LUXEMBOURG SELECTION FUND

Société d'investissement à capital variable

2C, rue Albert Borschette, L-1246 Luxembourg

SALES PROSPECTUS

[…] 2020

Distribution of this sales prospectus is not authorised unless it is accompanied by a copy of the latest available annual report of LUXEMBOURG SELECTION FUND (the "**Fund**") containing the audited balance-sheet and a copy of the latest semi-annual report, if published after such annual report. The sales prospectus of the Fund (the "**Prospectus**") and the various annual and semi-annual reports may be obtained free of charge from all paying agents and sales agencies. It is prohibited to publish information on the Fund that is not contained in this Prospectus, the documents mentioned herein, the latest annual report and any subsequent semi-annual report. The English version of this Prospectus is binding.

INTRODUCTION

The Fund is a société d'investissement à capital variable ("**SICAV**") registered under Part I of the Luxembourg law of 17 December 2010 on undertakings for collective investment (the "**2010 Law**"). This registration may not be interpreted as a positive evaluation on the part of the supervisory authority as to the contents of this sales prospectus or as to the quality of the securities offered and held by the Fund. Any representation to the contrary is unauthorised and unlawful.

The Fund represents and warrants that its shares will not be offered, sold or delivered from within the United States or to investors who are US Persons. A US Person is any person who:

(i) is a United States person within the meaning of Section 7701(a)(30) of the US Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder;

(ii) is a US person within the meaning of Regulation S under the US Securities Act of 1933 (17 CFR § 230.902(k));

(iii) is not a Non-United States person within the meaning of Rule 4.7 of the US Commodity Futures Trading Commission Regulations (17 CFR § 4.7(a)(1)(iv));

(iv) is in the United States within the meaning of Rule 202(a)(30)-1 under the US Investment Advisers Act of 1940, as amended; or

(v) any trust, entity or other structure formed for the purpose of allowing US Persons to invest in the Fund.

As US Person shall further be considered:

(i) an "employee benefit plan" within the meaning of Section 3(3) of the US Employee Retirement Income Security Act of 1974, as amended ("ERISA") that is subject to Title I of ERISA,

(ii) a "plan" within the meaning of Section 4975(e)(1) of the US Internal Revenue Code of 1986, as amended ("IRC"),

(iii) an entity whose underlying assets include "plan assets" subject to Title I of ERISA or Section 4975 of the IRC, or

(iv) a governmental plan or another type of plan (or an entity whose assets are considered to include the assets of any such governmental or other plan) that is subject to any law, rule or restriction that is similar to Section 406 of ERISA or Section 4975 of the IRC.

The Shares have not been registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"); they may therefore not be publicly offered or sold in the United States of America (the "**USA**"), or in any of its territories subject to its jurisdiction or to or for the benefit of a US Person. The Shares are not being offered in the USA, and may be so offered only pursuant to an exemption from registration under the 1933 Act, and have not been registered with the Securities and Exchange Commission or any state securities commission nor has the Fund been registered under the Investment Company Act of 1940, as amended (the "**1940 Act**"). No transfer or sale of the Shares shall be made unless, among other things, such transfer or sale is exempt from the registration requirement of the 1933 Act and any applicable state securities laws or is made pursuant to an effective registration statement under the 1933 Act and such state securities laws and would not result in the Fund becoming subject to registration or regulation under the 1940 Act. Shares may furthermore not be sold or held either directly by nor to the benefit of, among others, a citizen or resident of the USA, a partnership organized or existing in any state, territory or possession of the USA or other areas subject to its jurisdiction, an estate or trust the income of which is subject to United States federal income tax regardless of its source, or any corporation or other entity organized under the laws of or existing in the USA or any state, territory or possession thereof or other areas subject to its jurisdiction (a "**US Person**"). All purchasers must certify that the beneficial owner of such Shares is not a US Person and is purchasing such Shares for its own account, for investment purposes only and not with a view towards resale thereof.

No person is authorised to publish any information other than that contained in this Prospectus or in the documents referred to herein and that are available for consultation by the public. The board of directors of the Fund (the "**Board**") assumes responsibility for all information contained in this Prospectus as at the date of its publication.

Potential subscribers to the Fund should inform themselves about the laws and regulations in force in their country of citizenship, residence or domicile that may apply to the subscription, acquisition, holding, conversion or redemption of shares in the Fund.

In this Prospectus, all references to "EUR" are to the official currency of the European Union and all references to "CHF" are to the official currency of Switzerland.

This Prospectus may be updated to take into account significant changes made to this document. For this reason, it is recommended that subscribers inquire at the Fund with regard to the publication of any more recent Prospectus.

The attention of potential subscribers is drawn to the fact this Prospectus is composed of Section I, on the regulations applicable to each Subfund, and Section II, on the regulations to which the Fund as a whole is subject.

SECTION I: DESCRIPTION OF THE SUBFUNDS

- List of available Subfunds

  Subfund - LUXEMBOURG SELECTION FUND – UBS Asia Bond 2025

- Unless otherwise indicated in the tables below, each Subfund of the Fund is subject to the general regulations as set out in Section II of this Prospectus.

LUXEMBOURG SELECTION FUND – UBS Asia Bond 2025

This section describes the characteristics of the Subfund LUXEMBOURG SELECTION FUND – UBS Asia Bond 2025 and all of the information contained therein should be read in conjunction with the General Provisions of the Prospectus.

Investor profile and maturity of the Subfund

This Subfund is suitable for institutional investors seeking to invest primarily in a diversified portfolio of bonds and whose investment horizon generally corresponds to the investment horizon of the Subfund. The currency exposure is largely hedged against the EUR.

The Subfund will, following its launch that occurred on 3 December 2020, invest in bonds with a fixed maturity of up to five years. The Subfund may at a later stage also invest in bonds with a shorter maturity, in view of a contemplated end of maturity of all financial instruments in which the Subfund is invested at least five (5) Business Days before the maturity of the Subfund on 31 December 2025 (the "**Subfund Maturity Date**"). As such, the Subfund is suitable for investors who wish to invest in a diversified portfolio of bonds issued in the Asia Pacific markets and whose investment horizon extends to the Subfund Maturity Date.

If the liquidation of the Subfund at the end of the term results in an adverse situation for the value of the portfolio due to prevailing market conditions, the Management Company may bring forward or postpone the liquidation and payment of the final maturity amount in the interests of the investors in accordance with the provisions in accordance with Chapter 4. "*Dissolution and merger of the fund and of its Subfunds*" of the Section II "General Provisions" of the Prospectus, and article 24 of the articles of incorporation.

Six (6) months before the Subfund Maturity Date (the "**Decision Period**"), the Management Company shall assess whether the continuation of the Subfund beyond the Subfund Maturity Date for an unlimited time or the extension of the Subfund Maturity makes sense from an economical and investment perspective.

If the conclusion is that such continuation does not make sense from an economical perspective, the Subfund shall be liquidated on a date that shall be no later than six (6) months after the Subfund Maturity Date, in accordance with Chapter 4. "*Dissolution and merger of the fund and of its Subfunds*" of the Section II "General Provisions" of the Prospectus, and article 24 of the articles of incorporation.

Should the conclusion be that the continuation of the Subfund makes sense from an economical perspective, than this shall be understood to constitute a change of the Subfund's investment strategy.

In the latter case the Board will inform the Subfund's investors of (i) the reasons for changing the investment policy, (ii) the effective date of the change of the investment policy, and (iii) of the options available to them (which would notably include the investors' right to redeem their shares free of charge during a one month period).

Investors should be aware that the Net Asset Value of the shares at the Subfund Maturity Date or thereafter may be less than the Net Asset Value at the time of the original investment as a consequence of the market movements. While it is intended that the Subfund will hold bonds until maturity, the portfolio manager of the Subfund has the discretion to sell them prior to their maturity.

Risk profile

The Subfund is exposed to the risk of default on the payment of coupon or principal by issuers it holds in the underlying portfolio. Should any such default event occur, the value of the Subfund will be negatively impacted. During the Subfund's life, its Net Asset Value will be impacted by interest rate and credit spread movements affecting its underlying bond holdings. Typically, a bond's value is negatively impacted by rising interest rates and/or credit spread widening. Depending on the credit quality, the default risk is higher in the case of high yield bonds than with investment grade corporate and government bonds.

Emerging markets are at an early stage of development, which can typically involve a high level of price volatility and other specific risks, such as lower market transparency, regulatory hurdles, corporate governance as well as political and social challenges. The Subfund does not provide any guarantee on pay-outs of income and final Net Asset Value. There is no specific estimate of the fund's value as of maturity. This value depends on repayments of the bonds purchased by the Subfund and the reinvestment of undistributed interest income. All investments are subject to market fluctuations.

Every fund has specific risks, which may increase considerably in unusual market conditions. This requires corresponding risk tolerance and capacity. The Subfund may hold up to 100% of its assets in liquid funds, money market instruments and money market funds during the Initial Subscription Period (as further defined below) and up to twelve 12 months prior to the Subfund Maturity Date, given that the targeted bonds will not all mature exactly at the same time, and that, as a consequence, the Subfund will, during the mentioned limited periods, need to invest amounts resulting from already matured bonds for a short time period until the Subfund Maturity Date. There might also be specific risks related to high yield and emerging markets. Depending on the credit quality, the default risk is higher in the case of high yield bonds than with investment grade corporate and government bonds. Emerging markets are at an early stage of development, which can typically involve a high level of price volatility and other specific risks, such as lower market transparency, regulatory hurdles, corporate governance as well as political and social challenges.

Investment objective and policy

Objective

The investment objective of the Subfund is to achieve total return by investing primarily in a portfolio of USD-denominated fixed income securities (including but not limited to bonds, notes or other similar fixed-income or floating-rate securities) issued by sovereigns, quasi-sovereigns and corporates in the Asia Pacific region. The Subfund will in general take a buy-and-hold to maturity approach, investing in a diversified portfolio of fixed income securities (including but not limited to bonds). There can be no assurance that the Subfund will achieve its investment objective.

Policy

The Subfund will seek to achieve its investment objective by investing primarily in USD-denominated fixed income securities issued by sovereigns, quasi-sovereigns and corporates in the Asia Pacific region.

The Subfund may invest in both investment grade and non-investment grade fixed income securities across different sectors. The portfolio manager will, in general, adopt a buy-and-hold to maturity approach but will actively monitor and review all the securities in the Subfund's portfolio on a regular basis and take appropriate action where necessary (including but not limited to re-investing proceeds from securities that have matured prior to the Subfund's maturity date).

In constructing the Subfund's portfolio, the portfolio manager will conduct fundamental credit analysis of individual securities to determine if the credit quality of the securities in question is appropriate for a held-to-maturity mandate. A relative-value approach to country/sector allocation and security selection is also adopted in order to select the most suitable investments for the Subfund, rather than by attempting to predict the future direction of underlying bond yields.

The Subfund may hold temporarily up to 100% of the Subfund's assets in money market instruments and money market funds, and/or in money market like instruments, such as treasury bills and notes, during the Initial Subscription Period (as further defined below), on an ancillary basis. The latter period corresponds to the build-up phase of the Subfund. Once the Initial Subscription Period (as further defined below) completed, this threshold will be limited to up to 10% of the Subfund's assets during the life of the Subfund until twelve months before the Subfund Maturity Date, period during which it may hold up to 100% in money market like instruments again (as described above).

Apart from money market instruments, all the instruments used shall take account of the end of the Subfund's term in respect of their maturity and have no maturities occurring later than the end of the Subfund's term. At all time during which the Subfund will invest in money market instruments, the portfolio manager of the Subfund will ensure that it will not fall within the scope of the Regulation (EU) 2017/1131 of 14 June 2017 on money market funds.

Bonds

Bonds are subject to actual and perceived measures of creditworthiness. Bonds, and in particular high-yield bonds, may be impaired by negative headlines and an unfavourable perception on the part of investors; such perceptions may not be based on a fundamental analysis, and may have a negative effect on the value and liquidity of the bond. The Subfund may invest up to 50% of its net assets in high-yield bonds.

Financial derivative instruments

The Subfund shall not use derivatives traded on the stock exchange or over the counter (OTC) except for forwards to hedge the portfolio against currency risk since the assets of the Subfund are mainly denominated in USD, while the Subfund and Share Class currency is EUR.
The maximum net exposure of the Subfund may not exceed 100 % of its net assets.

Distressed securities

The Subfund will not seek to directly invest into distressed securities. However, it may not be excluded that securities which are invested by the Subfund may become distressed securities over time and, as a result, the Subfund may incidentally hold distressed securities.

Use of Securities Financing Transaction and total return swaps

The Subfund will not enter into total return swaps nor make use of securities financing transactions, i.e. (i) repurchase transactions (ii) securities or commodities lending and securities or commodities borrowing (iii) buy-sell back transactions or sell-buy back transactions, and (iv) margin lending transactions.

Cash and cash equivalents

The Subfund may hold cash and cash equivalents on an ancillary basis appropriate to provide for redemptions or to meet other liquidity needs. These assets may consist of commercial paper and other money market instruments with a remaining maturity not in excess of 12 months, time deposits, demand deposit accounts, exchange-traded funds (ETFs) and monetary-type UCITS and other undertakings for collective investment (UCIs) (within the limit set out by the 2010 Law); as far as there are exceptional market conditions the Subfund may hold cash and cash equivalents temporarily without any limitation if the portfolio manager considers this to be in the best interest of the shareholders. Given their risk profile, cash and cash equivalents will not be considered investments and therefore be treated as cash. For the avoidance of doubt, cash and cash equivalents will not be considered for determining any concentration limits (including but not limited to geographic, issuer, single position).

Other

Look through approach applies to the determination of concentration percentages (including but not limited to geographic, issuer, single position) in considering investments in UCIs or other investments with more than one underlying asset.

Benchmark

The Subfund is managed without reference to a benchmark. As such, there are no fixed geographical or sectorial weightings in the allocation of assets in the Subfund.

Investment and borrowing restrictions

The Subfund will not utilise leverage through borrowing cash for investment purposes but may borrow up to 10% of its Net Asset Value for the purposes of payment of its ongoing operational costs and/or redemption proceeds. Cash may be borrowed from banks and other financial institutions. The Subfund's assets may be charged or pledged as security for any such borrowings. If any of the investment and borrowing restrictions set out above are breached, the management company and/or portfolio manager shall as a priority objective take all steps necessary within a reasonable period of time to remedy the situation, having due regard to the interests of investors.

General risk information

Credit risk

As the Subfund may invest in fixed income instruments, it will be exposed to the creditworthiness of the issuers of the instruments and their ability to make principal and interest payments when due in accordance with the terms and conditions of the instruments. The creditworthiness or perceived creditworthiness of an issuer may affect the market value of fixed income instruments. Issuers with higher credit risk typically offer higher yields for this added risk, whereas issuers with lower credit risk typically offer lower yields. Generally, government debt is considered to be the safest in terms of credit risk, while corporate debt involves a higher credit risk. Related to that is the risk of downgrade by a rating agency. Rating agencies are private undertakings providing ratings for a variety of fixed income instruments based on the creditworthiness of their issuers. The agencies may change the rating of issuers or instruments from time to time due to financial, economic, political, or other factors, which, if the change represents a downgrade, can adversely impact the market value of the affected instruments.

Risks associated with investments in high-yield bonds

Investing in debt instruments involves interest-rate, sector, security and credit risk. Compared with investment-grade bonds, high-yield bonds generally attract a lower rating and usually offer higher yields in order to offset the lower credit rating or higher default risk associated with these securities. High-yield bonds involve a greater risk of capital erosion through default or in the case of an effective interest rate that is below the current rate of interest. Economic conditions and changes in the level of interest rates may have a considerable impact on the value of these bonds. In addition, high-yield bonds may be exposed to greater credit or default risk than bonds with a high rating. These bonds tend to react more to developments affecting market and credit risk than securities with a higher rating. The value of high-yield bonds may be negatively affected by overall economic conditions, such as an economic downturn or a period of rising interest rates. High-yield bonds may be less liquid and more difficult to sell or value at a favourable point in time or price than bonds with a higher rating. In particular, high-yield bonds are often issued by smaller, less creditworthy and more indebted companies that are generally less able to pay capital and interest on schedule than financially sound companies.

Interest rate risk

The Subfund’s investments in fixed income securities are subject to interest rate risk. Generally, the value of fixed income securities is expected to be inversely correlated with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Long-term fixed income securities in general are subject to higher sensitivity to interest rate changes than short-term fixed income securities. When interest rates are falling, some fixed income securities provide that the issuer may repay them earlier than the maturity date, and if this occurs, the Subfund may have to reinvest these repayments at lower interest rates.

Risks associated with the use of financial derivative instruments

Due to the possible use of financial derivative instruments for purposes of currency hedging, investors may be exposed to greater risks and no assurance can be given that the objective sought from such use will be achieved.

