or other debt securities involves counterparty risk of the issuer of such bonds or debt securities which may be evidenced by the issuer's credit rating. An investment in bonds or other debt securities issued by issuers with a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than that of more highly rated issuers. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties this may affect the value of the bonds or other debt securities (which may be zero) and any amounts paid on such bonds or other debt securities (which may be zero). This may in turn affect the Net Asset Value per Share.

**(iv) Currency risk**

Currency risk involves the risk that the value of an investment denominated in currencies other than the Class Currency of a Sub-Fund may be affected favorably or unfavorably by fluctuations in exchange rates.

In addition, fluctuations in exchange rates may affect the value of the Shares. Shareholders of Classes of Shares denominated in a currency other than the Sub-Fund Currency will be subject to the risk that the value of their respective currency will fluctuate against the Sub-Fund Currency. The Sub-Fund may, at the discretion of the AIFM, attempt to reduce or minimize the effect of fluctuations in the exchange rate on the value of the Class of Shares having a Class Currency denominated in a currency other than the Sub-Fund Currency. Due to the foregoing, each Class of Shares may differ from each other in their overall performance.

There is no guarantee that any such FX hedging will achieve the objective of reducing the effect of exchange rate fluctuations.

**(v) Market Volatility risk**

Market volatility affects the performance of the Shares, and of a Sub-Fund's assets. 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 exposure to or 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.

**(vi) Liquidity risk**

Liquidity risk exists when a particular instrument is difficult to purchase or sell. Certain types of assets or securities may be difficult to buy or sell, particularly during adverse market conditions. 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. This may in turn affect the Net Asset Value of the Sub-Fund and/or the capacity of the Company to process redemption orders and pay repurchase proceeds within the time period stated in the Private Placement Memorandum.

**(vii) Less developed or emerging market risk**

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

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

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

The Company will seek, where possible to use Counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that the Company will be successful in eliminating this risk for the Sub-Funds, particularly as Counterparties operating in emerging markets frequently lack the substance or financial resources of those in developed countries.

There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or to be transferred to the Sub-Funds. Furthermore compensation schemes may be non-existent or limited or inadequate to meet the Company's claims in any of these events.

**(viii) Foreign securities**

A Sub-Fund's investment activities relating to foreign securities may involve numerous risks resulting from market and currency fluctuations, future adverse political and economic developments, the possible imposition of restrictions on the repatriation of currency or other governmental law or restrictions, reduced availability of public information concerning issuers and the lack of uniform accounting, auditing and financial reporting standards or other regulatory practices and requirements comparable to those applicable to companies in the investor's domicile. In addition, securities issued by companies or governments in some countries may be illiquid and have higher price volatility and, with respect to certain countries, there is a possibility of expropriation, nationalization, exchange control restrictions, confiscator taxation and limitations on the use or removal of funds or other assets of a Sub-Fund, including withholding of dividends. Certain securities held by a Sub-Fund may be subject to government taxes that could reduce the yield

on such securities, and fluctuation in foreign currency exchange rates may affect the price of a Sub-Fund's securities and the appreciation or depreciation of investments. Certain types of investments may result in currency conversion expenses and higher custodial expenses. The ability of a Sub-Fund to invest in securities of companies or governments of certain countries may be limited or, in some cases, prohibited. As a result, larger positions of a Sub-Fund's assets may be invested in those countries where such limitations do not exist. In addition, policies established by the governments of certain countries may adversely affect a Sub-Fund's investments and the ability of a Sub-Fund to achieve its investment objective.

**(ix) Equity risk**

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

**(x) ESG investment risk**

A Sub-Fund which utilizes ESG criteria may underperform the broader equity market or other funds that do not utilize ESG criteria when selecting investments. ESG investments are selected or excluded on both financial and non-financial criteria. A Sub-Fund may sell a stock for reasons related to ESG, rather than solely on financial considerations. ESG investing is to a degree subjective and there is no assurance that all investments made by a Sub-Fund will reflect the beliefs or values of any particular investor. Investments in securities deemed to be "sustainable" may or may not carry additional or lesser risks.

**(xi) Specific risks linked to the use of OTC financial derivative transactions**

In general, there is less regulation and supervision of transactions in the OTC markets (in which currencies, forward, spot and option contracts, credit default swaps, Total Return Swaps and certain options on currencies are generally traded) than of transactions entered into on organized exchanges. Therefore, a Sub-Fund entering into OTC financial derivative transactions will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Sub-Fund will sustain losses. The Company will only enter into transactions with counterparties which it believes to be creditworthy, and may reduce the exposure incurred in connection with such transactions through the receipt of letters of credit or collateral from certain counterparties. Regardless of the measures the Company may seek to implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that a Sub-Fund will not sustain losses as a result.

If such a default were to occur the Sub-Funds would, however, have contractual remedies pursuant to the relevant OTC swap transaction. Investors should be aware that such remedies may be subject to bankruptcy and insolvency laws which could affect a Sub-Fund's rights as a creditor and as a result a Sub-Fund may for example not receive the net amount of payments that it contractually is entitled to receive on termination of the OTC swap transaction where the swap counterparty is insolvent or otherwise unable to pay the amount due.

From time to time, the counterparties with which the Company effects transactions might cease making markets or quoting prices in certain of the instruments. In such instances, the Company might be unable to enter into a desired transaction in currencies, credit default swaps or Total Return Swaps or to enter into an offsetting transaction with respect to an open position, which might adversely affect its performance. Further, in contrast to exchange traded instruments, forward, spot and option contracts on currencies do not provide the Management Company or the Investment Managers with the possibility to offset the Company's obligations through an equal and opposite transaction. For this reason, in entering into forward, spot or options contracts, the Company may be required, and must be able, to perform its obligations under the contracts.

Operational risk is inherent in any financial activity. Deficiencies from inadequate internal processes and from human error or system failures at service providers, the Company, the AIFM or a counterparty can result in an unexpected loss. The costs can be related to either a loss of a fraction or the whole value of a transaction, or to penalties imposed on the institution by a counterparty.

Legal risks can bear the risk of loss because of the unexpected application of a law or regulation or because a contract cannot be enforced. Even if the collateral arrangement has been set up correctly, there is the risk that the relevant insolvency law may impose a stay that prevents the collateral taker from liquidating the collateral.

**(xii) Specific risks linked to securities lending and repurchase transactions**

In relation to repurchase transactions, investors must notably be aware that (A) in the event of the failure of the counterparty with which cash of a Sub-Fund has been placed there is the risk that collateral received may yield less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B)

(i) locking cash in transactions of excessive size or duration, (ii) delays in recovering cash placed out, or (iii) difficulty in realising collateral may restrict the ability of the Sub-Fund to meet redemption requests, security purchases or, more generally, reinvestment; and that (C) repurchase transactions will, as the case may be, further expose a Sub-Fund to risks similar to those associated with optional or forward derivative financial instruments, which risks are further described in other sections of the Private Placement Memorandum.

In relation to securities lending transactions, investors must notably be aware that (A) if the borrower of securities lent by a Sub-Fund fail to return these there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Sub-Fund, or (iii) yield a sum less than the amount of collateral to be returned; and that (C) delays in the return of securities on loans may restrict the ability of a Sub-Fund to meet delivery obligations under security sales.

**(xiii) Custody / sub-custody risk**

Assets of the Company are held in custody by the Depository/sub-depository and investors are exposed to the risk of these parties not being able to fully meet their obligation to reconstitute in a short timeframe all of the assets of the Company. The Sub-Fund may incur losses resulting from the acts or omissions of the Depository/sub-depository bank when performing or settling transactions or when transferring money or securities.

**14.3 Use of derivatives**

**(i) General**

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

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

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

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

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

**(ii) Synthetic Short Selling**

A Sub-Fund may synthetically short sell through cash settled contracts for difference or derivatives for hedging purposes or for investment purposes. Synthetic short selling allows the investor to profit from declines in market prices. The extent to which a Sub-Fund engages in synthetic short sales will depend upon the AIFM's investment strategy and perception of market direction.

Synthetic short selling involves trading on margin and can involve greater risk than investments based on a long position. A synthetic short sale of a security involves the risk of a theoretically unlimited increase in the market price of the underlying security.

**(iii) 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.

**(iv) Counterparty Risk**

A Sub-Fund is subject to the risk of the insolvency of its counterparties (such as broker-dealers, futures commission merchants, banks or other financial institutions, exchanges or clearinghouses).

A Sub-Fund may enter into transactions in OTC markets, which will expose it to the credit of its counterparties and their ability to satisfy the terms of such contracts. This exposes a Sub-Fund to the risk that 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 such Sub-Fund to suffer a loss. Such "counterparty risk" is accentuated in contracts with longer maturities where events may intervene to prevent settlement.

Although the Sub-Funds intend to enter into transactions only with counterparties that the Company believes to be creditworthy and the Sub-Funds will attempt to reduce their exposure by obtaining collateral and/or buy credit protection in appropriate cases, there can be no assurance that a counterparty will not default and that the Sub-Funds will not sustain a loss on a transaction as a result. For example, a Sub-Fund may enter into swap arrangements or other derivative techniques as specified in the relevant Supplement, each of which exposes it 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 counterparty, a Sub-Fund could experience delays in liquidating positions and consequent significant losses.

Such losses might include, but are not limited to, declines in the value of investments during the period in which a Sub-Fund seeks to enforce its rights, inability to realize 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.

Generally, the Company will not be restricted from dealing with any particular counterparties. Notwithstanding a complete and exhaustive due diligence performed by the Company, it cannot be excluded that a counterparty's creditworthiness proves to be insufficient. The absence of a regulated market to facilitate settlement may increase the potential for losses for the Company.

**(v) Valuation Risks**

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods. 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 involves an independent check of the valuations provided by the counterparties and is verifiable by an independent auditor.

**14.4 The AIFM risk management process**

The AIFM has established and maintains a permanent risk management function that implements effective risk management policies and procedures in order to identify, measure, manage and monitor on an ongoing basis all risks relevant to each Sub-Fund's investment strategy. Furthermore, the risk management process ensures an independent review of the valuation policies and procedures as per Article 70 (3) of AIFM Regulation.

The risk profile of each Sub-Fund shall correspond to the size, portfolio structure and investment strategy of each respective Sub-Fund.

The Sub-Funds may, for the purpose of (i) hedging, (ii) efficient portfolio management and/or (iii) implementing its investment strategy, use any type of financial derivative instruments. The AIFM applies a comprehensive process based on qualitative and quantitative risk measures to assess the risks of each Sub-Fund. It thereby differentiates between liquid or sufficiently liquid assets and illiquid assets.

**Leverage**

In accordance with the 2013 Law, the AIFM will for each Sub-Fund provide to competent authorities and investors the level of leverage of the Company both on a gross and on a commitment method basis in accordance with the gross method as set out in Article 7 and the commitment method as set out in Article 8 AIFM Regulation.

The AIFM will set a maximum level of leverage which may be employed within each respective Sub-Fund as specified in each Sub-Fund's Supplement in Part B to this Private Placement Memorandum. In case the leverage employed as calculated according to the commitment methodology exceeds three times its net asset value, a special disclosure in accordance with Article 109 AIFM Regulation will be made.

### **Liquidity Management**

The AIFM employs appropriate liquidity management methods and adopts procedures which enable it to monitor the liquidity risk of each Sub-Fund. The AIFM ensures that, for each Sub-Fund it manages, the investment and financing strategy, the liquidity profile and the redemption policy are consistent.

The Board of Directors may, under exceptional circumstances and in the interest of the relevant Sub-Fund or of the Shareholders of the relevant Sub-Fund, apply gates and/or side pockets.

## **15. THE CLASSES OF SHARES**

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The Board of Directors may, at its sole discretion, decide to issue, within each Sub-Fund, separate Classes of Shares, which may carry different rights and obligations, inter alia with regard to distributions, their fee structure, their minimum initial subscription and holding amounts, their redemption rights or their target investors. Information on the availability and specific features of the Classes within each Sub-Fund are described within the relevant Sub-Fund Supplement in Part B of this Private Placement Memorandum. A Class is expressed in its Class Currency as set out within the relevant Sub-Fund Supplement in Part B of this Private Placement Memorandum. The Company retains the right to offer at its discretion only one or more Classes for purchase by specific investors.

The Board of Directors may also decide to create at any time additional Classes or to close an existing Class and in such case Part B of this Private Placement Memorandum will be updated.

Shares of each Class will be issued with no par value in registered form only. There will be no material issue of certificates for Shares.

All registered Shares issued by the Company shall be registered in the Register of the Company, which shall be kept by the Central Administration. The registration of the registered Shareholder's name in the Register evidences the registered Shareholder's ownership of the Shares. Each registered Shareholder will receive written confirmation of its shareholding in the Company.

Fractions of Shares may be issued, up to three decimal places.

Each whole Share or fraction of a Share is entitled to participate within the relevant Class, in the profits of and distributions by, the relevant Sub-Fund and Company and in its assets on liquidation or closure relating to the Sub-Fund or Class. In other respects, all Shares have the same rights and privileges, except as defined in the section "Fees and Costs". Each whole Share is entitled to one vote at all General Meetings and one vote relating to matters concerning a particular Sub-Fund or Class of Shares. Fractions of Shares will not entitle the holder to vote. Shares are transferable subject to the prior written consent of the Board of Directors and in accordance with the section entitled "Transfer and Conversion of Shares".

## **16. INCOME POLICY**

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Within each Sub-Fund, the Board of Directors may in its sole discretion decide to issue accumulating and/or distributing Shares. The Income Policy applicable for each Class of Shares or Sub-Fund is further described in each Supplement for a Sub-Fund in Part B of this Private Placement Memorandum.

If the Income Policy is distribution and a dividend is declared by the Company, it will be paid to each concerned Shareholder in the Class Currency of the relevant Sub-Fund.

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

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

## 17. NET ASSET VALUE

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As at the date of the current Private Placement Memorandum, the Company has delegated the calculation of the Net Asset Value of the Company to the Central Administration.

The Net Asset Value per Share will be determined by the Central Administration under the supervision of the Company and the AIFM on each Valuation Day as indicated in the Supplement for each Sub-Fund as well as on any other day as determined by the Board of Directors. The Net Asset Value per Share will be expressed in the Class Currency as indicated in the Supplement for each Sub-Fund.

The Net Asset Value per Share of each Class will be calculated by dividing (i) the value of the assets of the Sub-Fund properly able to be allocated to such Class less the liabilities of the Sub-Fund properly able to be allocated to such Class by (ii) the number of Shares then outstanding in the Class on the relevant Valuation Day.

The Net Asset Value per Share of each Class may be rounded up or down to the nearest two decimals of the Class Currency. If Valuation Day is not a Business Day, the Net Asset Value per Share of that Valuation Day will be calculated on the next Business Day.

When a Valuation Day falls on a day that is not an Exchange Business Day, then such Valuation Day shall be the day specified as such in the Supplement for each Sub-Fund or any other day specified as being a Valuation Day by the Board of Directors.

The assets of each Sub-Fund of the Company shall be deemed to include:

- a) all securities, debt securities, shares and units of investment funds, options and other investments and securities owned or contracted for by the Company on account of such Sub-Fund;
- b) all cash in hand or on deposit for the account of such Sub-Fund, which may be held on an accessory and temporary basis, including any interest accrued thereon;
- c) all bills and demand notes and accounts receivable (including proceeds of securities sold but not delivered), which may be held on an accessory and temporary basis for the account of such Sub-Fund;
- d) all stock dividends, cash dividends, cash distributions receivable by the Company in respect of investments of the Sub-Fund to the extent information thereon is reasonably available to the Company;
- e) all interest accrued on any interest bearing securities held by the Company for the account of the Sub-Fund, except to the extent that the same is included or reflected in the principal amount of such security;
- f) the primary expenses of the Company insofar as the same have not been fully amortized; and
- g) all other assets of every kind and nature, including real estates, attributable to the Sub-Fund, including pre-paid expenses.

The Central Administration, having due regards to the standard of care and due diligence in this respect, shall, when calculating the Net Asset Value, rely on the valuations as determined in application of the pricing policy agreed with the AIFM.

For the purpose of determining the value of each Sub-Fund's investments and if one or more pricing sources fail to provide valuations, the Central Administration may, in line with the pricing policy agreed with the AIFM, rely upon valuation provided by the AIFM or information received from various pricing sources (including brokers) duly authorized to that effect by the AIFM. In circumstances where one or more pricing sources fail to provide valuations for an important part of the assets, the Central Administration is authorized to delay the calculation of the Net Asset Value in accordance with the Board of Directors' instructions. The Board of Directors may then decide to suspend the Net Asset Value calculation, in accordance with the procedures set out in this Private Placement Memorandum.

The liabilities of each Sub-Fund of the Company shall be deemed to include:

- a) all loans, bills and accounts payable;
- b) all accrued or payable administrative expenses, including but not limited to the Directors, administration, advisory and custodian fees;
- c) all known liabilities, present and future, including all matured contractual obligations for payments of money or property;
- d) an appropriate provision for future taxes based on capital and income to the Valuation Day, as determined from time to time by the Company, and other reserves, if any, authorized and approved by the Board of Directors; and
- e) all other liabilities of each Sub-Fund of the Company of whatsoever kind and nature except liabilities represented by Shares in the Company.

For the purpose of the Net Asset Value calculation:

- a) Shares in respect of which subscription has been accepted but payment has not yet been received shall not be deemed to be existing;
- b) Shares of the Company to be redeemed shall, until paid, be deemed to be a liability of the Company;
- c) all investments, cash balances and other assets of the Company not expressed in Euro, shall be valued after taking into account the market rate or rates of exchange in force at the date and time for determination of the Net Asset Value; and
- d) effect shall be given on any Valuation Day to any purchases or sales of securities contracted for by the Company on such Valuation Day, to the extent practicable.

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

1. during any period (other than ordinary holidays or customary weekend closings) when any market or stock exchange is closed, which is the main market or stock exchange for a significant part of the Sub-Fund's investments, for in which trading therein is restricted or suspended; or
2. during any period when an emergency exists as a result of which it is impossible to dispose of investments which constitute a substantial portion of the assets of a Sub-Fund; or it is impossible to transfer monies involved in the acquisition or disposition of investments at normal rates of exchange; or it is impossible for the Company fairly to determine the value of any assets in a Sub-Fund; or
3. during any breakdown in the means of communication normally employed in determining the price of any of the Sub-Fund's investments or of current prices on any stock exchange; or
4. when for any reason the prices of any investment owned by the Sub-Fund cannot be reasonable, promptly or accurately ascertained; or
5. during the period when remittance of monies which will or may be involved in the purchase or sale of any of the Sub-Fund's investments cannot, in the opinion of the Board of Directors, be carried out at normal rates of exchange; or
6. following a possible decision to liquidate or dissolve the Company or one or several Sub-Funds; or
7. in all other cases in which the Board of Directors considers a suspension to be in the best interest of the Company or its shareholders.

Any redemption request made or in abeyance during such a suspension period may be withdrawn by written notice to be received by the Company before the end of such suspension period. Should such withdrawal not be effectuated, the Shares in question shall be redeemed on the first Valuation Date following the termination of the suspension period. Shareholders who have requested the issue or redemption of Shares shall be informed of such suspension when such request is made.

Any application for subscription or redemption of Shares is irrevocable except in case of suspension of the calculation of the Net Asset Value in the relevant Sub-Fund, in which case Shareholders may give notice that they wish to withdraw their application. If no such notice is received by the Company, such application will be dealt with on the first Valuation Date following the end of the period of suspension.

The suspension of the calculation of the Net Asset Value and of the issue, subscription, redemption and conversion of the Shares of any Classes of any Sub-Fund shall be notified by the Company in such manner as it may deem appropriate to the persons likely to be affected thereby. The Company shall notify Shareholders requesting redemption of their Shares of such suspension. The suspension period should in principle not exceed 3 months, otherwise the Board of Directors may decide either to redeem shares or to liquidate the Company at the best interests of the Shareholders.

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

1. transferable securities and money market instruments admitted to official listing on a stock exchange or dealt with in on another market in a non-Member State which is regulated, operates regularly and is recognised and open to the public provided, are valued on the basis of the last known price. If the same security is quoted on different markets, the quotation of the main market for this security will be used. If there is no relevant quotation or if the quotations are not representative of the fair value, the evaluation will be done in good faith by the AIFM with a view to establish the probable sales price for such securities;
2. non-listed securities are valued on the basis of their probable sales price as determined in good faith by the AIFM;
3. liquid assets are valued at their nominal value plus accrued interest;
4. derivatives are valued at market value.

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

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

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

The AIFM intends to apply the materiality thresholds of CSSF Circular 02/77 dated 27 November 2002 on the protection of investors in case of NAV calculation error and correction of the consequences resulting from non-compliance with the investment rules.

## **18. ISSUE / SUBSCRIPTION OF SHARES**

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### **Application for subscription for Shares**

An applicant's first subscription for Shares must be made to the Registrar Agent and Transfer Agent. Subscription Forms as well as a Subscription Agreement (if required by the Board of Directors) should be completed by the applicants wishing to subscribe for Shares.

Subsequent subscriptions for Shares may be made in writing or by fax addressed to the Transfer Agent, the Distributor or any intermediary situated in a country where the Company is marketed, specifying the number of Shares or the amount in Shares applied for subscription, the name of the Sub-Fund and Class, the manner of payment and the personal details of the subscriber. In addition, subscribers may be required to sign a Subscription Agreement for subsequent subscriptions for Shares if and as required by the Board of Directors. Orders sent directly to the Transfer Agent can also be sent by swift.

### **Subscription Price**

Any subscription of Shares in a Class will be made at the Subscription Price.

The Subscription Price will be equal to (1) during the Initial Subscription Period for the relevant Class, the Initial Subscription Price for that Class (as described in the Supplement for each Sub-Fund); and (2) after the Initial Subscription Period, the Net Asset Value per Share for the relevant Class on the applicable Valuation Day.

