

# *BSI-Multinvest*

AN INVESTMENT COMPANY WITH VARIABLE CAPITAL  
UNDER LUXEMBOURG LAW  
(Société d'Investissement à Capital Variable, SICAV)

## *Prospectus*

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**December 2015**

Subscriptions may only be accepted on the basis of this sales prospectus ("**Prospectus**"). The Sales Prospectus is only valid if accompanied by the latest available annual report or by the latest available semi-annual report if the latter is more recent in date than the latest annual report. It is prohibited to disclose information on the company, which is not contained in this Prospectus, the documents mentioned therein, the latest annual report and any subsequent semi-annual report.

## INTRODUCTION

The Prospectus is published in the context of the ongoing offering of shares in the investment company with variable capital BSI-MULTINVEST ("the **SICAV**").

The shares offered for sale ("the **shares**") are shares in the various sub-funds forming the SICAV's assets. The Prospectus is published exclusively in connection with the offering for sale of shares in those sub-funds which exist at the time the Prospectus is printed. The shares in these sub-funds are issued, repurchased and converted at the prices that result from the calculation of the net asset value per share for the sub-fund concerned (cf. the section "Issue of shares", "Repurchase of shares" and "Conversion of shares").

LUXEMBOURG - The SICAV is an open-ended investment company with variable capital, incorporated in the Grand Duchy of Luxembourg as a *société anonyme* on the basis of the law on Trading Companies of 10 August, 1915 including subsequent amendments and addenda (the "**1915 Law**"), which qualifies as undertaking for collective investment in transferable securities ("**UCITS**") in accordance with Part I of the law of 17 December 2010 on undertakings for collective investment (the "**2010 Law**").

The SICAV has appointed BSI Fund Management S.A. as its Management Company (also defined as the "**Company**").

The registration of the SICAV as a Luxembourg UCITS may not be interpreted as constituting a positive assessment by the Luxembourg supervisory authority of the contents of the Prospectus or of the quality of the assets held by the various sub-funds. Any information to the contrary would be illegal and unauthorized.

The Prospectus may not be used as a basis for offering or soliciting for purchase in a particular country or under particular circumstances if such an offer or solicitation is not authorized in the country concerned or under the circumstances concerned. Any potential subscriber of shares who receives a copy of the Prospectus or the subscription form outside the Grand Duchy of Luxembourg may only regard these documents as a solicitation to purchase or subscribe to the shares if such a solicitation may be made in the country concerned perfectly legally and without any registration or other formalities, or when the person concerned has satisfied the legal requirements applicable in the country concerned, been granted all official and other authorizations that may be necessary there and has complied with all the formal requirements applicable there.

EUROPEAN UNION ("**EU**") - The SICAV is a UCITS within the meaning of the European Directive 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 ("**Directive 2009/65/EC**"); the SICAV's Board of Directors (also defined as the "**Board**") intends to sell the shares publicly in accordance with the provisions of the Directive 2009/65/EC in various member states of the European Union.

UNITED STATES OF AMERICA - The SICAV represents and warrants that its shares will not be offered, sold or delivered to US investors. US investors for this purpose are defined as (i) citizens or residents of the United States, or other persons or entities whose income is subject to US federal income tax regardless of source or (ii) that are considered to be US persons pursuant to regulation S of the US Securities Act of 1933 and/or (iii) the US Commodity Exchange Act, as amended.

The Board has taken all the necessary precautions to ensure that at the time of going to press the Prospectus contains correct and accurate information on all the principal matters covered therein. All the directors accept their liability in this respect.

Potential subscribers of shares are urged to personally obtain information and seek assistance from their bank or financial, legal or tax advisor in order to be fully informed about possible legal or fiscal consequences or about possible consequences of exchange restrictions or controls to which the subscription, holding, repurchase, conversion or transfer of shares might be subject under the applicable laws of that person's country of domicile, permanent residence or establishment.

No person is authorized to supply any information other than the information contained in the Prospectus and in the documents mentioned therein.

Any information supplied by a person who is not mentioned in the Prospectus must be deemed to be unauthorized. The information contained in the Prospectus is deemed to be correct at the time of going to press; it may be updated in due course in order to take account of important changes occurring subsequently.

Every potential subscriber of shares is therefore recommended to enquire the SICAV to determine whether it has published a more recent prospectus.

Any reference made to "EURO", "USD", and "CHF" in the Prospectus denotes respectively the legal currency in the member states of the European Union, the United States of America and Switzerland.

"Business Day" means normal bank business days in Luxembourg (i.e. each day on which the banks are open during normal business hours) except individual, non- statutory rest days and days on which stock exchanges in the main countries in which the sub-funds invest are closed, or on which 50% or more of the sub-funds' investments cannot be adequately valued. "Non-statutory rest days" are days on which banks and financial institutions are closed.

"Valuation Day" is any Business Day on which the net asset value is computed.

The annexes and the data sheet form an integral part of the Prospectus and must be read in conjunction with the latter.

Copies of the Prospectus and of the "key investor information document" of the sub-funds may be obtained free of charge from:

BSI Fund Management S.A.  
44F, rue de la Vallée  
L-2661 Luxembourg

UBS Fund Services (Luxembourg) S.A.  
33A avenue J.F. Kennedy  
L-1855 Luxembourg

BSI AG  
Via Magatti 2  
CH-6901 Lugano

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BSI - MULTINVEST  
Investment Company with Variable Capital  
(Société d'Investissement à Capital Variable, SICAV)  
Luxembourg Register of Companies B 74.740

**Board:**

**Chairman**

Andrea Fincato  
First Vice President  
BSI AG,  
Lugano, Switzerland

**Directors**

Simona Bortolazzi  
First Vice President  
BSI Fund Management S.A.  
Luxembourg

Raffaele Bartoli  
Vice President  
BSI Europe S.A.  
Luxembourg

**SICAV's Registered office:**  
33A avenue J.F. Kennedy  
L-1855 Luxembourg

**Management Company:**

BSI Fund Management S.A.  
44F, rue de la Vallée  
L-2661 Luxembourg

**Chairman**

Claudio Camplani  
Senior Vice President  
BSI AG,  
Lugano, Switzerland

**Directors**

Nicola Battalora  
Senior Executive Vice President  
BSI AG,  
Lugano, Switzerland

Marco Predetti  
Senior Vice President  
BSI Europe S.A.  
Luxembourg

Michele Baschiroto  
Vice President  
BSI AG,  
Lugano, Switzerland  
Massimo Paolo Gentili  
Gentili & Partners, founding partner,  
11, Rue Beatrix de Bourbon  
L-1225 Luxembourg

**Portfolio Management function for all sub-funds except BSI-Multinvest - Alternative UCITS and BSI-Multinvest – Euro Stocks is delegated by the Management Company to:**

BSI AG  
Via Magatti 2  
6901 Lugano  
Switzerland

**Portfolio Management function for BSI-Multinvest - Alternative UCITS is delegated by the Management Company to:**

THALIA SA  
Via Trevano 2a  
6900 Lugano  
Switzerland

**Portfolio Management function for BSI-Multinvest–Euro Stocks is delegated by the Management Company to:**

Generali Investments Europe S.p.A. Società di gestione del risparmio  
Registered office at Via Machiavelli 4 - 34132 Trieste - Italy  
Acting through its French Branch at 2, rue Pillet-Will  
75309 Paris Cedex 09 – France

**Domiciliation,  
Administrative and Transfer Agent functions are delegated by the Management Company to:**

UBS Fund Services (Luxembourg) S.A.  
33A avenue J.F. Kennedy  
L-1855 Luxembourg

**Custodian Bank and Paying agent:**

UBS (Luxembourg) S.A.  
33A avenue J.F. Kennedy  
L-1855 Luxembourg

**Auditor:**

Ernst & Young S.A.  
7, Parc d'Activité Syrdall  
L-5365 Munsbach

**Representative and paying agent in Switzerland:**

BSI AG  
Via Magatti 2  
6901 Lugano  
Switzerland

**Distributor/Intermediary and paying agent in Italy:**

Allfunds Bank, S.A.  
Estafeta, 6 (La Moraleja) Complejo Plaza de la Fuente - Edificio 3 C.P. 28109 Alcobendas, Madrid Spain  
(operating from its branch offices in Milan ALLFUNDS BANK, S.A., Branch in Milan - Via Santa Margherita, 7 - 20121 Milano)

## INVESTMENT OBJECTIVES AND POLICY

The principal objective of the SICAV is to enable its shareholders to achieve a return as high as possible on the capital invested, while at the same time spreading the risks as much as possible, by investing in fixed-income or floating-rate securities and in equities that are quoted or traded on official securities exchanges in the OECD countries or on other regulated markets. In addition, the SICAV may hold liquid assets for each sub-fund within the limits of the investment restrictions laid down in Annex I. Liquid assets are bank deposits and first-rate money market instruments whose residual term to maturity is no more than 12 months. All investments are made in accordance with the principle of risk spreading. A reference currency is indicated for each sub-fund in the description of the sub-fund's relevant investment policy. The reference currency is the currency in which the accounts of the sub-fund concerned are kept. The reference currency does not have to be identical to the currency of investment. By currency of investment is meant the currency in which the sub-fund's investments are made.

Unless the investment policies of the individual sub-funds stipulate otherwise, sub-funds may invest up to a maximum of 10% of their net assets in existing UCITS and UCIs.

### 1. Investment objectives and policy and minimum subscription of the individual sub-funds

The SICAV's investment objectives and policy in respect of each individual sub-fund are defined as follows:

#### *BSI-Multinvest – Asian Stocks*

This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in quoted shares of leading companies having a good quality and headquartered or operating mainly in Asia (excluding Japan). The long-term investment objective is to achieve a performance as high as possible in the context of the general trend on the Asian equities market, while limiting the risk. The remaining portion, which may not exceed one third of the sub-fund's assets, may be invested in liquid assets or in fixed income or floating rate securities with a residual maturity of less than 12 months. Long-term capital growth is aimed by investing in carefully selected equities and warrants on such securities. It should be considered that warrants involve higher risks owing to their greater volatility.

The reference currency of this sub-fund as well as of the shares of "Class A" and of "Class M" is the USD.

Investments in such countries involve higher risks. In particular, there is the risk of the uncertainty of the political, economic and social conditions and the related dangers of expropriation and other negative developments. Furthermore there is the risk of a possibly small or non-existent volume of trading in the securities market concerned, which may lead to liquidity shortages and greater price fluctuations. It should also be taken into consideration that the issuer risk may be higher. The lack of adequately developed legal systems may lead to an inadequate guarantee of private ownership.

The reference currency of the shares of "Class A (CHF hedged)" and "Class M (CHF hedged)" is the CHF but CHF is only the currency in which the performance of the sub-fund is calculated. The CHF is also the currency in which subscriptions and redemptions are settled, possible distributions are made.

Shares of Class A (CHF hedged) and "Class M (CHF hedged)" will be hedged against the USD.

The reference currency of the shares of "Class A (EUR hedged)" and "Class M (EUR hedged)" is the EUR but EUR is only the currency in which the performance of the sub-fund is calculated. The EUR is also the currency in which subscriptions and redemptions are settled, possible distributions are made.

Shares of Class A (EUR hedged) and "Class M (EUR hedged)" will be hedged against the USD.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or 100.- in the currency of the respective class.

BSI-Multinvest – Asian Stocks entails investments in foreign exchange transactions and currency forwards made for the account of the EUR and CHF denominated shares of "Class A" and "Class M" in order to hedge the "Class A" and the "Class M" sub-fund net asset value which is calculated in USD against the EUR and CHF respectively. Although it will not be possible to hedge the full net asset value of the "Class A (EUR hedged)", "Class A (CHF hedged)", "Class M (EUR hedged)" and "Class M (CHF hedged)", against currency fluctuations of the USD against the EUR and CHF, the sub-fund intends, under normal conditions to use the above transactions to secure a currency hedge for USD in EUR and in CHF equivalent to a percentage between 90%

and 110% of the net asset value. Changes in the value of the hedged sections of the portfolio and the volume of the subscription and redemption requests for "Class A (EUR hedged)", "Class A (CHF hedged)", "Class M (EUR hedged)" and "Class M (CHF hedged)" shares may, however, result in the level of currency hedging temporarily surpassing the stated limits.

### *BSI-Multinvest – Short Term Bonds CHF*

This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in bonds, notes and other fixed-income and floating-rate secured or unsecured investments (including floating rate notes, zero bonds, convertible and warrant issues whose warrants entitle the holder to subscribe securities) issued by public authorities, semi-public enterprises or private borrowers, as well in similar securities. In this connection the investment in convertible and warrant issues may not exceed 25% of the sub-fund's net assets. Shares, other equities and dividend-right certificates acquired through the exercise of conversion and subscription rights or warrants, as well as warrants remaining after the separate sale of ex-issue and any equities acquired with these warrants at a later date may not exceed 10% of the sub-fund's assets and are to be sold with 12 months of their acquisition.

At least two thirds of the investments are denominated in Swiss Francs (CHF). The sub-fund may invest up to a maximum of 1/3 of its assets in securities denominated in other currencies.

The average maturity of the portfolio will not exceed 4 years.

The long-term investment objective is to achieve a performance slightly above that of the corresponding segment of the CHF bond market. The remaining portion, which may not exceed one third of the sub-fund's assets, may be invested in liquid assets.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the Swiss Franc (CHF).

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or the equivalent of CHF 100.

### *BSI-Multinvest – Short Term Bonds USD*

This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in bonds, notes and other fixed-income and floating-rate secured or unsecured investments (including floating rate notes, zero bonds, convertible and warrant issues whose warrants entitle the holder to subscribe securities) issued by public authorities, semi-public enterprises or private borrowers, as well in similar securities. In this connection the investment in convertible and warrant issues may not exceed 25% of the sub-fund's net assets. Shares, other equities and dividend-right certificates acquired through the exercise of conversion and subscription rights or warrants, as well as warrants remaining after the separate sale of ex-issue and any equities acquired with these warrants at a later date may not exceed 10% of the sub-fund's assets and are to be sold with 12 months of their acquisition.

At least two thirds of the investments are denominated in United States of America Dollar (USD). The sub-fund may invest up to a maximum of 1/3 of its assets in securities denominated in other currencies.

The average maturity of the portfolio will not exceed 5 years.

The long-term investment objective is to achieve a performance slightly above that of the corresponding segment of the USD bond market. The remaining portion, which may not exceed one third of the sub-fund's assets, may be invested in liquid assets.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the USD.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or the equivalent of USD 100.-.



### *BSI-Multinvest – Short Term Bonds EUR*

This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in bonds, notes and other fixed-income and floating-rate secured or unsecured investments (including floating rate notes, zero bonds, convertible and warrant issues whose warrants entitle the holder to subscribe securities) issued by public authorities, semi-public enterprises or private borrowers, as well in similar securities. In this connection the investment in convertible and warrant issues may not exceed 25% of the sub-fund's net assets. Shares, other equities and dividend-right certificates acquired through the exercise of conversion and subscription rights or warrants, as well as warrants remaining after the separate sale of ex-issue and any equities acquired with these warrants at a later date may not exceed 10% of the sub-fund's assets and are to be sold with 12 months of their acquisition.

At least two thirds of the investments are denominated in euro (EUR). The sub-fund may invest up to a maximum of 1/3 of its assets in securities denominated in other currencies.

The average maturity of the portfolio will not exceed 5 years.

The long-term investment objective is to achieve a performance slightly above that of the corresponding segment of the EUR bond market. The remaining portion, which may not exceed one third of the sub-fund's assets, may be invested in liquid assets.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the EUR.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or the equivalent of EUR 100.

### *BSI-Multinvest – Swiss Stocks*

This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in quoted shares of leading companies having a good quality and headquartered or operating mainly in Switzerland. The long-term investment objective is to achieve a performance as high as possible in the context of the general trend on the Swiss equities market, while limiting the risk. The remaining portion, which may not exceed one third of the sub-fund's assets, may be invested in liquid assets or in fixed income or floating rate securities with a residual maturity of less than 12 months.

Long-term capital growth is aimed by investing in carefully selected equities and warrants on such securities. It should be considered that warrants involve higher risks owing to their greater volatility.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the Swiss Franc CHF.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or the equivalent of CHF 100.-.

### *BSI-Multinvest – US Stocks*

This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in quoted shares of leading companies having a good quality and headquartered or operating mainly in United States of America. The long-term investment objective is to achieve a performance as high as possible in the context of the general trend on the United States of America equities market, while limiting the risk. The remaining portion, which may not exceed one third of the sub-fund's assets, may be invested in liquid assets or in fixed income or floating rate securities with a residual maturity of less than 12 months.

Long-term capital growth is aimed by investing in carefully selected equities and warrants on such securities. It should be considered that warrants involve higher risks owing to their greater volatility.

Within the framework of the above mentioned investment policy this sub-fund invests either directly or through existing UCITS or UCIs. To achieve diversification of all investments by markets, sectors, issuers, ratings and companies this sub-fund may invest up to 100% of its net assets in existing UCITS and UCIs under the condition that the target funds' investment policy conforms largely to the above mentioned investment policy. This investment option and the associated costs are described in the section "Investment in UCITS and UCIs".

At least two thirds of the investments are denominated in USD. The sub-fund may invest up to a maximum of one third of its assets in other OECD currencies and may use financial instruments for hedging in particular the currency exchange risk.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the USD.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or the equivalent of USD 100.-.

### *BSI-Multinvest – Alternative UCITS*

In accordance with its investment objective, this sub-fund may invest up to 100% of its assets in units / shares of another UCITS/UCI (hereinafter referred to as "target funds"), in line with the investment restrictions set out in Annex I which pursue alternative investment strategies or make alternative investments.

This sub-fund offers a multi-strategy investment profile, focusing primarily on UCITS having notably a strategy including, but not limited to the following types: "Equity Long/Short", "Macro Strategies", "Managed Futures", "Fixed Income", "Credit", "Convertible Bonds", "Event Driven". The target funds will be able to invest in all markets, including emerging markets, by investing and trading in currencies, equities and debt securities, as well as trading in forward and futures markets, options and other derivatives in order to manage its portfolio efficiently and to protect its assets and liabilities.

To achieve its objectives and in order to diversify, this sub-fund may on an ancillary basis invest up to 30 % of the Total Net Assets of the sub-fund in units / shares of other UCI managed by investment professionals of recognized standing with different investment styles or investing in different geographic areas.

The sub-fund makes such investments on the basis of an extensive procedure to assess the ability of the target fund managers, taking into account quantitative and qualitative valuation criteria.

This sub-fund may also invest in other permissible assets as described in the Prospectus.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the EUR.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one shares or the equivalent of EUR 100.-.

### *BSI-Multinvest – Strategy Income (CHF)*

The sub-fund objective is to seek an attractive level of earnings in relation to the reference currency while assuming a low degree of risk.