While the prudent use of financial derivative instruments may be beneficial, financial derivative instruments are also subject to different risks that, in certain cases, may be greater than the risks associated with more traditional investments. These include: market risk, which is associated with all types of investment; management risk, as the use of financial derivative instruments requires understanding not just of the underlying but also of the financial derivative instrument itself; credit risk, which is the result of the default risk, if the counterparty to the financial derivative instrument fails to respect the terms of the derivatives contract.

The credit risk for financial derivative instruments traded on a regulated market is generally lower than for OTC derivatives, because the clearing agents, which assume the function of issuer or counterparty in relation to each derivative traded over the counter, assume a performance guarantee. This guarantee is provided via the margin deposit requirements for purposes of reducing global credit risk. In the case of financial derivative instruments traded over-the-counter, there is no comparable clearing agent. As a result, the rating of each counterparty must be analysed in order to evaluate the potential credit risk.

As regards OTC derivatives, various mechanisms were introduced successively in the past years, with the aim to reduce counterparty risk associated with the use of such OTC derivatives (i.e. mandatory clearing, mandatory margin exchange). Nevertheless, some OTC derivatives are likely to be more risky than financial derivative instruments traded on a regulated market. Liquidity risk exists when a particular instrument is difficult to purchase or sell and it might not be possible to conclude the transaction or liquidate a position at an advantageous price. The principal risk when engaging in OTC derivatives (such as non-exchange traded options, forwards, swaps or contracts for difference) is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations as required by the terms of the instrument. OTC derivatives may expose a Sub-Fund to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute over the terms of the contract (whether or not *bona fide*) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. The value of the collateral may fluctuate, however, and it may be difficult to sell, so there are no assurances that the value of collateral held will be sufficient to cover the amount owed to a Fund.
EU Regulation 648/2012 on OTC derivatives, central counterparties and trade repositories (also known as the European Market Infrastructure Regulation or EMIR) requires certain eligible OTC derivatives to be submitted for clearing to regulated central clearing counterparties and the reporting of certain details to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty risk in respect of OTC derivatives which are not subject to mandatory clearing. Ultimately, these requirements are likely to include the exchange and segregation of collateral by the parties, including by the Fund. More precisely, the Fund will generally, to the extent required by law, require the counterparty to an OTC derivative to post collateral in favour of a Subfund representing, at any time during the lifetime of the agreement, up to 100% of a Subfund's exposure under the transaction, and the Fund will be required to do so vice-versa. This guarantee is provided via the margin deposit requirements for purposes of reducing global credit risk. As a result, the rating of each counterparty must be analyzed in order to evaluate the potential credit risk.

Liquidity risk exists when a particular instrument is difficult to purchase or sell and it might not be possible to conclude the transaction or liquidate a position at an advantageous price.

The other risks associated with using financial derivative instruments include the valuation risk or the impossibility of perfectly correlating financial derivative instruments with the underlying assets and indices.

Liquidity risk

The Subfund may invest in securities that subsequently prove difficult to sell due to reduced liquidity. This may have a negative effect on their market price and consequently on the Subfund's Net Asset Value. The reduced liquidity of these securities may be due to unusual or extraordinary economic or market events such as a deterioration in the credit rating of an issuer or the lack of an efficient market. In extreme market situations, there may be few willing buyers and it may not be easy to sell the investments at the chosen time; in addition, the Subfund may have to agree to a lower price in order to sell the investments, or they may not be able to sell the investments at all. Trading in certain securities or other instruments may be suspended or restricted by the relevant exchange or by a governmental or regulatory body, which may cause the Subfund to incur a loss. The inability to sell a portfolio position may have a disadvantageous effect on the value of these subfunds or prevent them from being able to exploit other investment opportunities. In order to meet redemption requests, the Subfund may be forced to sell investments at unfavourable times and/or on unfavourable terms.

Risks associated with investments in emerging market countries

Investing in emerging markets may carry a higher risk than investing in developed markets.

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 countries. The assets of Subfunds investing in such markets, as well as the income derived from the Subfund, may also be effected unfavourably by fluctuations in currency rates and exchange control and tax regulations and consequently the Net Asset Value of Shares of these Subfunds may be subject to significant volatility. Also, there might be restrictions on the repatriation of the capital invested.

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 countries with more developed securities markets.

Moreover, settlement systems in emerging markets may be less well organised than in developed markets. Thus, there may be a risk that settlement may be delayed and that cash or securities of the concerned Subfunds 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 through whom the relevant transaction is effected might result in a loss being suffered by the Subfunds investing in emerging market securities.

In addition, in certain markets, local regulations may limit investment into local securities to certain qualifying foreign institutions and investors through licensing requirements and may also limit investment through quotas granted by local authorities. Potential investors should note that there is no guarantee that the Subfund will benefit from quotas granted to such qualifying institutions and investors nor that, if it does, that it will always be available to the Subfund. Withdrawal or failure to obtain a renewal of any such quota may have material adverse consequences to the Subfund. A further consequence of investing via such quota may be that there is a limit on the amount that the Subfund, and/or foreign investors as a whole, can own of the equity capital of a particular company. The actions of other foreign investors independent of the Subfund can therefore impact the position of the Subfund. Use of quotas often requires the transmission of funds through government designated service providers and accounts. Mandatory use of such providers may not provide the Subfund with terms as advantageous as those which would be available if the selections were made on an open market basis.

Foreign exchange risk and currency risk

The Subfund may invest in securities denominated in currencies other than its reference currency. Currency may be subject to foreign exchange risk. As the assets of the Subfund are valued in its reference currency, changes in the value of the reference currency compared to other currencies will affect the value, in the reference currency, of any securities denominated in such other currencies. Foreign exchange exposure may increase the volatility of investments relative to investments denominated in the reference currency. In accordance with its investment objective and policy, the Subfund may attempt to hedge or reduce foreign exchange risk, generally through the use of derivatives. However, it may not be possible or practical to hedge or reduce such risk at all times.

Limits concerning Global Exposure

The Global Risk Exposure calculation method in accordance with applicable laws and regulations is prepared based on the commitment approach. The risk management procedure shall also be applied within the scope of collateral management (see Chapter 19, Investment Restrictions – Collateral Policy and Management of the Prospectus) and the techniques and instruments for the efficient management of the portfolio (see Chapter 19, Investment Restrictions - Financial techniques and instruments of the Prospectus) as set forth in the CSSF Circular 14/592.

Leverage

Leverage is defined pursuant to the applicable ESMA guidelines and CSSF Circular 11/512 as the total of the nominal values of the financial derivative instruments used by the Subfund. According to the definition, leverage may result in artificially increased leverage amounts, as some financial derivative instruments that can be used for hedging purposes may be included in the calculation. Consequently, this information does not necessarily reflect the precise actual leverage risk that the investor is exposed to.

The expected maximum leverage is expressed in the table below as a ratio between the total of the nominal value and the Net Asset Value of the Subfund. Greater leverage amounts may be attained for the Subfund, under certain circumstances.

Active Subfund	Expected Risk Profile	Expected maximum level of leverage (absolute level)	Expected Reference Portfolio (Benchmark)[1]
Luxembourg Selection Fund – UBS Asia Bond 2025	Commitment Approach	n.a.	n.a.

Portfolio management

UBS Third Party Management Company S.A., domiciled at 33A avenue J.F. Kennedy, L-1855 Luxembourg, has been designated as the Management Company of the Fund.

UBS Third Party Management Company S.A. delegated the management of the assets of the Subfund to UBS Asset Management (Singapore) Ltd., with registered office is One Raffles Quay, #50-01 North Tower, Singapore 048583. UBS Asset Management (Singapore) Ltd., a subsidiary of UBS Asset Management AG incorporated in Singapore, is regulated by the Monetary Authority of Singapore. UBS Asset Management (Singapore) Ltd. has been managing collective investment schemes and discretionary funds since 1993.

The Portfolio Manager shall report regularly to the Board of Directors of UBS Third Party Management Company S.A. on their asset allocation key, the evolution of the assets, the adequate liquidity management of the Subfund any risk of potential breach of the investment policy and on the transactions executed for the account of the Subfund.

Repackaging of the Subfund’s units

Darta Saving Life Assurance dac, Maple House, Temple Road, Blackrock, Co. Dublin, Ireland, an entity of the Allianz group (the “Assurance Company”) is an investor in the Subfund, whose shares may be repackaged and become part of insurance products distributed in Italy by making units of the Subfund available in unit-linked insurance plans to its clients.

Investing in LUXEMBOURG SELECTION FUND – UBS Asia Bond 2025

General information

- Institutional Share Class: Shares of "Class I" issued in the Accounting Currency.

- Reference currency of the Subfund: EUR

  The Subfund’s reference currency is the currency in which the Net Asset Value of shares in the Subfund is calculated. Investments will be made in the currencies that are most suitable for the performance of the Subfund.

- Dividend policy: This Subfund pursues a policy of accumulation.

- Valuation Day: The Net Asset Value is determined on each Business day.

- Assurance Company fee: The Subfund may pay to the Assurance Company an Assurance Company fee up to 2.5% of the total subscription amount (“Assurance Company Fee”) out of the assets of the Subfund. The Assurance Company Fee is determined as a fixed amount per share which shall in particular serve as a compensation for the placement activities. The Assurance Company Fee is paid in a single instalment on the first Valuation Day after the expiry of the subscription period (“Payment Date”) and at the same time booked to the Subfunds assets as prepaid expenses. The Net Asset Value on the Payment Date is therefore not impacted by the Assurance Company Fee. The Subfunds position of pre-paid expenses is then amortized over a period of 5 years (“Amortization Period”) on a semi-annual basis from the Payment Date. The remaining position of prepaid-expenses per share is calculated by decreasing the fixed amount per share over the Amortization Period on a semi-annual basis. After expiration of the Amortization Period the remaining position of prepaid expenses per share is zero by definition.

[1] In accordance with CSSF Circular 11/512, reference portfolio must be disclosed for Subfunds for which the Global Risk Exposure is calculated using the Relative Value at Risk Approach.

- Exit fee: An exit fee of up to 2.5% is applied to redemptions and is retained by the Subfund ("Exit Fee"). The Exit fee is calculated as a fixed amount per share, which is reduced on a semi-annual basis by 0.25%. Shareholders who redeem their shares before the end of the Amortization Period will leave those parts of the paid Assurance Company Fee in the Subfund which are not yet fully amortized. The Exit Fee aims not to harm shareholders holding in the Subfund until or later the end of the Amortization Period.

- Swing pricing: Shares are generally issued and redeemed based on a single price: the Net Asset Value. To reduce the effects of dilution, the Net Asset Value per share is nevertheless adjusted on valuation days as described below; this takes place irrespective of whether the Subfund is in a net subscription or net redemption position on the relevant valuation day. If no trading is taking place in any Subfund or class of a Subfund on a particular valuation day, the unadjusted Net Asset Value per share is applied. The circumstances in which such a dilution adjustment takes is made are determined at the discretion of the Board of Directors. The requirement to carry out a dilution adjustment generally depends on the scale of subscriptions or redemptions of shares in the relevant Subfund. The Board of Directors may carry out a dilution adjustment if, in its view, the existing shareholders (in the case of subscription) or remaining shareholders (in the case of redemptions) could be put at a disadvantage. The dilution adjustment may take place if:

  (a) a Subfund records a steady fall (i.e. a net outflow due to redemptions);
  (b) a Subfund records a considerable volume of net subscriptions relative to its size;
  (c) a Subfund shows a net subscription or net redemption position on a particular valuation day; or
  (d) in all other cases in which the Board of Directors believes a dilution adjustment is necessary in the interests of the shareholders.

  When a valuation adjustment is made, a value is added to or deducted from the Net Asset Value per share depending on whether the Subfund is in a net subscription or net redemption position; the extent of the valuation adjustment shall, in the opinion of the Board of Directors, adequately cover the fees and charges as well as the spreads of buy and sell prices. In particular, the Net Asset Value of the respective Subfund will be adjusted (upwards or downward) by an amount that (i) reflects the estimated tax expenses, (ii) the trading costs that may be incurred by the Subfund, and (iii) the estimated bid-ask spread for the assets in which the Subfund invests. As some equity markets and countries may show different fee structures on the buyer and seller side, the adjustment for net inflows and outflows may vary. The adjustments are generally limited to a maximum of 2% of the prevailing Net Asset Value per share at the time. The Board of Directors may decide to temporarily apply a dilution adjustment of more than 2% of the prevailing Net Asset Value per share at the time in respect of any Subfund and/or valuation date in exceptional circumstances (e.g. high market volatility and/or liquidity, exceptional market conditions, market disruption, etc.), provided the Board of Directors can justify that this is representative of the prevailing market conditions and that it is in the best interest of the shareholders. This dilution adjustment will be calculated in accordance with the method determined by the Board of Directors. Shareholders will be informed via the usual communication channels when the temporary measures are introduced and when they end.

  The Net Asset Value of each class of the Subfund is calculated separately. However, dilution adjustments affect the Net Asset Value of each class to the same degree in percentage terms. The dilution adjustment is made at sub-fund level and relates to capital activity, but not to the specific circumstances of each individual investor transaction.

Subscriptions

- Initial Subscription Period: The Subfund is launched in the Initial Subscription Period which runs up to 1 week. To achieve the Subfund's investment objective, the Board may cease issuing shares in the Subfund at any time following the Initial Subscription Period. The Subfund Maturity Date will be determined by the Board as part of the launch process of the Subfund; it will then be included under "Investor profile and maturity of the Subfund" above.

  Subscription orders registered with the administrative agent by 15:00 CET ("cut-off time") on a business day ("Order Date") will be processed on the basis of the net asset value calculated for that day after the cut-off time ("Valuation Date").

Redemptions

- Redemption orders registered with the administrative agent by 15:00 CET (“cut-off time”) on a business day (“Order Date”) will be processed on the basis of the net asset value calculated for that day after the cut-off time (“Valuation Date”). Shares may be redeemed at any time up to five (5) Business Days before the end of the Subfund Maturity Date pursuant to the procedure described in Chapter 3. “Investing in Luxembourg Selection Fund” of Section II “General Provisions” of the Prospectus.

- Compulsory redemption in case of liquidation of the Subfund on the Subfund Maturity Date: In case of liquidation of the Subfund on the Subfund Maturity Date, the Board will compulsorily redeem all outstanding Shares as if investors had submitted a redemption request. Upon such compulsory redemption, each investor whose Shares are being redeemed will be entitled to receive the redemption price, less any redemption fee, if any, and other fees to be imposed, in accordance with the Section "Redemption of shares” of the general part of the Prospectus. From the day on which such compulsory redemption is effected, the relevant Shareholder shall have no other rights except the right to receive the redemption price, less any redemption fee, if any, and other fees to be imposed and the right to receive any dividends (if any) declared but not yet paid.

Past performance

The performance of this Subfund is included in the key investor information document.

Portfolio turnover

The portfolio turnover rate is included in the annual report. It is calculated using the following formula:
Portfolio turnover rate = [(Total 1 – Total 2)/M]*100
where
Total 1= total of securities transactions during the relevant period = X+Y
Where X = purchases of securities and Y = sale of securities
Total 2 = total of transactions in Shares of the Subfund during the relevant period = S+T
Where S = subscriptions of Shares of the Subfund and T = redemptions of Shares of the Subfund
M = average monthly assets of the Subfund

Fees & Expenses

- **Management Fee**: The Management Company will be entitled to receive out of the assets of the Subfund an annual fee equal to a percentage of the Net Asset Value of the Subfund subject to a minimum per Subfund. Such fee will be calculated by reference to the Net Asset Value of the Subfund subject to a rate of up to 0.085 % p.a.. This fee is accrued on each Valuation Day and shall be payable monthly in arrears. The Management Fee includes the Central Administration fee. The Central Administrative Agent will also be entitled to the reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties. Further fees may be payable to the Central Administrative Agent in consideration of ancillary services rendered to the Fund and relating to the core services of the Central Administrative Agent.

- **Portfolio Management Fee**: UBS Asset Management (Singapore) Ltd., Singapore, as portfolio manager is entitled to a Portfolio Management Fee as further detailed in the portfolio management agreement entered into with the Management Company. The Portfolio Management Fee will amount to 0.20% p.a., calculated based on the assets of the Subfund, calculated and accrued at each Valuation Day and payable on a monthly basis during the following month directly out of the assets of the Subfund. The portfolio manager of the Subfund will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties in the management of the Subfund. No performance fee will be paid to the portfolio manager of the Subfund.

- **Distributor Fee:** N/A.

- **Depositary Fee**: the Depositary will be entitled to receive out of the assets of the Subfund an annual fee equal to a percentage of the Net Asset Value of the Subfund subject to a minimum per Subfund. Such fee will be calculated by reference to the Net Asset Value of the Subfund subject to a rate of up to 0.075% p.a. with a minimum fee of EUR 20,000 per annum. The Depositary fee is accrued on each Valuation Day and shall be payable monthly in arrears. The Depositary will also be entitled to transaction fees charged on the basis of the investments made by each Subfund

consistent with market practice in Luxembourg. Fees paid to the Depositary may vary depending on the nature of the investments of each Subfund and the countries and/or markets in which the investments are made. The Depositary will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties. Further fees may be payable to the Depositary in consideration of ancillary services rendered to the Fund and relating to the core services of the Depositary.