The Initial Subscription Period (which may last one day) and the Initial Subscription Price per Share of each additional Class or Sub-Fund will be determined by the Directors and described in the Supplement for the relevant additional Sub-Fund / Class in a Sub-Fund. Upon activation of an additional Class in a Sub-Fund, the Initial Subscription Price per Share for that Class may be equal either (i) to the Initial Subscription Price per Share in a Class of that Sub-Fund during the Initial Subscription Period of that Sub-Fund or (ii) to the current Net Asset Value per Share in an existing Class of the Sub-Fund, upon decision in its sole discretion by the Board of Directors.

### **Subscription Charge**

A Subscription Charge may be applied by the Transfer Agent, the Distributor, the Depositary Bank, or any intermediary situated in a country where the Company is privately marketed with respect to a particular Class of Shares subscribed for, equal to the Subscription Price multiplied by the Subscription Charge Rate specified as the case may be in the Supplement for a particular Sub-Fund.

### **Subscription Deadline / Payment for subscriptions**

Applications for subscriptions must be received by the Registrar and Transfer Agent (i) with respect to the Initial Subscription Period, before the end of the Initial Subscription Period and (ii) after the Initial Subscription Period, before the applicable Subscription Deadline (specified in the Supplement for each Sub-Fund) with respect to a Valuation Day to be dealt with on the basis of the relevant Net Asset Value of that Valuation Day.

Applications for subscriptions received by the Registrar and Transfer Agent (as defined in section 24 below) (i) after the end of the Initial Subscription Period or (ii) after the applicable Subscription Deadline with respect to a Valuation Day, will be dealt with on the basis of the Net Asset Value of the following Valuation Day.

Payments for subscriptions must have been received in the Class Currency of the relevant Sub-Fund / Class of Share by the Company before (i) during the Initial Subscription Period, before the end of the Initial Subscription Period (ii) after the Initial Subscription Period, before the Cleared Funds Deadline described in the Supplement for each Sub-Fund.

Payments for subscriptions must be received by electronic transfer net of all bank charges. Payments made by the applicant by cheque are not accepted.

The applicant will bear any taxes or other expenses attached to the application.

### **Subscription in kind**

Shares may be issued, at the discretion of the Board of Directors, against contributions in kind, representing all or part of the subscription price. Assets so contributed have to comply with the investment policies of the Sub-Fund concerned as disclosed in the present Private Placement Memorandum. If required by applicable laws and regulations, the assets contributed to a Sub-Fund at the conditions mentioned above will be subject to a special report of the approved statutory auditor of the Company.

Any fees relating to such contributions in kind including the aforementioned report are borne by the relevant subscriber or by a third party, but will not be borne by the Company, unless the Board of Directors considers that the subscription in kind is in the interest of the Company or made to protect the interests of the Company.

### **Notification of transaction**

A confirmation statement will be sent to the subscriber (or his nominated agent if so requested by the subscriber) as soon as reasonably practicable, providing full details of the transaction. Subscribers should always check this statement to ensure that the transaction has been accurately recorded.

Subscribers are given a personal account number on acceptance of their initial subscription, and this, together with the Shareholder's personal details, is proof of their identity to the Company. This account number should be used by the Shareholder for all future dealings with the Company and the Registrar and Transfer Agent.

Any change to the Shareholder's personal details, loss of account number, must be notified immediately to the Registrar and Transfer Agent.

Failure to do so may result in the delay of an application for redemption. The Company reserves the right to require an indemnity or other verification of title or claim to title countersigned by a bank, stockbroker or other party acceptable to it before accepting such changes. If any subscription is not accepted in whole or in part, the subscription monies or the balance outstanding will be returned to the subscriber by post or bank transfer at the subscriber's risk.

### **Rejection of Subscriptions**

The Board of Directors reserves the right to accept or refuse in its sole discretion any application of subscription for Shares in whole or in part, in which case a notice of rejection will be mailed to the applicant and the subscription amount re-transferred to the applicant's bank account with no interest, less applicable expenses of the Central Administration, if any.

Notwithstanding the above, any subscription to Class RE Shares shall be deemed to be accepted by the Board of Directors and/or the AIFM, as applicable, provided that any other provision of the Private Placement Memorandum applicable to such subscription is complied with.

The Board of Directors reserves the right from time to time, without notice, to resolve to close the Company or a particular Sub-Fund to new subscriptions, either for a specified period or until they otherwise determine.

More specifically, where a Sub-Fund has reached a size that in the opinion of the AIFM could impact its ability to find suitable investments, the Board of Directors may at any time (in order to inter alia protect the interests of the existing Shareholders) decide to apply the following measures in respect of that relevant Sub-Fund, without a prior notice to the Shareholders:

- (i) restrictions in respect of the additional subscriptions in (and conversions into) a Sub-Fund, from existing Shareholders and closure of subscriptions in (and conversions into) a Sub-Fund from investors who are not yet shareholders of the relevant Sub-Fund, subject to certain exceptions (always in accordance with the principle of equal treatment of Shareholder) (the "**Soft Closure**"); or
- (ii) closure of subscriptions in (and conversions into) a Sub-Fund from any investors (the "**Hard Closure**").

In relation thereto, a notification of the applicable closure policy (including the date of effect) will be sent to the Shareholders. Such notification will be updated if need be, in case of change of the closed status of the said Sub-Fund.

A closed Sub-Fund may be re-opened when the Board of Directors deems the reasons to have the latter closed no longer prevail, in particular in case of significant redemptions and/or market developments.

### **Suspension of the calculation of the Net Asset Value**

No Shares will be issued by the Company during any period in which the calculation of the Net Asset Value of the relevant Sub-Fund is suspended by the Company pursuant to the powers contained in the Articles and as described in section "Net Asset Value" above.

Notice of suspension will be given to subscribers, and subscriptions made or pending during a suspension period may be withdrawn by notice in writing received by the Company prior to the end of the suspension period. Subscriptions 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 on the applicable Valuation Day.

### **Minimum Subscription Amount and Minimum Holding Amount**

Classes may have a Minimum Subscription Amount and / or a Minimum Holding Amount (as indicated in the Supplement for each Sub-Fund). The Company may in its discretion waive this Minimum Subscription Amount and / or Minimum Holding Amount. In particular, this applies for Shareholders staggering investments over time, reaching above-mentioned thresholds over time.

If, as a result of a redemption of Shares, the value of a Shareholder's holding in a Class becomes less than the relevant Minimum Holding Amount, then the Company may elect to compulsorily redeem the entire holding of such Shareholder in the relevant Class. It is expected that such compulsory redemptions will not be implemented if the value of the Shareholder's Shares falls below the Minimum Holding Amount solely as a result of market conditions. The concerned Shareholder will receive a thirty (30) calendar days prior written notice that its Shares will be compulsorily redeemed, provided that they subscribe sufficient additional Shares of the relevant Class so as to avoid such compulsory redemption.

The Board of Directors or the AIFM may, in its sole discretion and taking due consideration of the principle of equal treatment between shareholders, modify or waive the Minimum Subscription Amount and/or Minimum Holding Amount disclosed in the relevant Supplement or accept smaller subscription amount, provided that the requirements as regards Well-Informed Investors under the 2007 Law are complied with.

## 19. REDEMPTION OF SHARES

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The Company is an open-ended fund, meaning that Shareholders are allowed to redeem their Shares at their own request.

### **Procedure for redemption of Shares**

Shares of any Class may be redeemed at any time in whole or in part on the basis of the Redemption Price per Share as described below. Each Sub-Fund shall at all times have enough liquidity to enable satisfaction of any requests for redemption of Shares.

Shareholders wishing to have all or some of their Shares redeemed by the Company may apply to do so by fax or by letter to the Registrar and Transfer Agent.

The application for redemption of Shares must include: (a) the number of Shares the Shareholder wishes to redeem, and (b) the Class and Sub-Funds from which Shares are to be redeemed. In addition, the application for redemption must include the shareholder's personal details together with his account number. Failure to provide any of the aforementioned information may result in delay of such application for redemption whilst verification is being sought from the Shareholder.

Subject to the provisions above in section 17 "Net Asset Value", applications for redemption will be considered as binding and irrevocable by the Company and must be duly signed by all registered Shareholders, save in the case of joint registered Shareholders where an acceptable power of attorney has been provided to the Company.

All redemption applications will be dealt with in strict order in which they are received.

Any redemption request in respect of Class RE Shares shall be deemed to be accepted by the Board of Directors and/or the AIFM, as applicable, provided that any other provision of the Private Placement Memorandum applicable to such redemption is complied with.

### **Redemption Price / Redemption Charge**

The Redemption Price per Share will be equal to the Net Asset Value per Share on the applicable Valuation Day.

A Redemption Charge may be applied by the Registrar and Transfer Agent, the Distributor, the Depositary Bank, or any intermediary situated in a country where the Company is privately marketed with respect to a particular Class of Shares redeemed for, equal to the Redemption Price multiplied by the Redemption Charge Rate specified as the case may be in the Supplement for a particular Sub-Fund.

### **Redemption Deadline**

Applications for redemptions must be received by the Registrar and Transfer Agent before the applicable Redemption Deadline (specified in the Supplement for each Sub-Fund) with respect to a Valuation Day to be dealt with on the basis of the relevant Net Asset Value of that Valuation Day.

Applications for redemptions received by the Registrar and Transfer Agent after the applicable Redemption Deadline with respect to a Valuation Day will be dealt with on the basis of the Net Asset Value of the following Valuation Day.

The applicant will bear any taxes or other expenses attached to the redemption application.

### **All applications for redemption will be dealt at an unknown Net Asset Value ("forward pricing")**

Different time limits may apply if redemption for Shares are made through a Distributor and/or any intermediary (including but not limited to correspondent banks which may be appointed in any given country) but in any case, the Distributor and/or the intermediary will make sure that with respect to a given Valuation Day, redemption orders are

received by the Registrar and Transfer Agent before the Redemption Deadline. No Distributor or intermediary is permitted to withhold redemption orders to benefit personally from a price change. Shareholders should note that they might be unable to purchase or redeem Shares through a Distributor and/or an intermediary on days that such Distributor and/or intermediary is not open for business.

Any application for redemption received after the Redemption Deadline with respect to a given Valuation Day will be processed on the basis of the Net Asset Value per Share determined on the following Valuation Day.

A confirmation statement will be sent to the Shareholder detailing the redemption proceeds due thereto as soon as reasonably practicable after determination of the Redemption Price of the Shares being redeemed. Shareholders should check this statement to ensure that the transaction has been accurately recorded.

### **Payment for Redemptions**

Payment for Redemptions will be generally effected in the time period determined in the Supplement for each Sub-Fund.

The Board of Directors reserves the right to delay further payment without interest accruing, if market conditions are unfavorable, and it is, in the Board of Directors' reasonable opinion, in the best interest of the remaining Shareholders. However, the delay for the payment of redeemed Shares will not exceed 10 Business Days after the relevant Valuation Day, except as otherwise specified in a Supplement for a Sub-Fund.

Shares redeemed shall be cancelled immediately from the Register.

### **Redemption in kind**

If so specified in a Supplement for a particular Sub-Fund, the Company may have the right, if the Board of Directors so determines and with the consent of the Shareholder concerned, to satisfy payment in kind of the redemption price to any Shareholder by allocating to such Shareholder investments from the portfolio set up in connection with such Classes of Shares equal in value as of the Valuation Day on which the redemption price is calculated to the value of Shares to be redeemed. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other shareholders of the relevant Sub-Fund, and the valuation used shall be confirmed by a special report of the Auditor. The cost of such transfer shall be borne by the Shareholder involved.

### **Temporary Suspension of Redemption**

The right of any Shareholder to require the redemption of its Shares will be suspended during any period in which the calculation of the Net Asset Value per Share of the relevant Sub-Fund is suspended by the Company as described in section 17 "Net Asset Value". Notice of the suspension period will be given to any Shareholder applying for redemption of Shares. Withdrawal of an application for redemption will only be effective if written notification is received by the Registrar and Transfer Agent before termination of the period of suspension, failing which the Shares in question will be redeemed with respect to the first Valuation Day following the end of the suspension period on the basis of the following Net Asset Value per Share determined.

### **Procedures for redemptions representing 10% or more of the net assets of any Sub-Fund**

If any application for redemption is received in respect of any one Valuation Day (the "**First Valuation Day**"), which either singly or when aggregated with other such applications so received, represents more than 10% of the Net Asset Value of any Sub-Fund, the Company reserves the right, in its sole and absolute discretion and without liability (and in the reasonable opinion of the Board of Directors to do so is in the best interest 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 Net Asset Value of the Sub-Funds be redeemed or converted on such First Valuation Day.

To the extent that any application for redemption or conversion is not given full effect on such First Valuation Day by virtue of the exercise by the Company of its power to pro-rata applications, such application shall be treated with respect to the unsatisfied balance thereof as if a further request had been made by the shareholder in question in respect of the next Valuation Day and, if necessary, subsequent Valuation Days, until such application shall have been satisfied in full.

With respect to any application received in respect of the First Valuation Day, to the extent that subsequent applications shall be received in respect of following Valuation Days, such later applications shall be postponed in priority to the satisfaction of applications relating to the First Valuation Day, but subject thereto shall be dealt with as set out above.

**Shareholders should note that the Redemption Price of Shares in any Class may be higher or lower than the Initial Subscription Price paid by the shareholder depending on the Net Asset Value per Share of the Class at the time of redemption.**

#### **Redemptions of Shares at the initiative of the Board of Directors**

Shares may be redeemed at the initiative of the Board of Directors in accordance with, and in the circumstances set out in the Articles of Association.

The Board of Directors may in particular decide to compulsorily redeem Shares wholly or in part in the following circumstances:

- a) The Shares are held by Shareholders not authorized to buy or own Shares in the Company, e.g. a Shareholder that no longer qualifies as "Well-Informed Investors" as defined in the 2007 Law as referred to in this Private Placement Memorandum;
- b) In case of liquidation or merger of Sub-Funds or Classes of Shares;
- c) In all other circumstances as the Board of Directors may deem appropriate in accordance with the terms and conditions set out in the Subscription Form or the Articles of Association.

Redemption Price shall be calculated according to the principles laid down in this Private Placement Memorandum. Except in the case c) above, the Board of Directors may impose such penalty as it deems fair and appropriate.

**Shareholders are required to notify the Central Administration immediately if at any time they become US Persons, ERISA Plans or hold Shares for the account or benefit of US Persons or ERISA Plans in order to determine eligibility and proceed with possible reporting requirements.**

#### **Dilution Levy**

If so specified in a Supplement for a particular Sub-Fund, the following Dilution Levy may be applied on the relevant Sub-Fund:

The Dilution Levy is a charge which may be applied, at the sole discretion of the Board of Directors, to subscriptions and/or redemptions of Shares of the relevant Sub-Fund on any Valuation Day. The effect of the Dilution Levy is that the estimated bid/offer spread and transaction costs that arise when the AIFM has to adjust the investments of the relevant Sub-Fund due to the subscriptions and redemptions of Shares in the relevant Sub-Fund when the corresponding net amount is exceeding the relevant threshold (being a pre-determined level expressed as a percentage of the Sub-Fund's Net Asset Value set by the Board of Directors from time to time for that Sub-Fund) (the "**Dilution Threshold**") will not be incurred by the existing or remaining Shareholders of the relevant Sub-Fund but by the redeeming and/or subscribing Shareholders. The purpose of the Dilution Levy is to protect the existing or remaining Shareholders in the Sub-Fund. The Dilution Levy will be applied as an entry charge and/or exit charge credited to the Sub-Fund for the benefit of the existing or remaining Shareholders.

**With respect to subscriptions and/or redemptions of Shares of a relevant Sub-Fund, a Dilution Levy may be applied, if the net amount of subscriptions and redemptions of Shares in the relevant Sub-Fund is exceeding the Dilution Threshold. The rate of the Dilution Levy applicable with respect to subscriptions and/or redemptions of Shares (including subscriptions and/or redemptions of shares resulting from conversion orders) in the relevant Sub-Fund (the "Dilution Rate") will be determined by the Board of Directors and will be varied from time to time at the Directors' discretion to reflect the current market conditions, so as to best protect the existing or remaining Shareholders, but shall in any case not exceed the maximum rate as specified in the Supplement of the relevant Sub-Fund (such maximum rate can be set depending on whether the balance of subscriptions and redemptions of Shares in the relevant Sub-Fund is resulting in subscriptions of new Shares ("Net Subscription Balance") or redemptions of existing Shares ("Net Redemption Balance")). Further, any current applicable Dilution Rate and Dilution Threshold for a Sub-Fund shall be available on request from the Registrar and Transfer Agent as well as any further details with respect to the Dilution Levy.**

In addition, the Board of Directors may decide to (i) apply a Dilution Levy in respect of a given Sub-Fund the Supplement of which is not yet stating that a Dilution Levy is applicable or (ii) increase the maximum Dilution Rate beyond the maximum percentage disclosed in the relevant Supplement for a particular Sub-Fund, where such increase is justified by exceptional market conditions and taking into account the best interest of Shareholders. Such decision

is subject to a prior information notified to the existing Shareholders and made available through the following website: [www.lfis.com](http://www.lfis.com).

In such case, the Supplement of the Sub-Fund will be amended to state the application of the Dilution Levy and the maximum Dilution Rate at the next update of the Private Placement Memorandum.

## 20. TRANSFER AND CONVERSION OF SHARES

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### Transfer of Shares

Unless otherwise provided for in a Supplement for a particular Sub-Fund, a Shareholder may transfer Shares to the existing Shareholders or to any third party with the prior written approval of the Board of Directors of the Company, and the Board of Directors may in its discretion and without indicating any reason decline to approve or register such transfer.

No transfer of all or any part of any investor's Shares in any Sub-fund, whether direct or indirect, voluntary or involuntary (including, without limitation, to an affiliate or by operation of law), shall be valid or effective if:

1. the transfer would result in a violation of any law or regulation of Luxembourg, the US or any other jurisdiction (including, without limitation, the US Securities Act, any securities laws of the individual states of the United States) or subject the Company or any Sub-fund to any other adverse tax, legal or regulatory consequences as determined by the Company;
2. the transfer would result in a violation of any term or condition of the Articles of Association;
3. the transfer would result in the Company being required to register as an investment company under the US Investment Company Act; and;

It shall be a condition of any transfers that:

- the transferee represents in a form acceptable to the Company that such transferee is a Well-Informed Investor within the meaning of the 2007 Law, and that the proposed transfer itself does not violate any laws or regulations (including, without limitation, any securities laws) applicable to it;
- the transferee undertakes to fully and completely assume all outstanding obligations of the transferor towards the Company under the transferor's Subscription Form setting out the terms of the participation of the transferor in the Company.

### Conversion between Sub-Funds / Classes of Shares

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

Conversion orders received by the Registrar and Transfer Agent on a Valuation Day before the Conversion Cut-Off (as specified in the Supplement for each Sub-Fund) with respect to a Valuation Day will be dealt with on the basis of the relevant Net Asset Value established on that Valuation Day. Conversion requests received by the Registrar and Transfer Agent after the Conversion Cut-Off with respect to a Valuation Day will be dealt with on the basis of the Net Asset Value of the following Valuation Day. Conversion of Shares will only be made on a Valuation Day if the Net Asset Value of the Shares of both Classes is calculated on that day.

The Board of Directors will determine the number of Shares into which a Shareholder wishes to convert its existing Shares in accordance with the following formula:

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

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

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

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

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

**EX = The exchange rate on the relevant conversion day between the currency of the Class of Shares to be converted and the currency of the Class of Shares to be assigned. If the two relevant Classes are denominated in the same currency, EX will be equal to 1.**

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

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

## 21. LATE TRADING/MARKET TIMING POLICY

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The Company takes appropriate measures to ensure that subscription, redemption and conversion requests will not be accepted after the relevant Subscription Deadline, Redemption Deadline and/or Conversion Deadline for such requests in this Private Placement Memorandum.

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

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

## 22. TAXATION

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

### Taxation of the Company

In accordance with current legislation and current practices, the Company is not liable for any Luxembourg income, profits or gains tax. Likewise, distributions paid by the Company are not subject to any Luxembourg withholding tax. The Company is not subject to net wealth tax.

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

The Company is subject to an annual subscription tax ("*taxe d'abonnement*") in Luxembourg corresponding to 0.01% of the value of the net assets. This tax is payable quarterly on the basis of the net assets of the Company calculated at the end of the quarter to which the tax relates. However, for Sub-Funds that are invested in other Luxembourg

investments funds, which in turn are subject to the subscription tax provided by the 2010 Law and the 2007 Law, no subscription tax is due from the Company on the portion of assets invested therein.

Subscription tax exemption applies to (i) the investments in other UCIs, which have already been subject to the Luxembourg subscription tax, (ii) money market SIFs as well as individual compartments with multiple compartments of SIFs, (iii) SIFs, compartments thereof or dedicated classes reserved for retirement pension schemes, and (iv), SIFs and individual compartments thereof whose the main object is the investment in microfinance institutions.

Interest and dividend income received by the Company may be subject to non-recoverable withholding taxes in the source countries. The Company may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin. The Company may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from withholding tax or reduction of the withholding tax rate. The Company may, in its sole and absolute discretion, invest using special purpose or intermediary vehicles including such corporate "blocker" vehicles as it deems appropriate.

Distributions made by the Company are not subject to withholding tax in Luxembourg.

## **Luxembourg taxation of the Shareholders**

### **Luxembourg resident individuals**

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

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

Distributions made by the Company to Luxembourg resident individual investors will be subject to income tax. Luxembourg personal income tax is levied following a progressive income tax scale, and increased by the solidarity surcharge (*contribution au fonds pour l'emploi*).

### **Luxembourg resident corporate**

Luxembourg resident corporate investors will be subject to corporate taxation on capital gains realised upon disposal of Shares and on the distribution received from the Company.

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

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

### **Non Luxembourg residents**

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

**Investors should inform themselves of and, when appropriate, consult their professional advisors on the possible tax consequences of purchasing, holding, transferring or disposing Shares under the laws of their country of citizenship, residence, domicile or incorporation.**

### **Automatic Exchange of Information**

The Organisation for Economic Co-operation and Development ("**OECD**") has developed a common reporting standard ("**CRS**") to achieve a comprehensive and multilateral automatic exchange of information ("**AEOI**") on a global basis. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the "**Euro-CRS Directive**") was adopted in order to implement the CRS among the Member States.