This sub-fund invests worldwide in the global financial markets on a broadly diversified basis. On a consolidated basis at least 60% of its assets, in accordance with the principle of risk spreading, are invested in bonds, notes and other fixed-income and floating-rate secured or unsecured investments (including floating rate notes, zero bonds, convertible and warrant issues whose warrants entitle the holder to subscribe securities) issued by public authorities, semi-public enterprises or private borrowers, as well as in similar securities. The remaining 40% of the sub-fund's assets consist in transferable securities and/or money market instruments within the meaning of Article 41 of the 2010 Law including warrants on these securities. It should be considered that warrants involve higher risks owing to their greater volatility. The sub-fund may hold liquid assets in all currencies in which investments are made on an ancillary basis.

Within the framework of the above mentioned investment policy this sub-fund invests either directly or through existing UCITS or UCIs. To achieve diversification of all investments by markets, sectors, issuers, ratings and companies this Sub-fund may invest up to 100% of its net assets in existing UCITS and UCIs under the condition that the target funds' investment policy conforms largely to the above mentioned investment policy. This investment option and the associated costs are described in the section "Investment in UCITS and UCIs". The name of the currency ("reference currency") contained in the title of the sub-fund refers only to the currency in which the net asset value of the sub-fund is computed, performance is calculated and subscriptions and redemptions are settled. It does not necessarily constitute its investment focus. Investments are made in those currencies which best benefit the performance of the sub-fund.

The reference currency of this sub-fund as well as of the shares of "Class A" is the Swiss Franc CHF. The minimum amount for first-time subscriptions is one share or the equivalent of CHF 100.

### *BSI-Multinvest – Strategy Income (EUR)*

The sub-fund objective is to seek an attractive level of earnings in relation to the reference currency while assuming a low degree of risk.

This sub-fund invests worldwide in the global financial markets on a broadly diversified basis. On a consolidated basis at least 60% of its assets, in accordance with the principle of risk spreading, in bonds, notes and other fixed-income and floating-rate secured or unsecured investments (including floating rate notes, zero bonds, convertible and warrant issues whose warrants entitle the holder to subscribe securities) issued by public authorities, semi-public enterprises or private borrowers, as well in similar securities. The remaining 40% of the sub-fund's assets consist in transferable securities and/or money market instruments within the meaning of Article 41 of the 2010 Law including warrants on these securities. It should be considered that warrants involve higher risks owing to their greater volatility. The sub-fund may hold liquid assets in all currencies in which investments are made on an ancillary basis.

Within the framework of the above mentioned investment policy this sub-fund invests either directly or through existing UCITS or UCIs. To achieve diversification of all investments by markets, sectors, issuers, ratings and companies this sub-fund may invest up to 100% of its net assets in existing UCITS and UCIs under the condition that the target funds' investment policy conforms largely to the above mentioned investment policy. This investment option and the associated costs are described in the section "Investment in UCITS and UCIs".

The name of the currency ("reference currency") contained in the title of the sub-fund refers only to the currency in which the net asset value of the sub-fund is computed, performance is calculated and subscriptions and redemptions are settled. It does not necessarily constitute its investment focus. Investments are made in those currencies which best benefit the performance of the sub-fund.

The reference currency of this sub-fund as well as of the shares of "Class A" is the EURO (EUR).

The minimum amount for first-time subscriptions for shares of "Class A" is one share or the equivalent of EUR 100.

### *BSI-Multinvest – Strategy Balanced (CHF)*

The sub-fund objective is to seek the best combination of interest income and capital growth in relation to the reference currency.

This sub-fund invests worldwide in the global financial markets on a broadly diversified basis in equities, bonds and equity rights. On a consolidated basis a minimum of 30% and a maximum of 60% are invested in equities and equity rights and a minimum of 40% and a maximum of 70% in bonds, notes and other fixed-income and floating-rate secured or unsecured investments. The investments are transferable securities and/or money market instruments within the meaning of Article 41 of the 2010 Law including warrants on these securities. It should be considered that warrants involve higher risks owing to their greater volatility. The sub-fund may hold liquid assets in all currencies in which investments are made on an ancillary basis.

Given the likely higher equity component compared to the Strategy Income (CHF) sub-fund, the degree of risk is higher.

Within the framework of the above mentioned investment policy this sub-fund invests either directly or through existing UCITS or UCIs. To achieve diversification of all investments by markets, sectors, issuers, ratings and companies this Sub-fund may invest up to 100% of its net assets in existing UCITS and UCIs under the condition that the target funds' investment policy conforms largely to the above mentioned investment policy. This investment option and the associated costs are described in the section "Investment in UCITS and UCIs".

The name of the currency ("reference currency") contained in the title of the sub-fund refers only to the currency in which the net asset value of the sub-fund is computed, performance is calculated and subscriptions and redemptions are settled. It does not necessarily constitute its investment focus. Investments are made in those currencies which best benefit the performance of the sub-fund.

The reference currency of this sub-fund as well as of the shares of "Class A" is the Swiss Franc CHF.

The minimum amount for first-time subscriptions is one share or the equivalent of CHF 100.-

### *BSI-Multinvest – Strategy Balanced (EUR)*

The sub-fund objective is to seek the best combination of interest income and capital growth in relation to the reference currency.

This sub-fund invests worldwide in the global financial markets on a broadly diversified basis in equities, bonds and equity rights. On a consolidated basis a minimum of 30% and a maximum of 60% are invested in equities and equity rights and a minimum of 40% and a maximum of 70% in bonds, notes and other fixed-income and floating-rate secured or unsecured investments. The investments are transferable securities and/or money market instruments within the meaning of Article 41 of the 2010 Law including warrants on these securities. It should be considered that warrants involve higher risks owing to their greater volatility. The sub-fund may hold liquid assets in all currencies in which investments are made on an ancillary basis.

Given the likely higher equity component compared to the Strategy Income (EUR) sub-fund, the degree of risk is higher.

Within the framework of the above mentioned investment policy this sub-fund invests either directly or through existing UCITS or UCIs. To achieve diversification of all investments by markets, sectors, issuers, ratings and companies this sub-fund may invest up to 100% of its net assets in existing UCITS and UCIs under the condition that the target funds' investment policy conforms largely to the above mentioned investment policy. This investment option and the associated costs are described in the section "Investment in UCITS and UCIs".

The name of the currency ("reference currency") contained in the title of the sub-fund refers only to the currency in which the net asset value of the sub-fund is computed, performance is calculated and subscriptions and redemptions are settled. It does not necessarily constitute its investment focus. Investments are made in those currencies which best benefit the performance of the sub-fund.

The reference currency of this sub-fund as well as of the shares of "Class A" is the EURO (EUR).

The reference currency of the shares of Class A (USD hedged) is the USD but USD is only the currency in which the performance of the sub-fund is calculated. The USD is also the currency in which subscriptions and redemptions are settled, possible distributions are made.

Shares of Class A (USD hedged) will be hedged against the EUR.

BSI-Multinvest – Strategy Balanced (EUR) entails investments in foreign exchange transactions and currency forwards made for the account of the USD denominated shares of Class A in order to hedge the Class A sub-fund net asset value which is calculated in EUR against the USD. Although it will not be possible to hedge the full net asset value of the Class A (USD hedged) against currency fluctuations of the EUR against the USD, the sub-fund intends, under normal conditions, to use the above transactions to secure a currency hedge for EUR in USD equivalent to a percentage between 90% and 110% of the net asset value. Changes in the value of the hedged sections of the portfolio and the volume of the subscription and redemption requests for Class A (USD hedged) shares may, however, result in the level of currency hedging temporarily surpassing the stated limits.

The minimum amount for first-time subscriptions for shares of "Class A" is one share or 100.- in the currency of the respective Class.

### *BSI-Multinvest – Cash EUR*

The long-term investment objective is to achieve a continuous income, while paying due consideration to capital security and the liquidity of the sub-fund's assets. To this end, at least two thirds of the sub-fund's assets are invested in bonds, notes and other fixed income (including zero bonds) and floating-rate secured or unsecured investments, issued by public authorities, semi-public enterprises or private borrowers, in similar securities as well as in money market instruments. The sub-fund can also invest in treasury bills, other debt securities and instruments.

The individual residual maturity of a single asset must not exceed 2 years.

The sub-fund may invest up to one third of its assets in securities, which are not in line with the criteria mentioned above. The sub-fund may hold liquid assets and invest in sight and time deposits.

Allowing for the inclusion of derivative financial instruments which may be used also to alter the individual residual maturity of a single asset and in accordance with the investment principles, the entire portfolio of the whole sub-fund will have a average residual maturity of no more than 6 months. In case of floating rate securities, the next coupon date on which the new interest rate is set is to be considered as the final maturity for the calculation of the individual residual maturity of the single investment and of the average residual maturity of the sub-fund's assets.

At least two thirds of the investments are denominated in Euro (EUR). The sub-fund may invest up to a maximum of one third of its assets in other currencies.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the EUR.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or the equivalent of EUR 100.-

### *BSI-Multinvest – Cash USD*

The long-term investment objective is to achieve a continuous income, while paying due consideration to capital security and the liquidity of the sub-fund's assets. To this end, at least two thirds of the sub-fund's assets are invested in bonds, notes and other fixed income (including zero bonds) and floating-rate secured or unsecured investments, issued by public authorities, semi-public enterprises or private borrowers, in similar securities as well as in money market instruments. The sub-fund can also invest in treasury bills, other debt securities and instruments.

The individual residual maturity of a single asset must not exceed 2 years.

The sub-fund may invest up to one third of its assets in securities, which are not in line with the criteria mentioned above. The sub-fund may hold liquid assets and invest in sight and time deposits.

Allowing for the inclusion of derivative financial instruments which may be used also to alter the individual residual maturity of a single asset and in accordance with the investment principles, the entire portfolio of the whole sub-fund will have an average residual maturity of not more than 6 months. In case of floating rate securities, the next coupon date on which the new interest rate is set is to be considered as the final maturity for the calculation of the individual residual maturity of the single investment and of the average residual maturity of the sub-fund's assets.

At least two thirds of the investments are denominated in United States Dollar (USD). The sub-fund may invest up to a maximum of one third of its assets in other currencies.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the USD.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or the equivalent of USD 100.-.

### *BSI-Multinvest – Cash CHF*

The long-term investment objective is to achieve a continuous income, while paying due consideration to capital security and the liquidity of the sub-fund's assets. To this end, at least two thirds of the sub-fund's assets are invested in bonds, notes and other fixed income (including zero bonds) and floating-rate secured or unsecured investments, issued by public authorities, semi-public enterprises or private borrowers, in similar securities as well as in money market instruments. The sub-fund can also invest in treasury bills, other debt securities and instruments.

The individual residual maturity of a single asset must not exceed 2 years.

The sub-fund may invest up to one third of its assets in securities, which are not in line with the criteria mentioned above. The sub-fund may hold liquid assets and invest in sight and time deposits.

Allowing for the inclusion of derivative financial instruments which may be used also to alter the individual residual maturity of a single asset and in accordance with the investment principles, the entire portfolio of the whole sub-fund will have a average residual maturity of not more than 6 months. In case of floating rate securities, the next coupon date on which the new interest rate is set is to be considered as the final maturity for the calculation of the individual residual maturity of the single investment and of the average residual maturity of the sub-fund's assets.

At least two thirds of the investments are denominated in Swiss Franc (CHF). The sub-fund may invest up to a maximum of one third of its assets in other currencies.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the CHF.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or the equivalent of CHF 100.-.

### *BSI-Multinvest – Bonds EUR*

This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in bonds, notes and other fixed-income and floating-rate secured or unsecured investments (including floating rate notes, zero bonds, convertible and warrant issues whose warrants entitle the holder to subscribe securities) issued by public authorities, semi-public enterprises or private borrowers, as well in similar securities. In this connection the investment in convertible and warrant issues may not exceed 25% of the sub-fund's net assets. Shares, other equities and dividend-right certificates acquired through the exercise of conversion and subscription rights or warrants, as well as warrants remaining after the separate sale of ex-issue and any equities acquired with these warrants at a later date may not exceed 10% of the sub-fund's assets and are to be sold with 12 months of their acquisition.

At least two thirds of the investments are denominated in euro (EUR). The sub-fund may invest up to a maximum of 1/3 of its assets in securities denominated in other currencies.

The long-term investment objective is to achieve a performance slightly above that of the corresponding segment of the EUR bond market. The remaining portion, which may not exceed one third of the sub-fund's assets, may be invested in liquid assets.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the EUR.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or the equivalent of EUR 100.

The initial subscription period for shares of "Class M" is from 15 of May 2014 to 16 of May 2014 with first payment value on 20 of May 2014.

The first NAV of BSI-Multinvest – Bond EUR "Class M" will be calculated on 20 of May 2014 based on the Net Assets evaluated the 19 of May 2014.

### *BSI-Multinvest – Bonds USD*

This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in bonds, notes and other fixed-income and floating-rate secured or unsecured investments (including floating rate notes, zero bonds, convertible and warrant issues whose warrants entitle the holder to subscribe securities) issued by public authorities, semi-public enterprises or private borrowers, as well in similar securities. In this connection the investment in convertible and warrant issues may not exceed 25% of the sub-fund's net assets. Shares, other equities and dividend-right certificates acquired through the exercise of conversion and subscription rights or warrants, as well as warrants remaining after the separate sale of ex-issue and any equities acquired with these warrants at a later date may not exceed 10% of the sub-fund's assets and are to be sold with 12 months of their acquisition.

At least two thirds of the investments are denominated in United States of America Dollar (USD). The sub-fund may invest up to a maximum of 1/3 of its assets in securities denominated in other currencies.

The long-term investment objective is to achieve a performance slightly above that of the corresponding segment of the USD bond market. The remaining portion, which may not exceed one third of the sub-fund's assets, may be invested in liquid assets.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the USD.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or the equivalent of USD 100.-.

### *BSI-Multinvest – Bonds CHF*

This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in bonds, notes and other fixed-income and floating-rate secured or unsecured investments (including floating rate notes, zero bonds, convertible and warrant issues whose warrants entitle the holder to subscribe securities) issued by public authorities, semi-public enterprises or private borrowers, as well in similar securities. In this connection the investment in convertible and warrant issues may not exceed 25% of the sub-fund's net assets. Shares, other equities and dividend-right certificates acquired through the exercise of conversion and subscription rights or warrants, as well as warrants remaining after the separate sale of ex-issue and any equities acquired with these warrants at a later date may not exceed 10% of the sub-fund's assets and are to be sold with 12 months of their acquisition.

At least two thirds of the investments are denominated in Swiss Francs (CHF). The sub-fund may invest up to a maximum of 1/3 of its assets in securities denominated in other currencies.

The long-term investment objective is to achieve a performance slightly above that of the corresponding segment of the CHF bond market. The remaining portion, which may not exceed one third of the sub-fund's assets, may be invested in liquid assets.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the Swiss Franc (CHF).

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or the equivalent of CHF 100.

### *BSI-Multinvest – Global Dynamic Bonds*

The investment objective of this sub-fund is principally to achieve an overall return in excess of that on worldwide bond investments.

This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading in:

- all types of debt instruments/securities (including bonds, notes similar fixed-income and floating rate securities, zero bonds, convertible and warrant issues whose warrants entitle the holder to subscribe securities) issued by public authorities, semi-public enterprises or private issuers. Investments may be made in securities with a lower borrower quality, below investment grade or belonging to the category "emerging markets".
- units of other investment funds and exchange traded funds (ETFs) which invest their assets according to the investment policy of this sub-fund.

In respect of the remaining one third and in accordance with the principle of risk diversifications, the sub-fund is permitted to invest in the following:

- invest up to 25% in convertible bonds, convertible notes and warrant issues;
- invest up to 10% in equities, equity paper and rights as well as warrants on the permitted investments;
- invest up to 20% in emerging market investments;
- invest up to 20% in non-investment grade securities;
- invest up to 20% in the commodity class of assets:

- a) through investment in existing UCITS and UCI with the emphasis on commodities on condition that these UCITS and UCI invest exclusively through a participation in commodity indices;
- b) certificates whose underlying are single commodities or commodity indices.

This sub-fund may invest up to 25% its assets in units/shares of other traditional UCITS/UCI including ETF. Those traditional investment funds may differ by investment policy, strategy and types (for example absolute return funds, total return funds, money market funds, bond funds, equity funds, thematic funds).

Income from the non-investment grade securities is higher than that earned from first-class bonds, but also a higher risk of insolvency. For example investments with a rating between BB+ and C may carry an above average yield but also may show a higher solvency risk compared to investments in first class issuers.

Regarding emerging countries, in view of the political and economic situation inherent in those countries, investment in emerging countries entail a substantial risk, which could reduce the yield generated on the sub-fund's assets.

The sub-fund may invest up to one third of its assets in securities, which are not in line with the criteria mentioned above. The sub-fund may hold liquid assets and invest in sight and time deposits up to one third of its assets.

As part of efficient asset management, the sub-fund may invest, in accordance with the provisions of Annex II "Special techniques and instruments that have securities and money market instruments as underlying", in both listed and unlisted derivatives subject to the guidelines set forth there. The sub-fund may use financial instruments for hedging, in particular the currency exchange rate risk. It may also use financial instruments for efficient portfolio management purposes with the objective of enhancing the return. These operations shall not cause the sub-fund to diverge from its investment objective.

The reference currency of this sub-fund as well as of the shares of "Class A (EUR)" and "Class M (EUR)" is the EUR but EUR is only the currency in which the performance of the sub-fund is calculated and not the investment currency of the sub-fund. Investments are in fact made in those currencies which best benefit the performance of the sub-fund.

The reference currency of the shares of "Class A (CHF hedged)" and "Class M (CHF hedged)" is the CHF but CHF is only the currency in which the performance of the sub-fund is calculated. The CHF is also the currency in which subscriptions and redemptions are settled, possible distributions are made. Shares of Class A (CHF hedged) will be hedged against the EUR.

The reference currency of the shares of "Class A (USD hedged)" and "Class M (USD hedged)" is the USD but USD is only the currency in which the performance of the sub-fund is calculated. The USD is also the currency in which subscriptions and redemptions are settled, possible distributions are made. Shares of Class A (USD hedged) will be hedged against the EUR.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or 100.- in the currency of the respective Class.

BSI-Multinvest – Global Dynamic Bonds entails investments in foreign exchange transactions and currency forwards made for the account of the USD and CHF denominated shares of "Class A" and "Class M" in order to hedge the "Class A" and the "Class M" sub-fund net asset value which is calculated in EUR against the USD and CHF respectively. Although it will not be possible to hedge the full net asset value of the "Class A (USD hedged)", "Class A (CHF hedged)", "Class M (USD hedged)" and "Class M (CHF hedged)", against currency fluctuations of the EUR against the USD and CHF, the sub-fund intends, under normal conditions to use the above transactions to secure a currency hedge for EUR in USD and in CHF equivalent to a percentage between 90% and 110% of the net asset value. Changes in the value of the hedged sections of the portfolio and the volume of the subscription and redemption requests for "Class A (USD hedged)", "Class A (CHF hedged)", "Class M (USD hedged)" and "Class M (CHF hedged)" shares may, however, result in the level of currency hedging temporarily surpassing the stated limits.