- **Additional fees**: Additional fees may be charged to the Subfund for further services of the Central Administration Agent, the Depositary and the Management Company as reflected in Section "Total Expense Ratio (TER)" below.

Total Expense Ratio (TER)

The TER, being equal to the ratio between the gross amount of the Subfund fees and the average of its net assets, is included in the annual report. It includes among others the following fees: the depositary fee, the central administrative agent fee, the portfolio management fee, the management company fee, the *taxe d'abonnement*, expenses for preparing and printing the Prospectus, expenses for preparing and printing the KIID, costs in relation to the applicable due diligence procedures, notary fees, launch fees paid to administrative and exchange authorities in Luxembourg and abroad, expenses for printing certificates and/or other fees in relation to the establishment, promotion and operational costs in relation to the day to day management of the Subfund.

SECTION II: GENERAL PROVISIONS

Management and Administration

Registered office	2C, rue Albert Borschette, L-1246 Luxembourg
Board of Directors	
Chairman	David Lahr Executive Director UBS Europe SE, Luxembourg Branch
Directors	Alicia Zemanek Executive Director UBS Europe SE, Luxembourg Branch
	Madhu Ramachandran Executive Director UBS Europe SE, Luxembourg Branch
	Geoffrey Lahaye Executive Director UBS Fund Management (Luxembourg) S.A.
Management Company	UBS Third Party Management Company S.A. 33A avenue J.F. Kennedy L-1855 Luxembourg
Board of Directors of the Management Company	
Chairman	Eugène Del Cioppo Managing Director UBS AG
Directors	Francesca Prym Executive Director UBS Fund Management (Luxembourg) S.A.
	Ulrich Schläpfer Director UBS Fund Management (Luxembourg) S.A.
	Gilbert Schintgen Independent Director
Delegates charged with the day-to-day management of Management Company	Federica Ghirlandini Director UBS Third Party Management Company S.A.
	Valérie Bernard Executive Director UBS Third Party Management Company S.A.
	Geoffrey Lahaye

	Executive Director UBS Third Party Management Company S.A. Olivier Humbert Director UBS Third Party Management Company S.A.
Portfolio managers and advisers	The name of the respective portfolio managers and advisers are disclosed for each Subfund under Section I.
Depositary and principal paying agent	UBS Europe SE, Luxembourg Branch 33A, avenue J.F. Kennedy L-1855 Luxembourg
Central Administrative Agent	Northern Trust Global Services SE 6, rue Lou Hemmer L-1748 Senningerberg
Réviseur d'entreprises	PricewaterhouseCoopers Luxembourg, Société coopérative 2, rue Gerhard Mercator B.P. 1443 L-1014 Luxembourg

1. THE FUND

STRUCTURE OF THE FUND

The Fund is a *société d'investissement à capital variable* (SICAV) with multiple Subfunds established in accordance with the provisions of the 2010 Law and the Luxembourg Law of 10 August 1915 on commercial companies, each as amended (the "**1915 Law**"). The Fund is subject in particular to the provisions of Part I of the 2010 Law, specifically for Collective Investment in Transferable Securities as defined in the European Directive 2009/65/EC of the European Parliament and of the Council of July 13, 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("**UCITS**") (the "**Directive 2009/65/EC**").
The Fund is characterised by a structure with multiple Subfunds divided into several separate portfolios of assets called "**Subfunds**", within which different classes of shares may be issued. The assets of different classes in the same Subfund will be invested jointly pursuant to the investment policy of the compartment, but in which a specific fee structure, specific minimum investment amounts, a specific distribution policy, a specific accounting currency, special hedging or other features may be applied separately to each class.
The total net assets of the various Subfunds constitutes the total net assets of the Fund, which always corresponds to the capital of the Fund and consists of fully paid up and non-nominal shares (the "**Shares**").
At general meetings, shareholders have the right to one vote per share held, irrespective of the difference in value of Shares of the respective Subfunds. The Shares of a particular Subfund are entitled to one vote per share held when voting at meetings affecting that Subfund. The rights attached to shares are those contained in the 1915 Law, provided that they are not derogated by the 2010 Law.
The fund constitutes a single legal entity. It is specified, however, that in relations between shareholders, each Subfund is considered a separate entity constituting a separate pool of assets with its own objectives and represented by one or more separate classes. In addition, vis-à-vis third parties, and particularly vis-à-vis the creditors of the Fund, each Subfund shall be exclusively responsible for the commitments attributed to it.
The duration and the assets of the Fund are not restricted.

UBS Third Party Management Company S.A., is a société anonyme under Luxembourg law subject to the provisions of Section 15 of the 2010 Law, with its registered office at 33A avenue J.F. Kennedy, L-1855 Luxembourg, RCS Luxembourg B. 45 991, and which has been appointed Management Company of the Fund (the "**Management Company**").

The board of directors of the Management Company is currently composed of Mr Eugène Del Cioppo, Managing Director, UBS AG, Basel and Zurich, appointed as Chairman, Mrs. Francesca Prym, Executive Director, UBS Fund Management (Luxembourg) S.A., Luxembourg, Mr. Ulrich Schläpfer, Director, UBS Fund Management (Luxembourg) S.A., Luxembourg and Mr. Gilbert Schintgen, Independent Director.

The Management Company, originally known as Schroeder Muenchmeyer Hengst Investment Luxembourg SA was incorporated 23 December 1993 in Luxembourg as a "société anonyme" for an indefinite period. Since 27 January 2006, the Management Company's name has been UBS Third Party Management Company S.A. and its capital has now been increased to the amount of CHF 1,750,000.00.

Under a services contract signed for an indefinite period between the Fund and the Management Company dated 2 May 2006 and called "Management Company Services Agreement" (hereinafter the "**Agreement**"), the Fund has appointed the Management Company to exercise the functions listed below.

In accordance with the provisions of the Agreement, the Management Company is responsible for the management, administration and distribution of the assets of the Fund. However, the Management Company is empowered to delegate, under its control and under its responsibility, some or all of these functions to third parties. In case of change or appointment of additional third-party entities, the Fund will undertake to update its sales prospectus.

LEGAL ASPECTS

The Fund was established on 9 October 2003 under the 1915 Law in the legal form of a société anonyme with the status of an investment company with variable capital under Part I of the 2010 Law. The Fund is registered under number B 96.268 in the commercial register of Luxembourg.

Following an extraordinary general meeting of the shareholders held on 29 December 2011, the articles of incorporation of the Fund (the "**Articles of Incorporation**") were amended in order to have the Fund regulated by Part I of the 2010 Law (the "**Amendments to the Articles of Incorporation**"). The Articles

of Incorporation have been deposited with the Registrar of the Luxembourg District Court. The Amendments to the Articles of Incorporation were published in the Memorial on 30 January 2012.

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

The Fund's financial year ends on the last day of April. The annual general meeting is held every year on second Wednesday of October at 11:00 a.m. at the registered office of the Fund or any other address indicated in the notice of the meeting. If such day is not a business day in Luxembourg, the annual general meeting will be held on the next business day.

The Board reserves the right at any time to launch new Subfunds and/or other classes of shares, whose investment policy, features and terms of offer will be communicated in due course by an update of this Prospectus. In compliance with the regulations laid down in "Dissolution and merger of the Fund and its Subfunds", the Board reserves the right to terminate or to merge certain Subfunds.

Variations in the Fund's capital may take place without further notice or consultation and without the need for publication or registration in the commercial register. The minimum required capital totals EUR 1,250,000. This minimum amount must be achieved within a period of six months following registration of the Fund on the official list of undertakings for collective investment.

2. INVESTMENT OBJECTIVES AND POLICY

The Fund's objective is to offer investors the opportunity to invest in all types of securities through professionally managed Subfunds, each with its own objective and investment policies described in detail in Section I, in order to provide optimal capital appreciation while ensuring the security of capital and liquidity.

The Fund implements a risk management method that allows it at all times to monitor and measure the risk associated with positions and the contribution of the positions to the overall risk profile of the portfolio of each compartment. It will also use a method that will allow it to accurately and independently value financial derivative instruments traded over-the-counter.

The Fund will ensure the overall risk linked to financial derivative instruments does not exceed the total net value of its portfolio. Risks will be calculated taking account of the current value of the underlying assets, of the counterparty risk, the foreseeable changes in the markets and the time available for liquidating the positions.

3. INVESTING IN LUXEMBOURG SELECTION FUND

Net Asset Value

Unless otherwise described under Section I, the Net Asset Value per share of the individual Subfunds is determined on each Business Day by the Central Administrative Agent (hereinafter a "**Valuation Day**").

"Business Day" In this context means the customary banking days (i.e. all days on which banks are open during normal office hours) in Luxembourg, with the exception of some non-regulatory holidays in Luxembourg and days on which the exchanges of the principal host countries for investments are closed and/or 50% or more of the shares of the Subfund cannot be adequately valued.

Non-regulatory holidays means the days on which banks and financial institutions are closed.

The net asset value of each Subfund is equal to the total assets of that Subfund less its liabilities (the "**Net Asset Value**"). The Net Asset Value of each Subfund is expressed in the currency of that Subfund as described in detail in Section I, and is determined on each Valuation Day by dividing the total net assets of the compartment by the number of shares then in circulation. The Net Asset Value per share of each Subfund is determined using the last known price (i.e. the closing price, or if that price does not reflect a reasonable market value for the Board, the last price known at the time of valuation) each Business Day, unless otherwise indicated in Section I.

For Subfunds for which different classes of shares have been issued, the Net Asset Value per share is calculated for each share class. To this effect, the Net Asset Value of the Subfund attributable to the corresponding class is divided by the total number of shares in issue of that class.

Accrued income upon issue of a share class is to be applied, in the accounts of the Fund, to the Subfund corresponding to that share class, provided that, where several classes of shares are outstanding in this Subfund, the corresponding amount increases the proportion of net assets of this Subfund attributable to the class of shares to be issued.

When the assets or liabilities of the Fund cannot be attributed to a particular Subfund, such assets or liabilities are attributed to all Subfunds in proportion to the Net Asset Value of the corresponding share classes or as otherwise determined in good faith by the Board.

The total net assets of the Fund are expressed in CHF and correspond to the difference between the total assets and total liabilities of the Fund. For the purpose of this calculation, the net assets of each Subfund, if they are not denominated in CHF, are converted into CHF and added to the others.

Without prejudice to the regulations of each Subfund, the value of the assets held by a Subfund is valued as follows:

(a) the value of money market instruments which are not listed on a stock exchange or traded on another regulated market open to the public is based on the appropriate curves. The valuation based on the curves refers to the interest rate and credit spread components. The following principles are applied in this process: for each money market instrument, the interest rates nearest the residual maturity are interpolated. The interest rate calculated in this way is converted into a market price by adding a credit spread that reflects the underlying borrower. This credit spread is adjusted if there is a significant change in the credit rating of the borrower;

(b) debt securities with a residual maturity of more than one year and other securities are valued at the closing price, if they are listed on an official stock exchange. If a security is listed on several exchanges, the last known price on the primary market is the determinant;

(c) debt securities with a residual maturity of more than one year and other securities, if they are not listed on an official stock exchange, but traded on another regulated market, which is recognised, open to the public and operating regularly, are valued at the last available price on this market;

(d) shares of UCITS authorized according to Directive 2009/65/CE and/or other assimilated UCIs will be valued at the last known Net Asset Value at the Valuation day;

(e) time deposits with an original maturity exceeding 30 days can be valued at their respective rate of return, provided the corresponding agreement between the credit institution holding the time deposits and the Fund stipulates that these time deposits may be called at any time and that, if called for repayment, their cash value corresponds to this rate of return;

(f) any cash in hand or on deposit, notes payable on demand, bills and accounts receivable, prepaid expenses, cash dividends, interests declared or accrued as aforesaid and not yet received shall be valued at their full nominal value, unless in any case the same is unlikely to be paid or received in full, in which case the Board may value these assets with a discount he may consider appropriate to reflect the true value thereof;

(g) the value of swaps is calculated using a method based on the net present value of future cash flows, recognised by the Board and verified by the Fund's auditor;

(h) securities and other investments listed on a stock exchange are valued at the last known prices. If the same security or investment is listed on several stock exchanges, the closing price on the stock exchange that represents the primary market for this security will be used.

In the scenario where securities and other investments are traded on a stock exchange with low volume but are traded among market makers on a secondary market using price determination methods that are in line with market practice, the Fund may use the prices of this secondary market as the basis for valuing such securities and investments. Securities and other investments that are not listed on a stock exchange, but which are traded on another regulated market which is recognised, open to the public and operating regularly, are valued at the last known price on this market.

Issue and conversion of shares

Unless otherwise indicated in Section I, the Board is authorised without limitation to distribute and issue shares of each Subfund. The Board is also authorised to fix a minimum subscription, redemption and conversion amount, as well as a minimum holding for each Subfund.

Subscriptions can be made for an amount or for a number of shares; conversions and redemptions can be made for an amount or for a number of shares. The initial and subsequent minimum subscription and investment amounts, if applicable, are indicated in Section I for each Subfund.

Shares are issued in the form of registered shares. Fractions of shares are recognised to three decimal places.

Investors are informed that the board of directors of the Management Company, acting on behalf of the Fund (the "**Board of Directors**"), is authorised to take all appropriate measures to prevent practices known as "market timing" in relation to investments in the Fund.
The Board of Directors will also ensure that the "cut-off time" applicable to any request for subscription, conversion and redemption of units be strictly respected, and therefore is authorised to take all appropriate measures to guard against the practice known as "late trading".
For claims vis-à-vis distributors, the Board of Directors will ensure in advance that the cut-off-time is duly respected by the distributors.
The Board of Directors is authorised to reject any requests for subscription and conversion in case of doubt or if it has knowledge of the existence of such practices.
In addition, the Board of Directors is authorised to take any further measures it deems appropriate to prevent the above-mentioned practices, without prejudice, however, to the provisions under Luxembourg law. The Board is further authorised to close any existing class of shares for further subscriptions with prior notice to the investors.

Initial subscription

The initial subscription period, the subscription fees and the price of shares of each Subfund and/or class(es) of shares are described in detail in Section I.

Subsequent subscription

After the closing of the initial offering period, shares will be issued at a price corresponding to the Net Asset Value per share, plus any subscription fee to be determined for each Subfund by reference to the Net Asset Value per share (and as indicated in Section I). Any taxes, duties and other charges incurred in the various countries in which Fund shares are sold will also be taken into account.

Subscription procedures

All requests for subscriptions, redemptions and conversions must be addressed to the distributors and/or sales agents, as described for each Subfund in Section I, or may be presented directly to the Fund.

The distributor and/or sales agents may, with the prior approval of the Fund, appoint additional distributors/sales agents based in a Member State of the Financial Action Task Force (FATF).

Duly completed and signed subscription requests received by the Fund no later than 4 p.m. on the Business Day in Luxembourg preceding a Valuation Day shall be settled at the issue price calculated on that Valuation Day. Subscription requests received after that time will take effect on the following Valuation Day.

Subscription requests must be submitted for payment in the reference currency as defined for each Subfund in Section I. The issue price is calculated in the relevant reference currency as defined for each Subfund in Section I.

Payment must be received by the Depositary of the Fund at the latest two Business Days in Luxembourg after the Valuation Day.

The Fund may, at its discretion, accept subscriptions made in the form of payments in kind of securities, in part or in whole. However, the securities must be in accordance with the respective Subfund's investment policy and restrictions. In addition, these securities will be audited by the Fund's appointed auditor. The related fees are borne by the investor.

Distributors and sales agents of Fund units must respect the provisions of the Luxembourg law on the prevention of money laundering as further described under Chapter 17 "Fight against money laundering and terrorist financing", and particularly the law of 19 February 1973 on the sale of medicinal substances and the fight against drug addiction and the laws of 5 April 1993 on the financial sector, and of 12 November 2004 on the fight against money laundering and against the financing of terrorism, as well as any subsequent regulation issued by the Luxembourg government or supervisory authorities. Obligations were imposed on all financial sector professionals for the purpose of preventing the use of undertakings for collective investment in transferable securities for the purpose of money laundering.

Any investor wishing to subscribe or redeem shares of the Fund must, among other things, establish his identity vis-à-vis the distributor and/or sales agent who receives his subscription or redemption order as

further described under Chapter 17 "Fight against money laundering and terrorist financing". The distributor and/or sales agent will require the following identification of such investors:

The distributors and/or sales agents **physically met with** the investors:

- for individuals, a certified photocopy of passport/identity card (certified by the distributor and/or sales agent) and the identification of beneficial owners, i.e. the final shareholders.
- for corporations or other legal persons, a copy of the Articles of incorporation and an extract from the commercial register (both certified by the distributor and/or sales agent), a list of authorised signatures, a copy of the latest published annual accounts, the full identity of the beneficial owners, i.e. the final shareholders.