The Euro-CRS Directive was implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation (the "**CRS Law**"). The CRS Law requires Luxembourg financial institutions to identify financial assets holders and establish if they are fiscally resident in an EU Member State other than Luxembourg or in a country with which Luxembourg has a tax information sharing agreement. Luxembourg financial institutions will then report financial account information of the asset holder to the Luxembourg tax authorities, which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the Company may require its investors to provide information in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status and report information regarding a shareholder and his/her/its account to the Luxembourg tax authorities (*Administration des Contributions Directes*), if such account is deemed a CRS reportable account under the CRS Law. The Company shall communicate any information to the investor according to which (i) the Company is responsible for the treatment of the personal data provided for in the CRS Law; (ii) the personal data will *inter alia* be used for the purposes of the CRS Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*); (iv) responding to CRS-related questions is mandatory and accordingly the potential consequences in case of no response; and (v) the investor has a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

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

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

The Company reserves the right to refuse any application for Shares if the information provided or not provided does not satisfy the requirements under the CRS Law.

Investors should consult their professional advisors on the possible tax and other consequences with respect to the implementation of CRS.

### **Important Information for US Persons**

The US Securities and Exchange Commission has not reviewed or approved this Private Placement Memorandum, nor has it approved the Shares. Any representation to the contrary is a criminal offence. None of the Shares have been or will be registered under the 1933 Act or registered or qualified under applicable state statutes. The Company is not registered under the 1940 Act. US Persons will be asked to complete specific Subscription Agreements and Forms.

### **Foreign Account Tax Compliance Act ("FATCA")**

The Foreign Account Tax Compliance Act ("**FATCA**"), a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the US ("**foreign financial institutions**" or "**FFIs**") to pass information about "Financial Accounts" held by "Specified US Persons", directly or indirectly, to the US tax authorities, the Internal Revenue Service ("**IRS**") on an annual basis. A 30% withholding tax is imposed on certain US source income of any FFI that fails to comply with this requirement.

On 28 March 2014, the Grand Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement with the United States of America and a memorandum of understanding in respect thereof. The Company would hence have to comply with this IGA as, implemented into Luxembourg law by the Law of 24 July 2015 relating to FATCA (the "**FATCA Law**") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury

Regulations implementing FATCA. The Company expects to be treated as a Reporting Luxembourg Financial Institution under the FATCA Law and the Luxembourg IGA. As such, the Company will generally be required to collect information aiming to identify its direct and indirect shareholders that are Specified US Persons for FATCA purposes ("**reportable accounts**"). Any such information on reportable accounts provided to the Company will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. The Company intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Company. The Company will continually assess the extent of the requirements that FATCA and notably the FATCA Law place upon it.

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

- a. 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;
- b. report information concerning a Shareholder and his account holding in the Company to the Luxembourg tax authorities if such account is deemed a US reportable account under FATCA Law and the Luxembourg IGA;
- c. report information to the Luxembourg tax authorities (*Administration des Contributions Directes*) concerning payments to Shareholders with FATCA status of a non-participating foreign financial institution;
- d. 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 FATCA Law and the Luxembourg IGA; and
- e. divulge any such personal information to any immediate payor of certain US source income as may be required for withholding and reporting to occur with respect to the payment of such income.

The Company will prevent the ownership of Shares in the Company by any legal or natural person where holding of Shares in the exclusive opinion of the Company may prove to be detrimental to the Company under FATCA, the FATCA Law and the Luxembourg IGA. The provisions of Articles 9 and 13 of the Articles will apply to the holding of Shares by a person where such holding may result in a breach of the Company's obligations under FATCA, the FATCA Law and the Luxembourg IGA and be thus detrimental to the Company, its Shareholders or have an impact on the status of the Company.

The Company shall communicate any information to the investor according to which (i) the Company is responsible for the treatment of the personal data provided for in the FATCA Law; (ii) the personal data will *inter alia* be used for the purposes of the FATCA Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*); (iv) responding to FATCA-related questions is mandatory and accordingly the potential consequences in case of no response; and (v) the investor has a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

All prospective investors and Shareholders in the Company should consult with their own tax advisors regarding the possible implication of FATCA on their return to investment therein.

## 23. BOARD OF DIRECTORS

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Unless otherwise provided under the 1915 Law, this Private Placement Memorandum or the Articles of Incorporation, the Board of Directors shall have the broadest powers to perform all acts of administration and disposition of the Company. All power not expressly reserved under the 1915 Law or the Articles of Incorporation to the General Meetings shall be exercisable by the Board of Directors.

In particular, subject to the restrictions contained in this Private Placement Memorandum and the 1915 Law, the Board of Directors shall have power to implement the investment policies and borrowing restrictions, as well as the course of conduct of the management and business affairs of the Company and to manage the investments for the account of the Company with a view to achieving the investment objectives of each Sub-Fund as described within the

relevant Sub-Fund's Supplement in Part B of this Private Placement Memorandum. The Board of Directors shall have complete discretion and full power, authority and right to represent and bind the Company, either itself or wholly in part through its authorized agents or delegates.

The Board of Directors is granted with the power to take any decisions on the following items (this list being not exhaustive and not limitative):

1. appointment and replacement of the Central Administration;
2. appointment and replacement of the Depositary;
3. appointment and replacement of the AIFM;
4. suspension of the Net Asset Value calculation;
5. scaling down pro rata of each application with respect to a Valuation Day so that not more than 10% of the Net Asset Value of the Sub-Funds be redeemed or converted on such Valuation Day;
6. the Company's annual accounts;
7. all changes of the investment objectives and restrictions of the concerned Sub-Fund;
8. launch of any new Sub-Fund or Class of Shares and liquidation / close of any existing Sub-Fund or Class of Shares, under the conditions set forth in this Private Placement Memorandum.

#### **24. CENTRAL ADMINISTRATION (ADMINISTRATIVE, REGISTRAR AND TRANSFER AGENT) – DEPOSITARY BANK AND PAYING AGENT**

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##### **Central Administration, Domiciliary Agent**

The Company has entered into an Administrative Agreement with BNP Paribas, Luxembourg Branch, for an indefinite period of time. This Administrative Agreement may be terminated by either party with 90 calendar days prior written notice.

BNP Paribas, Luxembourg Branch is a branch of BNP Paribas. BNP Paribas is a licensed bank incorporated in France as a Société Anonyme (public limited company) registered with the Registre du commerce et des sociétés Paris (Trade and Companies' Register) under number No. 662 042 449, authorised by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and supervised by the AMF, with its registered address at 16 Boulevard des Italiens, 75009 Paris, France, acting through its Luxembourg Branch, whose office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg, registered with the Luxembourg Trade and Companies' Register under number B23968 and supervised by the CSSF.

The Central Administration is responsible for the general administrative functions of the Company as required by Luxembourg law and, as the case may be, for processing the issue and redemption of Shares, the maintenance of accounting records for the Company and the calculation of the Net Asset Value of the Shares of each Sub-Fund, and the AIFM shall provide, with the assistance of specialized and reputable service providers, or cause third party specialized and reputable service providers to provide, the Central Administration with the pricing/valuation of the assets as per section 17 "Net Asset Value".

The Central Administration will be responsible as well for providing and supervising the mailing of statements, reports, notices and other documents to the Shareholders.

As a Domiciliary Agent, BNP Paribas, Luxembourg Branch provides a registered office and mail address to the Company as well as ancillary services, further to a Domicile and Listing Agency Agreement dated 24 May 2013.

The fees for the Central Administration's duties are charged in accordance with usual bank practice as agreed from time to time pursuant to the Administrative Agreement.

## Depository and Paying Agent

Moreover, the Company and the AIFM have entered into a Depository Agreement with BNP Paribas, Luxembourg Branch as Depository Bank, for an indefinite period of time, in accordance with the 2007 Law and the 2013 Law. This Depository Agreement may be terminated by either party with 90 calendar days' prior written notice.

BNP Paribas, Luxembourg Branch is licensed to carry out banking activities under the terms of the Luxembourg act of 5 April 1993 on the financial sector, as amended, and is specialised in custody, fund administration and related services. The share capital of the Depository amounted to EUR 177,453,913 as at September 2016.

BNP Paribas, Luxembourg Branch is a branch of BNP Paribas. BNP Paribas is a licensed bank incorporated in France as a Société Anonyme (public limited company) registered with the Registre du commerce et des sociétés Paris (Trade and Companies' Register) under number No. 662 042 449, authorised by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and supervised by the AMF, with its registered address at 16 Boulevard des Italiens, 75009 Paris, France, acting through its Luxembourg Branch, whose office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg, registered with the Luxembourg Trade and Companies' Register under number B23968 and supervised by the CSSF.

Investors are invited to consult the Depository Agreement to have a better understanding and knowledge of the limited duties and liabilities of the Depository.

The Depository is a service provider to the Company and is not responsible for the preparation of this Private Placement Memorandum and therefore accepts no responsibility for the accuracy of any information contained in this Private Placement Memorandum or the validity of the structure and investments of the Company.

The Depository has been entrusted with the custody of financial instruments and/or, as the case may be, the oversight verification and recordkeeping of the Company's other assets and it shall fulfil the obligations and duties provided for in Part II of the 2007 Law and the AIFM Law. In addition, the Depository Bank shall ensure an effective and proper monitoring of the Company's cash flows. It will further ensure that:

- the sale, issue, re-purchase, redemption and cancellation of Shares are carried out in accordance with the 2007 Law, the AIFM Law, the Private Placement Memorandum and the Articles of Incorporation;
- the value of the Shares is calculated in accordance with the 2007 Law, the AIFM Law, the Articles of Incorporation, the Private Placement Memorandum and the procedures laid down in Article 19 of the AIFM Directive;
- it carries out the instructions of the Company and the AIFM, unless they conflict with applicable Luxembourg law or, the Private Placement Memorandum or the Articles of Incorporation;
- in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits;
- the Company's incomes are applied in accordance with the 2007 Law, the AIFM Law, the Private Placement Memorandum and the Articles of Incorporation.

In compliance with the provisions of the Depository Agreement, the AIFM Law and article 89.2 of the AIFM Regulation, the Depository may, under certain conditions, entrust part or all of the financial instruments which are placed under its custody to correspondent banks or third party agents as appointed from time to time. The Depository Bank's liability shall not be affected by any such delegation.

However, where the conditions set out in Article 101 of the AIFM Regulation are met (including but not limited to natural events beyond human control or influence, war, riots or other major upheavals and the adoption of any law, decree, regulation, decision or order by any government or governmental body (incl. any court or tribunal) which impacts the financial instruments held in custody) and in accordance with the Depository Agreement, the Depository may be discharged of its liability for the loss of a financial instruments held by the respective Sub-Fund.

Moreover, where the conditions of Articles 19 (13) and 19 (14) of the AIFM Law and 102 of the AIFM Regulation are met, the Depository may contractually discharge itself of liability in the case of a loss of a financial instrument by a third party to whom the custody of financial instruments has been delegated. Should such a discharge be in place for any Sub-Fund, this will be mentioned in the relevant Sub-Fund's Supplement in Part B of this Private Placement Memorandum. Further, should such a discharge be agreed during the life of a Sub-Fund, the relevant investors will be informed as described in each Sub-Fund's Supplement and in the Depository Agreement amended accordingly.

BNP Paribas, Luxembourg Branch shall also act as Paying Agent for the Company in connection with the receipt of payments in respect of the issue of Shares, the payment of monies in respect of the repurchase of the Shares and if applicable the payment of dividends.

In consideration of its services as Depositary Bank and Paying Agent, BNP Paribas, Luxembourg Branch will receive a depositary fee out of the assets of the Company as agreed from time to time pursuant to the Depositary Bank and Paying Agent Agreement in accordance with usual bank practice.

## 25. AUDITOR

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PricewaterhouseCoopers, Société coopérative has been appointed independent Auditor of the Company.

The Auditor reviews the accounting information contained in the annual report of the Company and issue a report on the accounts of the Company and, where applicable, its remarks, all of which are reproduced in full in the annual report. The Auditor also issues ad hoc reports for specific events such as subscription or redemption in kind, liquidation or merger of the Company.

## 26. INDEMNIFICATION

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The Company may be required to indemnify, out of the assets of the Company only, the managers, officers, employees and agents of the Company, the Board of Directors, the AIFM, the Depositary and the Central Administration and any other agents of the Company, including the domicile agent for any claims, damages and liabilities to which they may become subject because of their status as managers, officers, employees or agents of the Company and any other agents of the Company, including the domicile agent, the Board of Directors, the AIFM, the Depositary and the Central Administration, or by reason of any actions taken or omitted to be taken by them in connection with the Company, except to the extent caused by their gross negligence, fraud or wilful misconduct or their material breach of the provisions of the Private Placement Memorandum.

## 27. MONEY LAUNDERING PREVENTION AND TERRORIST FINANCING

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In accordance with international regulations and Luxembourg laws and regulations (including, but not limited to, the amended Law of 12 November 2004 on the fight against money laundering and financing of terrorism), the Grand Ducal Regulation dated 1 February 2010, CSSF Regulation 12-02 of 14 December 2012, CSSF Circulars 13/556, 15/609 and 18/698 concerning the fight against money laundering and terrorist financing (together, the "**AML/CFT Provisions**"), and any respective amendments or replacements, obligations have been imposed on all professionals of the financial sector in order to prevent undertakings for collective investment from money laundering and financing of terrorism purposes.

Any Shareholder will have to establish its identity to the Company, the Central Administration or to the intermediary which collects the subscription applications, provided that the intermediary is regulated and located in a country that imposes an identification obligation equivalent to that required under Luxembourg law. Such identification shall be evidenced when applying for Shares as follows:

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

- in the case of natural persons: a certified and valid copy of the applicant's identity card or passport (certification by one of the following authorities: embassy, consulate, notary, high commission of the country of issue, Police commissioner, Bank domiciled in a country that imposes an identification obligation equivalent to that required under Luxembourg law or any other competent authority);

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

This identification obligation applies in the following cases:

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

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

The Central Administration may require at any time additional documentation relating to an application for Shares.

According to Article 5 of CSSF Regulation 20-05 amending Article 3 of CSSF Regulation N°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing, the Company assesses money laundering/combating the financing of terrorism risk factors associated with its investments and distribution channels, and applies enhanced due diligence measures in addition to standard due diligence measures to intermediaries subscribing to shares of the Company on behalf of their customers.

As part of its activity, the AIFM is obliged to analyse the money laundering/terrorist financing risks inherent to the investment activity as per the AML/CFT Provisions and establish appropriate due diligence measures adapted to the risks assessed per asset type encompassing:

- > applicable due diligence based on the risk based approach
- > controls on assets and parties linked to the transactions (where applicable to the asset type) for the attention of trade, financial and immigration sanctions as well as prevention of proliferation financing.

## 28. FEES AND COSTS

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The Company shall bear the following fees and expenses:

- all fees to be paid to the AIFM and to any Investment Advisor as the case may be, as further described in the Supplement for each Sub-Fund;
- all fees paid to the Central Administration, Depositary Bank and Paying Agent, the Auditor, the Directors and any other agents that may be employed from time to time;
- all taxes and corporate fees which may be payable on the assets, income and expenses chargeable to the Company;
- standard brokerage and bank charges incurred on the Company's investment transactions and any issue or transfer taxes chargeable in connection with such transactions, interest on borrowings, including borrowings from the brokers if any;
- all fees due to the legal advisors of the Company;
- all expenses connected with publications and supply of information to shareholders, in particular and where applicable, and of preparing, printing and distributing financial and other reports, proxy forms, the Private Placement Memorandum, the PRIIPs KIDs and similar documents, communication expenses with respect to investor services and all expenses of meetings of shareholders;

- all expenses involved in registering and maintaining the Company registered with all governmental agencies and stock exchanges and all costs incurred in dealing with regulatory authorities in respect of the affairs of the Company;
- all other fees and expenses incurred in connection with its organization, operation, administration, its management and the costs of insurance for the benefit of Directors (if any);
- all expenses relating to the promotion and distribution of Shares in the Company and any of its Sub-Funds, including but not limited to the printing and distribution of sales literature and advertising and promotional costs; and
- litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business.

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

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

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

The different Sub-Funds of the Company have a common generic denomination and one or several investment advisors and/or investment managers which determine their investment policy and its application to the different Sub-Funds in question via a single Board of Directors of the Company.

**Under Luxembourg law, the Company including all its Sub-Funds is regarded as a single legal entity. Each Sub-Fund shall be liable for its own debts and obligations. In addition, each Sub-Fund will be deemed to be a separate entity having its own contributions, capital gains, losses, charges and expenses.**

## 29. FISCAL YEAR – FINANCIAL REPORT

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The Company's financial year begins on December 1<sup>st</sup> and closes on November 30<sup>th</sup> of each year.

The Company's financial statements, the calculation of the Net Asset Value of the Company as well as all other reports will be compliant with Lux GAAP.

## 30. NOTICES AND PUBLICATION

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Any notice to Shareholders shall be given in writing to registered Shareholders and be delivered by hand, by courier or sent by facsimile or by pre-paid airmail or first class post as appropriate.

Notices given by hand, courier or facsimile shall be deemed to have been given when delivered or dispatched. Notices given by pre-paid airmail or first class post as appropriate shall be deemed to have been given five days after posting. Evidence that the notice was properly addressed, stamped and put in the post shall be conclusive evidence of posting. Evidence that the facsimile was duly dispatched to a current facsimile of the addressee shall be conclusive evidence of transmission.

Notices to Shareholders are also available at the Company's registered office.

The details on the leverage of the Sub-Funds of the Company will be disclosed to investors in the Sub-Funds' Supplement in Part B to this Private Placement Memorandum.

The following disclosures will be made in the Company's financial statements in accordance with applicable regulations' provisions, or in another appropriate periodic reporting, and where necessary on an ad hoc basis:

- Where available, the historical performance of each Sub-Fund.
- Changes to the Depositary' liability.
- The loss of an asset or financial instrument.
- Any changes to the maximum level of leverage which the AIFM may employ on behalf of each Sub-Fund as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement, if any.
- The total amount of leverage employed by each Sub-Fund.
- Any new arrangements for managing the liquidity of each Sub-Fund.
- The percentage of each Sub-Fund's assets which are subject to special arrangements arising from their illiquid nature.
- The risk profile of each Sub-Fund and the risk management systems employed by the AIFM to manage those risks.
- Any changes to risk management systems employed by the AIFM in accordance with point (c) of Article 23(4) of the AIFM Directive as well as its anticipated impact on each Sub-Fund and the Shareholders.

### **31. LIQUIDATION OF THE COMPANY, TERMINATION OF THE SUB-FUNDS AND CONTRIBUTION OF SUB-FUNDS OR CLASSES OF SHARES**

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#### **Liquidation of the Company**

In the event of dissolution of the Company, liquidation shall be carried out by one or several liquidators (whether natural persons or legal entities approved by the CSSF) named pursuant to a General Meeting effecting such dissolution, in accordance with and subject to the provisions of the 1915 law, as amended, and at which meeting the liquidators' powers and compensation shall be determined. The operations of liquidation will be carried out pursuant to Luxembourg law.

The net proceeds of liquidation in respect of each Sub-Fund or, as the case may be, of each Class within each Sub-Fund, shall be distributed by the liquidators to the holders of Shares of the relevant Class in proportion to their holding of such Shares in such Sub-Fund or Class, and whether such proceeds shall be distributed in cash or kind.

If the Company's Share capital (i.e. the aggregate of all Sub-Funds) falls below two-thirds of the minimum capital (EUR 1,250,000.-), the Board of Directors must submit a proposal for the Company's termination to a General Meeting for deliberation. No quorum requirements will be applied; winding-up may be pronounced by a simple majority of the validly cast votes.

If the Company's Share capital falls below one quarter of the minimum capital increased by the Share premium (EUR 1,250,000.-), the Board of Directors must submit a proposal for the Company's termination to the General Meeting for deliberation. No quorum requirements will be applied; winding-up may be pronounced by the Shareholders owning one quarter of the validly cast votes.

The aforesaid meetings shall be convened within forty days of the date at which it was ascertained that the net assets fell below two-thirds or one quarter of the minimum capital, respectively. Moreover, the Company may be terminated by resolution of the General Meeting in accordance with the pertinent provisions of the Articles of Association.

The resolutions of the General Meeting or of a court of law pronouncing the termination and winding-up of the Company are to be published in the RESA and in two newspapers with sufficiently wide circulation, at least one of

which must be a Luxembourg newspaper. The choice of which newspapers are to carry the publication is made at the discretion of the liquidator(s).

The amounts that have not been claimed by the Shareholders or their beneficiaries at the close of liquidation shall be deposited with the "*Caisse de Consignation*" in Luxembourg.

#### **Termination of a Sub-Fund or a Class of Shares**

The Board of Directors may decide to close one or more Class(es) or Sub-Fund(s) if the Net Asset Value of a Sub-Fund or of a Class falls below an amount that is considered by the Board of Directors as being too low to ensure an efficient management of its assets or if a change in the economic or political situation relating to the Sub-Fund or Class concerned would justify such liquidation or if necessary in the interest of the Shareholders of the Company.

In such event, the assets of the Sub-Fund or Class will be realized, the liabilities discharged and the net proceeds distributed to Shareholders in proportion to their holding of Shares in that Sub-Fund or Class. Notice of the termination of the Sub-Fund or Class will be given in writing to the registered Shareholders.

The amounts that have not been claimed by the Shareholders or their beneficiaries at the close of liquidation of a Class or Sub-Fund shall be deposited with the "*Caisse de Consignation*" in Luxembourg.

In the event of any contemplated liquidation of any Sub-Fund or Class, no further issue, conversion, or redemption of Shares will be permitted after publication of the first notice to Shareholders. All Shares outstanding at the time of such publication will participate in the Company's or Sub-Fund's or Class' liquidation distribution.