### *BSI-Multinvest – Global Credit Bond*

The investment objective of the sub-fund is to achieve an overall return in excess of that on worldwide corporate bond investments.

This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading in:

- all types of debt instruments/securities (including bonds, notes similar fixed-income and floating rate securities, zero bonds) issued by public authorities, semi-public enterprises or private issuers. Investments may be made in securities with a lower borrower quality, below investment grade or belonging to the category "emerging markets".



In respect of the remaining one third and in accordance with the principle of risk diversifications, the sub-fund is permitted to invest in the following:

- invest up to 25% in convertible bonds, convertible notes and warrant issues;
- invest up to 10% in equities, equity paper and rights as well as warrants on the permitted investments;
- invest up to 20% in the commodity class of assets:

- a) through investment in existing UCITS and UCI with the emphasis on commodities on condition that these UCITS and UCI invest exclusively through a participation in commodity indices;
- b) certificates whose underlying are single commodities or commodity indices.

Income from the non-investment grade securities is higher than that earned from first-class bonds, but also a higher risk of insolvency. For example investments with a rating between BB+ and C may carry an above average yield but also may show a higher solvency risk compared to investments in first class issuers. Regarding emerging countries, in view of the political and economic situation inherent in those countries, investment in emerging countries entail a substantial risk, which could reduce the yield generated on the sub-fund's assets.

The sub-fund may hold liquid assets and invest in sight and time deposits up to one third of its assets.

As part of efficient asset management, the sub-fund may invest, in accordance with the provisions of Annex II "Special techniques and instruments that have securities and money market instruments as underlying", in both listed and unlisted derivatives subject to the guidelines set forth there. The sub-fund may use financial instruments for hedging, in particular currency exchange rate, interest rate and credit risk. It may also use financial instruments for efficient portfolio management purposes with the objective of enhancing the return, including credit default swaps (CDS). These operations shall not cause the sub-fund to diverge from its investment objective.

The reference currency of this sub-fund as well as of the shares of "Class A (EUR)" and "Class M (EUR)" is the EUR but EUR is only the currency in which the performance of the sub-fund is calculated and not the investment currency of the sub-fund. Investments are in fact made in those currencies which best benefit the performance of the sub-fund.

The reference currency of the shares of "Class A (CHF hedged) and "Class M (CHF hedged)" is the CHF but CHF is only the currency in which the performance of the sub-fund is calculated. The CHF is also the currency in which subscriptions and redemptions are settled, possible distributions are made.

Shares of Class A (CHF hedged) will be hedged against the EUR.

The reference currency of the shares of "Class A (USD hedged) and Class M (USD hedged)" is the USD but USD is only the currency in which the performance of the sub-fund is calculated. The USD is also the currency in which subscriptions and redemptions are settled, possible distributions are made.

Shares of Class A (USD hedged) will be hedged against the EUR.

BSI-Multinvest – Global Credit Bond entails investments in foreign exchange transactions and currency forwards made for the account of the USD and CHF denominated shares of "Class A" and "Class M" in order to hedge the "Class A" and the "Class M" sub-fund net asset value which is calculated in EUR against the USD and CHF respectively. Although it will not be possible to hedge the full net asset value of the "Class A (USD hedged)", "Class A (CHF hedged)", "Class M (USD hedged)" and "Class M (CHF hedged)" against currency fluctuations of the EUR against the USD and CHF, the sub-fund intends, under normal condition, to use the above transactions to secure a currency hedge for EUR in USD and in CHF equivalent to a percentage between 90% and 110% of the net asset value. Changes in the value of the hedged sections of the portfolio and the volume of the subscription and redemption requests for "Class A (USD hedged)", "Class A (CHF hedged)", "Class M (USD hedged)" and "Class M (CHF hedged)" shares may, however, result in the level of currency hedging temporarily surpassing the stated limits.

The minimum amount for first-time subscriptions for shares of "Class A" and "Class M" is one share or 100.- in the currency of the respective Class.

### *BSI-Multinvest – Emerging Markets Bonds*

The investment objective of the sub-fund is to achieve an overall return in excess of that on emerging bond investments.

This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading in all types of eligible debt instruments/securities (including bonds, fixed-income securities and floating rate securities, zero bonds) issued by public authorities, semi-public enterprises or private issuers in emerging

market countries. Investments may be made in securities with a lower borrower quality or below investment grade.

In respect of the remaining one third and in accordance with the principle of risk diversifications, the sub-fund is permitted to invest in the following:

- invest up to 25% in convertible bonds, convertible notes and warrant issues;
- invest up to 10% in equities, equity paper and rights as well as warrants on the permitted investments;
- invest up to 20% in the commodity class of assets:

- a) through investment in existing UCITS and UCI with the emphasis on commodities on condition that these UCITS and UCI invest exclusively through a participation in commodity indices;
- b) certificates whose underlying are single commodities or commodity indices (with no embedded derivatives included).

Income from the non-investment grade securities is higher than that earned from first-class bonds, but also a higher risk of insolvency as the investments are mainly in emerging market countries.

The sub-fund may hold liquid assets and invest in sight and time deposits up to one third of its assets.

As part of efficient asset management, the sub-fund may invest, in accordance with the provisions of Annex II "Special techniques and instruments that have securities and money market instruments as underlying", in both listed and unlisted derivatives subject to the guidelines set forth there. The sub-fund may use financial derivatives instruments for hedging in particular currency exchange rate, interest rate and credit risk, including credit default swaps (CDS). It may also use financial derivatives instruments for efficient portfolio management purposes with the objective of enhancing the return. These operations shall not cause the sub-fund to diverge from its investment objective.

The sub-fund invests primarily in securities which focus on emerging markets countries which generally have low or medium average income and high growth rates. This means that the sub-fund is exposed to specific risks which may be greater than the normal risks inherent in investments in industrial nations (i.e. counterfeit securities, liquidity difficulties, currency fluctuations, currency export restrictions, settlement and custody risks, restrictions on buying and selling, accounting).

The reference currency of this sub-fund as well as of the shares of Class A (USD) is the USD but USD is only the currency in which the performance of the sub-fund is calculated and not the investment currency of the sub-fund. Investments are in fact made in those currencies which best benefit the performance of the sub-fund.

The reference currency of the shares of Class A (EUR hedged) is the EUR but EUR is only the currency in which the performance of the sub-fund is calculated. The EUR is also the currency in which subscriptions and redemptions are settled, possible distributions are made.

Shares of Class A (EUR hedged) will be hedged against the USD.

BSI-Multinvest – Emerging Markets Bonds entails investments in foreign exchange transactions and currency forwards made for the account of the EUR denominated shares of Class A in order to hedge the Class A sub-fund net asset value, which is calculated in USD against the EUR. Although it will not be possible to hedge the full net asset value of the Class A (EUR hedged) against currency fluctuations of the USD against the EUR, the sub-fund intends, under normal conditions to use the above transactions to secure a currency hedge for USD in EUR equivalent to a percentage between 90% and 110% of the net asset value. Changes in the value of the hedged sections of the portfolio and the volume of the subscription and redemption requests for Class A (EUR hedged) shares may, however, result in the level of currency hedging temporarily surpassing the stated limits.

The minimum amount for first-time subscriptions for shares of "Class A" is one share or 100.- in the currency of the respective Class.

### *BSI-Multinvest – Euro Stocks*

The investment objective of BSI-Multinvest – Euro Stocks is to achieve an optimum total return consistent with the development of the equity markets in EU countries. The sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in quoted shares of leading companies headquartered or operating mainly in EU countries. The remaining portion, which may not exceed one third of the sub-fund's assets, may be invested in liquid assets or in quoted shares of leading companies headquartered or operating mainly outside EU countries.

As part of efficient asset management, the sub-fund may invest, in accordance with the provisions of Annex II "Special techniques and instruments that have securities and money market instruments as underlying", in both listed and unlisted derivatives subject to the guidelines set forth there. The sub-fund may use financial instruments for hedging purposes and for efficient portfolio management purposes. These operations shall not cause the sub-fund to diverge from its investment objective.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the EUR but EUR is only the currency in which the performance of the sub-fund is calculated and not the investment currency of the sub-fund. Investments are in fact made in those currencies which best benefit the performance of the sub-fund.

The reference currency of the shares of "Class A (USD hedged)" and "Class M (USD hedged)" is the USD but USD is only the currency in which the performance of the sub-fund is calculated. The USD is also the currency in which subscriptions and redemptions are settled, possible distributions are made.

Shares of Class A (USD hedged) and of Class M (USD hedged) will be hedged against the EUR.

BSI-Multinvest – Euro Stocks entails investments in foreign exchange transactions and currency forwards made for the account of USD denominated shares of "Class A" and "Class M" in order to hedge the "Class A" and the "Class M" sub-fund net asset value which is calculated in EUR against the USD. Although it will not be possible to hedge the full net asset value of the "Class A (USD hedged)" and of the "Class M (USD hedged)" against currency fluctuations of the EUR against the USD, the sub-fund intends, under normal conditions to use the above transactions to secure a currency hedge for EUR in USD equivalent to a percentage between 90% and 110% of the net asset value. Changes in the value of the hedged sections of the portfolio and the volume of the subscription and redemption requests for "Class A (USD hedged)" and "Class M (USD hedged)" shares may, however, result in the level of currency hedging temporarily surpassing the stated limits.

The minimum amount for initial subscriptions of shares of "Class A" and "Class M" is one share or 100.- in the currency of the respective Class.

The initial subscription period for shares of "Class A" and "Class M" is from 7 December 2015 to 11 December 2015 with first payment value on 14 December 2015.

The initial subscription period for shares of "Class A (USD hedged)" and "Class M (USD hedged)" is from 7 December 2015 to 11 December 2015 with first payment value on 14 December 2015.

### *BSI-Multinvest – Japanese Stocks*

The investment objective is to achieve a performance as high as possible in the context of the general trend on the Japanese equity market. The sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in quoted shares of leading companies headquartered or operating mainly in Japan. The remaining portion, which may not exceed one third of the sub-fund's assets, may be invested in liquid assets or in quoted shares of leading companies headquartered or operating mainly outside Japan. Long-term capital growth is aimed by investing in carefully selected equities and warrants on such securities. It should be considered that warrants involve higher risks owing to their greater volatility.

At least two thirds of the investments are denominated in JPY. The sub-fund may invest up to a maximum of one third of its assets in other OECD currencies.

As part of efficient asset management, the sub-fund may invest, in accordance with the provisions of Annex II "Special techniques and instruments that have securities and money market instruments as underlying", in both listed and unlisted derivatives subject to the guidelines set forth there. The sub-fund may use financial instruments for hedging purposes and for efficient portfolio management purposes. These operations shall not cause the sub-fund to diverge from its investment objective.

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the Japanese Yen (JPY) but JPY is only the currency in which the performance of the sub-fund is calculated and not the investment currency of the sub-fund. Investments are in fact made in those currencies which best benefit the performance of the sub-fund.

The reference currency of the shares of "Class A (EUR hedged)" and "Class M (EUR hedged)" is the EUR but EUR is only the currency in which the performance of the sub-fund is calculated. The EUR is also the currency in which subscriptions and redemptions are settled, possible distributions are made.

Shares of Class A (EUR hedged) and of Class M (EUR hedged) will be hedged against the JPY.

The reference currency of the shares of "Class A (CHF hedged)" and "Class M (CHF hedged)" is the CHF but CHF is only the currency in which the performance of the sub-fund is calculated. The CHF is also the currency in which subscriptions and redemptions are settled, possible distributions are made.

Shares of Class A (CHF hedged) and of Class M (CHF hedged) will be hedged against the JPY.

The reference currency of the shares of "Class A (USD hedged)" and "Class M (USD hedged)" is the USD but USD is only the currency in which the performance of the sub-fund is calculated. The USD is also the currency in which subscriptions and redemptions are settled, possible distributions are made.

Shares of Class A (USD hedged) and of Class M (USD hedged) will be hedged against the JPY.

BSI-Multinvest – Japanese Stocks entails investments in foreign exchange transactions and currency forwards made for the account of the EUR, USD and CHF denominated shares of "Class A" and "Class M" in order to hedge the "Class A" and the "Class M" sub-fund net asset value which is calculated in JPY against the EUR, the USD and CHF respectively. Although it will not be possible to hedge the full net asset value of the "Class A (EUR hedged)", of the "Class A (USD hedged)", of the "Class A (CHF hedged)", of the "Class M (EUR hedged)", of the "Class M (USD hedged)" and "Class M (CHF hedged)" against currency fluctuations of the JPY against the EUR, the USD and CHF, the sub-fund intends, under normal conditions to use the above transactions to secure a currency hedge for JPY in EUR, in USD and in CHF equivalent to a percentage between 90% and 110% of the net asset value. Changes in the value of the hedged sections of the portfolio and the volume of the subscription and redemption requests for "Class A (EUR hedged)", "Class A (USD hedged)", for "Class A (CHF hedged)", "Class M (EUR hedged)", "Class M (USD hedged)" and "Class M (CHF hedged)" shares may, however, result in the level of currency hedging temporarily surpassing the stated limits.

The minimum amount for initial subscriptions of shares of "Class A" and "Class M" is one share or 100.- in the currency of the respective Class.

The initial subscription period for shares of "Class A" and "Class M" is from 7 December 2015 to 11 December 2015 with first payment value on 14 December 2015.

The initial subscription period for shares of "Class A (EUR hedged)" and "Class M (EUR hedged)" is from 7 December 2015 to 11 December 2015 with first payment value on 14 December 2015.

The initial subscription period for shares of "Class A (CHF hedged)" and "Class M (CHF hedged)" is from 7 December 2015 to 11 December 2015 with first payment value on 14 December 2015.

The initial subscription period for shares of "Class A (USD hedged)" and "Class M (USD hedged)" is from 7 December 2015 to 11 December 2015 with first payment value on 14 December 2015.

### *BSI-Multinvest – Dynamic European Markets*

The objective of the sub-fund is to provide exposure to European equity markets by investing in securities or UCITS or UCIs, while mitigating the impact of falling equity market by creating a protection using financial derivative instruments. This sub-fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in the European equity market, though direct investing or through existing UCITS or UCIs that have an investment policy that conform largely to the same market. The remaining portion, which may not exceed one third of the sub-fund's assets may be invested in liquid assets.

At least two thirds of the investments are denominated in EUR. The sub-fund may invest up to a maximum of one third of its assets in other OECD currencies

As part of efficient asset management, the sub-fund may invest, in accordance with the provisions of Annex II "Special techniques and instruments that have securities and money market instruments as underlying", in both listed and unlisted derivatives subject to the guidelines set forth there. The sub-fund may use financial instruments for hedging purposes, to adjust the net exposure in the authorized limit and/or hedge the currency exchange risk and for an efficient portfolio management purposes.

Equity net exposure is limited between -10% and +110%. Global Exposure of the fund will be monitored using VaR methodology on relative basis. The fund's VaR is limited to 200% of the VaR of the reference

portfolio which is or Stoxx Europe 600. Leverage is determined using the sum of the notional of all financial derivatives investment used. The expected level of leverage of the fund is between 100% and 300% of the Net Asset Value of the fund; this is however not a limit and higher or lower levels of leverage may occur.

Within the framework of the above mentioned investment policy this sub-fund invests either directly or through existing UCITS or UCIs. To achieve diversification of all investments by markets, sectors, issuers, ratings and companies this sub-fund may invest up to 100% of its net assets in existing UCITS, UCIs (including ETFs) under the condition that the target funds' investment policy conforms largely to the above mentioned investment policy. This investment option and the associated costs are described in the section "Investment in UCITS and UCIs".

The reference currency of this sub-fund as well as of the shares of "Class A" and "Class M" is the EUR but EUR is only the currency in which the performance of the sub-fund is calculated and not the investment currency of the sub-fund. Investments are in fact made in those currencies which best benefit the performance of the sub-fund.

The reference currency of the shares of "Class A (CHF hedged)" and "Class M (CHF hedged)" is the CHF but CHF is only the currency in which the performance of the sub-fund is calculated. The CHF is also the currency in which subscriptions and redemptions are settled, possible distributions are made.

Shares of Class A (CHF hedged) and of Class M (CHF hedged) will be hedged against the EUR.

BSI-Multinvest – Dynamic European Markets entails investments in foreign exchange transactions and currency forwards made for the account of CHF denominated shares of "Class A" and "Class M" in order to hedge the "Class A" and the "Class M" sub-fund net asset value which is calculated in EUR against the CHF. Although it will not be possible to hedge the full net asset value of the "Class A (CHF hedged)" and of the "Class M (CHF hedged)" against currency fluctuations of the EUR against the CHF, the sub-fund intends, under normal conditions to use the above transactions to secure a currency hedge for EUR in CHF equivalent to a percentage between 90% and 110% of the net asset value. Changes in the value of the hedged sections of the portfolio and the volume of the subscription and redemption requests for "Class A (CHF hedged)" and "Class M (CHF hedged)" shares may, however, result in the level of currency hedging temporarily surpassing the stated limits.

The minimum amount for initial subscriptions of shares of "Class A" and "Class M" is one share or 100.- in the currency of the respective Class.

The initial subscription period for shares of "Class A" and "Class M" is from 7 December 2015 to 11 December 2015 with first payment value on 14 December 2015.

The initial subscription period for shares of "Class A (CHF hedged)" and "Class M (CHF hedged)" is from 7 December 2015 to 11 December 2015 with first payment value on 14 December 2015.

## *PROFILE OF THE TYPICAL INVESTOR*

**BSI-Multinvest – Short Term Bonds CHF:** The sub-fund is suitable for investors, both private and institutional, that have a short term investment horizon and wish to invest in a broadly diversified portfolio of bonds denominated in CHF.

**BSI-Multinvest – Short Term Bonds EUR:** The sub-fund is suitable for investors, both private and institutional, that have a short term investment horizon and wish to invest in a broadly diversified portfolio of bonds denominated in EUR.

**BSI-Multinvest – Short Term Bonds USD:** The sub-fund is suitable for investors, both private and institutional, that have a short term investment horizon and wish to invest in a broadly diversified portfolio of bonds denominated in USD.

**BSI-Multinvest – Asian Stocks:** The sub-fund is suitable as a basic investment for private and institutional investors that have a long-term investment horizon and want to invest in a portfolio of Asian shares (excluding Japan) that is broadly diversified and denominated in USD.

**BSI-Multinvest – Swiss Stocks:** The sub-fund is suitable as a basic investment for private and institutional investors that have a long-term investment horizon and want to invest in a portfolio of Swiss shares that is broadly diversified and denominated in CHF.

**BSI-Multinvest – US Stocks:** The sub-fund is suitable as a basic investment for private and institutional investors that have a long-term investment horizon and want to invest in a portfolio of American shares that is broadly diversified and denominated in USD.

**BSI-Multinvest – Strategy Income (CHF):** The sub-fund is suitable as a basic investment for investors that have a medium to long-term investment horizon (between five to ten years) and a low risk tolerance.

**BSI-Multinvest – Strategy Income (EUR):** The sub-fund is suitable as a basic investment for investors that have a medium to long-term investment horizon (between five to ten years) and a low risk tolerance.