The distributors and/or sales agents **having not physically met with** the investors:

- for individuals, a certified photocopy of passport/identity card (certified by one of the following authorities: embassy, consulate, notary, police or police officer) and the identification of beneficial owners, i.e. the final shareholders
- for corporations or other legal persons, a copy of the Articles of incorporation and an extract from the commercial register (both certified by one of the following authorities: embassy, consulate, notary, police or police officer), a list of authorised signatures, a copy of the latest published annual accounts, the full identity of the beneficial owners, i.e. the final shareholders.

The distributors must ensure that the sales agents strictly observe the above identification procedure. The Fund may at any time request assurance for compliance with the above requirements from the distributors/sales agents.

In addition, the distributors and sales agents must also respect all regulations regarding the prevention of money laundering in force in their respective countries.

Without prejudice to the above, the Fund reserves the right to (a) refuse any request for subscription, (b) issue new shares only if in the interest of the existing shareholders and (c) redeem outstanding shares held by investors who are not authorised to either buy or hold shares of the Fund.
The shares will be transferred to the investors concerned without delay upon receipt of payment of the full purchase price. They may be added to the shareholders' assets through the securities account of his choice.
The Fund may, in the course of its sales activities and at its discretion, terminate the issue of shares, refuse redemption requests and suspend or limit the sale of shares for specific periods or permanently to individuals or legal persons in particular countries or areas. In addition, the Fund may at any time redeem shares held by persons who are not authorised to purchase or hold Fund shares.

Conversion of shares

Unless otherwise stipulated in Section I for each Subfund, the shareholders of a Subfund may convert part or all of their shares of one class into shares of the same or of another class (if there are no restrictions to this Section I) in another Subfund up to the countervalue of the shares presented with a view to conversion, provided that the issue of shares by this Subfund has not been suspended as described below. The Board is authorised to set a minimum conversion level for each Subfund, as set forth in Section I, if applicable. For further information regarding the conversion procedure and fees, please refer to the description of each Subfund in Section I.

The same procedures apply to the submission of conversion requests as apply to the issue and redemption of shares. The Fund calculates the number of shares to be allotted after conversion using the following formula:

$$A = [(B \times C) \times F] / (D + E)$$

A = number of the shares of the new Subfund or the new class to be issued
B = number of shares of the existing Subfund or class
C = Net Asset Value per share of the existing Subfund or class less any taxes, duties or other charges
D = Net Asset Value per share of the new Subfund or class, plus any taxes, duties or other charges

E = conversion fee, if any (as further described for each Subfund in Section I)
F = exchange rate of the reference currencies of the two Subfunds or classes

The shareholder may request such a conversion by indicating the number of shares and the Subfund to be converted into. If share certificates have been delivered to the shareholder, all share certificates to be

converted, including any coupons not yet due, must be delivered to the Fund. Otherwise, the conversion cannot be executed.

In addition, if on a Valuation Day conversion requests received by the Fund exceed 10% of the shares in circulation of a specific compartment, the Board may decide that all or part of the requests for conversion be deferred for a period and under conditions to be determined by the Board , with regard to the interests of the shareholders. On the Valuation Day following this period, these conversion requests will be given priority and settled ahead of applications received after this period.

Redemption of shares

Requests for redemption must be received by the Fund by 4.00 p.m. on the Business Day in Luxembourg preceding a given Valuation Day. They shall be settled at the redemption price determined on that Valuation Day and submitted for payment in the reference currency as defined for each Subfund under Section I. All redemption requests received by the Fund after the deadline mentioned above will be settled at the redemption price calculated on the next Valuation Day. If share certificates have been delivered to the shareholders, they should be attached to the redemption request (including any coupons not yet due). The redemption price is based on the Net Asset Value per share. Any taxes, duties and other charges incurred in the various countries in which Fund shares are sold will be taken into account. Since provision must be made for an adequate supply of liquidity in the Fund's assets, under normal circumstances payment for Fund shares is effected within 2 Business Days after the calculation of the redemption price, unless legal provisions, such as foreign exchange controls or restrictions on capital movements, or other circumstances beyond the control of the Fund, make it impossible to transfer the redemption amount to the country in which the redemption application was submitted.

In case of massive redemption requests exceeding 10% of the shares in circulation of a specific compartment, the Board may decide that all or part of the requests for redemption be deferred for a period and under conditions to be determined by the Board, with regard to the interests of the shareholders. On the Valuation Day following this period, these redemption requests will be given priority and settled ahead of applications received after this period.

On payment of the redemption price, the corresponding Fund shares cease to be valid.
At its discretion, the Fund may at the request of the investor accept redemptions in kind. In addition, these redemptions (1) must not have any negative effect for the remaining investors and (2) will be audited by the Fund's appointed auditor. The related fees are borne by the investor.
The redemption price of Fund shares may be above or below the amount paid by the shareholder at the time of subscription, depending on whether the Net Asset Value has risen or fallen.

Suspension of the calculation of Net Asset Value and of the issue, conversion and redemption of shares

The Fund may temporarily suspend calculation of the Net Asset Value and hence the issue, conversion and redemption of shares for one or more Subfunds:

a) during any period when any of the stock exchanges or other markets on which the valuation of a significant and substantial part (at least 50%) of any of the investments of the Fund is based, or any of the foreign-exchange markets in whose currency the Net Asset Value any of the investments of the Fund or a significant portion of them is denominated, are closed – except on customary bank holidays – or during which trading and dealing on any such market is suspended or restricted, provided that such restriction or suspension affects the valuation of the investments of the Fund quoted thereon;

b) if political, economic, military or other circumstances beyond the control, responsibility or influence of the Fund make it impossible to access the Fund's assets under normal conditions without seriously harming the interests of the shareholders;

c) during any breakdown in the means of communication or computation normally employed in determining the price or value of any of the investments of the Fund or value on any stock exchange or other market in respect of the assets of the Fund;

d) when for any other reason, the prices of a considerable part of the Fund portfolio (at least 50%) cannot promptly or accurately be ascertained;

e) during any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of Shares of the Fund, or during which any transfer of funds involved in the realization or acquisition of investments or payments due on redemption of Shares cannot, in the opinion of the Board, be effected at normal rates of exchange;

f) upon the publication of a notice convening a general meeting of shareholders for the purpose of the liquidation of the Fund;

g) in case of a feeder Subfund, when the master UCITS temporarily suspends, on its own initiative or at the request of its competent authorities, the redemption, the reimbursement or the subscription of its units; in such a case the suspension of the calculation of the Net Asset Value at the level of the feeder Subfund will be for a duration identical to the duration of the suspension of the calculation of the Net Asset Value at the level of the master UCITS.

Any such suspension in excess of five Valuation Days shall be published by the Fund and may be notified to shareholders having made an application for subscription, conversion or redemption of shares for which the calculation of the Net Asset Value has been suspended.

4. DISSOLUTION AND MERGER OF THE FUND AND OF ITS SUBFUNDS

Dissolution of the Fund

The Fund may be wound up at any time by a decision of the general meeting of shareholders, pursuant to the conditions set forth by the Luxembourg 1915 Law.

If the amount of the Fund's assets falls below two thirds of the prescribed minimum capital, the Board shall propose the dissolution of the Fund to the meeting of shareholders. The meeting of shareholders shall decide by a simple majority of the shares represented at the meeting, without any quorum requirements.

If the amount of the Fund's capital falls below one quarter of the prescribed minimum capital, the Board shall propose la dissolution of the Fund to the meeting of shareholders, which shall take the decision without any quorum requirement, and the dissolution may be declared by shareholders holding one quarter of the shares represented at the meeting.

The meeting must be convened in such a way that it is held within 40 days of the day on which it was ascertained that the net assets had fallen below two thirds or, as the case may be, one quarter of the prescribed minimum capital.

Liquidation is carried out by one or more liquidators who may be physical or legal persons and who are appointed with the approval of the supervisory authority by the meeting of shareholders, which also determines their powers and remuneration.

The net proceeds from the liquidation of the Subfunds are paid out by the liquidators to the shareholders of those Subfunds in proportion to the Net Asset Value per share.

If the Fund is liquidated voluntarily or on account of a court decision, this liquidation must be carried out in accordance with the provisions of the 2010 Law. This 2010 Law specifies the measures to be taken to allow the shareholders to participate in the distribution of the proceeds of liquidation and it provides that any amounts unclaimed by the shareholders or which cannot be distributed to the shareholders at the completion of liquidation (which could last up to nine months) are immediately deposited at the "Caisse de Consignation" in Luxembourg.

Dissolution of a Subfund

In the case of dissolution of a Subfund, the Board may offer to the shareholders of such Subfund the redemption of their shares for cash at the Net Asset Value per share (including all estimated expenses and costs relating to the liquidation) determined on the Valuation Day as described in the section "Redemption of shares".

In the event that for any reason the value of the assets in a Subfund or of any class(es) of shares has decreased to an amount determined by the Board from time to time to be the minimum level for the Subfund or class(es) of shares to be administered in an economically efficient manner, or if a change in the economic or political situation relating to the Subfund concerned would have material adverse consequences on the investments of that Subfund, the Board may decide to compulsorily redeem all the shares of the relevant class(es) issued in the Subfund at the Net Asset Value per share (taking into account actual realisation prices of investments and realisation expenses), calculated on the Valuation Day at which such decision shall take effect. The Fund shall inform the shareholders of the Subfund or of the class(es) concerned before the compulsory redemption enters into force. A notice to this effect will indicate the reasons and the procedure of the redemption. Holders of registered shares will be notified in writing.

Unless it is otherwise decided in the interest of the shareholders or to maintain equal treatment between them, the shareholders of the Subfund or of the class(es) concerned may continue to request the redemption or conversion of their shares, free of charge, before the compulsory redemption coming into force.

Notwithstanding the powers conferred on the Board by the first paragraph below, the general meeting of shareholders of any or all class(es) of shares issued in a Subfund may take the decision to redeem all the shares issued in such class(es) of the Subfund and refund to the shareholders the Net Asset Value of their shares (taking into account actual realisation prices of investments and realisation expenses) calculated on the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such general meeting of shareholders, which shall decide by resolution taken by simple majority of those present or represented.

Any liquidation proceeds which cannot be distributed to the shareholders at the completion of the liquidation (which could last up to nine months) are immediately deposited at the "Caisse de Consignation" in Luxembourg. All the shares redeemed in this manner will be cancelled.

Division of a Subfund

Under the same circumstances as provided in the previous chapter "Dissolution of a Subfund", the Board may decide to divide a Subfund into two or more Subfunds and/or share classes. Such decision will be duly published.

During the month following the publication of such a decision, shareholders are authorised to redeem all or a part of their shares at their Net Asset Value - free of charge - in accordance with the guidelines outlined in the article 8 of the Articles. Shares not presented for redemption will be exchanged on the basis of the Net Asset Value of the shares of the Subfund calculated for the day on which this decision will take effect.

MERGERS OF THE FUND OR OF SUBFUNDS WITH ANOTHER UCITS OR OTHER SUBFUNDS THEREOF; MERGERS OF ONE OR MORE SUBFUNDS WITHIN THE FUND; DIVISION OF SUBFUNDS

"**Merger**" means an operation whereby:

a) one or more UCITS or Subfunds thereof, the "**merging UCITS/ Subfund**", on being dissolved without going into liquidation, transfer all of their assets and liabilities to another existing UCITS or a Subfund thereof, the "**receiving UCITS**", in exchange for the issue to their shareholders of shares of the receiving UCITS and, if applicable, a cash payment not exceeding 10% of the Net Asset Value of those shares;

b) two or more UCITS or Subfunds thereof, the "**merging UCITS/ Subfund**", on being dissolved without going into liquidation, transfer all of their assets and liabilities to a UCITS which they form or a Subfund thereof, the "**receiving UCITS/ Subfund**", in exchange for the issue to their shareholders of shares of the receiving UCITS and, if applicable, a cash payment not exceeding 10% of the Net Asset Value of those shares;

c) one or more UCITS or Subfunds thereof, the "**merging UCITS/ Subfund**", which continue to exist until the liabilities have been discharged, transfer their net assets to another Subfund of the same UCITS, to a UCITS which they form or to another existing UCITS or a Subfund thereof, the "**receiving UCITS/ Subfund**".

Mergers can be performed in accordance with the form, modalities and information requirements provided for by the 2010 Law; the legal consequences of mergers are governed by and described in the 2010 Law.

Under the same circumstances as provided in the previous Section, the Board may decide to reorganise a Subfund and/or share class by means of a merger with another existing Subfund and/or share class within the Fund or with another UCITS established in Luxembourg or in another Member-State or to another Subfund and/or share class within such other UCITS (the "**new fund/Subfund**") and to re-designate the shares of the relevant Subfund or share class concerned as shares of another Subfund and/or share class (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to shareholders). Such decision will be published in the same manner as described in the previous Section (and, in addition, the publication will contain information in relation to the new fund or Subfund). During a period of thirty days following the publication of such a decision, shareholders may request redemption or conversion of their Shares free of charge.

Under the same circumstances as provided in the previous Section, the Board may decide to reorganise a Subfund and/or share class by means of a division into two or more Subfunds and/or share classes. Such decision will be published in the same manner as described herein (and, in addition, the publication will contain information about the two or more new Subfund).

During a period of thirty days following the publication of such a decision, shareholders may request redemption or conversion of their Shares free of charge.

The shareholders of both, the merging and receiving Subfund have the right to request, without any charge other than those retained by the Subfund to meet disinvestment costs, the repurchase or redemption of their shares or, where possible, to convert them into shares of another Subfund of the Fund with similar investment policy or shareholders may also convert their shares into another UCITS managed by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding. This right shall become effective from the moment that the shareholders of the merging and those of the receiving Subfund have been informed of the proposed merger and shall cease to exist five working days before the date for calculating the exchange ratio.

The Board may temporarily suspend the subscription, repurchase or redemption of shares, provided that any such suspension is justified for the protection of the shareholders.

If a Subfund of the Fund is the receiving Subfund, the entry into effect of the merger shall be made public through all appropriate means by the Fund and shall be notified to the CSSF and, where appropriate, to the competent authorities of the home Member States of the European Union of the other UCITS involved in the merger.

Under the same circumstances as provided in the previous Section, the general meeting of shareholders of the Fund may decide with no quorum requirement and simple majority to merge the whole Fund with another UCITS established in Luxembourg or in another Member State of the European Union or with any Subfund thereof.

A merger which has taken in accordance with the provisions of the 2010 Law cannot be declared null and void.

5. DIVIDEND POLICY

The dividend policy of each Subfund and/or classes of shares is described in detail in Section I.
The general meeting of shareholders of the various Subfunds shall determine, on the proposal of the Board and after closing the annual accounts for each Subfund, whether and to what extent distributions are to be paid out of investment income and realised gains in the Net Asset Value after deduction of all fees and expenses. Distributions may not cause the net assets of the Fund to fall below the minimum Net Asset Value of the Fund provided for by the 2010 Law.
Entitlements to distributions and allocations not claimed within five years of expiry shall be forfeited and the corresponding assets returned to the respective Subfund. If the Subfund in question has already been liquidated, the distributions and allocations will accrue to the other Subfunds of the same Fund in proportion to their respective net assets. At the proposal of the Board, the general meeting of shareholders of a specific Subfund may decide to issue bonus shares as part of the distribution of net investment income and capital gains.
An income equalisation amount is calculated so that the distribution corresponds to the actual income entitlement.

6. DEPOSITARY

UBS Europe SE, Luxembourg Branch, has been appointed as depositary of the Fund (the "**Depositary**"). The Depositary will also provide paying agent services to the Fund.

The Depositary is a Luxembourg established branch of UBS Europe SE, a European Company (Societas Europaea), having its registered office in Frankfurt am Main, Germany, registered with the trade and companies register of the district court of Frankfurt am Main under number HRB 107046. The Depositary has its address at 33A, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Trade and Company Register under number B 209.123.

The Depositary has been appointed for the safe-keeping of financial instruments that can be held in custody, for the record keeping and verification of ownership of other assets of the Fund as well as to ensure for the effective and proper monitoring of the Fund's cash flows in accordance with the provisions of the 2010 Law and the depositary agreement (the "**Depositary Agreement**"). Assets held in custody

by the Depositary shall not be reused by the Depositary, or any third party to which the custody function has been delegated, for their own account, unless such reuse is expressly allowed by the 2010 Law.