#### **Contribution of Sub-Funds or Classes of Shares**

A Sub-Fund or Class may be merged with another Sub-Fund or Class of another Sub-Fund by decision of the Board of Directors of the Company for Sub-Fund or Class restructuring purposes or if the value of its net assets falls below an amount that is considered by the Board of Directors as being too low to ensure an efficient management of its assets or if a change in the economic or political situation relating to the Sub-Fund or Class concerned would justify such merger or if necessary in the interests of the Shareholders or the Company. Notice of the merger will be given in writing to registered Shareholders. Each Shareholder of the relevant Sub-Fund or Class shall be given the possibility within a period to be determined by the Board of Directors, but not being less than one month, and published in said newspapers to request, free of any charge, the repurchase or conversion of its Shares. At the close of such period, the contribution shall be binding for all Shareholders who did not request a redemption or a conversion.

#### **Contribution to another Investment Fund**

A Sub-Fund or Class may be contributed to another Luxembourg investment fund by decision of the Board of Directors of the Company in the event of special circumstances beyond its control such as political, economic or military emergencies or if the Board of Directors should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Sub-Fund or Class to operate in an economically efficient manner, and with due regard to the best interests of the Shareholders, that a Sub-Fund or Class should be contributed to another fund. In such events, notice will be given in writing to Shareholders. Each Shareholder of the relevant Sub-Fund or Class shall be given the possibility within a period to be determined by the Board of Directors, but not being less than one month, to request, free of any charge, the repurchase or conversion of its Shares. At the close of such period, the contribution shall be binding for all Shareholders who did not request a redemption or a conversion. In the case of a contribution to a mutual fund, however, the contribution will be binding only on shareholders who expressly agreed to the contribution.

When a Sub-Fund or Class is contributed to another Luxembourg investment fund, the valuation of the Sub-Fund's assets shall be verified by the auditor of the Company who shall issue a written report at the time of the contribution.

A Sub-Fund or Class may be contributed to a foreign investment fund only when the relevant Sub-Fund's or Class' Shareholders have unanimously approved the contribution or on the condition that only the Shareholders who have approved such contribution are effectively transferred to that foreign fund.

### 32. DOCUMENTS

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The following documents will be made available for inspection by Shareholders or their representatives at the registered office of the Company:

- a) The Private Placement Memorandum of the Company;
- b) The PRIIPs KIDs;
- c) The Articles of Association of the Company;
- d) The annual reports of the Company;
- e) The agreement between the AIFM and the Company;
- f) The agreement between the Depositary, the AIFM and the Company;
- g) The agreement between the Company and the Central Administration.

Such documents will also be sent free of charge to prospective investors and to Shareholders upon request.

PRIIPs KIDs are made available to Well-Informed Investors which do not qualify as Professional Investors before subscribing to shares of the Company on the following website [www.lfis.com](http://www.lfis.com) or in paper copy upon request.

### 33. STOCK EXCHANGE LISTING

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Shares of different Classes/Sub-Funds may, at the discretion of the Directors, be listed on stock exchanges, in particular, but without limitation, the Luxembourg Stock Exchange.

### 34. CONFLICT OF INTERESTS

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The Directors, the AIFM, the Central Administration, the paying agent, the Depositary, any distributor or their delegate if any, may from time to time act as directors, management company, alternative investment fund manager, central administration, paying agent, depositary, distributor, registrar agent, administrator, investment adviser or dealer, in relation to, or be otherwise involved in, other undertakings for collective investments or collective investment schemes which have similar investment objectives to those of the Company or any Sub-Fund.

It is therefore possible that any of them may, in the due course of their business, have potential conflicts of interest with the Company or any Sub-Fund. In such event, each will at all times have regard to its obligations under any agreements to which it is party or by which it is bound in relation to the Company or any Sub-Fund. In particular, but without limitation to its obligations to act in the best interests of the Shareholders when undertaking any dealings or investments where conflicts of interest may arise, each will respectively endeavor to ensure that such conflicts are resolved fairly.

There is no prohibition on the Company entering into any transactions with the AIFM, the Central Administration, the paying agent, the Depositary or with any of their affiliates, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length, on terms no less favorable to the Company than could reasonably have been obtained had such transactions been effected with an independent party in compliance with applicable laws.

There may be an inherent conflict of interest in connection with the AIFM and the Central Administration determining the Net Asset Value of the Sub-Fund as each such entity's remuneration is based on the amount of the Sub-Fund's Net Asset Value. In the event of such a conflict of interests, each of the AIFM and Central Administration shall have regard to its obligations to the Sub-Fund and will ensure that such a conflict is resolved fairly and in the best interests of the Shareholders.

## PART B: THE SUB-FUNDS

### SUPPLEMENT NUMBER 1: LFIS VISION - Premia Opportunities (the "Sub-Fund")

This Supplement forms part of, and must be read in conjunction with, Part A of this Private Placement Memorandum.

#### 1. Investment Objective and Policy

##### 1.1 Investment objective

The investment objective of the Sub-Fund is to seek capital appreciation over the medium to long term and to generate a consistent return with a low correlation to traditional markets and a target annualized volatility of 7% under normal market conditions.

The investment policy of the Sub-Fund incorporates the consideration of certain ESG risks and characteristics through the application of investment filters seeking to restrict investments linked to certain industrial sectors including controversial weapons, tobacco and thermal coal.

##### 1.2 Investment principles

The Sub-Fund will operate as a "feeder" by investing at least 85% of its net assets in LFIS Vision Premia Amplitude (Class AI4 shares) (the "**Master Fund**").

The remaining portion of the net assets of the Sub-Fund will be deployed in short-term bonds, money market instruments, deposits, units or shares of money market UCIs or in cash.

The following is an extract of the Private Placement Memorandum of LFIS Vision Premia Amplitude describing the investment objective and policy and the specific investments restrictions applicable in relation to the Master Fund:

#### ***Investment objective***

The investment objective of the Sub-Fund is to seek stable returns with a low correlation to traditional markets and a target annualised volatility comprised between 5% and 10%, under normal market conditions (it being understood that the Sub-Fund realised annualised volatility could be higher or lower).

The investment policy of the Sub-Fund incorporates the consideration of certain ESG risks and characteristics through the application of investment filters seeking to restrict investments linked to certain industrial sectors including controversial weapons, tobacco and thermal coal.

#### ***Investment principles and universe***

To achieve this investment objective, the Sub-Fund will implement an investment policy seeking to capture premia linked to several risk/style factors across different asset classes ("**Alternative Premia**").

The universe of risk/style factors includes (without limitation): "value" (consisting of buying the assets that are the most undervalued or less overvalued according to their fundamentals and simultaneously selling the assets that are the most overvalued or less undervalued), "carry" (consisting of buying the assets with the highest carry and simultaneously selling the assets with the lowest carry), "short-term reversal" (consisting of buying the assets that have underperformed over a short-term horizon and simultaneously selling the assets that have outperformed over the same period), "medium-term momentum" (consisting of buying the assets that have outperformed over a medium term horizon and simultaneously selling the assets that have underperformed over the same period), "low risk" (consisting of combining long leveraged exposures to less risky assets and short exposures to riskier assets), this universe not being exhaustive as the Investment Manager will constantly analyse eligible asset classes to identify new opportunities. The risk/style factors selected within the investment policy have to be explainable (existence being rationalized by economic, behavioural and/or institutional intuitions), established (well-documented by academics and practitioners) and attractive (expected positive returns over the long term).

The asset classes to which the Sub-Fund will gain direct or indirect exposure include: equities, credit, interest rates, currencies and commodities.

The Sub-Fund will seek exposures to the most scalable Alternative Premia and is not expected to carry significant directional exposures to the main traditional asset classes (equities, government bonds, credit).

The Sub-Fund's portfolio will be allocated to different building blocks (several risk/style premia for each asset class) so as to deliver a recurrent return through diversification. Such allocation will evolve over time as a function of perceived market opportunities and risks.

Within each asset class, risk/style premia will be captured by building long and short positions, through the use of financial instruments (including without limitation: transferable securities, money market instruments, structured securities embedding derivatives, index trackers, and units of other collective investment schemes) and financial derivative contracts dealt on regulated markets or over the counter (including without limitation: equity futures, bond futures, credit default swaps, Total Return Swaps, currency forwards, non-deliverable forwards, options and variance swaps).

Financial derivative instruments may be used for investment and hedging purposes.

The Sub-Fund is allowed to hold short positions and to use leverage.

If the AIFM deems it necessary for defensive purposes and on a temporary basis, the Sub-Fund may invest up to 100% of its net assets in short-term bonds, money market instruments, deposits, units or shares of money market UCIs or in cash.

The Sub-Fund may also deploy Alternative Premia sub-strategies by investing in other underlying UCIs managed by the Investment Manager and implementing such sub-strategies (whereby such investments may exceed 10% of the net assets of the Sub-Fund). In this case, no management fees nor Performance Fees will be levied in respect of such investments at the level of the relevant underlying UCIs.

### **1.3 Specific investment restrictions**

The AIFM may in its discretion decide to invest among the investment universe described in section 1.2 above, in accordance with the General Investment Restrictions of Part A of this Private Placement Memorandum and the following additional specific investment restrictions:

- a. the net exposure to a single issuer through investments in transferable securities and/or money market instruments issued by the relevant issuer will not exceed 10% of the Net Asset Value of the Sub-Fund (except for investments in transferable securities and money market instruments that are issued or guaranteed by an EU Member State or its local authorities, by a non-EU Member State selected by the Board of Directors, or by public international organisations of which one or more EU Member States are members in which case the General Investment Restrictions shall apply);
- b. the net investments in deposits with the same credit institution will not exceed 20% of the Net Asset Value of the Sub-Fund;
- c. notwithstanding the individual limits laid down in a. and b., the net exposure to issuers belonging to a same group, through investments in transferable securities, money market instruments and/or deposits, may in aggregate not exceed 20% of the Net Asset Value of the Sub-Fund. Issuers are, in this context, part of the same group when they must be consolidated for the purpose of the establishment of consolidated accounts, as defined in accordance with Directive 2013/34/EU or in accordance with recognized international accounting rule. The net credit exposure (as defined in e. below) arising from OTC derivative transactions and efficient portfolio management techniques, must also be included in the calculation of the 20% limit of this section c.. The restrictions laid down in this section c. do not apply to transferable securities and money market instruments from various offerings that are issued or guaranteed by an EU Member State or its local authorities, by another OECD Member State, or by public international organisations in which one or more EU Member States are members in which case the General Investment Restrictions shall apply;
- d. the Sub-Fund may invest, as a part of its investment policy, in financial derivative instruments provided that the exposures to the underlying assets issuers do not exceed in aggregate the limits laid down in sections a. and c. above, except when the Sub-Fund invests in index-based financial derivative instruments. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements laid down in this section d.;

- e. the net credit exposure (i.e. the exposure of a Sub-Fund less the collateral received) to a counterparty arising from OTC derivative transactions and efficient portfolio management techniques may not exceed in aggregate 10% of the Net Asset Value of the Sub-Fund;
- f. the global exposure of the Sub-Fund (incorporating all the market risk factors which have more than a negligible influence on the fluctuation of the portfolio's value) calculated using the absolute Value at Risk approach will be limited to 20% of its Net Asset Value, on the basis of a confidential interval of 99% and a holding period of one month;
- g. the leverage of the Sub-Fund defined as being the ratio between the market risk exposure and the Sub-Funds' net assets will be limited to 1000% of the Net Asset Value of the Sub-Fund. The above mentioned leverage is calculated using the commitment method after performing the conversion of the financial derivatives into the equivalent positions in the underlying assets of those derivatives and applying netting arrangements (concluded with the sole aim of eliminating the risks linked to positions taken through the other derivative instruments or security positions) or hedging arrangements (concluded with the sole aim of offsetting risks linked to positions taken through the other derivatives instruments or security positions). The gross leverage of the Sub-Fund calculated according to the above mentioned conversion method but prior to the application of the netting arrangements and hedging arrangements will be limited to 2000%;
- h. the Sub-Fund may borrow up to 100% of its net assets (secured and/or unsecured cash loans agreements);
- i. the Sub-Fund will not invest in loans; and
- j. exposures to commodities can only be implemented through financial derivatives instruments (including financial instruments with embedded derivatives), and/or certificates with no physical delivery.

When the Sub-Fund has acquired units of collective investment undertakings, the assets of the respective collective investment undertakings do not have to be combined for the purposes of the limits laid down above.

If, because of market movements or the exercising of subscription rights or any other circumstances beyond the control of the AIFM (e.g., massive redemption orders), the limits mentioned in this section are exceeded, the AIFM must have as a priority objective in its sale transactions to reduce these positions within the prescribed limits, taking into account the best interests of the Shareholders.

The Sub-Fund may deviate from the limits mentioned under this section for a period of six months following the date of its launch.

## **2. Profile of the Typical Investor**

The Sub-Fund employs an investment strategy which is complex, involves numerous risks, and may employ leverage through the use of, without limitation, financial derivatives as well as any embedded derivatives, cash borrowing and/or reinvestment of collateral received under OTC derivative transactions or efficient portfolio management techniques and therefore potentially lead to high levels of volatility in returns. The Sub-Fund is intended only for those investors who understand these strategies and associated risks, are more concerned with maximising long term returns than minimising possible short term losses and can bear the risk of losing a substantial part of their investment. Investors must be aware that they may not recover their initial investments and should consider their long-term investment goals and financial needs when making an investment decision about this Sub-Fund.

Prospective investors should consult their financial, tax and legal advisors, as appropriate, in order to determine whether or not the Sub-Fund is a suitable investment for them.

## **3. Sub-Fund Currency**

The Sub-Fund Currency is EURO.

## **4. Valuation Day**

The Net Asset Value of each Class shall be calculated weekly as of each Wednesday and subject to the provisions of section 17 "Net Asset Value" of the Private Placement Memorandum (each, a "**Valuation Day**"). If any such day is not a Business Day and/or not an Exchange Business Day, the Valuation Day shall be the following Business Day which is an Exchange Business Day.

In addition, for information purposes only, the Central Administration will calculate a Monthly Indicative Net Asset Value of the Sub-Fund as of the last calendar day of each month. If such day is not a Business Day, the Monthly Indicative Net Asset Value of the Sub-Fund will be determined on the previous day which is a Business Day.

Such Monthly Indicative Net Asset Value per Share of each Class will not be tradable for subscription and redemption order purposes.

The Net Asset Values per Share will be available at the registered office of the Company.

## 5. Fees and Expenses

Please refer to "Classes of Shares" below.

In addition to the fees and expenses detailed in the subsections 5.1, 5.2 and 5.3 below, each Class shall bear other expenses such as banking, brokerage and transaction based fees, auditors' fees, legal fees and taxes.

The fees payable to the Central Administration, Depositary Bank and Paying Agent will be paid directly out of the Company's assets and will come in addition to the Management and Performance Fees paid to the AIFM.

In addition, no Management Fee nor Performance Fee will be charged at the level of the Class of the Master Fund in which the Sub-Fund is invested.

A Shareholder who subscribes, converts or redeems Shares through paying agents, may be required to pay fees in connection with the transactions processed by such paying agents in the jurisdictions in which Shares are offered.

### 5.1 Initial Expenses

The total costs and expenses incurred in respect of the formation of the Sub-Fund and in connection with the offering and initial issue of the above Classes will be borne by the Sub-Fund and are estimated at approximately EUR 43,000. Such costs and expenses shall be amortized over a period not exceeding five years.

### 5.2 Management Fee

Pursuant to the Alternative Investment Fund Management Agreement, the AIFM will be entitled to receive from the Company a Management Fee equal to the Management Fee Rate not exceeding the percentage amount indicated under "Classes of Shares" below, applied to the Net Asset Value of the relevant Class. The Management Fee will be accrued on each Valuation Day and paid quarterly in arrears.

### 5.3 Performance Fee

Pursuant to the Alternative Investment Fund Management Agreement, the AIFM will also be entitled to receive from the Company a Performance Fee, for each Calculation Period (as defined below), with respect to each Class available, equal to the Performance Fee Rate (not exceeding the percentage amount indicated in respect of the relevant Class, under "Classes of Shares" below) multiplied by the Net New Appreciation (as defined below) of the relevant Class.

**"Net New Appreciation"** means, with respect to each Class, the positive difference between (i) the Net Asset Value of the Class (net of all deductible fees and expenses, including any Management Fee; but for the purpose of calculating the Performance Fee, not reduced by the Performance Fee) and (ii) the relevant High Water Mark (as defined below).

**"High Water Mark"** means, with respect to each Class, the net asset value of a reference fund (the **"Reference NAV"**) (a) denominated in the same currency and bearing the same expenses (excluding the Performance Fee for the relevant Class), and recording the same subscriptions (expressed in amounts), and redemptions (expressed in a fraction of the outstanding net assets) than the Class and (b) achieving a performance since the beginning of trading of the relevant Class based on the performance of the Hurdle Rate corresponding to the currency of that relevant Class as defined below.

**"Hurdle Rate"** means:

- for classes denominated in EUR: EURO Short-Term Rate ("€STR") + 0.085%, capitalised;
- for classes denominated in USD, US Federal Funds Effective Rate ("US Fed Funds") capitalised;
- for classes denominated in GBP, Sterling Overnight Index Average ("SONIA") capitalised;
- for classes denominated in CAD, Canadian Overnight Repo Rate Average ("CORRA") capitalised;
- for classes denominated in SEK, Stockholm Interbank Offered Rate Tomorrow Next ("STIBOR T/N") capitalised;
- for classes denominated in NOK, Norwegian Overnight Weighted Average rate ("NOWA") capitalised;
- for classes denominated in JPY, Tokyo Overnight Average rate ("TONA") capitalised;

- for classes denominated in HKD, HKD Overnight Index Average("HONIA") capitalised;
- for classes denominated in CHF, Swiss Average Rate Overnight ("SARON") capitalised;
- for classes denominated in AUD, RBA Interbank Overnight Cash Rate capitalised; and
- for classes denominated in SGD: Singapore Overnight Rate Average (SORA) rate capitalised.

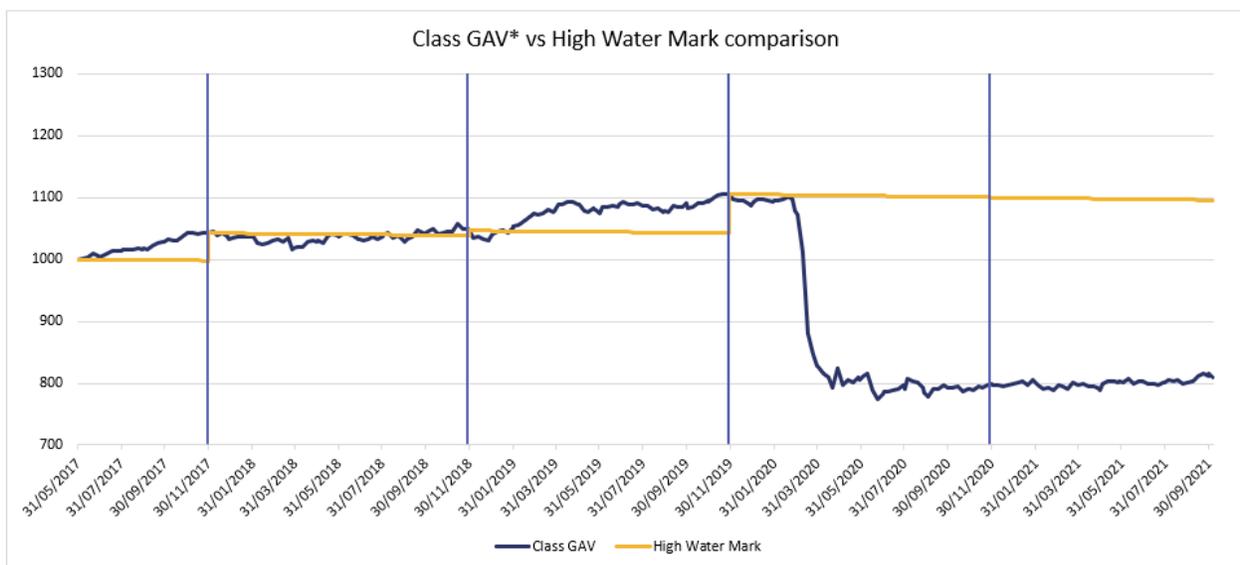
If a Hurdle Rate for a currency of a given Class is not listed above, then the appropriate overnight index or domestic interest rate for that currency will be used as Hurdle Rate for that given Class.

At the end of each Calculation Period, for which a Performance Fee in respect of a given Class is paid (or becomes payable) to the AIFM, the net assets level of the Reference Fund in respect of the relevant Class is reset to the level of the Net Asset Value of the relevant Class as at the end of such Calculation Period.

"**Calculation Period**" means, in respect of a given Class, (i) the period between the day immediately following the last Business Day of the preceding Calculation Period (inclusive) and the last Business Day of the current Fiscal Year (inclusive), or (ii) for the first Calculation Period (the "**Initial Calculation Period**"), the period beginning on the date on which the Class commenced trading (inclusive) and ending on the last Business Day of the financial year during which the relevant Class has been launched (inclusive).

The Performance Fee will be deemed to accrue as at each Valuation Day.

Illustration of the calculation of Performance Fee (in respect of Class M EUR ACCU):



\*The "GAV" means the Net Asset Value of the Class, net of all deductible fees and expenses, including any Management Fee, but for the purpose of calculating the Performance Fee, not reduced by the Performance Fee.

30/11/2017: the Class GAV is above the High Water Mark at the end of the Calculation Period; a Performance Fee is paid and the High Water Mark is reset at the level of the NAV of the Class.

30/11/2018: the Class GAV is above the High Water Mark at the end of the Calculation Period; a Performance Fee is paid and the High Water Mark is reset at the level of the NAV of the Class.

30/11/2019: the Class GAV is above the High Water Mark at the end of the Calculation Period; a Performance Fee is paid and the High Water Mark is reset at the level of the NAV of the Class.