**BSI-Multinvest – Strategy Balanced (CHF):** The sub-fund is suitable as a basic investment for investors that have a medium to long-term investment horizon (between five to ten years).

**BSI-Multinvest – Strategy Balanced (EUR):** The sub-fund is suitable as a basic investment for investors that have a medium to long-term investment horizon (between five to ten years).

### **BSI-Multinvest – Alternative UCITS**

This sub-fund is suitable for investors, both private and institutional, with a medium to long-term investment horizon and higher risk tolerance who are interested in investing in a diversified portfolio. The sub-fund primarily invests in actively undertakings for collective investment.

### **BSI-Multinvest – Cash EUR**

The sub-fund is suitable for investors who wish to invest in a broadly diversified portfolio comprising deposits, first-class money market instruments and securities with short residual maturities or variable yields with high liquidity mainly denominated in EUR.

### **BSI-Multinvest – Cash USD**

The sub-fund is suitable for investors who wish to invest in a broadly diversified portfolio comprising deposits, first-class money market instruments and securities with short residual maturities or variable yields with high liquidity mainly denominated in USD.

### **BSI-Multinvest – Cash CHF**

The sub-fund is suitable for investors who wish to invest in a broadly diversified portfolio comprising deposits, first-class money market instruments and securities with short residual maturities or variable yields with high liquidity mainly denominated in CHF.

### **BSI-Multinvest – Bonds EUR**

The sub-fund is suitable for investors, both private and institutional that have a long term investment horizon and wish to invest in a broadly diversified portfolio of bonds denominated in EUR.

### **BSI-Multinvest – Bonds USD**

The sub-fund is suitable for investors, both private and institutional, that have a long term investment horizon and wish to invest in a broadly diversified portfolio of bonds denominated in USD.

#### **BSI-Multinvest – Bonds CHF**

The sub-fund is suitable for investors, both private and institutional, that have a long term investment horizon and wish to invest in a broadly diversified portfolio of bonds denominated in CHF.

#### **BSI-Multinvest – Global Dynamic Bonds**

This sub-fund is suitable for investors that have a long-term investment horizon and wish to invest in broadly diversified portfolio mainly consisting of transferable debt instruments and claims of private or public obligors. Although risk is reduced substantially by the broad diversification of investments across many different borrowers as well as several sectors and countries, investing in this sub-fund does require increased risk tolerance and risk acceptance on the part of the investor.

Investments may be made in securities with a lower borrower quality, below investment grade or belonging to the category “emerging markets”.

#### **BSI-Multinvest – Global Credit Bond**

This sub-fund is suitable for investors that have a long-term investment horizon and wish to invest in broadly diversified portfolio mainly consisting of transferable debt instruments and claims of private or public obligors. Although risk is reduced substantially by the broad diversification of investments across many different borrowers as well as several sectors and countries, investing in this sub-fund does require increased risk tolerance and risk acceptance on the part of the investor.

Investments may be made in securities with a lower borrower quality, below investment grade or belonging to the category “emerging markets”.

#### **BSI-Multinvest – Emerging Markets Bonds**

This sub-fund is suitable for investors that have a long-term investment horizon and wish to invest in broadly diversified portfolio mainly consisting of transferable debt instruments and claims of private or public obligors mainly belonging to the category “emerging markets”. Although risk is reduced substantially by the broad diversification of investments across many different borrowers as well as several sectors and countries, investing in this sub-fund does require increased risk tolerance and risk acceptance on the part of the investor. Investments may be made in securities with a lower borrower quality, below investment grade.

**BSI-Multinvest – Euro Stocks:** The sub-fund is suitable as a basic investment for private and institutional investors that have a long-term investment horizon and want to invest in a portfolio of Euro zone shares that is broadly diversified and denominated in EUR.

**BSI-Multinvest – Japanese Stocks:** The sub-fund is suitable as a basic investment for private and institutional investors that have a long-term investment horizon and want to invest in a portfolio of Japanese shares that is broadly diversified and denominated in JPY.

**BSI-Multinvest – Dynamic European Markets:** The sub-fund is suitable as a basic investment for private and institutional investors that have a medium to long-term investment horizon and want to invest in a portfolio of European zone shares that is broadly diversified and denominated in EUR. The investor prefers to give up part of the potential upside in favour of pursuing the hedging of the portfolio against sudden markets drawdown.

## *SPECIFIC INVESTMENT RISKS*

The investments in each of the SICAV's sub-funds are subject to market fluctuations and to the other risks characteristic of a securities investment.

The Company, on behalf of the SICAV, will employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each sub-fund. The Company, on behalf of the SICAV, will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

The value of the investment can be affected by national and international macro-economic trends, by interest-rate fluctuations or by changes in the value of the currencies of the countries of investment just as much as it can by exchange-control regulations, by the tax legislation of the individual countries of investment, including the regulations governing withholding tax, by changes of government or by changes in economic and currency policy in the countries concerned. No guarantee can therefore be given that the investment objectives will actually be achieved.

Taking into account the investment restrictions in Annex I, each sub-fund may pursue different strategies in order to reduce the investment risks and optimize the yield of its portfolio. These strategies currently include the use of options, currency futures contracts, futures contracts and options on futures contracts. Market conditions and the applicable legal regulations may restrict the use of these instruments. No guarantee can be given that such strategies will be successful. Sub-funds that trade on the futures and options markets, as well as sub-funds that enter into currency swap transactions are subject to risks and expenses in connection with these specific investments to which they would not have been subject if no use had been made of such transactions. Should the portfolio manager's assessments of movements on the securities, foreign-exchange and interest-rate markets prove inaccurate, the sub-fund may find itself in a more unfavourable situation than would have been the case if the risk-hedging or optimization strategies had not been utilized.

No guarantee can be given that the sub-funds' portfolios are effectively hedged or that the sub-funds will actually achieve their investment objectives.

### **Investment in UCI and UCITS**

Sub-funds, whose assets are partially or fully invested in existing UCI and UCITS in accordance with their particular investment policies, accordingly have either partially or fully the structure of a fund of funds.

The general advantage of a fund of funds compared with direct investment in specific funds is the broader diversification or spread of risk. In a fund of funds, portfolio diversification extends not only to its own investments because the investment objects (target funds) themselves are also governed by the stringent principles of risk diversification. A fund of funds enables the investor to invest in a product which spreads its risks on two levels and thereby minimises the risks inherent in the individual investment object.

Certain commission payments and expenses may occur more than once when investing in existing funds (for example, commission for the custodian bank and the central administrative agency, management/advisory fees and issuing/redemption commission of the UCI and/or UCITS in which an investment is made). Such commission payments and expenses are charged at the level of the target fund as well as of the underlying funds.

This commission may be incurred up to three times where alternative investments are concerned (funds of hedge funds, funds of real estate funds).

The sub-funds may also invest in UCI and/or UCITS managed by BSI AG or by a company with which it is associated through common management or control or through a direct or indirect stake in more than 10% of the capital or voting rights. In this case, no issuing or redemption commission will be charged on subscription to or redemption of these units / shares. Moreover the sub-fund concerned may only be charged with a reduced flat fee of no more than 0.25% p.a. of the average net asset value of the sub-fund concerned invested in said UCI and/or UCITS.

The general expenses and the costs incurred when investing in existing funds are examined in detail in the sections "Charges and Expenses".



## *Relating to existing Investment Funds*

The sub-fund may invest in existing investment funds. Such investment funds may be organized in jurisdictions where such vehicles are not subject to control by a supervisory authority that is recognised as providing investor protection equivalent to that afforded in Luxembourg.

Accordingly, the shareholders in such vehicles may not have the benefit of the specific shareholders' protection usually resulting from the supervision performed by a supervisory authority.

The SICAV's Board and the Company intend to reduce this risk by favouring investment funds which, through the quality of their promoter, custodian, investment manager and auditor are considered to provide the Company better protection on this matter.

## **Investments in equities**

Sub-funds mainly focusing their investments in equities may mainly be exposed to the following risks: the value of the sub-fund's investments is geared towards their respective market values. The net asset value can fluctuate substantially depending on the general stock-market trend and the performance of securities held in the portfolio of the sub-fund. A fall in the net asset value over a considerable period cannot be ruled out. There is no guarantee that investors will achieve a specific return, or that they will be able to submit units to the sub-fund management company for redemption at a specific price.

## **Use of derivatives**

While observing the restrictions set out in the Annex I "Investment Restrictions", section "General Principles", Sub-section 2 "Risk diversification", the SICAV may, in relation to each sub-fund, use derivatives. Derivatives are instruments that derive their value from another financial instrument (underlying asset).

Derivatives may be conditional or unconditional. Conditional derivatives (contingent claims) are those that give a party to the legal transaction the right, but not the obligation, to use a derivative instrument (e.g. an option). Unconditional derivatives (futures) impose the obligation on both parties to provide the service owed at a specific time defined in the contract (e.g. forwards, futures, swaps).

The derivatives are traded on stock exchanges (exchange-traded derivatives), as well as over the counter (OTC derivatives). In the case of derivatives traded on a stock exchange (e.g. futures), the stock exchange itself is also one of the parties in each transaction. These transactions are cleared and settled through a clearing house (clearing agent). OTC derivatives (e.g. forwards and swaps) are entered into directly by two parties, whereas exchange-traded derivatives are entered into using a middleman.

## **Use of futures and options**

While taking account of the restrictions set forth in the Annex II entitled "Techniques and instruments relating to transferable securities or used to hedge currency risks", the portfolio manager may buy and sell futures contracts or options on financial instruments, as well as enter into transactions involving options on transferable securities for purposes of hedging or sound portfolio management. The purchase or sale of futures on indices will allow the portfolio manager to increase or decrease, at lower costs, the Sub-fund's market exposure. The purchase or sale of call or put options on transferable securities/indices will allow the portfolio manager to increase or decrease the exposure to the underlying with respect to the market conditions/trends.

- Options on transferable securities/indices: an option on transferable securities or on indices gives the purchaser, or "Holder", the right, but not the obligation, to purchase, in the case of a call option, or sell, in the case of a put option, a set amount of the underlying at a fixed price by a stated expiration date. The Holder pays a commission (a 'premium') for the option but cannot lose more than this amount, plus associated transaction fees. Compared with futures, options only impose an obligation on the seller or 'Issuer'. If the option is exercised by the Holder, the Issuer is obliged to settle the transaction by surrendering the underlying asset or the cash, based on the value of the underlying asset. An option becomes worthless for the holder if it is not exercised within the period of validity. Such options may be traded on the official listings of a stock market for transferable securities, or traded 'over-the-counter' with first-class financial institutions specialised in this type of transaction. When purchasing an OTC option, the holder will be subject to the default risk of the issuer; for this reason, the purchase of this type of option may require that a guarantee be provided in the form of a margin deposit.

- Futures: a future is a bilateral contract conferring the purchase or sale of a fixed amount of financial instruments (such as index or other instrument) at a stated time in the future for a fixed price. Under these terms, a future has a specific redemption date at which the index value must be surrendered by the seller and acquired by the buyer. The purchase or sale of futures differs from the purchase or sale of transferable securities or other types of instrument in that no initial purchase price is paid. Instead, a variable cash sum no greater than the contract value is deposited with a broker as an 'initial margin'. Subsequent payments from or to the broker will be made daily taking into account the variation, for example, of the index. The use of futures instead of investing in the underlying has the advantage of lower transaction fees.

### **Use of credit default swaps (CDS)**

The SICAV may enter into credit default swaps (CDS) transactions for purposes of hedging or sound portfolio management.

Acquisition of protection by means of a CDS contract means that the SICAV is hedged against risk of failure of the reference issuer and/or basket of issuers in return for payment of a premium. For example, when the physical delivery of the underlying is planned, a CDS entitles the SICAV with the right to sell to the counterparty a bond security that belongs to a specific issuing basket of the defaulting issuer for a predefined price (which typically corresponds to 100% of the nominal value).

Moreover, the following rules must be complied with where CDS contracts are executed with a purpose other than hedging:

- The CDS must be used in the exclusive interest of the investors by allowing a satisfactory return compared to the risks incurred by the SICAV;
- The risk exposure arising from these transactions, together with the overall risk exposure relating to derivative financial instruments may not exceed at any time the value of the net assets of each sub-fund of the SICAV;
- The general investment restrictions must apply to the CDS issuer and to the CDS' final debtor risk ("underlying");
- The use of CDS must fit the investment and the risk profiles of the sub-funds concerned;
- The SICAV must ensure to guarantee adequate permanent hedging of commitments linked to the CDS and must always be in a position to carry out the investors' repurchase requests;
- The CDS selected by the SICAV must be sufficiently liquid so as to allow the SICAV to sell/settle the contracts in question at the defined theoretical prices.

### **Risks connected with the use of derivatives**

Investments in derivatives are subject to market, settlement, credit and liquidity risk. However, the nature of these risks may be altered as a result of the special features of the derivative instruments, and may in some cases be higher than the risks associated with investments in the underlying financial instrument. Therefore the use of derivatives requires not only an understanding of the underlying financial instruments but also in-depth knowledge of the derivative itself.

The credit risk inherent to derivatives consists in the risk that one party does not or cannot meet its obligations from one or more of its contracts. The credit risk of derivatives traded on a stock exchange is, generally speaking, lower than that of OTC derivatives on the open market, because the clearing agents, that acts as counterparty of every market traded derivative (see above) accepts a settlement guarantee. To reduce the overall risk of default, such guarantee is supported by a daily payment system maintained by the clearing agent, in which the assets required for cover are calculated (see below). If derivatives do not possess any such settlement guarantee, their default risk is generally limited by the investment restrictions set out in the Annex I "Investment restrictions", section "General Principles", sub-section 2 "Risk diversification". Even in cases where the difference between the mutually owed payments (e.g. interest rate swaps, total return swaps) is owed, as opposed to the delivery or exchange of the underlying assets (e.g. options, forwards, credit default swaps), the sub-fund's potential loss is limited to this difference in the event of default by the counterparty. The credit risk can be reduced by depositing collateral. To trade derivatives on a stock exchange, participants must deposit collateral with a clearing agent in the form of liquid funds (initial margin). The clearing agent will evaluate (and settle, where appropriate) the outstanding positions of each participant, as well as re-evaluate the existing collateral on a daily basis. If the collateral's value falls below a certain threshold (maintenance margin), the participant in question will be required by the clearing agent to bring this value up to its original level by paying in additional collateral (variation margin). With OTC derivatives, this credit risk may also be reduced by the respective counterparty providing collateral (see below), by offsetting different derivative positions that were entered into with this counterparty, as well as through a careful selection process for

counterparties (see Annex I “Investment Restrictions”, section “General Principles”, sub-section “Investment Instruments”, point 1.1(g), indent (iv)).

There are also liquidity risks since it may be difficult to buy or sell certain instruments. When derivative transactions are particularly large, or the corresponding market is illiquid (as may be the case with OTC derivatives on the open market), under certain circumstances it may not always be possible to fully execute a transaction or it may only be possible to liquidate a position by incurring increased costs.

Additional risks connected with the employment of derivatives lie in the incorrect determination of prices or valuation of derivatives. There is also the possibility that derivatives do not completely correlate with their underlying assets, interest rates or indices. Many derivatives are complex and frequently valued subjectively. Inappropriate valuations can result in higher demands for cash by counterparties or in a loss of value for the relevant sub-fund.

## **Risk Management**

The Global Risk Exposure calculation method in accordance with applicable laws and regulations can be prepared based either on the commitment approach or the Value at Risk approach (relative or absolute). The risk management procedure shall also be applied within the scope of collateral management (see sub-section “Collateral management” below) and the techniques and instruments for the efficient management of the portfolio (see Annex II “Techniques and Instruments relating to transferable securities or used to hedge currency risks”, section “Special techniques and instruments relating to transferable securities and money market instruments”).

## **Leverage**

Leverage is defined pursuant to the applicable ESMA guidelines and CSSF circular 11/512 as the total of the nominal values of the derivatives used by the respective sub-fund. According to the definition, leverage may result in artificially increased leverage amounts, as some derivatives 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.

Where applicable, the expected leverage is expressed in the table below as a ratio between the total of the nominal value and the net asset value of the respective sub-fund and is based on historical data. For sub-funds which have not yet been launched, the expected leverage value will be calculated on the basis of a model portfolio or on the investments of a comparable sub-fund. Greater leverage amounts may be attained for all sub-funds, under certain circumstances.

Active sub-funds	Global Risk Exposure calculation	Expected level of leverage (absolute value)	Reference Portfolio (Benchmark) 1
BSI Multinvest - Global Dynamic Bonds	Commitment approach	n.a.	n.a.
BSI-Multinvest - Alternative UCITS	Commitment approach	n.a.	n.a.
BSI-Multinvest - Asian Stocks	Commitment approach	n.a.	n.a.
BSI-Multinvest - Cash CHF	Commitment approach	n.a.	n.a.
BSI-Multinvest - Cash USD	Commitment approach	n.a.	n.a.
BSI-Multinvest - Bonds CHF	Commitment approach	n.a.	n.a.
BSI-Multinvest - Bonds EUR	Commitment approach	n.a.	n.a.
BSI-Multinvest - Bonds USD	Commitment approach	n.a.	n.a.
BSI-Multinvest - Short Term Bonds CHF	Commitment approach	n.a.	n.a.
BSI-Multinvest - Short Term Bonds EUR	Commitment approach	n.a.	n.a.
BSI-Multinvest - Short Term Bonds USD	Commitment approach	n.a.	n.a.
BSI-Multinvest - Strategy Balanced (CHF)	Commitment approach	n.a.	n.a.
BSI-Multinvest - Strategy Balanced (EUR)	Commitment approach	n.a.	n.a.
BSI-Multinvest - Strategy Income (CHF)	Commitment approach	n.a.	n.a.
BSI-Multinvest - Strategy Income (EUR)	Commitment approach	n.a.	n.a.
BSI-Multinvest - Swiss Stocks	Commitment approach	n.a.	n.a.
BSI-Multinvest - US Stocks	Commitment approach	n.a.	n.a.
BSI-Multinvest - Cash EUR	Commitment approach	n.a.	n.a.
BSI-Multinvest - Global Credit Bond	Commitment approach	n.a.	n.a.
BSI-Multinvest - Emerging Markets Bonds	Commitment approach	n.a.	n.a.
BSI-Multinvest - Euro Stocks	Commitment approach	n.a.	n.a.
BSI-Multinvest - Japanese Stocks	Commitment approach	n.a.	n.a.
BSI-Multinvest – Dynamic European Markets	Relative VaR approach	200% - 300%	Stoxx Europe 600

<sup>1</sup> In accordance with CSSF Circular 11/512, reference portfolio must be disclosed for sub-funds for which the Global Risk Exposure is calculated using the Relative Value at Risk Approach.

### **Historical performance**

The historical performance of the individual sub-funds is outlined in the “key investor information document” relating to each sub-fund.

### **Total Expense Ratio (“TER”)**

The TER expresses the relationship between the gross amount of fund costs and the average net fund assets. The TER for each sub-fund is set forth in the annual report.