In addition, the Depositary shall also ensure that (i) the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with Luxembourg law, the Prospectus and the Articles of Incorporation, (ii) the value of the Shares is calculated in accordance with Luxembourg law, the Prospectus and the Articles of Incorporation, (iii) the instructions of the Management Company or the Fund are carried out, unless they conflict with applicable Luxembourg law, the Prospectus and/or the Articles of Incorporation, (iv) in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits, and (v) the Fund's incomes are applied in accordance with Luxembourg law, the Prospectus and the Articles of Incorporation.

In compliance with the provisions of the Depositary Agreement and the 2010 Law, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties in relation to financial instruments that can be held in custody, duly entrusted to the Depositary for custody purposes, and/or all or part of its duties regarding the record keeping and verification of ownership of other assets of the Fund to one or more sub-custodian(s), as they are appointed by the Depositary from time to time. The Depositary does not allow its sub-custodians to make use of sub-delegates which have not been approved by the Depositary in advance.

Prior to the appointment of any sub-custodian and sub-delegate and on an ongoing basis based on applicable laws and regulations as well as its conflict of interests policy the Depositary shall assess potential conflicts of interests that may arise from the delegation of its safekeeping functions. The Depositary is part of the UBS Group, a worldwide, full-service private banking, investment banking, asset management and financial services organization which is a major participant in the global financial markets. As such, potential conflicts of interest from the delegation of its safekeeping functions could arise as the Depositary and its affiliates are active in various business activities and may have differing direct or indirect interests. Investors may obtain additional information free of charge by addressing their request in writing to the Depositary.

In order to avoid any potential conflicts of interest, the Depositary does not appoint any sub-custodians and does not allow the appointment of any sub-delegate which is part of the UBS Group, unless such appointment is in the interest of the shareholders and no conflict of interest has been identified at the time of the sub-custodian's or sub-delegate's appointment. Irrespective of whether a given sub-custodian or sub-delegate is part of the UBS Group or not, the Depositary will exercise the same level of due skill, care and diligence both in relation to the selection and appointment as well as in the on-going monitoring of the relevant sub-custodian or sub-delegate. Furthermore, the conditions of any appointment of a sub-custodian or sub-delegate that is member of the UBS Group will be negotiated at arm's length in order to ensure the interests of the Fund and its Shareholders. Should a conflict of interest occur and in case such conflict of interest cannot be mitigated, such conflict of interest as well as the decisions taken will be disclosed to Shareholders. An up-to-date description of any safekeeping functions delegated by the Depositary and an up-to-date list of these delegates and sub-delegate(s) can be found on the following webpage: https://www.ubs.com/global/en/legalinfo2/luxembourg.html.

Where the law of a third country requires that financial instruments are held in custody by a local entity and no local entity satisfies the delegation requirements of article 34bis, paragraph 3, lit. b) i) of the 2010 Law, the Depositary may delegate its functions to such local entity to the extent required by the law of that third country for as long as there are no local entities satisfying the aforementioned requirements. In order to ensure that its tasks are only delegated to sub-custodians providing an adequate standard of protection, the Depositary has to exercise all due skill, care and diligence as required by the 2010 Law in the selection and the appointment of any sub-custodian to whom it intends to delegate parts of its tasks and has to continue to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of any sub-custodian to which it has delegated parts of its tasks as well as of any arrangements of the sub-custodian in respect of the matters delegated to it. In particular, any delegation is only possible when the sub-custodian at all times during the performance of the tasks delegated to it segregates the assets of the Fund from the Depositary's own assets and from assets belonging to the sub-custodian in accordance with the 2010 Law. The Depositary's liability shall not be affected by any such delegation, unless otherwise stipulated in the 2010 Law and/or the Depositary Agreement.
The Depositary is liable to the Fund or its shareholders for the loss of a financial instrument held in custody within the meaning of article 35 (1) of the 2010 Law and article 12 of the Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing the UCITS Directive with regard to obligations of depositaries (the "**Fund Custodial Assets**") by the Depositary and/or a sub-custodian (the "**Loss of a Fund Custodial Asset**").

In case of Loss of a Fund Custodial Asset, the Depositary has to return a financial instrument of an identical type or the corresponding amount to the Fund without undue delay. In accordance with the provisions of the 2010 Law, the Depositary will not be liable for the Loss of a Fund Custodial Asset, if such Loss of a Fund Custodial Asset has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary shall be liable to the Fund and to the shareholders for all other direct losses suffered by them as a result of the Depositary's negligence or intentional failure to properly fulfil its duties in accordance with applicable law, in particular the 2010 Law and the Depositary Agreement.

The Fund and the Depositary may terminate the Depositary Agreement at any time by giving three (3) months' notice by registered letter. In case of a voluntary withdrawal of the Depositary or of its removal by the Fund, the Depositary must be replaced before maturity of such notice period by a successor depositary to whom the Fund´s assets are to be delivered and who will take over the functions and responsibilities of the Depositary. If the Fund does not name such successor depositary in time the Depositary may notify the CSSF of the situation.

7. CENTRAL ADMINISTRATIVE AGENT

Northern Trust Global Services SE, 6, rue Lou Hemmer, L-1748 Senningerberg and registered with the Luxembourg Trade and Companies Register under number B 129 936 is acting as the administrative agent and domiciliary agent of the Fund. In this capacity, the administrative agent and domiciliary agent of the Fund is responsible for the general administrative duties involved in managing the Fund and prescribed by Luxembourg law. These administrative services mainly include calculation of the Net Asset Value per share, accounting and reporting. The administrative agent is entitled to charge a fee in line with the customary fees at the financial centre of Luxembourg. It also carries out the other tasks of central administration in accordance with applicable law in Luxembourg. It is responsible in particular for processing share subscriptions, redemptions and conversions, as well as for transferring the relevant monies.

8. PORTFOLIO MANAGERS/ INVESTMENT ADVISORS

The Fund is managed by the Management Company, which is responsible for the management and administration of the Fund, of its Subfunds, and, if applicable, of the share classes of those Subfunds. The Management Company is responsible for monitoring the investment policy and restrictions of the Subfunds of the Fund.

Within the framework of these functions, the Management Company may be assisted by portfolio managers and investment advisers, for each Subfund, according to their respective objective and investment policy, on the basis of delegation agreements.

The Management Company may appoint different portfolio managers in the framework of the portfolio management of the Subfunds. Portfolio Management comprises the active management of the Subfund's assets and the ongoing monitoring and adjusting of investments. The mandate is executed under the supervision and the responsibility of the Board.

The portfolio manager may, subject to the terms and conditions of the portfolio management agreement, be authorised to appoint investment advisors with regard to investment recommendations, for instance, relating to the asset allocation among the authorised investment instruments.

The names and designations of the delegates of the Management Company, as well as the fees to which they are entitled, are described in detail in Section I. Unless provided for otherwise, this fee is expressed as a percentage of the Net Asset Value and is payable quarterly.

9. ADVISORY COMMITTEE

The Management Company may establish an advisory committee (the "**Advisory Committee**") in relation to one or several Subfunds.

The Advisory Committee may express its views on the general investment strategy and investment policy to be implemented by the Management Company within the limits of the investment objective of the relevant Subfund. The Advisory Committee may furthermore be consulted in relation to all or part of the investment decisions to be taken by the Management Company or the delegate portfolio managers. The Management Company may submit every investment decision, or any other decision in regards to the general investment strategy and investment policy of the Subfund to be taken, to the Advisory Committee for approval.

The Advisory Committee of the relevant Subfund shall be composed of a number of members as determined by the Management Company.

The Management Company will ensure that, based on the individual curriculum vitae, each of the Advisory Committee's members possesses sufficient know how with reference to the investments to be carried out by the relevant Subfund.

The members of the Advisory Committee shall be appointed by the Management Company. The Shareholders of the respective Subfund may suggest one or more persons to be appointed as members of the Advisory Committee. The Advisory Committee's members shall accept their appointment in writing and may resign at any time.

The Advisory Committee shall elect a chairman from among its members. The Advisory Committee's members shall hold their office for a period of three (3) years from their appointment; such term may be renewed.

Should a member of the Advisory Committee cease to hold its office for any reason, the Management Company shall appoint a new Advisory Committee member; the Shareholders of the respective Subfund may suggest one or more persons to be appointed as member of the Advisory Committee. The rules applicable to the appointment of Advisory Committee members apply by way of analogy to the appointment of such new members.

The Management Company may replace any member of the Advisory Committee at any time.

Representatives of the Management Company and of the portfolio manager(s) may participate in meetings of the Advisory Committee without being granted any voting power.

Unless it is called by the Management Company or otherwise indicated in the Subfund section of the relevant Subfund, convening notices for a meeting of the Advisory Committee will be sent at least fifteen (15) days prior to the meeting by the chairman to discuss the general activity of the relevant Subfund.

Advisory Committee's meetings shall be validly held if the majority of the Advisory Committee's members in office is present or represented. Relevant resolutions shall be adopted with the favourable vote of the majority of attendees. In case of an even number of attendees, the chairman shall have the casting vote.

Resolutions of the Advisory Committee may also be adopted by way of circular documents if no meeting is called. In this case, the relevant document shall clearly set out the subject matter of the resolution and the date and signature of the relevant members of the Advisory Committee.

The Management Company shall convene the Advisory Committee meeting for the following reasons:

(a) to seek the non-binding advice of the Advisory Committee in relation to: (i) strategic, macroeconomic and market issues; (ii) the overall investment strategy and the drafting and/or revision of the respective Subfund’s investment policy and investment restrictions; (iii) significant investment decisions in investments which present a conflict of interests with the Management Company, the Portfolio Manager(s) and/or any of the Shareholders; (iv) the appointment of a new Portfolio Manager and/or the replacement of the existing Portfolio Managers, or the sub-delegation of the assets of the Subfund amongst the relevant Portfolio Manager(s); (v) the supervision of the compliance of the Portfolio Managers with the investment guidelines applicable to each Subfund; (vi) the supervision of the compliance of any other entity involved in the day-by-day activities of the Subfund (inter alia, the Management Company, the Board of the Fund, the Central Administrative Agent, the Depositary and principal paying agent, etc) with the rules applicable to the relevant Subfund, as set out under this Prospectus as well as with any laws and regulation applicable to each of them; (vii) the decision about the potential distribution of a dividend to the Shareholders and (viii) any significant modification to be adopted on the overall structure of the Subfund which might have an impact on the Subfund's performance or functioning and/or on the interests of the Shareholders.

(b) to request a consent to subscribe for shares in an affiliated fund;

(c) to inform and seek advice from the members of the Advisory Committee about the recent performance of the relevant Subfund, the asset allocation, the level of leverage and the compliance with the investment restrictions set forth in this Prospectus, and

(d) to inform, in due time in advance (to the extent that this would be legally possible), about events which might have a significant impact on the Subfund's performance or functioning.

In this respect, the Advisory Committee shall have the right to request periodic detailed reports and information from the Management Company and/or from the Portfolio Manager(s) about the asset allocation and the risk profile assumed by the relevant Subfund.

In compliance with the terms and conditions set forth in this Prospectus, the members of the Advisory Committee shall be entitled to request the reimbursement, at the respective Subfund’s expense, of all documented out-of-pocket expenses reasonably incurred in connection with their office.

Terms and conditions of the remuneration of the Advisory Committee's members shall be resolved by the Management Company prior to their appointment.

10. TAXATION

Taxation of the Fund

In accordance with the legislation in force and current practice in the Grand Duchy of Luxembourg, the Fund is not liable to any withholding, income, capital gains or wealth tax. The Fund is, however, liable in Luxembourg to a tax of 0.05% per annum ("taxe d'abonnement") on the Net Asset Value; this tax is payable quarterly on the basis of the value of the net assets of the Fund at the end of the each quarter. If any Subfund or any class of a Subfund is reserved to institutional investors, the "taxe d'abonnement" may be reduced to 0.01% p.a. on the net assets of that specific Subfund or class.

Taxation of shareholders

It is brought to shareholders' attention that the Law of 21 June 2005 transposed into Luxembourg law the European Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (the "**Savings Directive**").

This resulted in the introduction, beginning 1 July 2005, of a withholding tax on savings income in the form of interest payments made in Luxembourg to beneficial owners who are individuals and who are tax residents of another Member State of the European Union.

Dividends distributed by a Subfund of the Fund will be subject to the Savings Directive if more than 15% of its assets are invested in debt claims as defined in the Directive. The income realised by the shareholders will be subject to withholding tax if more than 25% of the assets of the Subfund are invested in debt securities.

Provided that the Subfund concerned is not subject to the Savings Directive or when the shareholders are not subject to it, the shareholders are not subject to any withholding, capital gains, income, gift, wealth, inheritance or other tax in Luxembourg except for investors domiciled, resident or having a permanent establishment in Luxembourg and except for certain former residents of Luxembourg owning more than 10% of the shares in the Fund. The above summary of the tax implications is not exhaustive. It is based on the law and regulation currently in force in the Grand Duchy of Luxembourg, which are subject to change. Potential shareholders are advised to inform themselves about the laws and regulations in force and, where appropriate, seek advice on the subscription, redemption, possession and sale of shares at their place of residence.

In March 2014, the European Council adopted a new directive amending and broadening the scope of the Savings Directive in various respects, including extending the Savings Directive to non-UCITS and non-UCITS equivalent funds. However, on 10 November 2015 the Savings Directive (as amended in March 2014) was repealed by the European Council with effect from 1 January 2016 following the new automatic exchange of information regime, referred to below, to be implemented under the CRS Directive.

11. AUTOMATIC EXCHANGE OF INFORMATION

DAC6 – Disclosure requirements for reportable cross-border tax arrangements

On 25 June 2018, Council Directive (EU) 2018/822 ("**DAC6**") entered into force introducing rules regarding the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements ("**RCBAs**"). DAC6 is intended to provide the tax authorities of EU member states with comprehensive and relevant information about potentially aggressive tax-planning arrangements with the aim that this information will enable the authorities to react promptly against harmful tax practices and close loopholes by enacting legislation or by undertaking adequate risk assessments and carrying out tax audits.

The DAC6 obligations apply from 1 July 2020, but may require reporting of arrangements implemented between 25 June 2018 and 30 June 2020. The DAC6 generally requires EU intermediaries to report to their local tax authorities information about RCBAs, including details of the arrangement as well as identification information about the involved intermediaries and relevant taxpayers, i.e. the persons to whom the RCBA is made available. Subsequently, the local tax authorities exchange the information with the tax authorities of other EU member states. As such, the Fund may be legally required to file information that is within its knowledge, possession or control on any RCBA to the respective tax authorities. This legislation is capable of applying to arrangements that do not necessarily constitute aggressive tax planning.

FATCA and the Common Reporting Standard

As an investment entity established in Luxembourg, the Fund is required by automatic exchange of information regimes, such as those described below (and others as may be introduced from time to time), to collect certain information about each investor and their tax status and to share that information with the Luxembourg tax authorities, who may then exchange it with tax authorities in the jurisdictions in which the investor is tax resident.

Pursuant to the U.S. Foreign Account Tax Compliance Act and associated legislation ("**FATCA**"), the Fund is required to comply with extensive due diligence and reporting requirements designed to inform the U.S. Department of the Treasury of financial accounts of "Specified U.S. Persons", as defined by the Intergovernmental Agreement ("**IGA**") concluded between Luxembourg and the U.S. Failure to comply with these requirements may subject the Fund to U.S. withholding taxes on certain U.S. sourced income and, effective 1 January 2019, gross proceeds. Pursuant to the IGA, the Fund will be deemed compliant and not subject to withholding tax if it identifies and reports financial accounts held by Specified U.S. Persons directly to the Luxembourg tax authorities, who will then provide it to the U.S. Internal Revenue Service.

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard ("**CRS**") to address the issue of offshore tax evasion on a global basis. Pursuant to the CRS, financial institutions based in participating CRS jurisdictions (such as the Fund) must report to their local tax authorities personal and account information of investors and, where appropriate, controlling persons resident in other participating CRS jurisdictions which have an agreement in place with the financial institution's jurisdiction to exchange information. Tax authorities in participating CRS jurisdictions will exchange such information on an annual basis. The first information exchanges were expected to begin in 2017. Luxembourg has enacted legislation to implement the CRS. As a result, the Fund will be required to comply with the CRS due diligence and reporting requirements adopted by Luxembourg.

Prospective investors will be required to provide to the Fund information about themselves and their tax status prior to investment in order to enable the Fund to satisfy its obligations under FATCA and the CRS, and to update that information on a continuing basis. Prospective investors should note the Fund's obligation to disclose such information to the Luxembourg tax authorities. Each investor acknowledges that the Fund may take such action as it considers necessary in relation to such investor's holding in the Fund to ensure that any withholding tax suffered by the Fund and any other related costs, interest, penalties and other losses and liabilities arising from such investor's failure to provide the requested information to the Fund is economically borne by such investor. This may include subjecting an investor to liability for any resulting U.S. withholding taxes or penalties arising under FATCA or the CRS and/or the compulsory redemption or liquidation of such investor's interest in the Fund.