30/11/2020: the Class GAV is below the High Water Mark at the end of the Calculation Period; no Performance Fee to be paid and the High Water Mark is not reset at the level of the NAV of the Class.

The Performance Fee is normally payable by the Company to the AIFM in arrears at the end of each Calculation Period within fifteen (15) Business Days after the end of such Calculation Period. If the Sub-Fund is terminated before the

end of a Calculation Period, the Performance Fee in respect of the Calculation Period will be calculated and paid as if the date of termination was the end of the relevant Calculation Period.

The current methodology for calculating the Performance Fee as set out above involves adjusting the Net Asset Value of each Class of any provision for accrual for the Performance Fee on each Valuation Day during the Calculation Period for the relevant Class.

Shareholders should note that the Sub-Fund does not perform equalization or issue of series units for the purpose of determining the Performance Fee. The use of equalization or issue of series units ensures that the performance fee payable by an investor is directly referable to the specific performance of such individual investor's shareholding in the Sub-Fund. Shareholders may therefore be advantaged or disadvantaged as a result of this method of calculation and the non-performance of any equalization.

Shareholders should further note that, in the case where they have redeemed their Shares before the end of any Calculation Period for a given Class, any accrued but unpaid Performance Fee in respect of their holding during such period will be kept and paid to the AIFM, even if this Performance Fee should not be paid to it at the end of the said period.

## **6. Specifics risks warning**

Investors should refer to the section "Risk Factors" of Part A of this Private Placement Memorandum, more specifically section 14.2 "Market Risks" and section 14.3 "Use of Derivatives".

In addition, the Sub-Fund is exposed to the following specific risk factors which are associated to the strategies being implemented:

### ***(i) Relative Value/Arbitrage Strategies***

The success of relative value trading is dependent on the ability to exploit relative mispricing among correlated instruments. Although relative value positions are considered to have a lower risk profile than directional trades as the former attempt to exploit price differentials not overall price movements, relative value strategies are by no means without risk. Some relative value strategies may result in high portfolio turnover and, consequently, greater transaction costs. Depending upon the investment strategies employed and market conditions, a Sub-Fund may be adversely affected by unforeseen events involving such matters as changes in interest rates or the credit status of an issuer, forced redemptions of securities or acquisition proposals, break-up of planned mergers, unexpected changes in relative value, short squeezes, regulatory reform or changes in tax treatment. Mispricing, even if correctly identified, may not converge within the time frame within which a Sub-Fund maintains its positions. Even pure "riskless" arbitrage — which is rare — can result in significant losses if the arbitrage cannot be sustained (due, for example, to margin calls) until expiration. A Sub-Fund's relative value strategies are subject to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence or inaccuracy of its or third-party valuation models. Market disruptions may also force a Sub-Fund to close out one or more positions. Such disruptions have in the past resulted in substantial losses for relative value strategies.

### ***(ii) Model Risk***

The Cross Assets Statistical Arbitrage requires the use of quantitative valuation models as developed by the AIFM. As market dynamics shift over time (for example, due to changed market conditions and participants), a previously highly successful model often becomes outdated or inaccurate, the AIFM may not recognize that fact before substantial losses are incurred.

### ***(iii) Merger Arbitrage***

Merger arbitrage strategies require an assessment of the likelihood of consummation of the proposed transaction, and an evaluation of the potential profits involved. If the event fails to occur or it does not have the effect foreseen, losses can result. The consummation of mergers and tender and exchange offers can be prevented or delayed by a variety of factors, including, without limitation: (a) opposition of the management or stockholders of the target company, which will often result in litigation to enjoin the proposed transaction; (b) intervention of a regulatory agency; (c) efforts by the target company to pursue a "defensive" strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (d) in the case of a merger, failure to obtain the necessary stockholder or third party approvals; (e) market conditions resulting in material changes in securities prices; (f) compliance with applicable securities laws; and (g) inability to obtain adequate financing. Merger arbitrage positions also are subject to the risk of overall market movements.

**(iv) Risk Arbitrage and Event-Driven Strategies**

The success of risk arbitrage and event-driven strategies depends on the successful prediction of whether various corporate events will occur or be consummated. The difference between the price paid by a Sub-Fund for securities of a company involved in an announced extraordinary corporate transaction and the anticipated value to be received for such securities upon consummation of the proposed transaction will often be very small. Since the price bid for the securities of a company involved in an announced extraordinary corporate transaction is generally at a significant premium above the market price prior to the announcement, if the proposed transaction appears likely not to be consummated or in fact is not consummated or is delayed, the market price of the securities usually declines sharply, often by more than a Sub-Fund’s anticipated profit, even if the security’s market price returns to a level comparable to that which exists prior to the announcement of the deal. Because of the inherently speculative nature of event-driven investing, the results of a Sub-Fund’s risk arbitrage and event-driven strategies may significantly fluctuate from period to period.

**(v) Risks linked to the long/short positions in CO2 EU Allowances**

The CO2 EU Allowances markets are smaller, less developed, less liquid than the other financial developed markets and may carry a higher financial risk as well as risks of non-financial nature such as, but not limited to, political and government risks.

In addition, there may be lack of regulatory supervision, legal regulation and lack of defined procedures for such securities in comparison to other financial securities of developed markets.

**7. Classes of Shares summary**

<b>Classes*</b>	<b>Eligible investors</b>	<b>Minimum initial subscription amount**</b>	<b>Management Fee</b>	<b>Performance Fee</b>	<b>Subscription Charge Rate</b>	<b>Redemption Charge Rate</b>
Class IS Shares	Institutional Investors	EUR 125,000	Up to 1.5% p.a.	Up to 20%	N/A	N/A
Class M Shares	Any Well-Informed Investors	EUR 150,000	Up to 1.5% p.a.	Up to 20%	Up to 5.00%	N/A
Class R Shares	Any Well-Informed Investors	EUR 150,000	Up to 3.00% p.a.	Up to 20%	Up to 3.00%	N/A
Class R1 Shares	Any Well-Informed Investors through authorised Distributors****	EUR 150,000	Up to 3.00% p.a.	Up to 20%	Up to 3.00%	N/A
Class RE Shares	Any Well-Informed Investors being an employee of the AIFM and/or any of its affiliates	EUR 125,000	Up to 2.00% p.a.	N/A	N/A	N/A
Class RH Shares	Any Well-Informed Investors	HKD 500,000	Up to 2.00% p.a.	Up to 15%	N/A	N/A
Class AI1 Shares	Authorised Well-Informed Investors***	N/A	Up to 2.00% p.a.	Up to 20%	N/A	N/A

Class AI2 Shares	Authorised Well-Informed Investors***	N/A	Up to 2.00% p.a.	Up to 20%	N/A	N/A
Class AI3 Shares	Authorised Well-Informed Investors***	N/A	Up to 2.00% p.a.	Up to 20%	N/A	N/A
Class AI4 Shares	Authorised Well-Informed Investors***	N/A	Up to 2.00% p.a.	Up to 20%	N/A	N/A
Class AI5 Shares	Authorised Well-Informed Investors***	N/A	Up to 2.00% p.a.	Up to 30%	N/A	N/A
Class AI6 Shares	Authorised Well-Informed Investors***	N/A	Up to 2.00% p.a.	Up to 30%	N/A	N/A
Class AI7 Shares	Authorised Well-Informed Investors***	N/A	Up to 2.00% p.a.	Up to 30%	N/A	N/A
Class AI8 Shares	Authorised Well-Informed Investors	N/A	Up to 2.00% p.a.	Up to 30%	N/A	N/A
Class AI9 Shares	Authorised Well-Informed Investors***	N/A	Up to 2.00% p.a.	Up to 30%	N/A	N/A

\*All Classes (except Class RE and Class RH) are available in EUR, USD, GBP, CAD, SEK, NOK, JPY, HKD, CHF, AUD and SGD as distributing or accumulating Shares. Share Class RE is available in EUR and is only available as accumulating Shares. Share Class RH is available in HKD and available as distributing or accumulating Shares.

\*\*Or the equivalent in the Class Currency of the Class concerned.

\*\*\*Means Well-Informed Investors having been authorised by the Board of Directors and/or the AIFM.

\*\*\*\*These Shares are intended to subscriptions through distributors or financial intermediaries (i) which under relevant legal and/or regulatory requirements, are prohibited from accepting and retaining inducements from third parties or, which under contractual arrangements they have entered into, are not entitled to accept and retain inducements from third parties and (ii) which have been authorised by the Board of Directors and/or the AIFM, as the case may be.

In order to attempt to protect Shareholders of certain Classes of Shares not denominated in the Sub-Fund Currency from the impact of currency movements, assets of Classes of Shares may be hedged back to the Sub-Fund Currency. The costs and effects of this hedging will be reflected in the Net Asset Value and in the performance of these Classes of Shares. Due to the foregoing, each Class of Shares may differ from each other in their overall performance.

## 8. Subscriptions

Investors may subscribe for Shares in any Class of the Sub-Fund during the Initial Subscription Period relating to the relevant Class, the beginning and duration of which will be determined by the Board of Directors at its sole discretion at an Initial Subscription Price that will also be determined by the Board of Directors at its sole discretion.

Any Initial Subscription Period may be prolonged by a decision of the Board of Directors at its sole discretion.

Thereafter, Shares are available for subscription on each Valuation Day at the applicable Net Asset Value.

Subject to the minimum initial subscription amounts as described under "Classes of Shares" above, subscriptions for Shares may be made in amounts or in number of Shares.

Applications for Shares must be received by the Registrar and Transfer Agent by no later than 11:00 am (Luxembourg time) on the relevant Valuation Day (the "**Subscription Deadline**") in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that relevant Valuation Day. The issue of Shares is conditional upon receipt of subscription monies within three (3) Business Days after the relevant Valuation Day.

Applications for Shares received by the Registrar and Transfer Agent after the applicable Subscription Deadline will be dealt with on the basis of the Net Asset Value per Share calculated as of the next Valuation Day.

A Subscription Charge not exceeding the Subscription Charge Rate indicated under "Classes of Shares" above may be applied.

## **9. Redemptions**

Shares are redeemable at the option of the Shareholders. Redemptions may be made in amounts or in number of Shares.

Completed redemption requests must be received by the Registrar and Transfer Agent no later than 11:00 am (Luxembourg time) on the relevant Valuation Day (the "**Redemption Deadline**") in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that relevant Valuation Day. Payment of redemption proceeds will normally be made within three (3) Business Days after the relevant Valuation Day.

Redemption requests received by the Registrar and Transfer Agent after the applicable Redemption Deadline will be dealt with on the basis of the Net Asset Value per Share calculated as of the next Valuation Day.

No Redemption Charge may be applied.

## **10. Conversion**

Conversions of Shares of any Class of this Sub-Fund into Shares of another Class of this Sub-Fund or into Shares of a Class of another Sub-Fund are permitted in accordance with the conversion procedure as set forth in part A of this Private Placement Memorandum.

Applications for Conversion of Shares must be received by the Registrar and Transfer Agent no later than 11:00 am (Luxembourg time) on the relevant Valuation Day (the "**Conversion Deadline**") in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that relevant Valuation Day. Conversion requests received by the Registrar and Transfer Agent after the applicable Conversion Deadline will be dealt with on the basis of the Net Asset Value per Share calculated as of the next Valuation Day.

## SUPPLEMENT NUMBER 2: LFIS VISION – Premia Amplitude (the "Sub-Fund")

This Supplement forms part of, and must be read in conjunction with, Part A of this Private Placement Memorandum.

### **1. Investment Objective and Policy**

#### **1.1 Investment objective**

The investment objective of the Sub-Fund is to seek stable returns with a low correlation to traditional markets and a target annualised volatility comprised between 5% and 10%, under normal market conditions (it being understood that the Sub-Fund realised annualised volatility could be higher or lower).

The investment policy of the Sub-Fund incorporates the consideration of certain ESG risks and characteristics through the application of investment filters seeking to restrict investments linked to certain industrial sectors including controversial weapons, tobacco and thermal coal.

#### **1.2 Investment principles and universe**

To achieve this investment objective, the Sub-Fund will implement an investment policy seeking to capture premia linked to several risk/style factors across different asset classes ("**Alternative Premia**").

The universe of risk/style factors includes (without limitation): "value" (consisting of buying the assets that are the most undervalued or less overvalued according to their fundamentals and simultaneously selling the assets that are the most overvalued or less undervalued), "carry" (consisting of buying the assets with the highest carry and simultaneously selling the assets with the lowest carry), "short-term reversal" (consisting of buying the assets that have underperformed over a short-term horizon and simultaneously selling the assets that have outperformed over the same period), "medium-term momentum" (consisting of buying the assets that have outperformed over a medium term horizon and simultaneously selling the assets that have underperformed over the same period), "low risk" (consisting of combining long leveraged exposures to less risky assets and short exposures to riskier assets), this universe not being exhaustive as the Investment Manager will constantly analyse eligible asset classes to identify new opportunities. The risk/style factors selected within the investment policy have to be explainable (existence being rationalized by economic, behavioural and/or institutional intuitions), established (well-documented by academics and practitioners) and attractive (expected positive returns over the long term).

The asset classes to which the Sub-Fund will gain direct or indirect exposure include: equities, credit, interest rates, currencies and commodities.

The Sub-Fund will seek exposures to the most scalable Alternative Premia and is not expected to carry significant directional exposures to the main traditional asset classes (equities, government bonds, credit).

The Sub-Fund's portfolio will be allocated to different building blocks (several risk/style premia for each asset class) so as to deliver a recurrent return through diversification. Such allocation will evolve over time as a function of perceived market opportunities and risks.

Within each asset class, risk/style premia will be captured by building long and short positions, through the use of financial instruments (including without limitation: transferable securities, money market instruments, structured securities embedding derivatives, index trackers, and units of other collective investment schemes) and financial derivative contracts dealt on regulated markets or over the counter (including without limitation: equity futures, bond futures, credit default swaps, Total Return Swaps, currency forwards, non-deliverable forwards, options and variance swaps).

Financial derivative instruments may be used for investment and hedging purposes.

The Sub-Fund is allowed to hold short positions and to use leverage.

If the AIFM deems it necessary for defensive purposes and on a temporary basis, the Sub-Fund may invest up to 100% of its net assets in short-term bonds, money market instruments, deposits, units or shares of money market UCIs or in cash.

The Sub-Fund may also deploy Alternative Premia sub-strategies by investing in other underlying UCIs managed by the Investment Manager and implementing such sub-strategies (whereby such investments may exceed 10% of the net assets of the Sub-Fund). In this case, no management fees nor Performance Fees will be levied in respect of such investments at the level of the relevant underlying UCIs.

### 1.3 Specific investment restrictions

The AIFM may in its discretion decide to invest among the investment universe described in section 1.2 above, in accordance with the General Investment Restrictions of Part A of this Private Placement Memorandum and the following additional specific investment restrictions:

- a. the net exposure to a single issuer through investments in transferable securities and/or money market instruments issued by the relevant issuer will not exceed 10% of the Net Asset Value of the Sub-Fund (except for investments in transferable securities and money market instruments that are issued or guaranteed by an EU Member State or its local authorities, by a non-EU Member State selected by the Board of Directors, or by public international organisations of which one or more EU Member States are members in which case the General Investment Restrictions shall apply);
- b. the net investments in deposits with the same credit institution will not exceed 20% of the Net Asset Value of the Sub-Fund;
- c. notwithstanding the individual limits laid down in a. and b., the net exposure to issuers belonging to a same group, through investments in transferable securities, money market instruments and/or deposits, may in aggregate not exceed 20% of the Net Asset Value of the Sub-Fund. Issuers are, in this context, part of the same group when they must be consolidated for the purpose of the establishment of consolidated accounts, as defined in accordance with Directive 2013/34/EU or in accordance with recognized international accounting rule. The net credit exposure (as defined in e. below) arising from OTC derivative transactions and efficient portfolio management techniques, must also be included in the calculation of the 20% limit of this section c.. The restrictions laid down in this section c. do not apply to transferable securities and money market instruments from various offerings that are issued or guaranteed by an EU Member State or its local authorities, by another OECD Member State, or by public international organisations in which one or more EU Member States are members in which case the General Investment Restrictions shall apply;
- d. the Sub-Fund may invest, as a part of its investment policy, in financial derivative instruments provided that the exposures to the underlying assets issuers do not exceed in aggregate the limits laid down in sections a. and c. above, except when the Sub-Fund invests in index-based financial derivative instruments. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements laid down in this section d.;
- e. the net credit exposure (i.e. the exposure of a Sub-Fund less the collateral received) to a counterparty arising from OTC derivative transactions and efficient portfolio management techniques may not exceed in aggregate 10% of the Net Asset Value of the Sub-Fund;
- f. the global exposure of the Sub-Fund (incorporating all the market risk factors which have more than a negligible influence on the fluctuation of the portfolio's value) calculated using the absolute Value at Risk approach will be limited to 20% of its Net Asset Value, on the basis of a confidential interval of 99% and a holding period of one month;
- g. the leverage of the Sub-Fund defined as being the ratio between the market risk exposure and the Sub-Funds' net assets will be limited to 1000% of the Net Asset Value of the Sub-Fund. The above mentioned leverage is calculated using the commitment method after performing the conversion of the financial derivatives into the equivalent positions in the underlying assets of those derivatives and applying netting arrangements (concluded with the sole aim of eliminating the risks linked to positions taken through the other derivative instruments or security positions) or hedging arrangements (concluded with the sole aim of offsetting risks linked to positions taken through the other derivatives instruments or security positions). The gross leverage of the Sub-Fund calculated according to the above mentioned conversion method but prior to the application of the netting arrangements and hedging arrangements will be limited to 2000%;
- h. the Sub-Fund may borrow up to 100% of its net assets (secured and/or unsecured cash loans agreements);
- i. the Sub-Fund will not invest in loans; and
- j. exposures to commodities can only be implemented through financial derivatives instruments (including financial instruments with embedded derivatives), and/or certificates with no physical delivery.

When the Sub-Fund has acquired units of collective investment undertakings, the assets of the respective collective investment undertakings do not have to be combined for the purposes of the limits laid down above.

If, because of market movements or the exercising of subscription rights or any other circumstances beyond the control of the AIFM (e.g., massive redemption orders), the limits mentioned in this section are exceeded, the AIFM must have as a priority objective in its sale transactions to reduce these positions within the prescribed limits, taking into account the best interests of the Shareholders.

The Sub-Fund may deviate from the limits mentioned under this section for a period of six months following the date of its launch.

### **Total Return Swaps and other securities financing transactions used by the Sub-Fund**

#### **Total Return Swaps**

The Total Return Swaps are expected to be used primarily for exposure purposes. The universe of assets which can be used as underlying to Total Return Swaps includes all assets classes to which the Sub-Fund can gain exposure to pursuant to its investment policy as stated above (including but not limited to equities, bonds, shares or units of other UCITS or UCIs), as well as indices based on such assets.

The proportion of assets under management of the Sub-Fund (expressed in percentage of its Net Asset Value) that may be subject to Total Return Swaps is expected to be around 150% and may increase up to a maximum of 400%.

The Sub-Fund may reserve the right to deviate from the above limits (always to implement, and in accordance with, the investment policy of the Sub-Fund), in which case the expected and maximum proportion of assets under management that may be subject to such transactions would be disclosed in the periodic reports of the Sub-Fund and in the Supplement of the Sub-Fund at the next update of the Private Placement Memorandum.

#### **Securities lending and repurchase/reverse repurchase transactions**

The Sub-Fund for the time being does not intend to use securities lending transactions, nor repurchase/reverse repurchase transactions. Notwithstanding the foregoing, the Sub-Fund may reserve the right to enter into such transactions (always to implement, and in accordance with, the investment policy of the Sub-Fund), in which case the expected and maximum proportion of assets under management that may be subject to such transactions would be disclosed in the periodic reports of the Sub-Fund and in the Supplement of the Sub-Fund at the next update of the Private Placement Memorandum.

## **2. Profile of the Typical Investor**

The Sub-Fund employs an investment strategy which is complex, involves numerous risks, and may employ leverage through the use of derivatives and therefore potentially lead to high levels of volatility in returns. The Sub-Fund is intended only for those investors who understand these strategies and associated risks, are more concerned with maximizing long term returns than minimizing possible short term losses and can bear the risk of losing a substantial part of their investment. An investment in the Sub-Fund is only suitable for investors who have knowledge of, and investment experience in, financial products which use complex derivatives and/or derivative strategies (such as the Sub-Fund) and financial markets generally. Investors must be aware that they may not recover their initial investments and should consider their long-term investment goals and financial needs when making an investment decision about this Sub-Fund.

Prospective investors should consult their financial, tax and legal advisors, as appropriate, in order to determine whether or not the Sub-Fund is a suitable investment for them.

## **3. Sub-Fund Currency**

The Sub-Fund Currency is EURO.

## **4. Valuation Day**

The Net Asset Value of each Class will be calculated weekly as of each Wednesday and subject to the provisions of section 17 "Net Asset Value" of the Private Placement Memorandum, (each a "**Valuation Day**"). If any such day is not a Business Day and/or not an Exchange Business Day, the Valuation Day shall be the following Business Day, which is an Exchange Business Day.

A Business Day means a full day on which banks are normally open for business in Paris and Luxembourg. 24 December shall not be considered as a Business Day.

An Exchange Business Day means a day other than (1) (i) a day observed as a holiday on a stock exchange which (a) is the principal market for a significant proportion of the Sub-Fund's investment or (b) is a market for a significant proportion of the Sub-Fund's investment or (c) is comprised in the Related Exchanges List (as defined below) (the "Stock Exchange") or (ii) a day upon which the Stock Exchange closes before its scheduled closing time or (2) a day that is a holiday elsewhere and impedes the calculation of the fair market value of the investments of the Sub-Fund(s).

Related Exchanges List: CBOT, LIFFE, EUREX, EURONEXT, NYSE, and CME.

In addition, the Central Administration will calculate a Monthly Indicative Net Asset Value of the Sub-Fund as of the last calendar day of each month. If such day is not a Business Day, the Monthly Indicative Net Asset Value of the Sub-Fund will be determined on the previous day which is a Business Day.