### **Collateral Management**

If the SICAV enters into OTC transactions, it may be exposed to risks related to the creditworthiness of the OTC counterparties: when the SICAV 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 can not meet) its obligations under a specific or multiple contracts. Counterparty risk can be reduced by depositing a security (collateral) (see above).

Collateral may be provided in the form of liquid assets in highly liquid currencies, highly liquid equities and first-rate government bonds. The portfolio manager 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 Company, or a service provider appointed by the Company, 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 Company 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 Custodian in favour of the SICAV and may not be sold, invested or pledged by the portfolio manager.

The portfolio manager shall ensure that the collateral transferred to the SICAV 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 SICAV's net assets.

Collateral that is deposited in the form of liquid funds may be invested by the portfolio manager. Investments may only be made in: sight deposits or deposits at notice in accordance with Annex I - point 1.1(f) of section "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 Annex I - point 1.1(f) of section "Investment Instruments" and the portfolio manager 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 SICAV owes a security pursuant to an applicable agreement, such security shall be held in custody by the Custodian in favour of the SICAV. Bankruptcy and insolvency events or other credit events with the Custodian or within its sub-custodian/correspondent bank network may result in the rights of the SICAV in connection with the security to be delayed or restricted in other ways. If the SICAV owes a security pursuant to an applicable agreement, then any such security is to be transferred to the OTC counterparty as agreed between the portfolio manager and the OTC counterparty. Bankruptcy and insolvency events or other credit events with the OTC counterparty, the Custodian or within its sub-custodian/correspondent bank network may result in the rights or recognition of the SICAV in connection with the security to be delayed, restricted or even eliminated, which would go so far as to force the SICAV 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 Company and/or the SICAV 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 of Directors of the SICAV on a regular basis.

The maximum counterparty risk of the SICAV related to OTC transactions is currently below the 10% threshold provided by the 2010 Law. Consequently, OTC transactions are not collateralized so that no haircut policy is currently applicable.

## MANAGEMENT COMPANY

BSI Fund Management S.A. is appointed as management company and principal administrative agent, as well as registrar agent, of the SICAV pursuant to the agreement in force since 20<sup>th</sup> October 2014 between the SICAV and the Company (the "Company Services Agreement").

The Management Company is a company incorporated under Luxembourg law with registered office situated at 44F, rue de la Vallée, L-2661, Luxembourg, Grand Duchy of Luxembourg. The Management Company was incorporated for an indeterminate period in Luxembourg on March 27, 2014 in the form of a joint stock company (i.e., a *société anonyme*), in accordance with the 1915 Law. Its capital is actually in the amount of EUR 2,500,000 (two million five hundred thousand Euro).

The deed of incorporation of the Management Company was published in the "Mémorial" of April 11, 2014 (Registre de Commerce et des Sociétés of Luxembourg n° B185.861). The coordinated articles of incorporation have been published in the "Mémorial" on April 11, 2014.

The name of all other undertakings for collective investment managed by the Company from time to time are available at the registered office of the Company.

The Company is governed by Chapter 15 of the Law of 17<sup>th</sup> December 2010 and, in this capacity, is responsible for the collective management of the SICAV's portfolio. These duties encompass the following tasks:

(I) investment management, the Company may:

- provide all advice and recommendations as to the investments to be made,
- enter into contracts, buy, sell, exchange and deliver all transferable securities and any other assets,
- exercise, on behalf of the SICAV, all voting rights attaching to the transferable securities constituting the SICAV's assets.

(II) administration, which encompasses:

- a) legal services and accounts management for the SICAV,
- b) follow-up of requests for information from clients,
- c) valuation of portfolios and calculation of the value of SICAV shares (including all tax issues),
- d) verifying compliance with regulations,
- e) keeping the SICAV's Register of Shareholders,
- f) allocating SICAV income,
- g) issue and redemption of SICAV shares (Registrar Agent's duties),
- h) winding-up of contracts (including sending certificates),
- i) recording and keeping records of transactions.

(III) marketing the SICAV's shares.

In accordance with the laws and regulations currently in force and with the prior approval of the Board, the Company is authorised to delegate, unless otherwise provided herein, all or part of its duties and powers to any person or company which it may consider appropriate, it being understood that the Prospectus will be amended prior thereto and that the Company will remain entirely liable for the actions of such representative(s).

The investment management duties and the administration duties are currently delegated, as described below.

Under the terms of the Company Services Agreement, the Company shall act as the SICAV's management company in the best interest of the Shareholders and according to the provisions set forth by applicable law, the Prospectus, the Articles of Incorporation and the instructions of the Board, and shall, in particular, be in charge of the day-to-day management of the SICAV under the overall supervision, instruction, control and ultimate liability of the Board. As such, the Company shall be responsible for the investment management of the assets of the SICAV, the administration of the SICAV and the implementation of the SICAV's distribution and marketing policy.

## *FUNCTIONS DELEGATED BY THE MANAGEMENT COMPANY*

Subject to the conditions set forth by the 2010 Law and the Company Services Agreement, the Management Company is authorized, in order to conduct its business efficiently, to delegate, under its responsibility and control, and with the consent of the SICAV and the Luxembourg supervisory authority of the financial sector, part or all of its functions and duties to any third party. The Company's liability shall not be affected by the fact that it has delegated its functions and duties to third parties.

The Company has delegated the investment management, the administration and the marketing activities of the SICAV's.

The Company shall also ensure the compliance of the SICAV with the investment restrictions and oversee the implementation of the SICAV's investment policy. The Company shall also send reports to the directors on a regular basis and inform each board member without delay of any non-compliance of the SICAV with the investment restrictions.

The Company will receive, if it is the case, periodic reports from the investment manager, if any, detailing the SICAV's performance and analysing its investment portfolio and from the SICAV's other service providers in relation to the services delegated to them by the Company.

In consideration of the services rendered, the Company receives from the SICAV fees in accordance with normal banking practice in Luxembourg. These are contained in the flat fee cf. section "Charges and Expenses".

## *PORTFOLIO MANAGERS*

For the definition of the investment policy and the day-to-day management of each of the SICAV's sub funds, the Company may be assisted, at its own expenses and under its overall control and responsibility, by one or several Investment Manager(s) for each sub-fund.

It being understood that the Prospectus will be amended accordingly and will contain detailed information. Pursuant to an Investment Management Agreement in force since 20<sup>th</sup> October 2014, BSI S.A. has been appointed as Portfolio Manager of the SICAV with the power to purchase and sell the assets of the following individual sub-funds at its own discretion, under the responsibility and supervision of the Company and within the framework of the investment policy:

BSI-Multinvest – Short Term Bonds CHF  
BSI-Multinvest – Short Term Bonds EUR  
BSI-Multinvest – Short Term Bonds USD  
BSI-Multinvest – Asian Stocks  
BSI-Multinvest – Swiss Stocks  
BSI-Multinvest – US Stocks  
BSI-Multinvest – Strategy Income (CHF)  
BSI-Multinvest – Strategy Income (EUR)  
BSI-Multinvest – Strategy Balanced (EUR)  
BSI-Multinvest – Strategy Balanced (CHF)  
BSI-Multinvest – Cash EUR  
BSI-Multinvest – Cash USD  
BSI-Multinvest – Cash CHF  
BSI-Multinvest – Bonds EUR  
BSI-Multinvest – Bonds USD  
BSI-Multinvest – Bonds CHF  
BSI-Multinvest – Global Dynamic Bonds  
BSI-Multinvest – Global Credit Bond  
BSI-Multinvest – Emerging Markets Bonds  
BSI-Multinvest – Japanese Stocks  
BSI-Multinvest – Dynamic European Markets

BSI SA is a company under Swiss law with registered office in Via Magatti 2, Lugano Switzerland. It was founded in 1873 and today operates as a private bank in Switzerland and abroad with subsidiaries in the major financial centres of Europe, South America and Asia. BSI SA offers comprehensive banking services in asset management, financial advisory and other financial areas for private investors and companies.

Pursuant to an Investment Management Agreement in force since 20<sup>th</sup> October 2014, Thalia SA has been appointed as Portfolio Manager of the SICAV with the power to purchase and sell the assets of the BSI-Multinvest – Alternative UCITS sub-fund at its own discretion, under the responsibility and supervision of the Company and within the framework of the investment policy.

THALIA SA is a Swiss asset management company with registered office in Via Trevano 2a, 6900 Lugano. THALIA SA is subject to the supervision by the Swiss Financial Market Supervisory Authority (FINMA). The Company was founded as a public limited company in Lugano in April 2003 and is owned by BSI SA, a Swiss based bank founded in 1873. THALIA SA is active in the area of alternative investments providing hedge funds advisory and portfolio management services in Switzerland and abroad.

Pursuant to an Investment Management Agreement in force since 7<sup>th</sup> December 2015, Generali Investments Europe S.p.A. Società di gestione del risparmio, has been appointed as Portfolio Manager of the SICAV with the power to purchase and sell the assets of the BSI-Multinvest – Euro Stocks sub-fund at its own discretion, under the responsibility and supervision of the Company and within the framework of the investment policy.

Generali Investments Europe S.p.A. Società di gestione del risparmio, Trieste/Italy, (hereinafter called "Generali SGR S.p.A.") is an Italian asset management company – therefore subject to supervision in Italy by the Banca D'Italia - with a branch in 2, rue Pillet-Will 75309, Paris Cedex 09, France.

Generali SGR S.p.A. was founded in 1998 and is owned 99.99% by Generali Investments S.p.A. Generali SGR S.p.A. belongs approx. 38% to Assicurazioni Generali S.p.A., approx. 28% to Generali France S.A., approx. 28% to Generali Deutschland Holding AG and approx. 6% to Generali France Assurances S.A. Generali SGR S.p.A. has many years' experience in the field of asset management.

The Portfolio Managers shall report regularly to the Board on the performance of the assets of the various sub-funds and on the transactions executed for the account of the sub-funds. The day to day management may be delegated to other entities/ offices belonging to the BSI AG Group but in case of effective delegation, the prospectus will be amended accordingly.

Supervision of the activities of the Portfolio Managers is the sole responsibility of the Company. However, the SICAV's Board assumes ultimate responsibility for management.

The Portfolio Managers may be assisted, with the prior approval of the Company and under its overall control and responsibility, by one or more Sub-Investment Manager(s) for each sub fund. It is being understood that the Prospectus will be amended accordingly.

The Portfolio Managers may, at their own expense, use the services of an investment advisor.

The Portfolio Manager's remuneration is included in the flat fee (cf. section "Charges and Expenses").

## *CUSTODIAN BANK AND PAYING AGENT*

The rights and duties of the Custodian pursuant to the 2010 Law are assumed by UBS (Luxembourg) S.A.

UBS (Luxembourg) S.A., a wholly-owned banking subsidiary of UBS AG, Zurich, was founded on August 20<sup>th</sup>, 1973, and has its registered office at 33A avenue J.F. Kennedy, L-1855 Luxembourg.

In addition to international banking, UBS (Luxembourg) S.A. is also active in private banking and offers a wide range of customer services, among them investment advisory and asset management services, time deposits as well as securities and foreign exchange.

The SICAV has appointed UBS (Luxembourg) S.A. as Custodian Bank and Paying Agent.

All securities, cash and other authorised assets of the SICAV entrusted to and held by or to the order of the Custodian in safe custody shall be kept by the Custodian for the shareholders. The Custodian performs all customary banking duties relating to the SICAV's accounts and securities as well as all routine administrative work in connection with the SICAV's assets.

The Custodian also:

- ensures that the sale, redemption, conversion and cancellation of shares effected for the SICAV's account are in accordance with the provisions of the law and the SICAV's articles of association;
- ensures that, in the case of transactions relating to the SICAV's assets, consideration is provided in due time;
- ensures that the SICAV's revenues/earnings are employed in accordance with the law and the SICAV's articles of association.

The liability of UBS (Luxembourg) S.A. is not affected by the fact that it may entrust the custody of the SICAV's assets wholly or partly to third parties, acting as its agent.

The Custodian is entitled to charge a commission in line with the scale of fees customarily applied by banks at the financial centre of Luxembourg. These are contained in the flat fee (cf. section "Charges and Expenses").

UBS (Luxembourg) S.A. has, in addition, taken on the functions of Paying Agent of the SICAV. In this capacity it performs in particular financial services connected with the issue and repurchase of the SICAV's shares and on the SICAV's instructions.

The SICAV or the Custodian may terminate the agreement at any time by giving a three months notice in writing to the other party. The SICAV may only terminate the Custodian's contract, however, if a new Custodian takes over the functions and responsibilities of the SICAV's Custodian. After such termination the Custodian must continue to carry out its functions until the entire assets of the SICAV have been transferred to the new custodian. In the event of the Custodian giving notice, the SICAV shall be obliged to appoint a new



custodian. In this event, the Custodian must safeguard the interests of the SICAV until its functions are transferred to the new custodian.

## *DOMICILIATION, ADMINISTRATIVE AND TRANSFER AGENT*

Pursuant to an agreement between the Company, the SICAV and the Administrative Agent, UBS Fund Services (Luxembourg) S.A. has been appointed as Administrative, Domiciliary and Transfer Agent of the SICAV. In this capacity it performs, inter alia, the administrative functions required by law. These administrative services mainly include the periodical calculation of the net asset value per share and the keeping of the SICAV's accounts as well as reporting. It also carries out the other tasks of the Administrative Agent in accordance with the provisions applicable in Luxembourg. It is responsible in particular for processing share subscriptions, repurchases and conversions, as well as for transferring the relevant monies.

Either party may terminate the above mentioned agreement by giving three months notice in writing to the other party. Should the contract be terminated, the Company and/or the SICAV shall endeavour to replace UBS Fund Services (Luxembourg) S.A. at the time the termination of the agreement becomes effective. Should it be replaced, UBS Fund Services (Luxembourg) S.A. shall take all the measures necessary to defend the justified interests of the shareholders, pursuant to the 2010 Law and the provisions of this contract.

The Administrative Agent is entitled to charge a commission in line with the scale of fees customarily applied at the financial centre of Luxembourg. These are contained in the flat fee (cf. section "Charges and Expenses").

## *DISTRIBUTOR*

The Company intends to appoint, in compliance with applicable laws, one or several main distributors to organize the marketing and distribution of shares of the SICAV. The main distributor may, from time to time, appoint sales agent(s)/ sub-distributor(s) to offer for sale and sell the shares of each sub-fund in all countries in which the offering and selling of these shares is allowed. The main distributors, sales agent(s)/ sub-distributor(s) is/are entitled to retain the sales commission (up to a max. of 5% of the subscription amount) for the shares they have sold or to waive it totally or partially. Distribution Agreements with main distributors are concluded for an indefinite period of time and may be terminated by either party in writing subject to three months notice.

The main Distributor and/or the sales agent/ sub-distributor forward to UBS Fund Services (Luxembourg) S.A. as Transfer Agent the requests for subscription, repurchase and conversion and arranges for the corresponding payments to be made.

The commission, if any, for the Distributor is included in the flat fee (cf. section "Charges and Expenses").

## *SHARES*

The shares issued in the various sub-funds of the SICAV's assets are exclusively registered shares.

Share certificates will not be issued in physical form but written confirmations of the shares subscribed will be dispatched to the investors.

Fractions of shares up to three decimal places will be issued. Fractions of shares have no voting rights, but do have rights to the net assets and to any dividend payments.

The Board reserves the right to issue various classes of shares for each sub-fund. These may differ from one another, particularly in respect of dividend policy and commission structure.

The subscription monies deriving from the issue of shares will be invested in the assets of the respective sub-fund and/ or class of shares.

The Board will set up a separate portfolio of assets for each sub-fund. Each of these portfolios of assets will be allocated solely to the shares issued in the sub-fund concerned, in proportion to the shareholders among each other.

All shares must be fully paid-up; they bear no face value and confer no preferential, pre-emption or conversion right. In accordance with the legal regulations and the provisions of the articles of association, each share in the SICAV entitles the holder to one vote at every shareholders' meeting, irrespective of the sub-fund in which the share was issued.

## *ISSUE OF SHARES*

The Board reserves the right to issue, for each sub-fund, various classes of shares, which may differ from one another, particularly in respect of their dividend policy and commission structure. At present only three classes of shares are issued:

Shares of "Class A" which is a capitalizing shares class dedicated to retail investors.

Shares of "Class M" which is capitalizing shares dedicated to institutional investors as defined from time to time by the competent Supervisory Authority in Luxembourg including investors who have signed a discretionary asset management mandate with a credit institution or other professional of the financial sector.

Shares in each sub-fund are issued at the subscription price on every business day (as defined under section "Introduction"); this price is calculated on every Valuation Day (as defined under section "Introduction") of the net asset value per share of the relevant class of shares.

For the sub-fund BSI-Multinvest – Alternative UCITS, the net asset value will be calculated weekly every Wednesday, provided that day is a banking day in Luxembourg (hereafter the "NAV calculation date of the Sub Fund BSI-Multinvest – Alternative UCITS"). If the "NAV calculation date of the Sub Fund BSI-Multinvest – Alternative UCITS" is not a banking day in Luxembourg, the "NAV calculation date of the Sub Fund BSI-Multinvest – Alternative UCITS" is the next banking day in Luxembourg.

As soon as sub-funds or classes of shares are open for subscription, the Company may set an initial subscription period during which the shares are issued at a fixed subscription price, plus a sales commission, to be charged if applicable.

After expiry of the initial subscription period, the shares in the various sub-funds are issued at a subscription price that is calculated on the basis of the net asset value per share of the relevant class of shares on the applicable Valuation Day. The net asset value per share of each class of shares of a sub-fund is determined on each Valuation Day on the basis of the latest available closing prices of the Business Day preceding that Valuation Day, as published by the securities exchanges concerned.

A sales commission is charged, which may not exceed 5% of the subscription amount, may be charged by the main distributor(s), and/or sales agent(s)/ sub-distributor(s) appointed to sell the shares in the investor's country of residence.

Subscription applications received by UBS Fund Services (Luxembourg) S.A. as Transfer Agent not later than 4:00 p.m. (Luxembourg time) on any Business Day preceding a Valuation Day will be settled, if accepted, at the subscription price of that Valuation Day. Any applications received after 4:00 p.m. (Luxembourg time) on any Business Day preceding a Valuation Day will be settled, if accepted, at the subscription price of the next Valuation Day.

Subscription applications for the sub-fund BSI-Multinvest – Alternative UCITS received by UBS Fund Services (Luxembourg) S.A. as Transfer Agent before 4:00 p.m. (Luxembourg time) on the fifth business day in Luxembourg before the "NAV calculation date of the Sub Fund BSI-Multinvest – Alternative UCITS" will be processed on the basis of the net asset value calculated for the relevant "NAV calculation date of the Sub Fund BSI-Multinvest – Alternative UCITS", provided that the issue price is paid is duly received.

Earlier cut-off times may apply to the submission of orders for those orders placed with distributors abroad in order to ensure that these can be forwarded on to the Administrative Agent in time. These cut-off times may be obtained from the respective distributors. The net asset value is calculated and published on any Valuation Day. Accordingly subscriptions are made at unknown prices on any Business Day (forward pricing).