Detailed guidance as to the mechanics and scope of FATCA and the CRS is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future operations of the Fund. Prospective investors should consult their own tax advisor with regard to FATCA and the CRS and the potential consequences of such automatic exchange of information regimes.

"Specified U.S. Person" for FATCA purposes

The term "Specified U.S. Person" means a U.S. citizen or resident individual, a partnership or corporation organised in the U.S. or under the laws of the U.S or any State thereof, a trust if i) a court within the U.S would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and ii) one or more Specified U.S. Persons have the authority to control all substantial decisions of the trust, or an estate of a descendent that is a citizen or resident of the U.S. This section shall be interpreted in accordance with the U.S. Internal Revenue Code.

12. CHARGES AND EXPENSES

Costs in connection with the launch of a new Subfund which include expenses for preparing and printing the sales prospectus, notary fees, launch fees paid to administrative and exchange authorities in Luxembourg and abroad, and/or other fees in relation to the establishment, promotion and launch of the Subfund are written off over a period not to exceed five years on the assets of the Subfund, in an annual amount determined by the Board on an equitable basis.

In addition, the Depositary and the Central Administrative Agent will receive from the Fund a fee based, in principle, on the average net assets of the Fund, in accordance with customary practice in the Luxembourg financial market as described in Section I.

The Portfolio Manager and/or investment advisor of each Subfund will receive a fee as described in detail in Section I.

The Management Company will receive a fee as described in detail in Section I.

The distributor (if any) will receive a fee as described in detail in Section I.

The Fund shall also bear the other operating costs, including, inter alia, the expenses purchasing and selling securities, all taxes which may be payable on the Fund´s assets or income and especially "taxed d´abonnement" and regulatory authority fees, the costs of exchange listings, the costs which may be incurred for extraordinary steps or measures, in particular expert opinions or lawsuits which might be necessary for the protection of the Fund´s assets, the fees for the auditors and all legal advisors, costs incurred indirectly in connection with the offer, advertising and sale of shares, the cost of translating any documents intended for foreign regulatory authorities, the cost of printing the Prospectus and the share certificates, expenses related to the preparation, deposition and publications of agreements and other documents concerning the Fund (including fees for the notification of and registration with all authorities), the cost of preparing, translating, printing and distributing the periodical publications and all other documents which are required by the relevant legislation and regulations, expenses for preparing and printing the KIIDs, the costs of preparing and distributing notifications to the Shareholders, the costs for the provision of services relating to the appointment of the *Responsable du contrôle du respect des obligations (RC)* in view of the Fund's anti money laundering obligations, and operational costs in relation to the day to day management of the Fund. All expenses are taken into account in the determination of the Net Asset Value per Share of each class/Subfund. Operational and administrative expenses are allocated among the Subfunds, the categories and the classes of Shares pro rata to their respective net assets (or in a fair and reasonable manner as determined by the Fund).

13. SHAREHOLDER INFORMATION AND COMPLAINTS HANDLING

The audited annual report will be made available to shareholders free of charge at the registered office of the Fund within four months of the end of the financial year. The annual report includes reports on the Fund in general and on each Subfund, as set forth in the CSSF Circular 14/592. It shall also contain details on the underlying assets focused on by the respective Subfund through the use of financial derivative instruments, the counterparties to these derivative transactions, as well as the collateral (and its scope) provided in favour of the Subfund by its counterparties, in order to reduce credit risk.

Un-audited semi-annual reports of the Subfunds will be made available at the same places as the annual reports within two months of the end of the period to which they refer.

Other information on the Fund, as well as on the Net Asset Value, the issue, conversion and redemption prices of the Fund's shares may be obtained on any Business Day at the registered office of the Fund and from the Depositary. If necessary, any information relating to a suspension or resumption of the calculation of the Net Asset Value, the issue or redemption price will be published on the Management Company's website "http://www.ubs.com/global/en/asset_management/fundservices/solutions/ubs-third-party-management-company.html", and, if applicable, in the appropriate media in the different distribution countries.

Copies of the Articles may be obtained at the registered office of the Fund. Material provisions of the agreements referred to in this Prospectus may be inspected during usual business hours on any Luxembourg Business Day at the registered office of the Fund.

In addition, the Articles, the Prospectus as well as the latest annual and semi-annual reports are available free of charge from the Depositary. The issue and redemption prices as well as any documents mentioned above may also be obtained there.

The key investor information document is published on the website "http://www.ubs.com/third-party-man-co-kiid". Furthermore the key investor information documents will be supplied to shareholders on request and free of charge.

Shareholder information, in particular any notice to the shareholders, will be published on the Management Company´s website http://www.ubs.com/global/en/asset_management/fundservices/solutions/ubs-third-party-management-company.html. Notices to the shareholders shall additionally be published in Luxembourg in the "Luxemburger Wort", if it is mandatory required under the provisions of the Luxembourg Law of 1915 or

other applicable laws and regulations required. If shares are offered outside the Grand Duchy of Luxembourg, and if there is a legal requirement to do so, notices to the shareholders will also be published in the appropriate media.

Any shareholder having a complaint to make about the operations of the Fund may file a complaint by writing to the Management Company. Details on the complaints handling procedure may be obtained from the Management Company upon request and on https://www.ubs.com/global/en/asset_management/fundservices/solutions/ubs-third-party-management-company.html.

14. BENCHMARK

Management of Subfund and Benchmark

Unless otherwise stated in the Subfunds' supplements under section I, the Subfunds are actively managed without reference to any benchmark.

Use of Benchmarks

Unless otherwise disclosed in this Prospectus, the indices used as benchmarks by the Subfunds (as "use" is defined in Regulation (EU) 2016/1011 (the "**Benchmark Regulation**")) are, as at the date of this Prospectus, provided by benchmark administrators who are making use of the transitional arrangements afforded under the Benchmark Regulation and accordingly do not appear on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmark Regulation. Updated information whether the benchmark is provided by an administrator included in the ESMA register of EU benchmark administrators and third country benchmarks is available from https://www.esma.europa.eu/benchmarks-register. The Management Company maintains a written plan setting out the actions that will be taken in the event that a benchmark materially changes or ceases to be provided (the "**Contingency Plan**"), as required by Article 28 (2) of the Benchmark Regulation. Shareholders may access the Contingency Plan free of charge upon request at the registered office of the Management Company.

15. REMUNERATION POLICY

The board of directors of the Management Company has adopted a remuneration policy, the objectives of which are to ensure that the remuneration is in line with the applicable regulations, and more specifically with the provisions defined under (i) the UCITS Directive 2014/91/EU, the ESMA final report on sound remuneration policies under the UCITS Directive and AIFMD published on 31 March 2016, (ii) the Alternative Investment Fund Managers (AIFM) Directive 2011/61/EU, transposed into the Luxembourg AIFM Law dated from 12 July 2013, as amended from time to time, the ESMA guidelines on sound remuneration policies under the AIFM published on 11 February 2013 and (iii) the CSSF Circular 10/437 on Guidelines concerning the remuneration policies in the financial sector issued on 1 February 2010; and to comply with the UBS AG Remuneration policy framework. Such remuneration policy is reviewed at least annually.

The policy promotes a sound and effective risk management environment, is in line with the interests of the investor and discourages risk-taking which is inconsistent with the risk profiles rules or instruments of incorporation of such Collective Investment in Transferable Securities (UCITS)/Alternative Investment Funds (AIFs).

The policy furthermore fosters compliance with the Management Company's and the UCITS'/AIFs' strategies, objectives, values and interests including measures to avoid conflict of interests.

This approach furthermore focuses amongst others on:

- The assessment of performance which is set in a multi-year framework appropriate to the holding periods recommended to the investors of the Subfunds in order to ensure that the assessment process is based on the longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period.
- The remuneration of all staff members which is appropriately balanced between fixed and variable elements. The fixed component of the remuneration represents a sufficient high proportion of the total remuneration and allows a fully flexible bonus strategy, including the possibility to pay no variable remuneration component. The fixed remuneration is determined by taking into consideration the role of the individual employee, including responsibility and job

complexity, performance and local market conditions. It is also to be noted that the company may, on its own discretion, offer fringe benefits to some employees which are an integral component of the fixed remuneration.

Any relevant disclosures shall be made in the annual reports of the Management Company in accordance with the provisions of the UCITS Directive 2014/91/EU.

Investors can find more details about the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee (if any), are available on https://www.ubs.com/global/en/asset_management/fundservices/solutions/ubs-third-party-management-company.html.
A paper copy of such document is available free of charge from the Management Company upon request.

16. CONFLICTS OF INTEREST

The Board of Directors, the Management Company, the Portfolio Manager, the Depositary, the Central Administrative Agent and the other service providers of the Company, and/or their respective affiliates, members, employees or any person connected with them may be subject to various conflicts of interest in their relationships with the Fund.

The Management Company, the Fund, the Portfolio Manager, the Central Administrative Agent and the Depositary have adopted and implemented a conflicts of interest policy and have made appropriate organisational and administrative arrangements to identify and manage conflicts of interests so as to minimise the risk of the Fund's interests being prejudiced, and if they cannot be avoided, ensure that the Fund's investors are treated fairly.

The Management Company, the Depositary, the Portfolio Manager and certain distributors are part of the UBS Group (the "**Affiliated Person**").

The Affiliated Person is a worldwide, full-service private banking, investment banking, asset management and financial services organization and a major participant in the global financial markets. As such, the Affiliated Person is active in various business activities and may have other direct or indirect interests in the financial markets in which the Fund invests.

The Affiliated Person including its subsidiaries and branches may act as counterparty and in respect of financial derivative contracts entered into by the Fund. A potential conflict may further arise as the Depositary is related to a legal entity of the Affiliated Person which provides other products or services to the Fund.

In the conduct of its business, the Affiliated Person's policy is to identify, manage and where necessary prohibit any action or transaction that may pose a conflict between the interests of the Affiliated Persons' various business activities and the Fund or its investors. The Affiliated Person strives to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing. For this purpose, the Affiliated Person has implemented procedures that shall ensure that any business activities involving a conflict which may harm the interests of the Fund or its investors, are carried out with an appropriate level of independence and that any conflicts are resolved fairly. Investors may obtain additional information on the Management Company and/or Fund's policy related to conflict of interests free of charge by addressing their request in writing to the Management Company.

Notwithstanding its due care and best effort, there is a risk that the organizational or administrative arrangements made by the Management Company for the management of conflicts of interest are not sufficient to ensure with reasonable confidence, that risks of damage to the interests of the Fund or its shareholders will be prevented. In such case these non-mitigated conflicts of interest as well as the decisions taken will be reported to investors on the following website of the Management Company: https://www.ubs.com/global/en/asset_management/fundservices/solutions/ubs-third-party-management-company.html. Respective information will also be available free of charge at the registered office of the Management Company.

In addition, it has to be taken into account that the Management Company and the Depositary are members of the same group. Thus, both have put in place policies and procedures ensuring that they (i) identify all conflicts of interests arising from that link and (ii) take all reasonable steps to avoid those conflicts of interest.
Where a conflict of interest arising out of the group link between the Management Company and the Depositary cannot be avoided, the Management Company or the Depositary will manage, monitor and

disclose that conflict of interest in order to prevent adverse effects on the interests of the Fund and of the shareholders.
A description of the safekeeping functions delegated by the Depositary, the list of delegates and sub-delegates of the Depositary can be found on the following webpage:
https://www.ubs.com/global/en/legalinfo2/luxembourg.html and up-to-date information in relation thereto will be made available to investors upon request.

17. FIGHT AGAINST MONEY LAUNDERING AND TERRORIST FINANCING

Pursuant to the applicable provisions of Luxembourg laws and regulations in relation to the fight against money laundering and terrorist financing ("**AML/CFT**"), obligations have been imposed on the Fund as well as on other professionals of the financial sector to prevent the use of funds for money laundering and financing of terrorism purposes.

The Fund and the Management Company will ensure their compliance with the applicable provisions of the relevant Luxembourg laws and regulations, including but not limited to the Luxembourg Law of 12 November 2004 on the fight against money laundering and terrorist financing as amended (the "**2004 AML/CFT Law**"), the Grand-Ducal Regulation of 1 February 2010 providing detail on certain provisions of the 2004 AML/CFT Law (the "**2010 AML/CFT Regulation**"), CSSF Regulation N°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing ("**CSSF Regulation 12-02**") and relevant CSSF Circulars in the field of AML/CFT, including but not limited to CSSF Circular 18/698 on the authorization and organization of investment fund managers incorporated under Luxembourg law (the "**CSSF Circular 18/698**" and the above collectively referred to as the "**AML/CTF Rules**").

In accordance with the AML/CTF Rules, the Fund and the Management Company are required to apply due diligence measures on the investors (including on their ultimate beneficial owner(s)), their delegates and the assets of the Fund in accordance with their respective policies and procedures put in place from time to time.

Among others, the AML/CTF Rules require a detailed verification of a prospective investor's identity. In this context, the Fund and the Management Company, or the Central Administrative Agent or any distributor, nominee or any other type of intermediary (as the case may be), acting under the responsibility and supervision of the Fund and the Fund will require prospective investors to provide them with any information, confirmation and documentation deemed necessary in their reasonable judgment, applying a risk-based approach, to proceed such identification.

The Fund and the Management Company reserve the right to request such information as is necessary to verify the identity of a prospective or current investor. In the event of delay or failure by a prospective investor to produce any information required for verification purposes, the Fund and the Management Company are entitled to refuse the application and will not be liable for any interest, costs or compensation. Similarly, when Shares are issued, they cannot be redeemed or converted until full details of registration and anti-money laundering documents have been completed.

The Fund and the Management Company moreover reserve the right to reject an application, for any reason, in whole or in part in which event the application monies (if any) or any balance thereof will, to the extent permissible, be returned without unnecessary delay to the prospective investor by transfer to the prospective investor's designated account or by post at the prospective investor's risk, provided the identity of the prospective investor can be properly verified pursuant to the AML/CTF Rules. In such event, the Fund and the Management Company will not be liable for any interest, costs or compensation.

In addition, the Fund and the Management Company, or the Central Administrative Agent or any distributor, nominee or any other type of intermediary (as the case may be), acting under the responsibility and supervision of the Fund and the Management Company, may request investors to provide additional or updated identification documents from time to time pursuant to on-going client due diligence requirements under the AML/CTF Rules, and investors shall be required and accept to comply with such requests.

Failure to provide proper information, confirmation or documentation may, among others, result in (i) the rejection of subscriptions, (ii) the withholding of redemption proceeds by the Fund or (iii) the withholding of outstanding dividend payments. Moreover, prospective or current investors who fail to comply with the above requirements may be subject to additional administrative or criminal sanctions under applicable laws, including but not limited to the laws of the Grand Duchy of Luxembourg. None of the Fund, the Management Company, the Central Administrative Agent or any distributor, nominee or any other type of intermediary (as the case may be) has any liability to an investor for delays or failure to process subscriptions, redemptions or dividend payments as a result of the investor providing no or only

incomplete documentation. The Fund and the Management Company moreover reserve all rights and remedies available under applicable law to ensure their compliance with the AML/CTF Rules.

Pursuant to the Luxembourg Law of 13 January 2019 on the register of beneficial owners (the "**RBO Law**"), the Fund is required to collect and make available certain information on its beneficial owner(s) (as defined in the AML/CTF Rules). Such information includes, among others, first and last name, nationality, country of residence, personal or professional address, national identification number and information on the nature and the scope of the beneficial ownership interest held by each beneficial owner in the Fund. The Fund is further required, among others, (i) to make such information available upon request to certain Luxembourg national authorities (including the *Commission de Surveillance du Secteur Financier*, the *Commissariat aux Assurances*, the *Cellule de Renseignement Financier*, Luxembourg tax and other national authorities as defined in the RBO Law) and upon motivated request of other professionals of the financial sector subject to the AML/CTF Rules, and (ii) to register such information in a publicly available central register of beneficial owners (the "**RBO**").

That being said, the Fund or a beneficial owner may however, on a case by case basis and in accordance with the provisions of the RBO Law, formulate a motivated request with the administrator of the RBO to limit the access to the information relating to them, e.g. in cases where such access could cause a disproportionate risk to the beneficial owner, a risk of fraud, kidnapping, blackmail, extortion, harassment or intimidation towards the beneficial owner, or where the beneficial owner is a minor or otherwise incapacitated. The decision to restrict access to the RBO does, however, not apply to the Luxembourg national authorities, nor to credit instructions, financial institutions, bailiffs and notaries acting in their capacity as public officers, which can thus always consult the RBO.

In light of the above RBO Law requirements, any persons willing to invest in the Fund and any beneficial owner(s) of such persons (i) are required to provide, and agree to provide, the Fund and the case being the Management Company, the Central Administrative Agent or their distributor, nominee or any other type of intermediary (as the case may be), with the necessary information in order to allow the Fund to comply with its obligations in terms of beneficial owner identification, registration and publication under the RBO Law (regardless of applicable rules regarding professional secrecy, banking secrecy, confidentiality or other similar rules or arrangements), and (ii) accept that such information will be made available among others to Luxembourg national authorities and other professionals of the financial sector as well as to the public, with certain limitations, through the RBO.