Such Monthly Indicative Net Asset Value per Share of each Class is for indicative purposes only and no Shares can be subscribed or redeemed in the Sub-Fund on the basis of such Monthly Indicative Net Asset Value.

The list of the Business Days which are Valuation Days for each semi-annual period will be available at the registered office of the Company.

## **5. Fees and Expenses**

Please refer to the Class of Shares summary below.

In addition to the fees and expenses detailed in the subsections 5.1, 5.2 and 5.3 below, each Class shall bear other expenses such as banking, brokerage and transaction based fees, auditors' fees, legal fees and taxes.

The fees payable to the Central Administration, Depositary Bank and Paying Agent will be paid directly out of the Company's assets and will come in addition to the Management and Performance Fees paid to the AIFM.

A Shareholder who subscribes or redeems Shares through paying agents, may be required to pay fees in connection with the transactions processed by such paying agents in the jurisdictions in which Shares are offered.

### **5.1 Initial Expenses**

The total costs and expenses incurred in respect of the formation of the Sub-Fund and in connection with the offering and initial issue of the below Class will be borne by the Sub-Fund and are estimated at approximately 25 000 EUR. Such costs and expenses shall be amortized over a period not exceeding five years.

### **5.2 Management Fee**

Pursuant to the Alternative Investment Fund Management Agreement, the AIFM will be entitled to receive from the Company a Management Fee equal to the Management Fee Rate not exceeding the percentage amount indicated in the Class of Shares summary below, applied to the Net Asset Value of the relevant Class. The Management Fee will be accrued on each Valuation Day and paid quarterly in arrears.

### **5.3 Performance Fee**

The AIFM will also be entitled to receive from the Sub-Fund a Performance Fee, for each Calculation Period (as defined below), with respect to each Class available, equal to the Performance Fee Rate (not exceeding the percentage amount indicated in respect of the relevant Class under the table below) multiplied by the Net New Appreciation (as defined below) of the relevant Class.

The "Net New Appreciation" means, with respect to each Class, the positive difference between (i) the Net Asset Value of the Class (net of all deductible fees and expenses, including any Management Fee; but for the purpose of calculating the Performance Fee, not reduced by the Performance Fee) and (ii) the relevant High Water Mark (as defined below).

The "High Water Mark" means, with respect to each Class, the net asset value of a notional reference fund (the "Reference NAV") (a) denominated in the same currency and bearing the same expenses (excluding the Performance Fee for the relevant Class), and recording the same subscriptions (expressed in amounts), and redemptions (expressed in a fraction of the outstanding net assets) than the Class and (b) achieving a performance

since the beginning of trading of the relevant Class based on the performance of the Hurdle Rate corresponding to the currency of that relevant Class, as defined below.

The "**Hurdle Rate**" means:

- for classes denominated in EUR: EURO Short-Term Rate ("€STR") + 0.085%, capitalised;
- for classes denominated in USD, US Federal Funds Effective Rate ("US Fed Funds") capitalised;
- for classes denominated in GBP, Sterling Overnight Index Average ("SONIA") capitalised;
- for classes denominated in CAD, Canadian Overnight Repo Rate Average ("CORRA") capitalised;
- for classes denominated in SEK, Stockholm Interbank Offered Rate Tomorrow Next ("STIBOR T/N") capitalised;
- for classes denominated in NOK, Norwegian Overnight Weighted Average rate ("NOWA") capitalised;
- for classes denominated in JPY, Tokyo Overnight Average rate ("TONA") capitalised;
- for classes denominated in HKD, HKD Overnight Index Average ("HONIA") capitalised;
- for classes denominated in CHF, Swiss Average Rate Overnight ("SARON") capitalised;
- for classes denominated in AUD, RBA Interbank Overnight Cash Rate capitalised;
- for classes denominated in SGD: Singapore Overnight Rate Average (SORA) rate capitalised.

If a Hurdle Rate for a currency of a given Class is not listed above, then the appropriate overnight index or domestic interest rate for that currency will be used as Hurdle Rate for that given Class.

At the end of each Calculation Period, for which a Performance Fee in respect of a given Class is paid (or becomes payable) to the AIFM, the net assets level of the Reference Fund in respect of the relevant Class is reset to the level of the Net Asset Value of the relevant Class as at the end of such Calculation Period.

The "Calculation Period" means, in respect of a given Class, (i) the period between the day immediately following the last Business Day of the preceding Calculation Period (inclusive) and the last Business Day of the current Fiscal Year (inclusive), or (ii) for the first Calculation Period (the "Initial Calculation Period"), the period beginning on the date on which the Class commenced trading (inclusive) and ending on the last Business Day of the Fiscal Year during which the relevant Class has been launched (inclusive).

The Performance Fee will be deemed to accrue as at each Valuation Day.

The Performance Fee is normally payable by the Company to the AIFM in arrears at the end of each Calculation Period within fifteen (15) Business Days after the end of such Calculation Period. If the Sub-Fund is terminated before the end of a Calculation Period, the Performance Fee in respect of the Calculation Period will be calculated and paid as if the date of termination was the end of the relevant Calculation Period.

The current methodology for calculating the Performance Fee as set out above involves adjusting the Net Asset Value of each Class of any provision for accrual for the Performance Fee on each Valuation Day during the Calculation Period for the relevant Class.

Shareholders should note that the Sub-Fund does not perform equalization or issue of series of Shares for the purpose of determining the Performance Fee. The use of equalization or issue of series of Shares ensures that the performance fee payable by an investor is directly referable to the specific performance of such individual investor's shareholding in the Sub-Fund. Shareholders may therefore be advantaged or disadvantaged as a result of this method of calculation and the non-performance of any equalization.

Shareholders should further note that, in the case where they have redeemed their Shares before the end of any Calculation Period for a given Class, any accrued but unpaid Performance Fee in respect of their holding during such period will be kept and paid to the AIFM, even if this Performance Fee should not be paid to it at the end of the said period.

## **6. Specific risks warning**

Investors should refer to the section "Risk Factors" of Part A of this Private Placement Memorandum, more specifically section 14.2 "Market Risks" and section 14.3 "Use of Derivatives".

## 7. Classes of Shares summary

Classes	Eligible investors	Minimum initial subscription amount	Management Fee	Performance Fee	Subscription Charge Rate	Redemption Charge Rate
Class I Shares	Institutional Investors	N/A	Up to 1% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 10%	N/A	N/A
Class I1Shares	Institutional Investors	N/A	Up to 1.25% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	None	N/A	N/A
Class M Shares	Any Well-Informed Investors through authorised Distributors**	EUR 150,000 or the equivalent in the currency of the Class concerned	Up to 1% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 10%	Up to 5%	N/A
Class EB Shares	Institutional Investors***	N/A	Up to 0.75% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 10%	N/A	N/A
Class EB1 Shares	Institutional Investors***	N/A	Up to 0.95% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	None	N/A	N/A
Class R Shares	Any Well-Informed Investors	EUR 150,000 or the equivalent in the currency of the Class concerned	Up to 1.60% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 15%	Up to 3%	N/A
Class RE Shares	Any investor being the employee of the Investment Manager and/or any of its affiliates	EUR 125,000	Up to 1% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	None	N/A	N/A

Class AI1 Shares	Authorised Institutional Investors**** *	N/A	Up to 2% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 20%	N/A	N/A
Class AI2 Shares	Authorised Institutional Investors**** *	N/A	Up to 2% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 20%	N/A	N/A
Class AI3 Shares	Authorised Institutional Investors**** *	N/A	Up to 2% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 20%	N/A	N/A
Class AI4 Shares	Any UCI managed by LFIS Capital	N/A	N/A	N/A	N/A	N/A
Class AI5 Shares	Authorised Institutional Investors**** *	N/A	Up to 2% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 20%	N/A	N/A

\* In addition, certain minimum charges may apply.

\*\* These Shares are intended to subscriptions through distributors or financial intermediaries which under relevant legal and/or regulatory requirements, are prohibited from accepting and retaining inducements from third parties or, which under contractual arrangements they have entered into, are not entitled to accept and retain inducements from third parties.

\*\*\* It is expected that no further subscription will be accepted once the assets of the Sub-Fund reach EUR 300 million or such other amount as determined by the AIFM.

\*\*\*\* Means Institutional Investors having been authorised by the Board of Directors and/or the AIFM.

All Share Classes (except Class RE) are available in EUR, USD, GBP, CAD, SEK, NOK, JPY, HKD, CHF, AUD and SGD.

Class RE Shares is available in EUR.

Income and capital gains arising in the Sub-Fund in relation to accumulation Shares (Acc) will be reinvested. The value of the Shares of each accumulation Class will reflect the capitalisation of income and gains.

All Share Classes are available as distribution or accumulation Shares.

Income and capital gains arising in the Sub-Fund in relation to distribution Shares (Dist) will be distributed in part or in total at least annually.

## 8. Subscriptions

Investors may subscribe for Shares in any Class of the Sub-Fund during the Initial Subscription Period relating to the relevant Class, the beginning and duration of which will be determined by the Board of Directors at its sole discretion at an Initial Subscription Price that will also be determined by the Board of Directors at its sole discretion.

Any Initial Subscription Period may be prolonged by a decision of the Board of Directors at its sole discretion.

Thereafter, Shares are available for subscription on each Valuation Day at the applicable Net Asset Value.

Subject to the minimum initial subscription amounts as described under "Classes of Shares" above, subscriptions for Shares may be made in amounts or in number of Shares.

Applications for Shares must be received by the Registrar and Transfer Agent by no later than 12 (noon) (Luxembourg time) on the relevant Valuation Day (the "**Subscription Deadline**") in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that relevant Valuation Day. The issue of Shares is conditional upon receipt of subscription monies within three (3) Business Days after the relevant Valuation Day.

Applications for Shares received by the Registrar and Transfer Agent after the applicable Subscription Deadline will be dealt with on the basis of the Net Asset Value per Share calculated as of the next Valuation Day.

A Subscription Charge not exceeding the Subscription Charge Rate indicated under "Classes of Shares" above may be applied.

## 9. Redemptions

Shares are redeemable at the option of the Shareholders. Redemptions may be made in amounts or in number of Shares.

Completed redemption requests must be received by the Registrar and Transfer Agent no later than 12 (noon) (Luxembourg time) on the relevant Valuation Day (the "**Redemption Deadline**") in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that relevant Valuation Day. Payment of redemption proceeds will normally be made within three (3) Business Days after the relevant Valuation Day.

Redemption requests received by the Registrar and Transfer Agent after the applicable Redemption Deadline will be dealt with on the basis of the Net Asset Value per Share calculated as of the next Valuation Day.

No Redemption Charge may be applied.

## 10. Conversion

Conversions of Shares of any Class of this Sub-Fund into Shares of another Class of this Sub-Fund or into Shares of a Class of another Sub-Fund are permitted in accordance with the conversion procedure as set forth in part A of this Private Placement Memorandum.

Applications for Conversion of Shares must be received by the Registrar and Transfer Agent no later than 12 (noon) (Luxembourg time) on the relevant Valuation Day (the "**Conversion Deadline**") in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that relevant Valuation Day. Conversion requests received by the Registrar and Transfer Agent after the applicable Conversion Deadline will be dealt with on the basis of the Net Asset Value per Share calculated as of the next Valuation Day.

## 11. Dilution Levy

Dilution Levy (as detailed in Part A of this Private Placement Memorandum) may be applied in respect of the Sub-Fund (at the sole discretion of the Board of Directors) where the net subscriptions and redemptions of Shares ("**Net Subscription and Redemption Balance**") in the Sub-Fund (including those resulting from conversion orders) to be executed on the relevant Valuation Day (and expressed as a percentage of the Sub-Fund's Net Asset Value) exceed the prevailing Dilution Threshold as set from time to time by the Board of Directors (such Dilution Threshold may be set to zero).

Where a Dilution Levy is applied, no Subscription Charge and/or Redemption Charge will be applied.

The maximum rate of Dilution Levy is set up to 3% in case of a Net Redemption Balance (resulting in the application of an exit charge payable to the Sub-Fund, in respect of the redemptions of Shares).

## **SUPPLEMENT NUMBER 3: LFIS VISION – Dispersion Opportunities (the "Sub-Fund")**

This Supplement forms part of, and must be read in conjunction with, Part A of this Private Placement Memorandum.

### **1. Investment Objective and Policy**

#### **1.1 Investment objective**

The investment objective of the Sub-Fund is to seek stable returns with a low correlation to traditional markets and a target annualised volatility comprised between 8% and 12%, under normal market conditions (it being understood that the Sub-Fund realised annualised volatility could be higher or lower).

#### **1.2 Investment principles**

To achieve this investment objective, the Sub-Fund will implement a dispersion strategy linked to equity markets.

This strategy will consist in building a long exposure on volatility – both implied and realised – of single stocks versus a short exposure on index (or basket of single stocks) volatility and is therefore a relative volatility value strategy seeking to capture correlation premium (as explained below), while remaining investable.

Correlation exposure comes from the exposure to the volatility of index (resulting from the volatility and correlation of its constituents) and the dispersion strategy is designed typically with the view that if the realised correlation of the constituents of the index is low, the volatility of the index is expected to be low compared to the volatility of the single stocks constituents, creating in such case an opportunity to capture a premium designated as correlation premium.

The dispersion strategy is therefore expected to be short correlation, but can however be long, neutral, or short volatility depending on the implementation.

The above-mentioned correlation premium is resulting mainly from structural investors flows on index and singles stocks volatility markets and the fact that the investors base and objectives greatly differ on those two volatility markets.

The universe of underlyings of the dispersion trades will comprise primarily large capitalisation single stocks and equity indices, from the European and American markets.

The Sub-Fund's portfolio will be allocated to different dispersion strategy trades seeking to deliver a recurrent return through diversification. Such allocation will evolve over time as a function of perceived market opportunities and risks.

If the AIFM deems it necessary for defensive purposes and on a temporary basis, 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 investors, the Sub-Fund may invest up to 100% of its net assets in short-term bonds, money market instruments, deposits, units or shares of money market UCIs or in cash.

#### **1.3 Investment universe**

The Sub-Fund will make investments in accordance with the section "Investment objectives and restrictions" of Part A of this Private Placement Memorandum and will more specifically invest in instruments including without limitation: transferable securities, money market instruments, financial derivative instruments dealt on regulated markets or over the counter, structured securities embedding derivatives, trackers, and units of other collective investment schemes.

The universe of financial derivative instruments used includes (without limitation): derivatives linked to equity volatility (including volatility swaps, variance swaps and options), futures, forwards, forex instruments (including spot based instruments, forwards and swaps) and credit default swaps. The Sub-Fund will, for the time being, not engage in securities lending transactions.

The Sub-Fund has a diversified world focus and can invest in instruments pertaining to global markets.

#### 1.4 Specific Investment Restrictions

The Sub-Fund is allowed to hold short positions and to use leverage. The AIFM may in its discretion decide to invest among the investment universe described in section 1.3 above, in accordance with the General Investment Restrictions of Part A of this Private Placement Memorandum and the following additional specific investment restrictions:

a. the net exposure to a single issuer through investments in transferable securities and/or money market instruments issued by the relevant issuer will not exceed (after taking into consideration, when applicable, the hedging effects of credit default swaps linked to the issuer) 10% of the Net Asset Value of the Sub-Fund (except for investments in transferable securities and money market instruments that are issued or guaranteed by an EU Member State or its local authorities, by a non-EU Member State selected by the Board of Directors, or by public international organisations of which one or more EU Member States are members);

b. the net investments in deposits with the same credit institution will not exceed 20% of the Net Asset Value of the Sub-Fund;

c. the net investments in units of other collective investment undertakings will not exceed 10% of the Net Asset Value of the Sub-Fund;

d. notwithstanding the individual limits laid down in a. and b., the net exposure to issuers belonging to a same group, through investments in transferable securities, money market instruments and/or deposits, may in aggregate not exceed (after taking into consideration, when applicable, the hedging effects of credit default swaps linked to references entities belonging to the group) 20% of the Net Asset Value of the Sub-Fund. Issuers are, in this context, part of the same group when they must be consolidated for the purpose of the establishment of consolidated accounts, as defined in accordance with Directive 2013/34/EU or in accordance with recognized international accounting rule. The net credit exposure (as defined in f. below) arising from OTC derivative transactions and efficient portfolio management techniques, must also be included in the calculation of the 20% limit in this section d.. The restriction laid down above in this section d. does not apply to transferable securities and money market instruments from various offerings that are issued or guaranteed by an EU Member State or its local authorities, by another OECD Member State, or by public international organisations of which one or more EU Member States are members;

e. the Sub-Fund may invest, as a part of its investment policy, in financial derivative instruments provided that the exposures to the underlying assets issuers do not exceed in aggregate the limits laid down in sections a. and d. above, except when the Sub-Fund invests in index-based financial derivative instruments;

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements laid down in this section e.;

f. the net credit exposure (i.e. the exposure of a Sub-Fund less the collateral received) to a counterparty arising from OTC derivative transactions and efficient portfolio management techniques may not exceed in aggregate 15% of the Net Asset Value of the Sub-Fund;

g. the global exposure of the Sub-Fund (incorporating all the market risk factors which have more than a negligible influence on the fluctuation of the portfolio's value) calculated using the absolute value at risk approach will be limited to 20% of its Net Asset Value, on the basis of a confidential interval of 99% and a holding period of one month;

h. the leverage of the Sub-Fund defined as being the ratio between the market risk exposure and the Sub-Funds' net assets will be limited to 1000% of the Net Asset Value of the Sub-Fund. The above mentioned leverage is calculated using the commitment method after performing the conversion of the financial derivatives into the equivalent positions in the underlying assets of those derivatives and applying netting arrangements (concluded with the sole aim of eliminating the risks linked to positions taken through the other derivative instruments or security positions) or hedging arrangements (concluded with the sole aim of offsetting risks linked to positions taken through the other derivatives instruments or security positions). The gross leverage of the Sub-Fund calculated according to the above mentioned conversion method but prior to the application of the netting arrangements and hedging arrangements will be limited to 2000%;

i. the Sub-Fund may borrow up to 100% of its net assets (secured and/or unsecured cash loans); and

j. the Sub-Fund may not grant loans.

When the Sub-Fund has acquired units of collective investment undertakings, the assets of the respective collective investment undertakings do not have to be combined for the purposes of the limits laid down above.

**If, because of market movements or the exercising of subscription rights or any other circumstances beyond the control of the AIFM (e.g., massive redemption orders), the limits mentioned in this section are exceeded, the AIFM must have as a priority objective in its sale transactions to reduce these positions within the prescribed limits, taking into account the best interests of the Shareholders.**

The Sub-Fund may deviate from the limits mentioned under this section for a period of six months following the date of its launch.

## **2. Profile of the Typical Investor**

The Sub-Fund employs an investment strategy which is complex, involves numerous risks, and may employ leverage through the use of, without limitation, financial derivatives as well as any embedded derivatives, cash borrowing and/or reinvestment of collateral received under OTC derivative transactions or efficient portfolio management techniques and therefore potentially lead to high levels of volatility in returns. The Sub-Fund is intended only for those investors who understand these strategies and associated risks, are more concerned with maximising long term returns than minimising possible short term losses and can bear the risk of losing a substantial part of their investment. Investors must be aware that they may not recover their initial investments and should consider their long-term investment goals and financial needs when making an investment decision about this Sub-Fund.

Prospective investors should consult their financial, tax and legal advisors, as appropriate, in order to determine whether or not the Sub-Fund is a suitable investment for them.

## **3. Sub-Fund Currency**

The Sub-Fund Currency is EURO.

## **4. Valuation Day**

The Net Asset Value of each Class shall be calculated monthly, as of the last Business Day of each month which is an Exchange Business Day and subject to the provisions of section 17 "Net Asset Value" of the Private Placement Memorandum (each, a "**Valuation Day**"). If any such day is not a Business Day and/or not an Exchange Business Day, the Valuation Day shall be the following Business Day which is an Exchange Business Day.

In addition, for information purposes only, the Central Administration will calculate a weekly indicative Net Asset Value of the Sub-Fund as of each Wednesday. If such day is not a Business Day, the weekly indicative Net Asset Value of the Sub-Fund will be determined on the following day which is a Business Day.

Such weekly indicative Net Asset Value per Share of each Class will not be tradable for subscription and redemption order purposes.

The Net Asset Values per Share will be available at the registered office of the Company.

## **5. Fees and Expenses**

Please refer to "Classes of Shares" below.

In addition to the fees and expenses detailed in the subsections 5.1, 5.2 and 5.3 below, each Class shall bear other expenses such as banking, brokerage and transactions based fees, auditors' fees, legal fees and taxes.

The fees payable to the Central Administration, Depositary Bank and Paying Agent will be paid directly out of the Company's assets and will come in addition to the Management and Performance Fees paid to the AIFM.

A Shareholder who subscribes, converts or redeems Shares through paying agents, may be required to pay fees in connection with the transactions processed by such paying agents in the jurisdictions in which Shares are offered.

### **5.1 Initial Expenses**

The total costs and expenses incurred in respect of the formation of the Sub-Fund and in connection with the offering and initial issue of the above Classes will be borne by the Sub-Fund and may represent up to EUR 40,000. Such costs and expenses shall be amortized over a period not exceeding five years.

## 5.2 Management Fee

Pursuant to the Alternative Investment Fund Management Agreement, the AIFM will be entitled to receive from the Company a Management Fee equal to the Management Fee Rate not exceeding the percentage amount indicated under "Classes of Shares" below, applied to the Net Asset Value of the relevant Class. The Management Fee will be accrued on each Valuation Day and paid quarterly in arrears.

## 5.3 Performance Fee

Pursuant to the Alternative Investment Fund Management Agreement, the AIFM will also be entitled to receive from the Company a Performance Fee, for each Calculation Period (as defined below), with respect to each Class available, equal to the Performance Fee Rate (not exceeding the percentage amount indicated in respect of the relevant Class, under "Classes of Shares" below) multiplied by the Net New Appreciation (as defined below) of the relevant Class.