The subscription price for each class of share must be received by the SICAV within three (3) Business Days of the date on which the subscription applications were duly received by the Administrative Agent.

For the sub-fund BSI-Multinvest – Alternative UCITS the subscription price must be received by the SICAV no later than the fifth business day in Luxembourg before the relevant “NAV calculation date of the Sub Fund BSI-Multinvest – Alternative UCITS”.

The Company and/or the SICAV reserve the right to reject any subscription application or to accept it only partially. Moreover, the SICAV's Board reserves the right to suspend the issue and sale of shares in each sub-fund at any time and without advance notice.

The Board is free to accept full or partial subscriptions in kind at its discretion. In this case the capital subscribed in kind must harmonize with the investment policy and restrictions of the particular sub-fund. These investments will also be audited by the auditor assigned by the SICAV. Any associated costs will be payable by the investor.

Subscriptions can be made in number of shares or by amount for all sub-funds but for the sub-fund BSI-Multinvest – Alternative UCITS where subscriptions can be made only in amount.

Should calculation of the net asset value per share for a sub-fund be suspended by the SICAV (cf. Annex III of the Sales Prospectus), no shares shall be issued in this sub-fund during the period of suspension.

### **Prevention of money laundering and terrorist financing**

The main Distributors, sales agents and sub-distributors of shares must respect the provisions of the Luxembourg law of 12 November 2004 on the prevention of money laundering and terrorist financing, as well as subsequent regulations issued by the Luxembourg government or supervisory authorities.

Amongst others subscribers must establish their identity with the sub-distributors or the sales agent which collects their subscription. The sub-distributors or the sale agents must request from subscribers the following identification documents: for individuals a certified copy of the passport/identity card (certified by the sub-distributors or sale agents or by the local public authority); for companies or other legal entities, a certified copy of their articles of incorporation, a certified copy of the extract from the commercial register, a copy of the most recently published annual accounts, the complete identification of the material beneficial owner, i.e. the final shareholders.

The main distributors must ensure that the sales agents and the main distributors strictly observe the above identification procedure. UBS Fund Services (Luxembourg) S.A. as Transfer Agent, the SICAV and the Company may at any time request assurance for compliance with the above requirements from the sub-distributors/sales agents.

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

## ***REPURCHASE OF SHARES***

In accordance with the provisions of the articles of association and subject to the provisions below, every shareholder of the SICAV has the right at any time to ask to repurchase all or part of the shares which he/she holds in a sub-fund.

Shareholders who request that all or part of their shares be repurchased must send an irrevocable application to this effect to UBS Fund Services (Luxembourg) S.A. as Transfer Agent in writing. This application must contain the following details: the applicant's identity and address, the number of shares to be repurchased, the name of the sub-fund and/or class in which the shares were issued and the name of the person to whom the payment should be made.

Repurchases can be only made in number of shares.

The repurchase price can only be paid if the document(s) necessary for the money transfer is/are attached to the repurchase application.

Shares in each sub-fund may be repurchased at the repurchase price on every business day (as defined under section "Introduction"); this price is calculated on every Valuation Day (as defined under section "Introduction") of the net asset value per share of the relevant class of shares.

For the sub-fund BSI-Multinvest – Alternative UCITS, the net asset value will be calculated weekly every Wednesday, provided that day is a banking day in Luxembourg. (Hereafter the “NAV calculation date of the Sub Fund BSI-Multinvest – Alternative UCITS”) If the “NAV calculation date of the Sub Fund BSI-Multinvest –

Alternative UCITS" is not a banking day in Luxembourg, the "NAV calculation date of the Sub Fund BSI-Multinvest – Alternative UCITS" is the next banking day in Luxembourg.

Repurchase applications received by UBS Fund Services (Luxembourg) S.A. as Transfer Agent not later than 4:00 p.m. (Luxembourg time) on any Business Day preceding a Valuation Day will be settled, if accepted, at the repurchase price of that Valuation Day.

Any applications received after 4:00 p.m. (Luxembourg time) on any Business Day preceding a Valuation Day will be settled, if accepted, at the repurchase price of the next Valuation Day.

Earlier cut-off times may apply to the submission of orders for those orders placed with distributors in Switzerland and abroad in order to ensure that these can be forwarded on to the Administrative Agent in time. These cut-off times may be obtained from the respective distributors. The net asset value is calculated and published on any Valuation Day. Accordingly shares are returned for repurchase at unknown prices on any Business Day.

Redemption applications for the sub-fund BSI-Multinvest – Alternative UCITS received by UBS Fund Services (Luxembourg) S.A. as Transfer Agent before 4.00 p.m. (Luxembourg Time) at latest on the fifth day in Luxembourg before the relevant "NAV calculation date of the Sub Fund BSI-Multinvest – Alternative UCITS" for redemptions will be processed on the basis of the net asset value calculated for that "NAV calculation date of the Sub Fund BSI-Multinvest – Alternative UCITS".

The repurchase price is, as a matter of principle, paid in the currency of the sub-fund and/or class concerned or, at the shareholder's request, in another currency selected by the latter; expenses incurred in connection with the currency exchange will be charged to the shareholder.

The repurchase price of the shares may be above or below the initial value upon purchase or subscription. The repurchase price corresponds to the net asset value per share on the Valuation Day concerned. It will, as a matter of principle, be paid in Luxembourg not later than three (3) Business Days of the date on which the repurchase applications were duly received by UBS Fund Services (Luxembourg) S.A. as Transfer Agent (T+3) for the following sub-funds:

- BSI-Multinvest – Short Term Bonds CHF
- BSI-Multinvest – Short Term Bonds EUR
- BSI-Multinvest – Short Term Bonds USD
- BSI-Multinvest – Asian Stocks
- BSI-Multinvest – Swiss Stocks
- BSI-Multinvest – Cash EUR
- BSI-Multinvest – Cash USD
- BSI-Multinvest – Cash CHF
- BSI-Multinvest – Bonds EUR
- BSI-Multinvest – Bonds USD
- BSI-Multinvest – Bonds CHF
- BSI-Multinvest – Global Dynamic Bonds
- BSI-Multinvest – Global Credit Bond
- BSI-Multinvest – Emerging Markets Bonds
- BSI-Multinvest – Euro Stocks
- BSI-Multinvest – Japanese Stocks

The repurchase price for each class of shares will, as a matter of principle, be paid in Luxembourg not later than five (5) Business Days of the date on which the repurchase applications were duly received by UBS Fund Services (Luxembourg) S.A. as Transfer Agent (T+5) for the following sub-funds:

- BSI-Multinvest – US Stocks
- BSI-Multinvest – Strategy Income (CHF)
- BSI-Multinvest – Strategy Income (EUR)
- BSI-Multinvest – Strategy Balanced (EUR)
- BSI-Multinvest – Strategy Balanced (CHF)
- BSI-Multinvest – Dynamic European Markets

The repurchase price for each class of shares will, as a matter of principle, be paid in Luxembourg not later than ten (10) Business Days of the date on which the repurchase applications were duly received by UBS Fund Services (Luxembourg) S.A. as Transfer Agent (T+10) for the following sub-fund:

BSI-Multinvest- Alternative UCITS

Payments are made by bank transfer to an account which the shareholder concerned has indicated.

Repurchased shares will be cancelled.

No shares in a sub-fund will be repurchased as long as calculation of the net asset value per share of this sub-fund is suspended.

Should the applications for repurchase or conversion of shares received on a day on which shares can be repurchased or converted exceed 10% of the outstanding shares of the sub-fund concerned, 20% in case of BSI-Multinvest – Alternative UCITS, the Board of Directors may in addition decide to defer such application; as matter of principle, however, this suspension may not exceed a duration of seven (7) Valuation Days. The repurchase and conversion applications concerned will be given priority for processing over the applications received after the original repurchase date.

In accordance with the articles of association, the SICAV is allowed to repurchase all shares that are owned by a national of the United States of America.

## CONVERSION OF SHARES

In accordance with the provisions of the articles of association and subject to the provisions below, each shareholder may switch from one sub-fund to another sub-fund.

The conversion of shares within a sub-fund or between different sub-funds may take place on any Business Day.

**The conversion of shares of “Class M” into shares of “Class A” is allowed but the conversion from shares of “Class A” into shares of “Class M” is forbidden.**

The conversion application should be sent by the shareholder to UBS Fund Services (Luxembourg) S.A. as Transfer Agent by telex or in writing. The procedure and the time periods that are applicable to the repurchase of shares apply by analogy to the conversion of shares.

A conversion application is executed when the prerequisite set out below has been met:

UBS Fund Services (Luxembourg) S.A. as Transfer Agent has received a properly completed conversion application form.

The rate at which all or part of the shares in an original sub-fund and/or class of shares are converted into shares in a new sub-fund and/or class of shares is determined in accordance with the following formula:

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

where:

- A is the number of shares to be allocated in the new sub-fund and/ or class of shares;
- B is the number of shares of the original sub-fund and/ or class of shares to be converted;
- C is the net asset value per share of the original sub-fund and/ or class on the relevant Valuation Day;
- D is the actual rate of exchange on the day concerned in respect of the reference currency of the original sub-fund and/ or class and the reference currency of the new sub-fund and/ or class;
- E is the net asset value per share of the new sub-fund and/ or class on the relevant Valuation Day.

The SICAV may charge a conversion commission of a maximum of 1% of the amount to be converted in favour of the main distributor(s) and/or sales agent(s)/sub-distributor(s).

No shares will be converted as long as calculation of the net asset value per share of the sub-funds concerned is suspended by the SICAV.

## *MARKET TIMING & LATE TRADING*

Investors are informed that the Board is entitled to take adequate measure in order to prevent practices known as "Market-Timing" in relation to investments in the SICAV. The Board will also ensure that the relevant cut-off time for requests for subscription, redemption and conversion are strictly complied with and will therefore take adequate measures to prevent practices known as "Late Trading". In the event of recourse to main distributors, the Board will ensure that the main distributor duly complies with the relevant cut-off time.

The Board is entitled to reject requests for subscription and conversion in the event that it has knowledge or suspicions of the existence of such practices. In addition, the Board is authorized to take any further measures deemed appropriate to prevent the above mentioned practices, without prejudice however to the provisions under Luxembourg law.

## *DIVIDEND POLICY*

The distribution of dividends to the shareholders is not the principle objective of the SICAV's earnings distribution policy.

The income and capital gains generated by each sub-fund or class(es) of shares are capitalized in the sub-fund or class(es) of shares concerned. However, should the payment of a dividend be deemed appropriate in connection with any sub-fund or class(es) of shares, the Directors may propose to the general meeting of shareholders the payment of a dividend from the distributable net investment income and/or from the realized and/or unrealized capital gains after deduction of the realized and/or unrealized capital losses within the limits of the law.

Any dividend announcements will be published in accordance with the provisions of Luxembourg law.

Any dividends remaining unclaimed after five years shall be forfeited and revert to the sub-fund or class(es) of shares out of which they should have been paid.

## CHARGES AND EXPENSES

The SICAV will pay for the various classes of shares a flat fee calculated daily on the average net asset value of the classes of shares and paid at the end of each month within a period of five banking days in Luxembourg. The flat fee is shown in the table below:

Sub-Fund	Reference currency sub-fund	Reference currency Share class	Maximum Flat Fee	
			Class "A"	Class "M"
BSI-Multinvest – Short Term Bonds CHF	CHF	CHF		
BSI-Multinvest – Short Term Bonds EUR	EUR	EUR	1.00% p.a.	0.80% p.a.
BSI-Multinvest – Short Term Bonds USD	USD	USD	1.00% p.a.	0.80% p.a.
BSI-Multinvest – Asian Stocks	USD	USD	1.00% p.a.	0.80% p.a.
		EUR (hedged)	2.00% p.a.	1.00% p.a.
		CHF (hedged)	2.00% p.a.	1.00% p.a.
BSI-Multinvest – Swiss Stocks	CHF	CHF	2.00% p.a.	1.00% p.a.
BSI-Multinvest – US Stocks	USD	USD	2.00% p.a.	1.00% p.a.
BSI-Multinvest – Alternative UCITS	EUR	EUR	2.00% p.a.	1.00% p.a.
BSI-Multinvest – Strategy Income (CHF)	CHF	CHF	1.55% p.a. *	1.00% p.a.*
BSI-Multinvest – Strategy Income (EUR)	EUR	EUR	2.00% p.a.	-
BSI-Multinvest – Strategy Balanced (EUR)	EUR	EUR	2.00% p.a.	-
		USD (hedged)	2.00% p.a.	-
BSI-Multinvest – Strategy Balanced (CHF)	CHF	CHF	2.00% p.a.	-
BSI-Multinvest – Cash EUR	EUR	EUR	2.00% p.a.	-
BSI-Multinvest – Cash USD	USD	USD	1.00% p.a.	0.40% p.a.
BSI-Multinvest – Cash CHF	CHF	CHF	1.00% p.a.	0.40% p.a.
BSI-Multinvest – Bonds EUR	EUR	EUR	1.00% p.a.	0.40% p.a.
BSI-Multinvest – Bonds USD	USD	USD	1.20% p.a.	0.80% p.a.
BSI-Multinvest – Bonds CHF	CHF	CHF	1.20% p.a.	0.80% p.a.
BSI-Multinvest – Global Dynamic Bonds	EUR	EUR	1.20% p.a.	0.80% p.a.
		CHF (hedged)	1.20%p.a.	0.80% p.a.
		USD (hedged)	1.20% p.a.	0.80% p.a.
BSI-Multinvest – Global Credit Bond	EUR	EUR	1.50% p.a.	0.80% p.a.
		CHF (hedged)	1.50% p.a.*	0.80% p.a.*
		USD (hedged)	1.50% p.a.*	0.80% p.a.*
BSI-Multinvest – Emerging Markets Bonds	USD	USD	1.50% p.a.*	-
		EUR (hedged)	1.50% p.a.	-
BSI-Multinvest – Euro Stocks	EUR	EUR	2.00%p.a.	1.00% p.a.
		USD (hedged)	2.00%p.a.	1.00% p.a.
BSI-Multinvest – Japanese Stocks	JPY	JPY	2.00%p.a.	1.00% p.a.
		EUR (hedged)	2.00%p.a.	1.00% p.a.
		CHF (hedged)	2.00%p.a.	1.00% p.a.
		USD (hedged)	2.00%p.a.	1.00% p.a.
BSI-Multinvest – Dynamic European Markets	EUR	EUR	2.00%p.a.	1.00% p.a.
		CHF (hedged)	2.00%p.a.	1.00% p.a.

\* Refer to the paragraph about Performance Fee

This flat fee is used to pay the Company for its services (e.g. administrative services, investment management services, marketing/distribution services) and the Custodian Bank. It also covers all the costs incurred by the SICAV and the sub-funds or classes of shares relating to:

- the establishment expenses including notary fees
- costs of registration and annual charges by supervisory authorities and by stock exchanges in Luxembourg and abroad
- audit fees

- cost of printing of Articles of Association, Prospectuses, the annual and semi-annual reports and related translations
- fees related to price publication and the publication of notices to investors

with the exception of the following:

- all taxes which are levied on the assets and the income of the SICAV, particularly the "taxe d'abonnement";
- customary brokerage fees and commissions which are charged by other banks and brokers for securities transactions and similar transactions;
- costs for extraordinary measures carried out in the interests of shareholders, particularly arranging expert opinions and dealing with legal proceedings, etc...;

Shareholders will also be notified of the rate of commission being charged in the annual and semi-annual report.

If a liability of the SICAV cannot be assigned to a specific sub-fund, the liability will be allocated to all sub-funds in proportion to the respective net asset value or in some other way, as decided by the Board conscientiously and to the best of its knowledge.

The expenses are settled first out of income, and subsequently out of realized or unrealized price gains.

In those sub-funds of the SICAV whose investment policy allows them to invest in other existing UCIs or UCITS there may be charges at the level of the UCIs or UCITS in question as well of the relevant sub-fund of the SICAV. The total charges to be made at the level of the UCITS and/or UCIs and of the sub-fund of the SICAV may not amount to more than the percentage listed hereunder calculated on the average assets of each sub-fund:

Sub-Fund	Reference currency sub-fund	Reference currency class	Total Charges
BSI-Multinvest – Strategy Income (CHF)	CHF	CHF	3.50% p.a.
BSI-Multinvest – Strategy Income (EUR)	EUR	EUR	3.50% p.a.
BSI-Multinvest – Strategy Balanced (EUR)	EUR	EUR	3.50% p.a.
		USD (hedged)	3.50% p.a.
BSI-Multinvest – Strategy Balanced (CHF)	CHF	CHF	3.50% p.a.
BSI-Multinvest – US Stocks	USD	USD	3.50% p.a.
BSI-Multinvest – Alternative UCITS	EUR	EUR	3.50% p.a.
BSI-Multinvest – Dynamic European Markets	EUR	EUR	3.50% p.a.
		CHF (hedged)	3.50% p.a.

In the sub-funds that may invest in other UCI or UCITS under the terms of their investment policies, charges may be incurred both at the level of the relevant investment fund as well as at the level of the sub-fund. In the case of investments in units of funds managed directly or indirectly by the Company itself or another company related to it by common management or control, or by a direct or indirect holding of more than 10% of the capital or the voting shares, the sub-fund may only be charged with a reduced flat in administration commission of no more than 0.25% p.a. The Company may, moreover, not charge the sub-fund making the investment with any of the related target fund's issuing or redemption commissions.

If, in accordance with the above paragraph, the SICAV invests in a related fund that charges a lower flat fee than the flat fee charged by the sub-fund making the investment, the Company may - instead of the aforementioned lower flat fee charge the volume invested in this target fund with the difference between the flat fee charged by the sub-fund making the investment on the one hand and the flat fee of the target fund on the other hand.

#### PERFORMANCE FEE

In addition to the aforementioned costs, the SICAV will pay a performance fee which is applicable to the sub-funds listed below:

The performance fee will be calculated on basis of the Sub Fund's NAV of which all fees have been deducted (Hereafter cleared NAV).

a) BSI-Multinvest – Alternative UCITS



The performance fee of 10% will be calculated on each "NAV calculation date of the Sub Fund BSI-Multinvest – Alternative UCITS" on the basis of the "cleared NAV" and accrued, chargeable to the net asset value of the sub-fund, according to the rates and conditions as set out below. After termination of each month, any performance fee will be paid out.

The performance fee is subject to a "High Water Mark". In order to trigger entitlement to the performance fee, the be-monthly cleared NAV per Share must be above the High Water Mark (as defined hereinafter).

High Water Mark: the performance fee will only be payable if the net asset value of the sub-fund share (before the deduction of the performance fee) on the date when the performance fee is calculated exceeds the net asset values from all previous NAV calculation dates. It is understood that after price setbacks, the performance fee will be charged again once the setbacks have been offset, i.e. the original highest level of the net asset value per share class has again been exceeded.

b) BSI-Multinvest – Global Credit Bond

The performance fee of 10% will be calculated on each Valuation Day and accrued, chargeable to the net asset value of the sub-fund, according to the rates and conditions as set out below. After termination of each month, any performance fee will be paid out. The performance fee is subject neither to a "High Water Mark" nor to a "Hurdle Rate".