Under the RBO Law, criminal sanctions may be imposed on the Fund in case of its failure to comply with the obligations to collect and make available the required information, but also on any beneficial owner(s) that fail to make all relevant necessary information available to the Fund.

18. DATA PROTECTION

In accordance with the applicable Luxembourg data protection law and, as of 25 May 2018, the Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data ("**Data Protection Law**"), the Fund, as data controller, collects, stores and processes, by electronic or other means, the data supplied by investors for the purpose of fulfilling the services required by the investors and complying with its legal and regulatory obligations. The data processed includes in particular the name, contact details (including postal or email address), banking details, invested amount and holdings in the Fund of investors ("**Personal Data**"). The investor may at his/her discretion refuse to communicate Personal Data to the Fund. In this case, however, the Fund may reject a request for Shares. Each investor has a right to access his/her Personal Data and may ask for Personal Data to be rectified where it is inaccurate or incomplete by writing to the Fund at its registered office.

Personal Data supplied by investors is processed in order to subscribe for Shares in the Fund, for the legitimate interests of the Fund and to comply with the legal obligations imposed on the Fund. In particular, the Personal Data supplied by investors is processed for the purposes of processing subscriptions, redemptions and conversions of Shares and payments of dividends to investors, account administration, client relationship management, performing controls on excessive trading and market timing practices, tax identification as may be required under Luxembourg or foreign laws and regulations (including laws and regulations relating to FATCA or CRS) and compliance with applicable AML/CFT rules. Data supplied by shareholders is also processed for the purpose of maintaining the register of shareholders of the Fund. In addition, Personal Data may be processed for the purposes of marketing. Each investor has the right to object to the use of its Personal Data for marketing purposes by writing to the Fund.

The Personal Data may also be processed by the Fund’s data processors (the "**Processors**") which, in the context of the above mentioned purposes, refer to the Management Company, the Depositary, the

Central Administrative Agent, the portfolio managers, the distributors and the auditor. The Processors may be located either inside or outside the European Union and, in particular, in the United States of America, Norway and Switzerland. Any transfer of Personal Data to the Processors located in the United States of America, Norway and Switzerland relies on adequacy decisions of the EU Commission pursuant to which the United States of America, Norway and Switzerland are considered to offer an adequate level of protection for Personal Data. The Fund may also transfer Personal Data to third- parties such as governmental or regulatory agencies, including tax authorities, in or outside the European Union, in accordance with applicable laws and regulations. In particular, such Personal Data may be disclosed to the Luxembourg tax authorities, which in turn may acting as data controller, disclose the same to foreign tax authorities.
In accordance with the conditions laid down by the Data Protection Law, the investors acknowledge their right to:

- access their Personal Data;
- correct their Personal Data where it is inaccurate or incomplete;
- object to the processing of their Personal Data;
- ask for erasure of their Personal Data;
- ask for Personal Data portability.

The investors may exercise the above rights by writing to the Fund at its registered office.
The investors also acknowledge the existence of their right to lodge a complaint with the National Commission for Data Protection ("**CNPD**") at the following address: 1, avenue du Rock'n'Roll, L-4361 Esch-sur-Alzette, Grand Duchy of Luxembourg.
Personal Data will not be retained for a period longer than necessary for the purpose of the data processing, subject to applicable legal minimum retention periods.

19. INVESTMENT RESTRICTIONS

Investment restrictions

For the purpose of this paragraph, the definition of "**Member State**" shall have the meaning set forth in Article 1 (13) of the 2010 Law.

The Fund's investments shall be subject to the following restrictions:

(1) Investment instruments

(A) In line with the investment policy of each Subfund, the assets of each Subfund may consist of:

(a) transferable securities and money market instruments admitted to or dealt in on a regulated market, as defined in Article 4 point 1 (14) of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004;

(b) transferable securities and money market instruments traded on another market of a Member State that operates regularly and is recognised and open to the public;

(c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State of the European Union (the "**EU**") or dealt in on another regulated market in a non-Member State of the EU which operates regularly and is recognised and open to the public, provided that the choice of the stock exchange or the market are situated in Europe, America, Asia, Africa, Australasian or Oceania;

(d) recently issued transferable securities and money market instruments, provided that:

- the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another regulated market which operates regularly and is recognised and open to the public, provided that the choice of the stock exchange or the market is effectuated on a regulated market as described under paragraphs a) and c) here above;
- such admission is secured within one year of issue.

(e) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") as equivalent to those laid down in Community law;

(f) financial derivative instruments, including similar instruments allowing cash settlements, that are traded on regulated markets of the kind specified in points a), b) and c) above, and/ over-the-counter financial derivative instruments, provided that:

- the use of financial derivative instruments is in accordance with the investment purpose and investment policy of the respective Subfund, and is suited towards achieving these;
- the underlying consists of instruments covered by Article 41(1) of the 2010 Law, financial indices, interest rates, foreign exchange rates or currencies, in which the Fund may invest according to its investment objectives as stated in the Funds' instruments of association;
- the Subfunds ensure, through adequate diversification of the underlying assets, that the diversification requirements applicable to them and listed in the section entitled "Risk diversification" are adhered to;
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF and have been specifically approved by the Board;
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair market value at the Funds' initiative; and
- the respective counterparty is not granted discretion regarding the composition of the portfolio managed by the respective Subfund (e.g. in the case of a total return swap or a financial derivative instrument with similar characteristics) or the underlying of the respective OTC derivative.

(g) money market instruments other than those dealt in on a regulated market and referred to in Article 1 of the 2010 Law, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

- issued or guaranteed by a central, regional or local administration, by a central bank of a Member State, by the European Central Bank, by the EU or by the European Investment Bank, by a non-Member State, or, in the case of a federal state, by one of the members composing the federation, or by an international public organisation to which one or more Member States belong; or
- issued by an undertaking whose securities are dealt in on regulated markets referred to in points a), b) or c) above; or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF authority to be at least as stringent as those laid down by Community law, or
- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount at least to ten million euros (EUR 10,000,000.-) and which presents and publishes its annual accounts in accordance with Fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefits from a banking liquidity line;

(h) units of UCITS authorised under Directive 2009/65/EEC and/or other UCIs within the meaning of the Article 1(2), points a) and b) of Directive 2009/65/CE, whether or not established in a Member State or not, provided that:

- these other UCIs are approved in conformity with legislation stipulating that the entities are subject to supervision that the CSSF considers to be equivalent to that intended by Community legislation and that the cooperation between the authorities is adequately guaranteed;
- the level of protection guaranteed to shareholders of these other UCIs is equivalent to that intended for shareholders of a UCITS and, in particular, that the rules relating to the division of assets, borrowings, loans, short sales of transferable securities and money market instruments is equivalent to the requirements of Directive 2009/65/CE;

- the business of the other UCI is reported in semi-annual and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
- the proportion of assets of the UCITS or of these other UCIs whose acquisition is planned, which in conformity with their formation documents can be wholly invested in units of other UCITS or other UCIs, does not exceed 10%.

(B) However, each Subfund may:

(a) invest no more than 10% of its net assets in transferable securities and money market instruments other than those referred to in point (A) above; or

(b) invest no more than 10% of its net assets in debt instruments which are treated, because of their characteristics, as equivalent to transferable securities and money market instruments, and which are, inter alia, transferable, liquid and have a value which can be accurately determined on each Valuation Day;

The total of investments referred to (a) and (b) may not under any circumstances exceed 10% of each Subfund's net assets.

The Fund and/or each Subfund:

(a) may acquire securities and real estate necessary for the exercise of its activity;

(b) may not acquire either precious metals or certificates representing them;

(c) is authorised to invest up to 10% of the net assets of each Subfund in the following structured products:

- structured products that have a precious metal as their underlying and that satisfy the requirements of Article 2 of Council Directive 2007/16/EC on transferable securities
- structured products that have a commodity or a commodities index as their underlying and that satisfy the requirements of Article 2 of Council Directive 2007/16/EC on transferable securities.

(d) may hold ancillary liquid assets.

(2) Risk diversification

(A) In accordance with the principle of risk diversification, each Compartment is not permitted to invest more than 10% of its assets in transferable securities or money market instruments issued by a single issuer. The counterparty risk of the Fund in an OTC derivative transaction may not exceed 10% of its assets when the counterparty is a credit institution referred to in paragraph (1) (A) f), or 5% of its assets in the other cases.

In addition, the total value of the transferable securities and money market instruments held by a Subfund in the issuing bodies in each of which it invests more than 5% of its assets must not exceed 40% of the value of its assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in the first paragraph of (A), the Fund shall not combine, where this would lead to investing more than 20% of its assets in a single entity, any of the following

- investments in transferable securities or money market instruments issued by that single entity,
- deposits made with that single entity, or
- risks arising from OTC derivative transactions undertaken with that single entity.

(B) The following exceptions are possible:

(a) The aforementioned limit of 10% can be raised to a maximum of 25% for various debt securities issued by credit institutions whose registered office is situated in a Member State and is subject by law to special public supervision for the purpose of protecting the holders of such debt securities. In particular, the amounts originating from the issue of the bonds must be invested, in accordance with the 2010 Law, in assets that adequately cover, for the entire duration of the validity of the bonds, the resulting liabilities and that benefit from preferential right in the payment of interest incurred in the event of default by the issuer. If the Fund invests more than 5% of its assets in these bonds issued by a single issuer, the total value of these investments may not exceed 80% of the assets of the corresponding Subfund.

(b) The aforementioned limit of 10% can be raised to a maximum of 35% for transferable securities or money market instruments issued or guaranteed by a Member State, by its local authorities, by a non-EU Member State or by public international bodies of which one or more Member States are members.

The transferable securities referred to in exceptions (a) and (b) shall not be taken into account for the purpose of applying the limit of 40% laid down above in the second paragraph of point (A).

The limits stated under (A) and (B), above, may not be aggregated and, accordingly, investments in transferable securities issued by a single issuer effected in accordance with (A) and (B), may not, in any case, exceed a total of 35% of the Subfund's assets.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single entity for the purpose of calculating the limits contained in this point 2).

The Fund may invest cumulatively up to 20% of its assets in the transferable securities or money market instruments of a single group.

(C) In derogation of the provisions of points (A) and (B) above, where the Subfund has invested in accordance with the principle of risk spreading in transferable securities issued or guaranteed by a Member State, by its local authorities, by a Member State of the Organisation for Economic Cooperation and Development or by public international bodies of which one or more Member States of the European Union are members, the Subfund is authorised to invest up to 100% of its assets in such securities, provided that the Subfund holds securities from at least six different issues and securities from one issue do not account for more than 30% of its total assets.

(D) Each Subfund may also subscribe for, acquire and/or hold shares issued or to be issued by one or more other Subfunds of the Fund subject to additional requirements which may be specified in Chapter 1, if:

(i) the target Subfund does not, in turn, invest in the Subfund invested in this target Subfund; and
(ii) no more than 10% of the assets of the target Subfunds whose acquisition is contemplated may be invested in aggregate in shares of other Subfunds of the Fund; and
(iii) voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the Subfund concerned; and
(iv) in any event, for as long as these securities are held by the relevant Subfund, their value will not be taken into consideration for the purposes of verifying the minimum threshold of the net assets imposed by the UCI Law; and
(v) there is no duplication of management/subscription or redemption fees between those at the level of the Subfund having invested in the target Subfund, and this target Subfund.

(3) Specific Rules for Master / Feeder structures

(A) A feeder Subfund is a Subfund of the Fund, which has been approved to invest, by way of derogation from article 2, paragraph (2), first indent of the 2010 Law, at least 85% of its assets in units of another UCITS or Subfund thereof (hereafter referred to as the "**master UCITS**").

(B) A feeder Subfund may hold up to 15% of its assets in one or more of the following:
a) ancillary liquid assets in accordance point (1) last paragraph above;
b) financial derivative instruments, which may be used only for hedging purposes, in accordance with point (1) paragraph (g) above and Article 42, paragraphs (2) and (3) of the 2010 Law;
c) movable and immovable property which is essential for the direct pursuit of its business.

(C) For the purposes of compliance with Article 42, paragraph (3) of the 2010 Law, the feeder Subfund shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under point (3) (B) b) above, with:
a) either the master UCITS' actual exposure to financial derivative instruments in proportion to the feeder Subfund's investment into the master UCITS;
b) or the master UCITS' potential maximum global exposure to financial derivative instruments provided for in the master UCITS management regulations or instruments of incorporation in proportion to the feeder Subfund's investment into the master UCITS.

(D) A master UCITS is a UCITS, or a Subfund thereof, which:
a) has, among its shareholders, at least one feeder UCITS;
b) is not itself a feeder UCITS; and
c) does not hold units of a feeder UCITS.

(E) If a master UCITS has at least two feeder UCITS as shareholders, article 2, paragraph (2), first indent and Article 3, second indent of the 2010 Law shall not apply.

(4) Investment limits

(A) The Fund may acquire the units of UCITS and/or other UCIs referred to in points (1) A) h) above provided that no more than 20% of its assets are invested in a single UCITS or other UCI.
For the purpose of this investment limit, each compartment of a UCI with multiple compartments, within the meaning of Article 181 of the 2010 Law, shall be considered to be a separate issuer, provided that the principle of segregation of liabilities of the different compartments is ensured in relation to third parties.

a) Investments made in units of UCIs other than UCITS may not exceed, in aggregate, 30% of the assets of a UCITS.

b) When a UCITS 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 to which the Management Company is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or voting rights, that management company or other company may not charge either a portfolio management or subscription or redemption fees on account of the investment by the UCITS in the units of other UCITS and/or other UCIs.

(B) The Fund may not acquire shares carrying voting rights which would enable it to exercise significant influence over the management of the issuer.

(C) The Fund may not acquire more than 10% of the non-voting shares of the same issuer, more than 10% of the bonds issued by the same issuer or more than 10% of money market instruments issued by the same issuer or more than 25% of the units of UCITS and/or other UCI. The limits laid down in the second, third and fourth indents may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments or the net amount of the securities in issue cannot be calculated. The limits under (B) and (C) may be waived for:

a) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities,

b) transferable securities and money market instruments issued or guaranteed by a non-Member State of the EU,

c) transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members,

d) shares held by the Fund in the capital of a company incorporated in a non EU Member State and investing its assets primarily in securities of issuers having their registered office in that State, if under the legislation of that State such a holding represents the only way in which the Fund can invest in the securities of the issuers of that State. This derogation only applies if the company has an investment policy complying with the points 2(A) and (B) and 3(A) to (B) mentioned above. If the limits stated in points 2(A), 2(B) and 3(A) mentioned above are exceeded, the limit under (G) shall apply mutatis mutandis,

e) Shares held by the Fund in the capital of a subsidiary carrying on the business of management, advice or marketing in the country where the subsidiary is established, in regard to the repurchase of units at the request of unitholders exclusively on its or their behalf.

(D) Each Subfund may not borrow more than 10% of its total net assets, and then only from banks and as a temporary measure. However, each Subfund may acquire foreign currency by means of a back-to-back loan. Each Subfund may not purchase securities while borrowings are outstanding in relation to it, except to fulfil prior commitments and/or exercise subscription rights. However, each Subfund can borrow up to 10% of its net assets to make possible the acquisition of real estate essential for the direct pursuit of its business. In this case, these borrowings and those referred to above (temporary borrowings) may not in any case in total exceed 15% of the Subfunds' net assets.

(E) The Fund may not grant credits or act as guarantor on behalf of third parties. This restriction does not prevent the Management Company from purchasing securities that are not fully paid up, nor to lend securities as described below. This restriction does not apply to margin calls on options transactions and other similar transactions made in conformity with established market practices.

(F) Each Subfund may not purchase any transferable securities or money market securities as hedges (unless the Subfund may obtain such short-term credit as may be necessary for the hedging of purchases and sales of transferable securities or money market securities) or make short sales of securities or maintain a short position. Deposits on other accounts in connection with options, forwards or OTC contracts, are, however, permitted within the limits provided for below.

The Board is authorised to introduce further investment limits at any time in the interests of the shareholders, provided these are necessary to ensure compliance with the laws and regulations of those countries in which the Fund's shares are offered and sold.

(G) If any of the above limits are exceeded for reasons beyond the control of the Fund and/or each Subfund or as a result of the exercise of subscription rights, the Fund and/or each Subfund may adopt, as a priority objective, sales transactions in order to rectify that situation, taking due account of the interests of the shareholders.

Financial techniques and instruments

Under the conditions and within the limits laid down by the CSSF, the Fund is also authorised to employ techniques and instruments relating to transferable securities and money market instruments provided that such techniques (the "techniques") and instruments are used for the purpose of efficient portfolio management. If these operations concern the use of financial derivative instruments, these conditions and limits shall conform to the provisions laid down by the 2010 Law. The use of these techniques and instruments must be in accordance with the best interests of the investors.