**"Net New Appreciation"** means, with respect to each Class, the positive difference between (i) the Net Asset Value of the Class (net of all deductible fees and expenses, including any Management Fee; but for the purpose of calculating the Performance Fee, not reduced by the Performance Fee) and (ii) the relevant High Water Mark (as defined below).

**"High Water Mark"** means, with respect to each Class, the net asset value of a reference fund (the **"Reference NAV"**) (a) denominated in the same currency and bearing the same expenses (excluding the Performance Fee for the relevant Class), and recording the same subscriptions (expressed in amounts), and redemptions (expressed in a fraction of the outstanding net assets) than the Class and (b) achieving a performance since the beginning of trading of the relevant Class based on the performance of the Hurdle Rate corresponding to the currency of that relevant Class as defined below.

**"Hurdle Rate"** means:

- for classes denominated in EUR: EURO Short-Term Rate ("€STR") capitalised;
- for classes denominated in USD: SOFR capitalised;
- for classes denominated in GBP: Sterling Overnight Index Average ("SONIA") capitalised;
- for classes denominated in CAD: Canadian Overnight Repo Rate Average ("CORRA") capitalised;
- for classes denominated in SEK: Stockholm Interbank Offered Rate Tomorrow Next ("STIBOR T/N") capitalised;
- for classes denominated in NOK: Norwegian Overnight Weighted Average rate ("NOWA") capitalised;
- for classes denominated in JPY: Tokyo Overnight Average rate ("TONA") capitalised;
- for classes denominated in HKD: HKD Overnight Index Average ("HONIA") capitalised;
- for classes denominated in CHF: Swiss Average Rate Overnight ("SARON") capitalised;
- for classes denominated in AUD: RBA Interbank Overnight Cash Rate capitalised; and
- for classes denominated in SGD: Singapore Overnight Rate Average ("SORA") rate capitalised.

If a Hurdle Rate for a currency of a given Class is not listed above, then the appropriate overnight index or domestic interest rate for that currency will be used as Hurdle Rate for that given Class.

At the end of each Calculation Period, for which a Performance Fee in respect of a given Class is paid (or becomes payable) to the AIFM, the net assets level of the Reference Fund in respect of the relevant Class is reset to the level of the Net Asset Value of the relevant Class as at the end of such Calculation Period.

**"Calculation Period"** means, in respect of a given Class, (i) the period between the day immediately following the last Business Day of the preceding Calculation Period (inclusive) and the last Business Day of the current Fiscal Year (inclusive), or (ii) for the first Calculation Period (the **"Initial Calculation Period"**), the period beginning on the date on which the Class commenced trading (inclusive) and ending on the last Business Day of the financial year during which the relevant Class has been launched (inclusive).

The Performance Fee will be deemed to accrue as at each Valuation Day.

The Performance Fee is normally payable by the Company to the AIFM in arrears at the end of each Calculation Period within fifteen (15) Business Days after the end of such Calculation Period.

If the Sub-Fund is terminated before the end of a Calculation Period, the Performance Fee in respect of the Calculation Period will be calculated and paid as if the date of termination was the end of the relevant Calculation Period.

The current methodology for calculating the Performance Fee as set out above involves adjusting the Net Asset Value of each Class of any provision for accrual for the Performance Fee on each Valuation Day during the Calculation Period for the relevant Class.

Shareholders should note that the Sub-Fund does not perform equalization or issue of series units for the purpose of determining the Performance Fee. The use of equalization or issue of series units ensures that the performance fee

payable by an investor is directly referable to the specific performance of such individual investor's shareholding in the Sub-Fund. Shareholders may therefore be advantaged or disadvantaged as a result of this method of calculation and the non-performance of any equalization.

Shareholders should further note that, in the case where they have redeemed their Shares before the end of any Calculation Period for a given Class, any accrued but unpaid Performance Fee in respect of their holding during such period will be kept and paid to the AIFM, even if this Performance Fee should not be paid to it at the end of the said period.

## **6. Specifics risks warning**

Investors should refer to the section "Risk Factors" of Part A of this Private Placement Memorandum, more specifically section 14.2 "Market Risks" and section 14.3 "Use of Derivatives".

In addition, the Sub-Fund is exposed to the following specific risk factors which are associated to the strategies being implemented:

### **(i) Risks linked to relative value strategies**

The success of relative value trading is dependent on the ability to exploit relative mispricing among correlated instruments. Although relative value positions are considered to have a lower risk profile than directional trades as the former attempt to exploit price differentials not overall price movements, relative value strategies are by no means without risk. Some relative value strategies may result in high portfolio turnover and, consequently, greater transaction costs. Depending upon the investment strategies employed and market conditions, the Sub-Fund may be adversely affected by unforeseen events involving such matters as changes in interest rates or the credit status of an issuer, forced redemptions of securities or acquisition proposals, break-up of planned mergers, unexpected changes in relative value, short squeezes, regulatory reform or changes in tax treatment. Mispricing, even if correctly identified, may not converge within the time frame within which the Sub-Fund maintains its positions. Even pure "riskless" arbitrage — which is rare — can result in significant losses if the arbitrage cannot be sustained (due, for example, to margin calls) until expiration. A Sub-Fund's relative value strategies are subject to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence or inaccuracy of its or third-party valuation models. Market disruptions may also force the Sub-Fund to close out one or more positions. Such disruptions have in the past resulted in substantial losses for relative value strategies.

### **(ii) Risks linked to the use of derivatives**

The investors should be aware that the Sub-Fund's portfolio may be leveraged by using financial 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.

### **(iii) Risks linked to liquidity**

In some circumstances, some Sub-Fund's OTC investment positions may suffer from a decrease in liquidity making it difficult to acquire or dispose of them at the prices quoted by the counterparties. Accordingly, the Sub-Fund's ability to respond to market movements may be impaired and consequently the Sub-Fund may experience adverse price movements upon liquidation of its investments.

### **(iv) Risks linked to implied correlation**

The models used to price the various dispersion strategies use "implied correlation" as a valuation input. Market perception of what is the right default pattern (highly correlated or lowly correlated) will affect prices of dispersion trades accordingly.

## 7. Classes of Shares summary

Classes*	Eligible investors	Minimum initial subscription amount**	Management Fee	Performance Fee	Subscription Charge Rate	Redemption Charge Rate
Class IF Shares	Other UCI's managed by the AIFM	N/A	Up to 1% p.a.	N/A	N/A	N/A
Class IS Shares	Institutional Investors	N/A	Up to 1% p.a.	Up to 15%	N/A	N/A
Class EB Shares	Institutional Investors***	N/A	Up to 0.75% p.a.	Up to 10%	N/A	N/A
Class EB1 Shares	Institutional Investors***	N/A	Up to 1.25%	N/A	N/A	N/A
Class AI1 Shares	Authorised Professional Investors****	N/A	Up to 2.00% p.a.	Up to 30%	N/A	N/A
Class AI2 Shares	Authorised Professional Investors****	N/A	Up to 2.00% p.a.	Up to 30 %	N/A	N/A
Class AI3 Shares	Authorised Professional Investors****	N/A	Up to 2.00% p.a.	Up to 30 %	N/A	N/A
Class AI4 Shares	Authorised Professional Investors****	N/A	Up to 2.00% p.a.	Up to 30 %	N/A	N/A
Class AI5 Shares	Authorised Professional Investors****	N/A	Up to 2.00% p.a.	Up to 30 %	N/A	N/A
Class AI6 Shares	Authorised Professional Investors****	N/A	Up to 2.00% p.a.	Up to 30 %	N/A	N/A
Class AI7 Shares	Authorised Professional Investors****	N/A	Up to 1.00% p.a.	Up to 15%	N/A	N/A
Class AI8 Shares	Authorised Professional Investors****	N/A	Up to 1.00% p.a.	Up to 15%	N/A	N/A
Class AI9 Shares	Authorised Professional Investors****	N/A	Up to 1.00% p.a.	Up to 15%	N/A	N/A
Class AI10 Shares	Authorised Professional Investors****	N/A	Up to 1.00% p.a.	Up to 15%	N/A	N/A

\* All Classes are available in EUR, USD, GBP, CAD, SEK, NOK, JPY, HKD, CHF, AUD and SGD as distributing or accumulating Shares.

\*\* Or the equivalent in the Class Currency of the Class concerned.

\*\*\* It is expected that no further subscription will be accepted once the assets of the Sub-Fund reach EUR 200 million or such other amount as determined by the AIFM.

\*\*\*\*\* Means Professional Investors having been authorised by the Board of Directors and/or the AIFM.

In order to attempt to protect Shareholders of certain Classes of Shares not denominated in the Sub-Fund Currency from the impact of currency movements, assets of Classes of Shares may be hedged back to the Sub-Fund Currency. The costs and effects of this hedging will be reflected in the Net Asset Value and in the performance of these Classes of Shares. Due to the foregoing, each Class of Shares may differ from each other in their overall performance.

## 8. Subscriptions

Investors may subscribe for Shares in any Class of the Sub-Fund during the Initial Subscription Period relating to the relevant Class, the beginning and duration of which will be determined by the Board of Directors at its sole discretion at an Initial Subscription Price that will also be determined by the Board of Directors at its sole discretion.

Any Initial Subscription Period may be prolonged by a decision of the Board of Directors at its sole discretion.

Thereafter, Shares are available for subscription on each Valuation Day at the applicable Net Asset Value.

Subject to the minimum initial subscription amounts as described under "Classes of Shares" above, subscriptions for Shares may be made in amounts or in number of Shares.

Applications for Shares must be received by the Registrar and Transfer Agent by no later than noon (12) (Luxembourg time) on the second Business Day prior to the relevant Valuation Day (the "**Subscription Deadline**") in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that relevant Valuation Day. The issue of Shares is conditional upon receipt of subscription monies within three (3) Business Days after the relevant Valuation Day.

Applications for Shares received by the Registrar and Transfer Agent after the applicable Subscription Deadline will be dealt with on the basis of the Net Asset Value per Share calculated as of the next Valuation Day.

A Subscription Charge not exceeding the Subscription Charge Rate indicated under "Classes of Shares" above may be applied.

## 9. Redemptions

Shares are redeemable at the option of the Shareholders. Redemptions may be made in amounts or in number of Shares.

Completed redemption requests must be received by the Registrar and Transfer Agent by no later than noon (12) Luxembourg time, on the second Business Day prior to the relevant Valuation Day ("**Redemption Deadline**") in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that relevant Valuation Day. If any such day is not a Business Day, the Redemption Deadline shall be the previous Business Day.

Payment of redemption proceeds will normally be made within three (3) Business Days after the relevant Valuation Day. However, the Board of Directors reserves the right to delay further payment without interest accruing, if market conditions are unfavourable, and it is, in the Board of Directors' reasonable opinion, in the best interest of the remaining Shareholders. However, the delay for the payment of redeemed Shares will not exceed fifteen (15) Business Days after the relevant Valuation Day.

Redemption requests received by the Registrar and Transfer Agent after the applicable Redemption Deadline will be dealt with on the basis of the Net Asset Value per Share calculated as of the next Valuation Day.

A Redemption Charge (paid to the Sub-Fund) not exceeding the Redemption Charge Rate indicated under "Class of Shares" above may be applied.

## 10. Conversion

Conversions of Shares of any Class of this Sub-Fund into Shares of another Class of this Sub-Fund or into Shares of a Class of another Sub-Fund are permitted in accordance with the conversion procedure as set forth in part A of this Private Placement Memorandum.

Applications for Conversion of Shares must be received by the Registrar and Transfer Agent no later than noon (12) (Luxembourg time) on the relevant Valuation Day (the "**Conversion Deadline**") in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that relevant Valuation Day. Conversion requests received by the Registrar and Transfer Agent after the applicable Conversion Deadline will be dealt with on the basis of the Net Asset Value per Share calculated as of the next Valuation Day.

## 11. Dilution Levy

Dilution Levy (as detailed in Part A of this Private Placement Memorandum) may be applied in respect of the Sub-Fund (at the sole discretion of the Board of Directors) where the net subscriptions and redemptions of Shares ("**Net Subscription and Redemption Balance**") in the Sub-Fund (including those resulting from conversion orders) to be executed on the relevant Valuation Day (and expressed as a percentage of the Sub-Fund's Net Asset Value) exceed the prevailing Dilution Threshold as set from time to time by the Board of Directors (such Dilution Threshold may be set to zero).

Where a Dilution Levy is applied, no Subscription Charge and/or Redemption Charge will be applied.

The maximum rate of Dilution Levy is set up to 3% in case of a Net Redemption Balance (resulting in the application of an exit charge payable to the Sub-Fund, in respect of the redemptions of Shares).

No Dilution Levy will be applied in respect of redemption of Shares' requests (including those resulting from conversion orders) where the relating requests are received no later than 2:00 pm Luxembourg time on the ninetieth (90th) calendar day prior to the relevant Valuation Day (and those orders will be excluded from the calculation of the Net Subscription and Redemption Balance).

## SUPPLEMENT NUMBER 4: LFIS VISION – Systematic Opportunities (the "Sub-Fund")

This Supplement forms part of, and must be read in conjunction with, Part A of this Private Placement Memorandum.

### 1. Investment Objective and Policy

The investment objective of the Sub-Fund is to generate over the medium term, absolute returns with a low correlation to traditional markets and a target volatility around 10%, under normal market conditions (it being understood that the realized annualized volatility could be higher or lower).

To achieve this investment objective, the Sub-Fund will implement several quantitative and systematic strategies including, but not limited to:

- trends following strategies: meaning strategies are constructed with the assumption that asset prices tend to move upwards or downwards over time and try to take advantage of these "market trends" by observing current trends and deciding whether to buy or sell assets based on these factors;
- mean reversion strategies: meaning strategies are constructed with the assumption that the asset prices fluctuate randomly around a stable trend and therefore, values deviating far from the trend will tend to reverse direction and revert back to the trend. They are implemented, as a general rule, through relative value positions which involve shorting overvalued assets and buying undervalued assets;
- fundamental strategies: meaning strategies are taking opportunities based on discrepancies between the book values of the assets (values resulting from their fundamental data) and their market prices.

The implementation of the above-mentioned quantitative strategies will involve the use of algorithmic and automated trading techniques applied to very liquid assets (including securities and listed derivative instruments).

Such trading techniques are implemented on the basis of predefined rules and rely typically on different automated modules to operate on a systematic and automated manner:

- the generation of target investment orders using proprietary algorithms developed by the Investment Manager and implementing the relating quantitative investment strategies; and
- the conversion of the target investment orders into buy and/or sell orders using predefined formats and the rooting of such orders for execution to the executing brokers and/or OTC counterparties.

These trading techniques (although involving a relatively high frequency trading) do not involve the trading of more than one order per second and will therefore not qualify as high frequency trading as defined under the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended.

The holding time horizon of the different positions in the Sub-Fund may variate from a few hours to a few days.

The list of markets to which the Sub-Fund may gain direct or indirect delta exposure (long or short), within a controlled risk framework, includes (without limitation): developed equity markets, commodity markets, interest rates and foreign exchange markets (the "**Target Markets**").

The investment policy will be implemented, across a diversified universe of underlying assets (diversification across assets classes and geographical zones) from the Target Markets. The investment strategy of the Sub-fund will be focusing initially on the Europeans and US equity markets and is expected to be extended globally afterwards.

Underlyings include (without limitation): equity indices and stocks (such as main equity indices reflecting largest companies in terms of free-float market cap in Eurozone countries, United States of America and Asia), bond futures (such as German Bund futures, Treasury futures), interest rates swaps, Forex futures, commodities futures.

The exposure to the selected underlying within each of the Target Markets, will be implemented through the use of financial derivatives instruments (mainly exchange traded futures) and/or ETF's (subject to the limit of 10% of the Sub-Fund's net assets stated in the following section below), Equities and CFDs, remaining always within the limits of the "Investment Restrictions" of the general part of the Private Placement Memorandum.

In addition to financial derivatives contracts, the Sub-Fund may invest all or part of its available cash (not required for the implementation of the market exposures above) in short-term bonds, money market instruments, deposits, units or shares of money market UCIs, and other financial instruments intended for cash management (including Total Return Swaps and instruments of efficient portfolio management techniques).

## 2. Specific Investment Restrictions

The Sub-Fund is allowed to hold short positions and to use leverage.

The AIFM may in its discretion decide to invest among the investment universe described above, in accordance with the General Investment Restrictions of Part A of this Private Placement Memorandum and the following additional specific investment restrictions:

- a. the net exposure to a single issuer through investments in transferable securities and/or money market instruments issued by the relevant issuer will not exceed 10% of the Net Asset Value of the Sub-Fund (except for investments in transferable securities and money market instruments that are issued or guaranteed by an EU Member State or its local authorities, by a non-EU Member State selected by the Board of Directors, or by public international organisations of which one or more EU Member States are members in which case the General Investment Restrictions shall apply);
- b. the net investments in deposits with the same credit institution will not exceed 20% of the Net Asset Value of the Sub-Fund;
- c. the net investments in units of other collective investment undertakings will not exceed 10% of the Net Asset Value of the Sub-Fund;
- d. notwithstanding the individual limits laid down in a. and b., the net exposure to issuers belonging to a same group, through investments in transferable securities, money market instruments and/or deposits, may in aggregate not exceed 20% of the Net Asset Value of the Sub-Fund. Issuers are, in this context, part of the same group when they must be consolidated for the purpose of the establishment of consolidated accounts, as defined in accordance with Directive 2013/34/EU or in accordance with recognized international accounting rule. The net credit exposure (as defined in f. below) arising from OTC derivative transactions and efficient portfolio management techniques, must also be included in the calculation of the 20% limit of this section d.. The restrictions laid down in this section d. do not apply to transferable securities and money market instruments from various offerings that are issued or guaranteed by an EU Member State or its local authorities, by another OECD Member State, or by public international organisations in which one or more EU Member States are members in which case the General Investment Restrictions shall apply;
- e. the Sub-Fund may invest, as a part of its investment policy, in financial derivative instruments provided that the exposures to the underlying assets issuers do not exceed in aggregate the limits laid down in sections a. and c. above, except when the Sub-Fund invests in index-based financial derivative instruments. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements laid down in this section e.;
- f. the net credit exposure (i.e. the exposure of a Sub-Fund less the collateral received, and taking into account the credit risk mitigation effect of any credit protection purchased by the Sub-Fund) to a counterparty arising from OTC derivative transactions and efficient portfolio management techniques may not exceed in aggregate (i) 10% of the Net Asset Value of the Sub-Fund, or (ii) 20% of the Net Asset Value of the Sub-Fund with respect to a counterparty belonging to an environment of large leading banks (as determined by the AIFM);
- g. the global exposure of the Sub-Fund (incorporating all the market risk factors which have more than a negligible influence on the fluctuation of the portfolio's value) calculated using the absolute Value at Risk approach will be limited to 20% of its Net Asset Value, on the basis of a confidential interval of 99% and a holding period of one month;
- h. the leverage of the Sub-Fund defined as being the ratio between the market risk exposure and the Sub-Funds' net assets will be limited to 1500% of the Net Asset Value of the Sub-Fund. The average intraday leverage is expected to be around 700% of the Net Asset Value of the Sub-Fund and the average end of day leverage is expected to be around 300% of the Net Asset Value of the Sub-Fund. The above mentioned leverage is calculated using the commitment method after performing the conversion of the financial derivatives into the equivalent positions in the underlying assets of those derivatives and applying netting arrangements (concluded with the sole aim of eliminating the risks linked to positions taken through the other derivative instruments or security positions) or hedging arrangements (concluded with the sole aim of offsetting risks linked to positions taken through the other derivatives instruments or security positions). The gross leverage of the Sub-Fund, calculated according to the abovementioned conversion method but prior to the application of the netting arrangements and hedging arrangements, will be limited to 2000% of the Net Asset Value of the Sub-Fund. The average intraday gross leverage is expected to be around 700%

of the Net Asset Value of the Sub-Fund and the average end of day gross leverage is expected to be around 300% of the Net Asset Value of the Sub-Fund; and

- i. the Sub-Fund may borrow up to 100% of its net assets (secured and/or unsecured cash loans agreements);
- j. the Sub-Fund will not invest in loans;
- k. exposures to commodities can only be implemented through financial derivatives instruments (including financial instruments with embedded derivatives), and/or certificates with no physical delivery.

When the Sub-Fund has acquired units of collective investment undertakings, the assets of the respective collective investment undertakings do not have to be combined for the purposes of the limits laid down above.

**If, because of market movements or the exercising of subscription rights or any other circumstances beyond the control of the AIFM (e.g., massive redemption orders), the limits mentioned in this section are exceeded, the AIFM must have as a priority objective in its sale transactions to reduce these positions within the prescribed limits, taking into account the best interests of the Shareholders.**

The Sub-Fund may deviate from the limits mentioned under this section for a period of six months following the date of its launch.

### **Total Return Swaps and other securities financing transactions used by the Sub-Fund**

#### ***a) Total Return Swaps***

The Total Return Swaps are expected to be used primarily for exposure purposes. The universe of assets which can be used as underlying to Total Return Swaps includes all assets classes to which the Sub-Fund can gain exposure to pursuant to its investment policy as stated above (including but not limited to equities, bonds, shares or units of other UCITS or UCIs), as well as indices based on such assets.

The proportion of assets under management of the Sub-Fund (expressed in percentage of its Net Asset Value) that may be subject to Total Return Swaps is expected to be around 100% and may increase up to a maximum of 200%.

The Sub-Fund may reserve the right to deviate from the above limits (always to implement, and in accordance with, the investment policy of the Sub-Fund), in which case the expected and maximum proportion of assets under management that may be subject to such transactions would be disclosed in the periodic reports of the Sub-Fund and in the Supplement of the Sub-Fund at the next update of the Private Placement Memorandum.

### **Securities lending and repurchase/reverse repurchase transactions**

The Sub-Fund for the time being does not intend to use securities lending transactions, nor repurchase/reverse repurchase transactions. Notwithstanding the foregoing, the Sub-Fund may reserve the right to enter into such transactions (always to implement, and in accordance with, the investment policy of the Sub-Fund), in which case the expected and maximum proportion of assets under management that may be subject to such transactions would be disclosed in the periodic reports of the Sub-Fund and in the Supplement of the Sub-Fund at the next update of the Private Placement Memorandum.