## *TAXATION OF THE SICAV AND ITS SHAREHOLDERS*

### **Taxation of the SICAV in Luxembourg**

Under the terms of the relevant provisions of Luxembourg legislation and according to administrative practice, the SICAV is not liable to any Luxembourg tax on its income. Dividends paid by the SICAV are not subject to any withholding tax in the Grand Duchy of Luxembourg. However, the SICAV is liable in Luxembourg to a capital tax (taxe d'abonnement) of 0.05% per annum on the net assets of the shares of the "Class A" of the following sub-funds: BSI-Multinvest – Short Term Bonds USD; BSI-Multinvest – Short Term Bonds CHF; BSI-Multinvest – Short Term Bonds EUR; BSI-Multinvest - Asian Stocks; BSI-Multinvest - Swiss Stocks; BSI-Multinvest - US Stocks; BSI-Multinvest – Alternative UCITS; BSI-Multinvest – Strategy Income (CHF); BSI-Multinvest – Strategy Income (EUR); BSI-Multinvest – Strategy Balanced (CHF); BSI-Multinvest – Strategy Balanced (EUR); BSI-Multinvest – Bonds EUR; BSI-Multinvest – Bonds USD; BSI-Multinvest – Bonds CHF; BSI-Multinvest – Global Dynamic Bonds; BSI-Multinvest – Global Credit Bond; BSI-Multinvest – Emerging Markets Bonds; BSI-Multinvest – Euro Stocks; BSI-Multinvest – Japanese Stocks; BSI-Multinvest – Dynamic European Markets. The SICAV is also liable to capital tax of 0.01% per annum on the assets of the shares of "Class M" of BSI-Multinvest - Asian Stocks; BSI-Multinvest – Swiss Stocks, BSI-Multinvest – US Stocks, BSI-Multinvest – Short Term Bonds USD, BSI-Multinvest – Short Term Bonds EUR, BSI-Multinvest – Short Term Bonds CHF, BSI-Multinvest – Bonds USD, BSI-Multinvest – Bonds EUR, BSI-Multinvest – Bonds CHF, BSI-Multinvest – Dynamic Bond (USD hedged) , BSI-Multinvest – Dynamic Bond EUR, BSI-Multinvest – Dynamic Bond (CHF hedged), BSI-Multinvest – Global Credit Bond (USD hedged), BSI-Multinvest – Global Credit Bond EUR, BSI-Multinvest – Global Credit Bond (CHF hedged), BSI-Multinvest - Asian Stocks (EUR hedged), BSI-Multinvest - Asian Stocks (CHF hedged), BSI-Multinvest – Euro Stocks; BSI-Multinvest – Japanese Stocks; BSI-Multinvest – Dynamic European Markets; BSI-Multinvest – Alternative UCITS, as well as on the assets of the shares of Class A and Class M of BSI-Multinvest – Cash EUR; BSI-Multinvest – Cash USD and BSI-Multinvest Cash CHF. This tax, which is calculated on a daily basis on the net assets of the concerned sub-funds of the SICAV, is payable at the end of each quarter.

In Luxembourg no stamp duty or other taxes are payable when shares in the SICAV are issued, with the exception of a non-recurrent tax of EUR 1,250.- which was paid when the SICAV was established. Realized or unrealized price gains on the SICAV's assets are not liable to any tax in Luxembourg. Income from dividends earned on the SICAV's assets may be subject to tax deductions at variable rates in the countries concerned. Such deducted taxes may only be reclaimed in individual cases.

The above information is based on the present legal situation and administrative practice and is subject to alteration.

### **Taxation of the shareholders**

Shareholders are advised that the law of 21 June 2005 has implemented into Luxembourg law, the Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (defined as Savings Directive). According to the Savings Directive, as from July 1, 2005 at the earliest, cross boarder payments of interest to individuals' resident in another Member State will be subject to a withholding tax system or an automatic disclosure of Information. Dividends distributed by a sub-fund of the Fund will be subject to the Savings Directive if more than 15% of the relevant sub-fund's assets are invested in debt claims as defined in the Directive. Proceeds realised by shareholders on the disposal of shares will be subject to such reporting or withholding if more than 25% of the relevant sub-fund's assets are invested in such debt claims.

Provided that the sub-fund concerned is not subject to the Savings Directive or the shareholder is not concerned thereof, the shareholder is not subject to any capital gains, income, withholding, gift, estate, 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 ten per cent of the shares in the SICAV.

The above summary of the tax implications is not exhaustive. Investors are therefore advised to seek professional advice in relation to the laws and regulations in force and, where appropriate, seek advice on the subscription, purchase, possession and sale of shares at their place of residence.

## *INFORMATION TO SHAREHOLDERS AND COMPLAINTS HANDLING*

Notices convening general meetings of shareholders, including meetings of shareholders which decide on amendments to the articles of association or on the winding up and liquidation of the SICAV, are published, in accordance with the provisions of Luxembourg law.

The SICAV shall publish every year a detailed report of its business activity and the management of its assets. This report shall contain the balance sheet and profit and loss account, a detailed statement of assets of each sub-fund, the SICAV's consolidated accounts covering all the sub-funds and the auditor's report. It shall also contain details on the underlying assets focused on by the respective sub-fund through the use of derivative financial instruments, the counterparties to these derivative transactions, as well as the collateral (and its scope) provided in favour of the sub-fund by its counterparties, in order to reduce credit risk.

In addition, after the end of each half-year the SICAV shall publish a report containing, for each sub-fund and for the SICAV as a whole, in particular the breakdown of assets, the number of outstanding shares and the number of shares issued and repurchased since the last publication.

These documents may be obtained free of charge by any interested person at the SICAV's registered office and at the registered office of the distributor(s) and/or sales agents/sub-distributor(s) and representatives.

The SICAV's financial year begins on January 1<sup>st</sup> of each calendar year and ends on December 31<sup>st</sup> of the same year.

The SICAV's annual consolidated balance sheet, in the form of a summary of all sub-funds, is drawn up in EUR, the currency of the share capital.

The annual general meeting of shareholders is held in Luxembourg at the venue indicated in the notice of meeting, on the first Monday in the month of May at 2:00 p.m. If this day is a public or bank holiday in Luxembourg, the annual general meeting of shareholders will be held on the next banking day.

The SICAV draws the investors' attention to the fact that any investor will only be able to fully exercise its investor rights directly against the SICAV, (notably the right to participate in general shareholders' meetings) if the investor is registered himself and in its own name in the shareholders' register of the SICAV.

In cases where an investor invests in the SICAV through an intermediary investing 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 SICAV. Investors are advised to take advice on their rights

Complaints of shareholders may be filed with the Company, the domiciliary agent or main distributor. Complaints will be dealt with properly in a timely manner.

## ANNEX I: INVESTMENT RESTRICTIONS

The SICAV's assets are subject to the risks and fluctuations characteristic of securities investments, so that no assurance can be given that the desired investment objective will actually be achieved and that the investments made by the SICAV will appreciate.

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

The Board shall define the investment policy for each sub-fund in accordance with the principle of risk spreading. The "General Principles" listed below apply to all the SICAV's sub-funds.

### General Principles

In general, the investment policy to be pursued by each sub-fund is governed by the following rules:

#### 1. Investment Instruments:

1.1 In line with the investment policy of each sub-fund, the assets of each sub-fund may consist of:

- a) transferable securities and money market instruments that are listed or traded 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 that are traded on another regulated market in a Member State of the European Union (the "**EU**") which 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 traded on another regulated market in a non-Member State of the EU which operates regularly and is recognised and open to the public, such stock exchange or market being located within any European, American, Asian, African, Australasian or Oceania country;
- 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) units of UCITS authorised according to Directive 2009/65/EC and/or other UCIs within the meaning of the Article 1(2), points a) and b) of Directive 2009/65/EC, whether or not established in a Member State, provided that:
  - (i) such other UCIs have been approved in accordance with a law subjecting them to supervision which is considered by the Luxembourg supervisory authority of the financial sector ("CSSF") as equivalent to that laid down in Community law, and that co-operation between authorities is sufficiently ensured.
  - (ii) the level of guaranteed protection for unitholders in such other UCIs is equivalent to the level of protection provided for the unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and money-market instruments that are equivalent to the requirements of Directive 2009/65/EC;
  - (iii) the business operations of the other UCIs is reported in semi annual and annual reports to enable an assessment to be made of the assets and liabilities, income, transactions and operations during the reporting period;
  - (iv) no more than 10% of the UCITS or other UCIs whose acquisition is envisaged can, in accordance with their instruments of incorporation, be invested in aggregate in units of other UCITS or UCIs.

Each sub-fund may also acquire shares of another sub-fund subject to the provisions of point 2.8 here below.

- f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a non Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;
- g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in paragraphs a), b) and c) above and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:
  - (i) the use of derivatives is in accordance with the investment purpose and investment policy of the respective sub-fund, and is suited towards achieving these;
  - (ii) 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 SICAV may invest according to the investment objectives of its sub-funds;
  - (iii) the sub-funds 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;
  - (iv) the counter-parties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF and have been specially approved by the Board of Directors of the SICAV;
  - (v) the OTC derivatives are subject to reliable and verifiable valuation on a weekly basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the SICAV's initiative; and
  - (vi) the respective counterparty is not granted discretion regarding the composition of the portfolio managed by the respective sub-fund (e.g. in the case of a total return swap or a derivative financial instrument with similar characteristics) or the underlying of the respective OTC derivative.
- h) money market instruments other than those dealt in on a regulated market as referred to in Article 1 of the 2010 Law, if the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that these instruments are:
  - (i) issued or guaranteed by a central, regional or local authority, a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or
  - (ii) issued by an undertaking any securities of which are dealt in on regulated markets referred to in paragraphs a), b) or c) above; or
  - (iii) 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 comply with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law; or
  - (iv) 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 of this paragraph h) 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 benefit from a banking liquidity line.

1.2 However, each sub-fund may:

- a) invest no more than 10% of its assets in transferable securities and money market instruments other than those referred to in paragraph 1.1;
- b) acquire movable and immovable property which is essential for the direct pursuit of its business;
- c) not sell securities short
- d) not acquire either precious metals or certificates representing them;
- e) not invest in real estate and not purchase or sell commodities or commodities contracts.

1.3 The SICAV may hold ancillary liquid assets.

- 1.4 The SICAV must ensure that the overall risk associated with derivatives does not exceed the total net value of the Company's portfolio. As part of its investment strategy, each sub-fund, within the limits set out in 2.2 to 2.4, may invest in derivatives provided that the overall risk of the underlying assets does not exceed the investment limits cited in point 2 below.
- 1.5 The SICAV is notwithstanding the prohibited investments outlined under point 1.2 above authorized to invest the respective sub-funds' net assets in:
- certificates whose underlying are single precious metals and that meet the requirements of securities as determined in Article 2 of EC-Directive 2007/16/EC.
  - certificates whose underlying are single commodities or commodity Indices and that meet the requirements of securities as determined in Article 2 of EC-Directive 2007/16/EC.

## **2. Risk diversification**

- 2.1 A sub-fund may invest no more than 10% of its assets in transferable securities or money market instruments issued by the same body. The risk exposure to a counterparty of the company in an OTC derivative transaction may not exceed 10% of its assets when the counterparty is a credit institution referred to in paragraph 1.1. g) or 5% of its assets in the other cases. The total value of the transferable securities and money market instruments held by a sub-fund in the issuing bodies in each of which it invests more than 5% of its 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.
- 2.2 Notwithstanding the individual limits laid down in paragraph 2.1, a sub-fund shall not combine, where this would lead to investing more than 20% of its assets in a single body, any or the following:
- investments in transferable securities or money market instruments issued by that body,
  - deposits made with that body and/or
  - exposures arising from OTC derivatives transactions undertaken with that body.
- 2.3 The limit laid down in paragraph 2.1, first sentence, is raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its local authorities, by a non-Member State or by public international bodies to which one or more Member States are members.
- 2.4 The limit laid down in paragraph 2.1, first sentence, is raised to a maximum of 25% for certain bonds where they are issued by a credit institution whose registered office is situated in a Member State and which is subject by law to special public supervision designed to protect the bondholders. In particular, sums deriving from the issue of those bonds must be invested pursuant to the 2010 Law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

If a sub-fund invests more than 5% of its assets in the bonds referred to in first sub-paragraph and issued by a single issuer, the total value of such investments may not exceed 80% of the value of the sub-fund's assets.

- 2.5 The transferable securities and money market instruments referred to in paragraphs 2.3 and 2.4 shall be taken into account for the purpose of applying the limit of 40% referred to in paragraph 2.1.

The limits set out in paragraphs 2.1, 2.2, 2.3 and 2.4 may not be combined; thus, investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body in accordance with paragraphs 2.1, 2.2, 2.3 and 2.4 may not exceed a total of 35% of the assets of the sub-fund.

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

Each sub-fund may invest in aggregate up to 20% of its assets in transferable securities and money market instruments with the same group.

- 2.6 By way of derogation from the paragraphs 2.1, 2.2, 2.3, 2.4 and 2.5, a sub-fund may invest in accordance with the principle of risk-spreading up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by a Member State, its local authorities, a OECD-Member State or public international bodies of which one or more Member States of the EU are members.

These securities or money market instruments must be divided into at least six different issues, with securities or money market instruments from one and the same issue not exceeding 30% of the total net assets of a sub-fund.

- 2.7 Without prejudice to the limits laid down in paragraph 3.2 and 3.4, the limits here above are raised to a maximum 20% for investments in shares and/or debt instruments issued by the same body when, according to the sub-fund's investment policy, the aim of the sub-fund is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:

- the index's composition is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers;
- it is published in a appropriate manner.

This limit is raised to 35% where that proves to be justified by exceptional market conditions, in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

- 2.8 Regarding investments in other UCITS or other UCIs the following conditions apply:

- a) The SICAV may invest up to 20% of the net assets of a sub-fund in units of one and the same UCITS or UCI. For the interpretation of this investment limit, each sub-fund of a UCI with several sub-funds shall be regarded as an independent issuer provided that each sub-fund bears individual responsibility in respect of third parties.
- b) Total investments in shares of other UCI as a UCITS may not exceed 30% of the sub-fund's net assets. The assets invested in the UCITS or other UCI shall not be included in the calculation of the maximum limits set out above.
- c) For sub-funds which in line with their investment policy invest a significant portion of their assets in units of other UCITS and/or UCI, the maximum management fees chargeable by the sub-fund itself and by the other UCITS and/or UCI in which it invests are described in the chapter "Expenses paid by the Fund".

Provided the particular sub-fund's investment policy does not specify otherwise, it may invest no more than 10% of its assets in other UCITS or UCI.

- 2.9 Each sub-fund may also subscribe for, acquire and/or hold shares issued or to be issued by one or more other sub-funds of the SICAV, if:

- a) the target sub-fund does not, in turn, invest in the sub-fund invested in this target sub-fund; and
- b) no more than 10% of the assets of the target sub-funds whose acquisition is contemplated may be invested in aggregate in shares of other sub-funds of the Fund; and
- c) voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the sub-fund concerned; and
- d) in any event, for as long as these securities are held by the relevant sub-fund, their value will not be taken into consideration for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law; and
- e) there is no duplication of management/subscription or redemption fees between those at the level of the sub-fund having invested in the target sub-fund, and this target sub-fund.

### **3. Investment restrictions**

- 3.1 The SICAV may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of the issuer.

- 3.2 Moreover, the company may acquire no more than:

- 10% of the non-voting shares of the same issuer;
- 10% of the debt securities of the same issuer;

- 25% of the shares of the same UCITS and/or other UCI within the meaning of Article 2, paragraph (2) of the 2010 Law;
- 10% of the money market instruments of the same issuer.

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 debt securities or money market instruments, or the net amount of the securities in issue, cannot be calculated.

3.3 Paragraphs 3.2 and 3.3 are waived as regards:

- transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
- transferable securities and money market instruments issued or guaranteed by a non-Member State of the EU;
- transferable securities and money market instruments issued by public international bodies of which one or more Member States of the EU are members;
- shares held by the SICAV in the capital of a company incorporated in a non-Member State of the EU which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which the SICAV can invest in the securities of issuing bodies of that State. This derogation, however, shall apply only if in its investment policy the company from the non-Member State of the EU complies with the limits laid down in 2.1 to 2.5, and 3.1 to 3.2. Where the limits set in Articles 43 and 46 of the 2010 Law are exceeded, Article 49 of the 2010 Law shall apply *mutatis mutandis*;
- shares held by the SICAV in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country/state where the subsidiary is located, in regard to the repurchase of shares at shareholders' request exclusively on its or their behalf.

3.4 Each sub-fund may not borrow more than 10% of the total net assets of a sub-fund, and then only from financial institutions and on a temporary basis. Each sub-fund may, however, acquire foreign currency by means of a back-to-back loan. However, each sub-fund can borrow up to 10% of the net assets of each sub-fund to make possible the acquisition of immovable property 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 sub-funds' net assets.

3.5 The SICAV may not grant loans or act as a guarantor on behalf of third parties. However, this restriction does not prevent the acquisition of securities, money market instruments or the other instruments listed in 1.1 e), g) and h) if not fully paid up;

3.6 The SICAV may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in 1.1 e) g) and h).

The SICAV is authorized to introduce further investment restrictions 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 shares are offered and sold.



## *ANNEX II: TECHNIQUES AND INSTRUMENTS RELATING TO TRANSFERABLE SECURITIES OR USED TO HEDGE CURRENCY RISKS*

### **Special techniques and instruments relating to transferable securities and money market instruments**

The SICAV is entitled to employ techniques and instruments which feature securities and money market instruments, provided such techniques and instruments are used in the interests of efficient portfolio management (the "techniques") subject to the conditions and limits defined by the CSSF. If such transactions relate to the use of derivatives, then the terms and limits must comply with the provisions of the 2010 Law. The use of these techniques and instruments must be in accordance with the best interests of the investors.

The SICAV may under no circumstances deviate from its investment objectives for these transactions. Equally, the use of these techniques may not cause the risk level of the sub-fund 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 derivatives (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 derivatives". The SICAV 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 SICAV is primarily carried out through reviewing contracts and corresponding processes on a regular basis.

The SICAV 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 SICAV. In addition, the liquid funds should include the interest incurred up to the time of being reclaimed.

Furthermore, the SICAV ensures that, despite the use of these techniques and instruments, the investors' redemption applications can be processed at any time.