In no case may these operations result in the Fund departing from its investment objectives. Equally, the use of these techniques may not cause the risk level of the Subfund in question to increase significantly with regard to its original risk level (i.e. without the use of these techniques).

The risks inherent to the use of these techniques are essentially comparable to the risks associated with the use of financial derivative instruments (in particular, counterparty risk). For this reason, reference is made here to the information contained in the above section entitled "Risks connected with the use of financial derivative instruments". The Fund ensures that it or its appointed service providers will monitor and manage the risks incurred through the use of these techniques, particularly counterparty risk, as part of the risk management procedure. The monitoring of potential conflicts of interest arising from transactions with companies associated with the Fund is primarily carried out through reviewing contracts and corresponding processes on a regular basis.

The Fund also ensures that, at any time, it can cancel any contract entered into within the framework of the use of the techniques and instruments for the efficient management of the portfolio and that the securities and/or liquid funds to the respective counterparty can be reclaimed by the Fund. In addition, the liquid funds should include the interest incurred up to the time of being reclaimed.
Furthermore, the Fund ensures that, despite the use of these techniques and instruments, the investors' redemption applications can be processed at any time.

Securities financing transactions and total return swaps

A. General Information

Within the framework of the use of techniques and instruments for the efficient management of the portfolio the Fund may also make use of securities financing transactions, i.e. (i) repurchase transactions (ii) securities lending (iii) buy-sell back transactions or sell-buy back transactions (iv) margin lending transactions and total return swaps pursuant to the regulations, applicable laws, and CSSF circulars issued from time to time, in particular, but not limited to the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 in accordance with its investment objective and policy and the conditions set out in this section

Such securities and instruments will be safe-kept with the Depositary.

The counterparties to the securities financing transactions and total return swaps will be selected among financial institutions from OECD member states subject to prudential supervision (such as credit institutions or investment firms) and specialised in the relevant type of transaction, being of good reputation and having a minimum rating of BBB. The identity of the counterparties will be disclosed in the annual report or semi-annual report.

The provisions of the section entitled "Collateral Management" as set out below shall apply accordingly to the management of collateral that was left to the Fund within the scope of securities financing transactions and total return swaps.

Each of the Subfunds may incur costs and fees in connection with efficient portfolio management techniques. In particular, a Subfund may pay fees to agents and other intermediaries, which may be affiliated with the Depositary, the Portfolio Manager or the Management Company in consideration for the functions and risks they assume. The amount of these fees may be fixed or variable. Information on

direct and indirect operational costs and fees incurred by each Subfund in this respect, as well as the identity of the entities to which such costs and fees are paid and any affiliation they may have with the Depositary, the Portfolio Manager or the Management Company, if applicable, may be available in the annual report and, to the extent relevant and practicable, in each Supplement. All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the respective Subfund.

B. Total return swaps

A total return swap is an agreement in which one party (total return payer) transfers the total economic performance of a reference obligation to the other party (total return receiver). Total economic performance includes income from interest and fees, gains or losses from market movements, and credit losses.

C. Securities lending

Securities lending transactions consist in transactions whereby a lender transfers securities or instruments to a borrower, subject to a commitment that the borrower will return equivalent securities or instruments on a future date or when requested to do so by the lender, such transaction being considered as securities or lending for the party transferring the securities or instruments and being considered as securities borrowing for the counterparty to which they are transferred.

The Fund may lend the securities it holds in portfolio either directly or through a standard securities-lending scheme organised by an authorised securities clearing house from an OECD member state or through a lending system organised by a leading financial institution from an OECD member state subject to prudential supervision regulations considered by the CSSF to be equivalent to those set forth in Community law and specialising in operations of this nature and be of good reputation and have a minimum rating of BBB.

The Fund may only enter into securities lending transactions provided that it is entitled at any time, under the terms of the agreement, to request the return of the securities lent or to terminate the agreement.

Furthermore, the Fund has drawn up internal framework agreements regarding securities lending. These framework agreements contain, among other things, the relevant definitions, the description of the principles and standards of the contractual management of the securities lending transaction, the quality of the collateral, the approved counterparties, the risk management, the fees to be paid to third parties and fees to be received by the Fund, as well as the information to be published in the annual and semi-annual reports.

During a lending/borrowing transaction, the Fund must, as a rule, receive a guarantee, the value of which at the time the lending contract is entered into must be at least equal to 90% of the total value (including interest, dividends and any other rights) of the securities lent. The guarantee furnished must conform to financial guarantees as defined by supervision regulations and in particular Circular 08/356 of the CSSF.

D. Securities financing transactions- repurchase agreements and buy-sell back or sell-buy back transactions

The Fund may, for any Subfund, also engage in repurchase agreements or reverse repurchase agreements on an ancillary basis. These agreements involve the sale/purchase of transferable securities where agreements have been reached to buy back/sell back the sold/bought securities at a (higher) price and within a set time.

Repurchase agreements consist of transactions governed by an agreement whereby a party sells securities or instruments to counterparty subject to a commitment to repurchase them, or substituted securities or instruments of the same description, from the counterparty at a specified price on a future date specified, or to be specified, by the transferor. Such transactions are commonly referred to as repurchase agreements for the party selling the securities or instruments, and reverse repurchase agreements for the party selling the securities or instruments, and reverse repurchase agreements for the counterparty buying them.

Buy-sell back transactions consist of transactions, not being governed by a repurchase agreement or a reverse repurchase agreement as described above, whereby a party buys or sells securities or instruments to a counterparty, agreeing, respectively, to sell to or buy back from that counterparty securities or instruments of the same description at a specified price on a future date. Such transactions are commonly referred to as buy-sell back transactions for the party buying the securities or instruments, and sell-buy back transactions for the counterparty selling them.

All repurchase agreements and buy-sell back or sell-buy back transactions are subject to the following conditions:

- the Fund may not purchase or sell securities under a repurchase agreement unless the counterparty is a first-class financial institution from OECD member states specialising in this kind of transaction being of good reputation and having a minimum rating of BBB;
- as long as the repurchase agreement is valid, the Fund may not sell the securities bought before the right to repurchase the securities has been exercised or the repurchase period has expired;
- securities that serve as the underlying of financial derivative instruments, that are lent or that have been taken under terms of reverse repurchase agreements may not be sold under the terms of repurchase agreements; and
- the Fund must be able, at any time, to terminate the agreement or recall the full amount of cash in a reverse repurchase agreement buy-sell back transaction (on either an accrued basis or a mark-to-market basis) or any securities or instruments subject to a repurchase agreement buy-sell back transaction. Fixed-term transactions that do not exceed seven days should be considered as arrangements on terms that allow cash or assets to be recalled at any time.

E. Risk diversification securities financing transactions and total return swaps

Securities financing transactions and total return swaps involve certain risks and there can be no assurance that the objective sought to be obtained from the use of such techniques will be achieved.

The principal risk when engaging in securities financing transactions and total return swaps is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the Subfund as required by the terms of the transaction. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Subfund. However, there are certain risks associated with collateral management, including difficulties in selling collateral and/or losses incurred upon realization of collateral, as described below.

Securities financing transactions and total return swaps also entail liquidity risks due, inter alia, to locking cash or securities positions in transactions of excessive size or duration relative to the liquidity profile of the Subfund or delays in recovering cash or securities paid to the counterparty. These circumstances may delay or restrict the ability of the Fund to meet redemption requests. The Subfund may also incur operational risks such as, inter alia, non-settlement or delay in settlement of instructions, failure or delays in satisfying delivery obligations under sales of securities, and legal risks related to the documentation used in respect of such transactions.

Currency hedging on share class level

For share classes whose reference currencies are not identical to the currency of account of the respective Subfund, the fluctuation risk of the price for those share classes in the reference currency of the relevant share class is hedged against the reference currency of the relevant Subfund. Provision is made for the amount of the hedging to be between 95% and 105% of the Net Asset Value of the share class in foreign currency. Changes in the market value of the portfolio, as well as in subscriptions and redemptions of share classes in foreign currencies, can result in the hedging temporarily surpassing the aforementioned range. The Fund and the Portfolio Manager will then take all the necessary steps to bring the hedging back within the aforementioned limits. Given that there is no segregation of liabilities between share classes, there is a risk that, under certain circumstances, currency hedging transactions in relation to share classes which have "hedged" in their name could result in liabilities which might affect the Net Asset Value of the other share classes of the same Subfund.

Collateral Policy and Management

General

In the context of OTC derivative transactions and efficient portfolio management techniques, the Fund may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy

applied by the Fund in such case. All assets received by the Fund in the context of efficient portfolio management techniques shall be considered as collateral for the purpose of this section.

If the Fund enters into OTC derivative transactions, it may be exposed to risks related to the creditworthiness of the OTC counterparties: when the Fund enters into futures contracts or options or uses other derivative techniques it is subject to the risk that an OTC counterparty may not meet (or cannot meet) its obligations under a specific or multiple contracts. Counterparty risk can be reduced by depositing a security (collateral) (see above).

Eligible Collateral

Collateral received by the Fund may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and CSSF-Circulars issued from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

(i) Any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;

(ii) It should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;

(iii) It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;

(iv) It should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure of 20% of the respective Subfund's Net Asset Value to any single issuer on an aggregate basis, taking into account all collateral received.

(v) It should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

Subject to the abovementioned conditions, collateral received by the Fund may consist of:

(i) Cash and cash equivalents, including short-term bank certificates and money market instruments;

(ii) Bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope;

(iii) Shares or units issued by money market UCIs calculating a daily Net Asset Value and being assigned a rating of AAA or its equivalent;

(iv) Shares or units issued by UCITS investing mainly in bonds/shares mentioned in lit. (e) and (f) of Section II – Chapter 19 (1), "Investment Restrictions", below;

(v) Bonds issued or guaranteed by first class issuers offering adequate liquidity;

(vi) Shares admitted to or dealt in on a regulated market of a Member State of the EU or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index.

The Fund will only accept such financial instruments as collateral that would allow it (after objective and appropriate valuation) to liquidate these within an appropriate time period. The Fund, or a service provider appointed by the Fund, must assess the collateral's value at least once a day. The collateral's value must be higher than the value of the position of the respective OTC counterparty. However, this value may fluctuate between two consecutive valuations. After each valuation, however, it is ensured (where appropriate, by requesting additional collateral) that the collateral is increased by the desired amount to meet the value of the respective OTC counterparty's position (mark-to-market). In order to adequately take into account the risks related to the collateral in question, the Fund determines whether the value of the collateral to be requested should be increased, or whether this value should be depreciated by an appropriate, conservatively measured amount (haircut). The larger the collateral's value may fluctuate, the higher the markdown. The markdown is highest for equities. Securities deposited as collateral may not have been issued by the corresponding OTC counterparty or have a high correlation with this OTC counterparty. For this reason, shares from the finance sector are not accepted as collateral. Securities deposited as collateral are held by the Depositary in favour of the Fund and may not be sold, invested or pledged by the Fund.

The Fund shall ensure that the collateral transferred to it is adequately diversified, particularly regarding geographic dispersal, diversification across different markets and diversification of the concentration risk. The latter is considered to be sufficiently diversified if securities and money market instruments held as collateral and issued by a single issuer do not exceed 20% of the Fund's net assets.

Collateral that is deposited in the form of cash may be invested by the Fund. Re-investments may only be made in: sight deposits or deposits at notice in accordance with Section II - point 16 (1) "Investment Instruments"; high-quality government bonds; repurchase transactions within the meaning of Section "Special techniques and instruments relating to transferable securities and money market instruments", provided that the counterparty to this transaction is a credit institute within the meaning of point Section II point 16 (1) "Investment Instruments" and the Fund has the right to cancel the transaction at any time and to request the back transfer of the amount invested (incl. accrued interest); short-term money-market instruments within the meaning of CESR Guidelines 10-049 regarding the definition of European money-market instruments. The restrictions listed in the previous paragraph also apply to the diversification of the concentration risk.

If the Fund owes a security pursuant to an applicable agreement, such security shall be held in custody by the Depositary in favour of the Fund. Bankruptcy and insolvency events or other credit events with the Depositary or within its sub-custodian/correspondent bank network may result in the rights of the Fund in connection with the security to be delayed or restricted in other ways. If the Fund is owed a security pursuant to an applicable agreement, then any such security is to be transferred to the OTC counterparty as agreed between the Fund and the OTC counterparty. Bankruptcy and insolvency events or other credit events with the OTC counterparty, the Depositary or within its sub-custodian/correspondent bank network may result in the rights or recognition of the Fund in connection with the security to be delayed, restricted or even eliminated, which would go so far as to force the Fund to fulfil its obligations in the framework of the OTC transaction, in spite of any security that had previously been made available to cover any such obligation. The Board of Directors of the Fund shall decide on an internal framework agreement that determines the details of the above-mentioned requirements and values, particularly regarding the types of collateral accepted the amounts to be added to and subtracted from the respective collateral, as well as the investment policy for liquid funds that are deposited as collateral. This framework agreement is reviewed and adapted where appropriate by the Board on a regular basis.

By way of derogation from the above paragraph, the Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country or a public international body to which one or more Member States belong. In this case the Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the net assets of the Fund. The Fund has decided to make use of the aforementioned derogation and to accept collateral for more than 20% of the Net Asset Value of the respective Subfund in form of transferable securities and money market instruments issued or guaranteed by a Member State or by their local public authorities or by supranational institutions to which one or more Member States belong.

Level of Collateral

The Fund will determine the required level of collateral for OTC derivatives transactions and efficient portfolio management techniques by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

Haircut Policy

Collateral will be valued, on a daily basis, using available market prices and taking into account appropriate discounts which will be determined by the Fund for each asset class based on its haircut policy. The policy takes into account a variety of factors, depending on the nature of the collateral received, such as the issuer's credit standing, the maturity, currency, price volatility of the assets and, where applicable, the outcome of liquidity stress tests carried out by the Fund under normal and exceptional liquidity conditions. No haircut will generally be applied to cash collateral.
According to the Fund's haircut policy the following discounts will be made:

1. Eligible assets/ haircuts which apply to collateral for securities lending transactions are the following:

Asset classes eligible for collateral	Haircut (% deducted from the market value)
Government bonds Securities issued or guaranteed by a G10 member states	2%
Corporate bonds Fixed or variable income securities with an actual long term rating of at least A2 (Moody's) or A (S&P)	5%
Equities Austria - ATX Belgium - BEL20 Canada - SPTSX60 Denmark - C20 Europe (EURO STOXX 50) - SX5E Finland (OMX Helsinki 25) - HEX25 France (CAC 40) - CAC Germany - DAX Japan (NIKKEI 225) – NKY Luxembourg - LUXX Netherlands – AEX New Zealand - NZX Top 10 Norway - OBX Stock Sweden (OMX Stockolm 30) - OMX Switzerland (Swiss Market, SPI Swiss Performance) - SPI/SMI United Kingdom (FTSE 100) - UKX United States (Dow Jones, S&P 500)	15%

2. Eligible Assets/haircuts applicable to collateral for OTC are the following:

Asset classes eligible for collateral	Minimum Haircut (% deducted from the market value)
Cash	0%
Shares	15%
Bonds, notes and Money market paper	From 2% to 10% depending on the maturity
Investment fund units	5%

Reinvestment of Collateral

The collateral received is not reinvested.

20. NOTICE TO SWISS PROSPECTIVE SHAREHOLDERS

The distribution of the Subfunds in Switzerland as a foreign collective investment scheme pursuant to article 120-FF of the Swiss collective investment schemes Act of 23 June 2006 as amended from time to time ("**CISA**") has been authorized by the Swiss Financial Market Supervisory Authority ("**FINMA**"). As a result, the Subfunds offered hereby, this confidential memorandum and any other offering material relating thereto may be distributed to qualified and non-qualified investors in and from Switzerland, unless otherwise specified in the relevant part of the respective Subfunds.

In accordance with the provisions of the CISA and its related amendments, please note the following as it relates to the Fund.

Representative

Unless otherwise specified in the relevant parts of the respective Subfunds, the representative in Switzerland is Carnegie Fund Services S.A., 11 rue du Général-Dufour, 1204 Geneva, Switzerland.

Paying Agent

Unless otherwise specified in the relevant parts of the respective Subfunds, the paying agent of the Fund in Switzerland is UBS Switzerland AG, Bahnhofstrasse 45, CH 8001 Zurich.

Reference point of important documents

The Fund´s confidential offering memorandum, articles of association as well as its audited financial statements may be obtained free of charge from the representative.

Place of performance and court of jurisdiction

For investors who have acquired the shares sold in and distributed from Switzerland, the place of performance and the court of jurisdiction have been established at the registered office of the representative.

Domicile of the Fund

The Fund is domiciled in the Grand Duchy of Luxembourg.