Please also refer to the section "Financial Derivative Instruments" and "Use of Techniques and Instruments relating to Transferable Securities and Money Market Instruments" of the main part of the Private Placement Memorandum.

### **3. Profile of the Typical Investor**

The Sub-Fund employs an investment strategy which is complex, involves numerous risks, and may employ leverage through the use of, without limitation, financial derivatives as well as any embedded derivatives, cash borrowing and/or reinvestment of collateral received under OTC derivative transactions or efficient portfolio management techniques and therefore potentially lead to high levels of volatility in returns. The Sub-Fund is intended only for those investors who understand these strategies and associated risks, are more concerned with maximising long term returns than minimising possible short-term losses and can bear the risk of losing a substantial part of their investment. Investors must be aware that they may not recover their initial investments and should consider their long-term investment goals and financial needs when making an investment decision about this Sub-Fund.

Prospective investors should consult their financial, tax and legal advisors, as appropriate, in order to determine whether or not the Sub-Fund is a suitable investment for them.

#### 4. Sub-Fund Currency

The Sub-Fund Currency is EURO.

#### 5. Valuation Day

The Net Asset Value of each Class shall be calculated daily, as of each Business Day which is an Exchange Business Day and subject to the provisions of section 17 "Net Asset Value" of the Private Placement Memorandum (each a "**Valuation Day**").

If any such day is not a Business Day and/or not an Exchange Business Day, the Valuation Day shall be the following Business Day which is an Exchange Business Day.

**"Exchange Business Day"**: notwithstanding the definition hereof in Part A, 1. of the Private Placement Memorandum, means a day other than (1) (i) a day observed as a holiday on a stock exchange which (a) is the principal market for a significant proportion of the Sub-Fund's investment or (b) is a market for a significant proportion of the Sub-Fund's investment or (c) is comprised in the Related Exchanges List (as defined below) (the "Stock Exchange") or (ii) a day upon which the Stock Exchange closes before its scheduled closing time or (2) a day that is a holiday elsewhere and impedes the calculation of the fair market value of the investments of the Sub-Fund.

Related Exchanges List: CBOT, LIFFE, EUREX, EURONEXT, NYSE, and CME.

The Net Asset Values per Share will be available at the registered office of the Company.

#### 6. Fees and Expenses

Please refer to "Classes of Shares" below.

In addition to the fees and expenses detailed in the subsections 5.1, 5.2 and 5.3 below, each Class shall bear other expenses such as banking, brokerage and transaction based fees, auditors' fees, legal fees and taxes.

The fees payable to the Central Administration, Depository Bank and Paying Agent will be paid directly out of the Company's assets and will come in addition to the Management and Performance Fees paid to the AIFM.

A Shareholder who subscribes, converts or redeems Shares through paying agents, may be required to pay fees in connection with the transactions processed by such paying agents in the jurisdictions in which Shares are offered.

##### 6.1. Initial Expenses

The total costs and expenses incurred in respect of the formation of the Sub-Fund and in connection with the offering and initial issue of the above Classes will be borne by the Sub-Fund and are estimated at approximately EUR 40,000. Such costs and expenses shall be amortized over a period not exceeding five years.

##### 6.2. Management Fee

Pursuant to the Alternative Investment Fund Management Agreement, the AIFM will be entitled to receive from the Company a Management Fee equal to the Management Fee Rate not exceeding the percentage amount indicated under "Classes of Shares" below, applied to the Net Asset Value of the relevant Class. The Management Fee will be accrued on each Valuation Day and paid quarterly in arrears.

##### 6.3. Performance Fee

Pursuant to the Alternative Investment Fund Management Agreement, the AIFM will also be entitled to receive from the Company a Performance Fee, for each Calculation Period (as defined below), with respect to each Class available, equal to the Performance Fee Rate (not exceeding the percentage amount indicated in respect of the relevant Class, under "Classes of Shares" below) multiplied by the Net New Appreciation (as defined below) of the relevant Class.

**"Net New Appreciation"** means, with respect to each Class, the positive difference between (i) the Net Asset Value of the Class (net of all deductible fees and expenses, including any Management Fee; but for the purpose of calculating the Performance Fee, not reduced by the Performance Fee) and (ii) the relevant High Water Mark (as defined below).

**"High Water Mark"** means, with respect to each Class, the net asset value of a reference fund (the "**Reference NAV**") (a) denominated in the same currency and bearing the same expenses (excluding the Performance Fee for

the relevant Class), and recording the same subscriptions (expressed in amounts), and redemptions (expressed in a fraction of the outstanding net assets) than the Class and (b) achieving a performance since the beginning of trading of the relevant Class based on the performance of the Hurdle Rate corresponding to the currency of that relevant Class as defined below.

"**Hurdle Rate**" means:

- for classes denominated in EUR: EURO Short-Term Rate ("€STR"), capitalised;
- for classes denominated in USD, US Federal Funds Effective Rate ("US Fed Funds") capitalised;
- for classes denominated in GBP, Sterling Overnight Index Average ("SONIA") capitalised;
- for classes denominated in CAD, Canadian Overnight Repo Rate Average ("CORRA") capitalised;
- for classes denominated in SEK, Stockholm Interbank Offered Rate Tomorrow Next ("STIBOR T/N") capitalised;
- for classes denominated in NOK, Norwegian Overnight Weighted Average rate ("NOWA") capitalised;
- for classes denominated in JPY, Tokyo Overnight Average rate ("TONA") capitalised;
- for classes denominated in HKD, HKD Overnight Index Average("HONIA") capitalised;
- for classes denominated in CHF, Swiss Average Rate Overnight ("SARON") capitalised;
- for classes denominated in AUD, RBA Interbank Overnight Cash Rate capitalised; and
- for classes denominated in SGD: Singapore Overnight Rate Average (SORA) rate capitalized.

If a Hurdle Rate for a currency of a given Class is not listed above, then the appropriate overnight index or domestic interest rate for that currency will be used as Hurdle Rate for that given Class.

At the end of each Calculation Period, for which a Performance Fee in respect of a given Class is paid (or becomes payable) to the AIFM, the net assets level of the Reference Fund in respect of the relevant Class is reset to the level of the Net Asset Value of the relevant Class as at the end of such Calculation Period.

"**Calculation Period**" means, in respect of a given Class, (i) the period between the day immediately following the last Business Day of the preceding Calculation Period (inclusive) and the last Business Day of the current Fiscal Year (inclusive), or (ii) for the first Calculation Period (the "**Initial Calculation Period**"), the period beginning on the date on which the Class commenced trading (inclusive) and ending on the last Business Day of the financial year during which the relevant Class has been launched (inclusive).

The Performance Fee will be deemed to accrue as at each Valuation Day.

The Performance Fee is normally payable by the Company to the AIFM in arrears at the end of each Calculation Period within fifteen (15) Business Days after the end of such Calculation Period. If the Sub-Fund is terminated before the end of a Calculation Period, the Performance Fee in respect of the Calculation Period will be calculated and paid as if the date of termination was the end of the relevant Calculation Period.

The current methodology for calculating the Performance Fee as set out above involves adjusting the Net Asset Value of each Class of any provision for accrual for the Performance Fee on each Valuation Day during the Calculation Period for the relevant Class.

Shareholders should note that the Sub-Fund does not perform equalization or issue of series units for the purpose of determining the Performance Fee. The use of equalization or issue of series units ensures that the performance fee payable by an investor is directly referable to the specific performance of such individual investor's shareholding in the Sub-Fund. Shareholders may therefore be advantaged or disadvantaged as a result of this method of calculation and the non-performance of any equalization.

Shareholders should further note that, in the case where they have redeemed their Shares before the end of any Calculation Period for a given Class, any accrued but unpaid Performance Fee in respect of their holding during such period will be kept and paid to the AIFM, even if this Performance Fee should not be paid to it at the end of the said period.

#### **6.4. Specific Fees and expense**

The following fees and expenses resulting from the automated implementation and execution of the investment orders (under the trading strategies designed by the AIFM and implemented by the Sub-Fund), may be charged to the Sub-Fund, in addition to the other fees and expenses listed under the main part of the Private Placement Memorandum:

- (i) the fees and costs relating to the software module implementing and running the algorithms of the quantitative strategies for the purpose of generating the target investment orders. The software selected to be used as from the launch of the Sub-Fund is provided by Systemathics, a French firm specialized in providing software for algorithmic trading intended notably to assets managers and hedge funds (other software providers could be considered in the future);

- (ii) the fees and costs relating to the use of orders and execution management system ("OEMS") which receives the target investment orders generated under the prior mentioned module and transmits them to the executing brokers and/or counterparties. This platform allows the routing of investment orders to the market participants and the receipt of orders messages from those market participants through the same exchange formats. The OEMS selected to be used as from the launch of the Sub-Fund is provided by Trading Screen firm. This OEMS includes also a module allowing an automated control of the limits applicable to the investment orders prior to their transmission to the market participants (other providers of such electronic routing platform could be considered in the future);
- (iii) the fees and costs relating to the vendors of the data used under the modules used for the automated implementation of the trading strategies, and any connections or systems required for the timely receipt of such market data (such as fiber optic cables);
- (iv) the fees payable to market exchanges and corresponding to the "Non-Display" use fees (which apply when a market data feed recipient uses data in an electronic trading system (=whether the system trades on the data feed recipient's own behalf or on behalf of its customers)).

**7. Specifics risks warning**

Investors should refer to the section "Risk Factors" of Part A of this Private Placement Memorandum, more specifically section 14.2 "Market Risks" and section 14.3 "Use of Derivatives".

**8. Classes of Shares summary**

<b>Classes</b>	<b>Eligible investors</b>	<b>Minimum initial subscription amount and minimum holding amount</b>	<b>Management Fee</b>	<b>Performance Fee</b>	<b>Subscription Charge</b>
Class I Shares	Institutional Investors	N/A	Up to 1% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 20%	N/A
Class I1 Shares	Institutional Investors	N/A	Up to 1.25% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	None	N/A
Class IF Shares	Other UCITS or UCIs managed by the Investment Manager	N/A	Up to 1.25% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 20%	N/A

Class EB Shares	Institutional Investors**	N/A	Up to 0.75% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 15%	N/A
Class EB1 Shares	Institutional Investors**	N/A	Up to 0.95% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	None	N/A
Class AIS Shares	Authorised Professional Investors***	EUR 15,000,000	Up to 0.50% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 20%	N/A
Class AI1 Shares	Authorised Professional Investors***	N/A	Up to 2% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 20%	N/A
Class AI2 Shares	Authorised Professional Investors***	N/A	Up to 2% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 20%	N/A
Class AI3 Shares	Authorised Professional Investors***	N/A	Up to 2% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 20%	N/A
Class AI4 Shares	Authorised Professional Investors***	N/A	Up to 2% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 20%	N/A

Class AI5 Shares	Authorised Professional Investors***	N/A	Up to 2% p.a. of the average net asset value of the Sub-Fund (excluding any taxes)*	Up to 20%	N/A
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\* In addition, certain minimum charges may apply.

\*\* It is expected that no further subscription will be accepted once the assets of the Sub-Fund reach EUR 300 million or such other amount as determined by the Investment Manager.

\*\*\* Means Professional Investors having been authorised by the Board of Directors and/or the AIFM.

All Share Classes (except Class AIS) are available in EUR, USD, GBP, CAD, SEK, NOK, JPY, HKD, AUD and CHF.

Class AIS Shares are available in EUR.

All Share Classes are available as distribution or accumulation shares.

For Classes denominated in a currency other than reference currency of the Sub-Fund, the intention is to hedge the value of the net assets against the reference currency of the Sub-Fund or the currency exposure of assets denominated in another currency than the currency of the hedged Class of the Sub-Fund against the currency of the hedged Class.

Investors should be aware that any currency hedging process may not give a complete hedge. Furthermore, there is no guarantee that the hedging will be totally successful. Investors in such hedged Classes should consult section "Risk Factors" in relation to risks associated with hedging.

## 9. Subscriptions

Investors may subscribe for Shares in any Class of the Sub-Fund during the Initial Subscription Period relating to the relevant Class, the beginning and duration of which will be determined by the Board of Directors at its sole discretion at an Initial Subscription Price that will also be determined by the Board of Directors at its sole discretion.

Any Initial Subscription Period may be prolonged by a decision of the Board of Directors at its sole discretion.

Thereafter, Shares are available for subscription on each Valuation Day at the applicable Net Asset Value.

Subject to the minimum initial subscription amounts as described under "Classes of Shares" above, subscriptions for Shares may be made in amounts or in number of Shares.

Applications for Shares must be received by the Registrar and Transfer Agent by no later than 12 noon (Luxembourg time) on the relevant Valuation Day (the "**Subscription Deadline**") in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that relevant Valuation Day. The issue of Shares is conditional upon receipt of subscription monies within three (3) Business Days after the relevant Valuation Day.

Applications for Shares received by the Registrar and Transfer Agent after the applicable Subscription Deadline will be dealt with on the basis of the Net Asset Value per Share calculated as of the next Valuation Day.

A Subscription Charge not exceeding the Subscription Charge Rate indicated under "Classes of Shares" above may be applied.

## 10. Redemptions

Shares are redeemable at the option of the Shareholders. Redemptions may be made in amounts or in number of Shares.

Completed redemption requests must be received by the Registrar and Transfer Agent no later than 12 noon (Luxembourg time) on the relevant Valuation Day (the "**Redemption Deadline**") in order to be dealt with on the

basis of the Net Asset Value per Share calculated as of that relevant Valuation Day. Payment of redemption proceeds will normally be made within three (3) Business Days after the relevant Valuation Day.

Redemption requests received by the Registrar and Transfer Agent after the applicable Redemption Deadline will be dealt with on the basis of the Net Asset Value per Share calculated as of the next Valuation Day.

No Redemption Charge may be applied.

#### **11. Conversion**

Conversions of Shares of any Class of this Sub-Fund into Shares of another Class of this Sub-Fund or into Shares of a Class of another Sub-Fund are permitted in accordance with the conversion procedure as set forth in part A of this Private Placement Memorandum.

Applications for Conversion of Shares must be received by the Registrar and Transfer Agent no later than 12 noon (Luxembourg time) on the relevant Valuation Day (the "**Conversion Deadline**") in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that relevant Valuation Day. Conversion requests received by the Registrar and Transfer Agent after the applicable Conversion Deadline will be dealt with on the basis of the Net Asset Value per Share calculated as of the next Valuation Day.

## **PART C: ADDITIONAL INFORMATION FOR INVESTORS**

This Part provides additional information for investors in the following jurisdictions:

- United States;
- Australia;
- Canada;
- Japan;
- United Arab Emirates; and
- Hong-Kong.

Please note that registrations are subject to change, please contact the AIFM for up-to-date information.

## UNITED STATES

The Shares have not been registered under the United States Securities Act of 1933 (the "**1933 Act**"), and the Company has not been registered under the United States Investment Company Act of 1940 (the "**1940 Act**"). The Shares may only be offered, sold, transferred or delivered, directly or indirectly, in the United States, its territories or possessions or to US Persons or ERISA Plans in reliance on certain exemptions from the registration requirements of the 1933 Act and the 1940 Act, and certain operational exemptions under the United States Commodity Exchange Act (the "**CEA**"). The Company may compulsorily redeem Shares held by a US Person or an ERISA Plan or refuse to register any transfer to a US Person or an ERISA Plan as it deems appropriate to ensure compliance with the 1933 Act, the 1940 Act, the CEA and the ERISA or any other applicable United States legislation. US Persons subscribing Shares of the Company may be asked to complete a specific Subscription Agreement or Form.

## AUSTRALIA

No offer of the Shares is being made into Australia other than to investors who are both: (i) "wholesale clients" as defined in section 761G of the Corporations Act (Cth) 2001; and (ii) "Sophisticated investors" as defined in section 708(8) of the Corporations Act (Cth) 2001 or "Professional investors" as defined in section 708(11) of the Corporations Act (Cth) 2001. This Private Placement Memorandum has not been, and will not be, lodged with the Australian Securities and Investments Commission as a disclosure document for the purposes of the Corporations Act (Cth) 2001. Any Shares issued upon acceptance of the offering may not be offered for sale (or transferred, assigned or otherwise alienated) to investors in Australia for at least twelve (12) months after their issue, except in circumstances where disclosure to investors is not required under Chapter 6D of the Corporations Act (Cth) 2001 or unless a disclosure document that complies with the Corporations Act (Cth) 2001 is lodged with the Australian Securities and Investments Commission. Investors are advised that the Company is not licensed in Australia to provide financial product advice in relation to the Shares. No cooling-off regime will apply in respect of the acquisition of Shares.

## CANADA

The Shares may not be offered or sold, and this Private Placement Memorandum may not be delivered, in Canada or to a resident of Canada unless and until this Private Placement Memorandum is accompanied by an appropriate Canadian wrapper. In addition, the Shares may only be offered or sold to qualified investors in Canada, in accordance with the requirements of the securities regulations of the investor's place of residence or domicile.

## JAPAN

The Shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "**FIEL**"). Each Sub-Fund will not offer or sell any Shares in Japan except as a private placement to Qualified Institutional Investors (as defined in article 2, paragraph 3, item 1 of the FIEL and article 10, paragraph 1 of the Cabinet Ordinance concerning Definitions under Article 2 of the FIEL) ("**QII**" or "**QIIS**") pursuant to the exemption available under article 2, paragraph 3, item 2 (a) of the FIEL and a private placement to a small number of investors pursuant to the exemption available under article 2, paragraph 3, item 2 (c) of the FIEL after filing a registration statement concerning a foreign investment company with the Commissioner of the Financial Services Agency of Japan under the Law Concerning Investment Trust and Investment Company (Law No.198 of 1951, as amended).

The Shares may be offered in Japan to QIIs, if the offering is made on a condition that the offeree QII covenants to execute a transfer agreement with the condition that the offeree QII does not transfer the Shares to anybody other than QIIs. The QIIs to whom the Shares are offered on the above condition will not be included for the purpose of counting the number of forty-nine (49) solicitees in the context of a private placement to a small number of investors.

In addition, the Shares are distributed in Japan by way of a private placement to a small number of investors pursuant to article 2, paragraph 3, item 2 (c) of the FIEL. The Shares may be offered in Japan only in a private placement to not more than forty-nine (49) investors within any six-month period together with the number of investors solicited to purchase the securities similar to the Shares if such similar securities were issued during such six-month period.

## SINGAPORE

**INVESTORS SHOULD NOTE THAT SUB-FUNDS REFERRED TO IN THIS MEMORANDUM ARE NOT AVAILABLE TO SINGAPORE INVESTORS.**

### *The Offer of Shares*

The Company is registered as an investment company with variable capital ("société d'investissement à capital variable") under Part II of the 2007 Law as amended and the 1915 Law. The offer of the Shares is regulated by the *Commission de Surveillance du Secteur Financier* (the "CSSF"). The contact details of the CSSF are as follows:

Address: 283, route d'Arlon  
L-1150 Luxembourg  
Phone: +352 26 25 1 - 1  
Fax: +352 26 25 1 - 2601

### *Management Company and Investment Manager*

LFIS Capital is regulated in France by the *Autorité des Marchés Financiers* ("**AMF**") as a management company as from 12 February 2013 under number GP 13000004 and as an alternative investment fund manager as from 29 April 2014. The contact details of the AMF are as follows:

Address: 17, place de la Bourse  
75082 Paris Cedex 02  
Phone: +33 1 5345 6200

### *The Depository*

BNP Paribas, Luxembourg Branch is licensed to carry out banking activities under the terms of the Luxembourg act of 5 April 1993 on the financial sector, as amended, and is specialised in custody, fund administration and related services. It is supervised by the CSSF. The contact details of the CSSF are set out above.

## **UNITED ARAB EMIRATES**

This Private Placement Memorandum relates to the offer of Shares on a private placement referred to in Article 2 of Board Resolution No. 9/R.M of 2016 by the Chairman of the Board of the Emirates Securities & Commodities Authority ("**ESCA**"), (the "Mutual Fund Regulations"). It is intended for distribution only to persons of the type specified in that paragraph. It must not be delivered to, or relied on by, any other person. By receiving this Private Placement Memorandum you understand, acknowledge, agree and confirm that you are a person of the type specified in Article 2 of the Mutual Fund Regulations. Neither this Private Placement Memorandum or any other documents in connection with this offer, nor the offer of Shares contained in it have been reviewed, verified, approved or otherwise authorised in any way by ESCA or any other governmental authority in the United Arab Emirates, nor has the Company received any form of approval, registration, licensing or any other form of authorisation from ESCA or any other governmental authority in the United Arab Emirates to promote or sell the Shares within the United Arab Emirates.

No marketing or other form of promotion of any financial products or services has been or will be made from within the United Arab Emirates, other than in compliance with the laws of the United Arab Emirates. No subscription to any Shares or other investments may or will be consummated within the United Arab Emirates. It should not be assumed that the placement agent, if any, is a licensed broker, dealer or investment advisor under the laws applicable in the United Arab Emirates, or that it advises individuals resident in the United Arab Emirates as to the appropriateness of investing in or purchasing or selling Shares or other financial products. The Shares may not be offered or sold directly or indirectly to the public in the United Arab Emirates. This does not constitute a public offer of Shares in mutual funds in the United Arab Emirates in accordance with the Mutual Fund Regulations or otherwise.

## **HONG KONG**

The contents of this Private Placement Memorandum have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Private Placement Memorandum you should obtain independent professional advice. Shares may not be offered or sold in Hong Kong by means of this Private Placement Memorandum or any other document other than in circumstances which do not constitute an offer to the public for the purposes of the Hong Kong Securities and Futures Ordinance or any other applicable legislation in Hong Kong. This Private Placement Memorandum is distributed on a confidential basis and may not be reproduced in any form or transmitted to any person other than the person to whom it has been sent. No interest in the Company will be issued to any person other than the person to whom this Private Placement Memorandum has been sent.