Within the framework of the use of techniques and instruments for the efficient management of the portfolio, the SICAV may lend portions of its securities portfolio to third parties ("**securities lending**"). In general, securities lending may only be effectuated via recognised clearing houses such as Clearstream International or Euroclear, or through the intermediation of first-class financial institutions that are specialized in this type of activity and by applying the procedural manner specified by them. In the case of securities lending transactions, the SICAV must, in principle, receive collateral, the value of which must at least correspond to the total value of the securities lent out and any accrued interest thereon. This collateral must be issued in a form of financial collateral as permitted by the provisions of Luxembourg law. Such collateral is not required if the securities lending transaction is effected via Clearstream International or Euroclear or another organisation which guarantees that the value of the securities lent out will be refunded. The provisions of the section entitled "Collateral management" shall apply accordingly to the management of collateral that was left to the SICAV within the scope of securities lending.

Service providers that provide services to the SICAV in the field of securities lending have the right to receive a fee in return for their services that is line with the market standards. The amount of this fee is reviewed and adapted, where appropriate, by an independent body on an annual basis. The recipients of these and other direct and indirect fees, the amounts of the respective fees, as well as the findings as to whether the fee recipients are associated with the SICAV and/or Custodian can be found in the respective annual or semi-annual report.

Furthermore, the SICAV 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 SICAV, as well as the information to be published in the annual and semi-annual reports.

The following haircuts apply to collateral for securities lending transactions:

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

The SICAV may, for any sub-fund, also engage in repurchase transactions ("**repurchase agreements**" or "**reverse repurchase agreements**") involving the sale/purchase of securities where agreements have been reached to buy back/sell back the sold/bought securities at a (higher) price and within a set time.

All repurchase transactions are subject to the following conditions:

- Securities may only be sold/purchased under a repurchase agreement if the counterparty is a prime financial institution specialising in this kind of transaction.
- As long as the repurchase agreement is valid, the securities bought cannot be sold before the right to repurchase the securities has been exercised or the repurchase period has expired.
- Securities that serve as the underlyings of derivative financial 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.

### Further techniques and instruments

The above-mentioned techniques and instruments may be amended by the SICAV if new techniques and instruments are developed and offered on the financial market provided that they are in line with the respective sub-fund's investment policy and restrictions and in compliance with the 2010 Law.

## *ANNEX III: CALCULATION OF THE NET ASSET VALUE*

### **1. Calculation and publication of the net asset value per share**

The net asset value per share of each class is calculated for each sub-fund under the responsibility of the Board in the currency of the respective sub-fund ("Reference Currency" of the sub-fund) on every Valuation Day except for the cases specified under "2. Temporary suspension of the calculation of the net asset value per share and of the issue, repurchase and conversion of shares". The net asset value is calculated in conformity with the valuation rules and guidelines laid down in the articles of association and decreed by the Board.

The net asset value of the shares of each class will be computed as follows: by dividing the net assets attributable to each class of each sub-fund by the number of shares of such class of a sub-fund then outstanding. The net assets of each class of each sub-fund are made up of the value of the assets attributable to such class within each sub-fund less the total liabilities attributable to such class calculated at such time as the Board shall have set for such purpose.

The value of the assets held by each sub-fund is calculated as follows:

- a) Securities and other investments listed on a stock exchange are valued at the last available closing price. If the same security or investment is quoted on several stock exchanges, the last available closing price on the stock exchange that represents the major market for this security will apply. In the case of securities and other investments where the trade on the stock market is thin but which are traded between securities dealers on a secondary market using usual market price formation methods, the Company and/or the SICAV can use the prices on this secondary market as the basis for their valuation of these 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 recognized, open to the public and operating regularly, are valued at the last available closing price on this market.
- b) Securities and other investments that are not listed on a stock exchange are valued at the last available closing price; if this is not available, the Company and/or the SICAV values these securities according to other principles of its choosing on the basis of the likely sales prices.
- c) 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.
- d) In the case of assets which are not denominated in the currency of the relevant sub-fund, the value shall be converted into the currency of such sub-fund at prevailing market rates as determined by the Custodian Bank with the Board.
- e) Securities and other investments that are denominated in a currency other than the reference currency of the relevant sub-fund and which are not hedged by means of currency transactions are valued at mid closing spot rate.
- f) Time and sight deposits are valued at their nominal value plus any accrued interest.
- g) The value of swap transactions is calculated by the swap counterparty, on the basis of the net present value of all cash flows, both inflows and outflows; this is a valuation method recognized by the Company and/or the SICAV and checked by the auditors.
- h) The financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in accordance with market practice.
- i) Shares or units in underlying open-ended investment funds (UCITS and UCI) shall be valued at their last available net asset value reduced by any applicable charges. In some particular circumstances, subject to Board of Directors prior approval, shares or units in UCITS or UCI may also be valued on the basis of the estimated net asset value for such shares or units available prior to the time of calculation of the net asset value of the sub-fund in case the estimated net asset value provides a more accurate value of these shares or units.

The Board may, at its discretion, employ any other valuation method if it is of the opinion that such a valuation reflects more accurately the probable realization value of an asset held by the SICAV.

The latest net asset value per share and the issue, repurchase and conversion prices of the shares may be obtained on request for each sub-fund of the SICAV from the Company's and/or Administrative Agent's registered office during business hours.

## **2. Temporary suspension of the calculation of the net asset value per share and of the issue, repurchase and conversion of shares**

The SICAV may, for each sub-fund, suspend the calculation of the net asset value, the issue, repurchase and conversion of shares of one class into those of another class of share under the circumstances described below:

(a) when one or more of the stock exchanges or other markets on which a substantial portion (at least 50%) of the SICAV's assets attributable to such sub-fund is regularly quoted or traded is closed for a reason other than general public holidays, or when transactions thereon are suspended or restricted, provided that this closure, restriction or suspension affects the valuation of the SICAV's assets quoted or traded thereon.

(b) when, in the Board of Director's opinion, an emergency situation exists on account of which the SICAV is unable to dispose of at least 50% of invested assets attributable to a particular sub-fund or if it cannot determine the value of such invested assets; or

(c) during any breakdown in the means of communication or calculation normally used to determine the price or value of any investments of such sub-fund or the prices on a stock exchange or another market in respect of the assets attributable to such sub-fund; or

(d) as long as the Company is unable to raise sufficient funds to effect payments for the repurchase of shares of such sub-fund or as long as the transfer of funds connected with the acquisition of invested assets or with payments for the repurchase of shares cannot, in the Board of Director's opinion, be effected at normal exchange rates; in that event, subscription, redemption, and conversion applications in the pipeline will be processed simultaneously on the basis of the net asset value so calculated; or

(e) when for any other reason the value of an invested asset of the SICAV attributable to such sub-fund cannot be established or determined with the necessary speed or accuracy; or

(f) upon publication of the notice convening a general meeting which is to decide on the winding up of the SICAV.

In conformity with the legal requirements and if the Company deems it appropriate, such a suspension shall be published and notified to shareholders who have filed an application for subscription, repurchase or conversion of shares whose net asset value calculation has been suspended.

During the period of suspension of calculation of the net asset value applications for subscription, repurchase or conversion of shares may be withdrawn if such withdrawal is received by the SICAV before this period of suspension ends.

Suspension in any sub-fund shall have no effect upon the calculation of the net asset value or the issue, repurchase or conversion prices of any other sub-fund which is not suspended.

The notification of such a suspension and its termination shall be published in accordance with the provisions of the laws where shares of the SICAV are distributed and shall be notified by the SICAV to the shareholders who have filed applications for subscription, repurchase or conversion of shares and who are affected by suspension of the net asset value calculation.

## ANNEX IV: GENERAL INFORMATION

### 1) THE SICAV

BSI-MULTINVEST ("the SICAV") is an investment company qualifying as a "société d'investissement à capital variable, SICAV" which was established for an indefinite period of time on March 21, 2000 in the form of a joint-stock company under Luxembourg law, in accordance with the provisions of the 1915 Law and of the 2010 Law, as amended from time to time.

Its registered office is at 33A avenue J.F. Kennedy, L-1855 Luxembourg; the Company has been entered in the Luxembourg Register of Trades and Companies under the number B 74.740.

The articles of association have been published for the first time in the Mémorial C, Recueil Spécial des sociétés et associations ("Mémorial") dated May 4, 2000. Following an extraordinary general meeting of the shareholders held on 20 July 2012, the articles of association of the Company were amended in order to have the SICAV regulated by Part I of the 2010 Law. Any interested person may inspect and obtain a copy of the coordinated articles of association at the Register of Trade and Companies of Luxembourg in Luxembourg.

The SICAV's Management Company is in Luxembourg.

When the SICAV was established, its initial capital amounted to EURO 100,000 and was represented by 1,000 fully paid-up shares with no face value.

The SICAV's minimum capital amounts to EURO 1,250,000. It is represented by fully paid-up shares with no face value.

The SICAV is a single legal entity. With respect to the shareholders, each sub-fund is regarded as being separate from the others. The assets of a sub-fund can only be used to offset the liabilities which the sub fund concerned has assumed.

In accordance with the articles of association, shares may be issued in various sub-funds of the SICAV's assets at the Board's discretion. Separate portfolios of assets are constituted for each sub-fund and invested in keeping with the investment objectives of the sub-fund concerned. The SICAV has therefore been established as an umbrella fund and allows the investor to choose between different investment objectives and to invest accordingly in one or more of the sub-funds constituting the SICAV's assets. At present shares are issued in the following sub-funds:

- BSI-Multinvest – Asian Stocks
- BSI-Multinvest – Short Term Bonds CHF
- BSI-Multinvest – Short Term Bonds EUR
- BSI-Multinvest – Short Term Bonds USD
- BSI-Multinvest – Swiss Stocks
- BSI-Multinvest – US Stocks
- BSI-Multinvest – Alternative UCITS
- BSI-Multinvest – Strategy Income (CHF)
- BSI-Multinvest – Strategy Income (EUR)
- BSI-Multinvest – Strategy Balanced (CHF)
- BSI-Multinvest – Strategy Balanced (EUR)
- BSI-Multinvest – Bonds EUR
- BSI-Multinvest – Bonds USD
- BSI-Multinvest – Bonds CHF
- BSI-Multinvest – Global Dynamic Bonds
- BSI-Multinvest – Cash USD
- BSI-Multinvest – Cash EUR
- BSI-Multinvest – Cash CHF
- BSI-Multinvest – Global Credit Bond
- BSI-Multinvest – Emerging Markets Bonds
- BSI-Multinvest – Euro Stocks
- BSI-Multinvest – Japanese Stocks
- BSI-Multinvest – Dynamic European Markets

All sub-funds are consolidated in EUR.

The Board may decide at any time that the SICAV will issue shares in further sub-funds.

When launching the above-listed sub-funds and new sub-funds, the Sales Prospectus shall be supplemented in the necessary manner with detailed information about the new sub-funds.

The Board reserves the right to issue various classes of shares for each sub-fund. These may differ from one another, particularly in respect of dividend policy and commission structure.

The share capital corresponds at all times to the aggregate value of the net assets of all the sub-funds.

## **2. LIQUIDATION, TERMINATION AND MERGING OF THE SICAV AND ITS SUB-FUNDS**

### **Liquidation of the SICAV**

The liquidation of the SICAV will take place if the conditions stated in the 2010 Law apply. The SICAV can be dissolved at any time by the general meeting of the shareholders in due observance of the legal conditions governing the quorum and necessary majority.

If the total net assets of the SICAV fall below two thirds of the prescribed minimum capital, the Board must submit the question of the dissolution of the SICAV to a general meeting for which no quorum shall be prescribed and which shall decide by simple majority of the shares represented at the meeting. If the total net assets of the SICAV fall below one fourth of the prescribed minimum capital, the Board must submit the question of the dissolution of the SICAV to a general meeting, the dissolution may be resolved by investors holding one fourth of the shares represented at the meeting for which no quorum shall be prescribed. The meeting must be convened so that it is held within a period of 40 days as from the ascertainment that the net assets have fallen below two thirds or one fourth of the legal minimum as the case may be.

Furthermore, the general meeting may decide to dissolve the SICAV following the relevant articles of the SICAV's Articles of association. Any decision or order of liquidation will be notified to the shareholders, and published in accordance with the 2010 Law.

If the SICAV is dissolved, the liquidation shall be carried out by one or more liquidators to be designated by the general meeting which shall also determine their sphere of responsibility and remuneration. The liquidators shall realise the SICAV's assets in the best interests of the shareholders and distribute the net proceeds from the liquidation of the Sub-funds to the shareholders of said Sub-funds in proportion to their respective holdings. Any liquidation proceeds which cannot be distributed to the shareholders shall be deposited with the "Caisse de Consignation" in Luxembourg until expiry of the prescription period, at present thirty years.

### **Liquidation of Sub-funds and / or share classes**

If the total value of the net assets of a Sub-fund and/or a share class falls to a level that does not allow the Sub-fund and/or share class to be managed in an economically reasonable way as well as in the course of a rationalisation the Board may demand the liquidation of that Sub-fund and/or share class. The same also applies in cases where changes to the political or economic conditions justify such liquidation.

Up to the date upon which the decision takes effect, shareholders retain the right, free of charge, subject to the liquidation costs to be taken into account and subject to the guaranteed equal treatment of shareholders, to request the redemption of their shares. The Board may however determine a different procedure, in the interest of the shareholders of the Sub-fund(s) and/or of the share classes of Sub-fund(s).

The liquidation of a Sub-fund and/or share class shall not involve the liquidation of another Sub-fund and/or share class. Only the liquidation of the last remaining Sub-fund of the Fund involves the liquidation of the SICAV.

Regardless of the Board's rights, the general meeting of shareholders in a Sub-fund and/or share class of a Sub-fund may reduce the SICAV's capital at the proposal of the Board by withdrawing shares issued by a Sub-fund and refunding shareholders with the net asset value of their shares, taking into account actual realization prices of investments and realization expenses and any costs arising from the liquidation) calculated on the Valuation Date on which such decision shall take effect. The net asset value is calculated for the day on which the decision comes into force, taking into account the proceeds raised on disposing of the Sub-fund's assets and any costs arising from this liquidation. No quorum (minimum presence of shareholders covering the capital represented) is required for a decision of this type. The decision can be made with a simple majority of the shares present or represented at the general meeting.

Shareholders in the relevant Sub-fund and/or share class will be informed of the decision by the general meeting of shareholders to withdraw the shares or of the decision of the Board to liquidate the Sub-fund and/or share class by means of a publication as required by law. In addition and if necessary in accordance with the statutory regulations of the countries in which shares in the SICAV are sold, an announcement will then be made in the official publications of each individual country concerned.

The counter value of the net asset value of shares liquidated which have not been presented by shareholders for redemption will be at the "*Caisse de Consignation*" in Luxembourg the latest nine month after the decision of the liquidation. All redeemed shares shall be cancelled by the SICAV.

### **3. MERGER OF THE SICAV OR OF SUB-FUNDS WITH ANOTHER UCITS OR OTHER SUB-FUNDS THEREOF; MERGER OF ONE OR MORE SUB-FUNDS WITHIN THE FUND; DIVISION OF SUB-FUNDS**

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

- a) one or more UCITS or sub-funds thereof, the "**merging UCITS/ sub-fund**", on being dissolved without going into liquidation, transfer all of their assets and liabilities to another existing UCITS or a sub-fund 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 sub-funds thereof, the "**merging UCITS/ sub-fund** ", on being dissolved without going into liquidation, transfer all of their assets and liabilities to a UCITS which they form or a sub-fund thereof, the "**receiving UCITS/ sub-fund** ", 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 sub-funds thereof, the "**merging UCITS/ sub-fund** ", which continue to exist until the liabilities have been discharged, transfer their net assets to another sub-fund of the same UCITS, to a UCITS which they form or to another existing UCITS or a sub-fund thereof, the "**receiving UCITS/ sub-fund**".

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 chapter, the Board may decide to reorganise a Sub-Fund and/or share class by means of a merger with another existing Sub-Fund and/or share class within the Fund or with another UCITS established in Luxembourg or in another Member-State or to another sub-fund and/or share class within such other UCITS (the "new fund/sub-fund") and to re-designate the Shares of the relevant Sub-Fund or share class concerned as Shares of another sub-fund 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 chapter and, in addition, the publication will contain information in relation to the new fund or sub-fund. 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 chapter, the Board may decide to reorganise a Sub-Fund and/or share class by means of a division into two or more Sub-Funds 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 Sub-Funds). 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 sub-fund have the right to request, without any charge other than those retained by the sub-fund to meet disinvestment costs, the repurchase or redemption of their shares or, where possible, to convert them into shares of another Sub-fund of the Fund with similar investment policy or shareholders may also convert their shares into another UCITS, in accordance with Article 73 of the 2010 Law. This right shall become effective from the moment that the shareholders of the merging and those of the receiving sub-fund 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 Sub-fund of the Fund is the receiving sub-fund, 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 other UCITS involved in the merger. Under the same circumstances as provided in the previous chapter, 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 sub-fund thereof.

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

### **Closure of sub-funds**

If for any reason the value of a sub-fund's assets falls below an amount which the Board deems to be a minimum level for economically efficient management of the sub-fund, or if there is a change in the economic or political situation which might affect the sub-fund concerned and have material adverse consequences for that sub-fund's investments, the Board may compulsorily redeem all the shares of the share category(ies) concerned in that sub-fund. It may do so at the net asset value per share (taking into account the actual realisation prices and expenses connected with the realization of the invested assets), as determined on the Valuation Day on which this Board's decision shall take effect.

The SICAV shall inform the shareholders of the sub-fund or share category(ies) concerned before the compulsory repurchase procedure comes into effect. The relevant notification shall state the reasons and procedure for repurchase. Owners of registered shares will be notified in writing. If no other decision is taken in the shareholders' interests or relating to equal treatment of shareholders, the shareholders of the sub-fund or category(ies) of shares concerned may, continue to request for their shares to be repurchased or converted free of charge (taking into account the actual realization prices and expenses of realizing the invested assets) before the date on which the compulsory repurchase comes into effect.

Notwithstanding the powers conferred on the Board in the preceding paragraph, the general meeting of shareholders of any one or all category(ies) of shares issued in any sub-fund may, upon a proposal from the Board, redeem all the shares issued in such category(ies) of the sub-fund and refund to the shareholders the net asset value of their shares (taking into account the actual realisation prices of investments and realisation expenses), as calculated on the Valuation Day on which such decision shall take effect.

No quorum requirements apply for such general meeting of shareholders and the decisions may be taken by a simple majority of the shares present or represented at this meeting.

Assets which may not be distributed to their owners upon the implementation of the redemption will be deposited with the Caisse de Consignation on behalf of the persons entitled thereto.

All the shares taken back in this manner will be cancelled.



## *ANNEX V: AVAILABLE DOCUMENTS*

Copies of the documents described below may be inspected during business hours on every Business Day at the SICAV's registered office:

- (i) The SICAV's articles of association (available in copy);
- (ii) The SICAV's Prospectus
- (iii) The agreement between the Company and the SICAV
- (iv) The agreement on custody and services as per the "Custodian Bank and Paying Agent" section;
- (v) The agreements with the Portfolio Manager as per the "Portfolio Manager" section;
- (vi) The agreement on central administration and domiciliation services between the Company, the SICAV and the Administrative Agent;
- (vii) Annual and semi-annual reports as per the "Information to Shareholders" section (available in copy).