VISA 2016/103281-8070-0-PC
L'apposition du visa ne peut en aucun cas servir
d'argument de publicité
Luxembourg, le 2016-05-18
Commission de Surveillance du Secteur Financier

LFPARTNERS

INVESTMENT FUNDS

PROSPECTUS

May 2016

Important Information

LFPARTNERS INVESTMENT FUNDS (the "**Fund**"), a public limited company with variable capital and with multiple sub-funds is offering Shares (the "**Shares**") of several separate sub-funds (individually a "**Sub-Fund**" and collectively the "**Sub-Funds**") on the basis of the information contained in this prospectus (the "**Prospectus**"), each key investor information document issued by the Fund (the "**Key Investor Information Document**") and in the documents referred to herein. No person is authorised to give any information or to make any representations concerning the Fund other than as contained in the Prospectus and in the documents referred to herein, and any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in this Prospectus will be solely at the risk of the purchaser.

LFPARTNERS INVESTMENT FUNDS is subject to the Part I of the Luxembourg law of 17 December 2010 relating to collective investment undertakings (the "**Law**") and qualifies as an Undertaking for Collective Investments in Transferable Securities ("**UCITS**") under the EC Directive 2009/65 of 13 July 2009, and may therefore be offered for sale in European Union ("**EU**") Member States (subject to registration in countries other than Luxembourg). In addition, applications to register the Fund may be made in other countries.

None of the Shares have been or will be registered under the United States Securities Act of 1933, as amended (the "1933 Act") or under the securities laws of any state or political subdivision of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the "United States"). The Fund has not been and will not be registered under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws. Accordingly, except as provided for below, no Shares are being offered to US Persons or persons who are in the United States at the time the Shares are offered or sold. For the purposes of this Prospectus, a US Person includes, but is not limited to, a person (including a partnership, corporation, limited liability company or similar entity) that is a citizen or a resident of the United States of America or is organised or incorporated under the laws of the United States of America. Shares will only be offered to a US Person at the sole discretion of either the Directors or the Management Company. Certain restrictions also apply to any subsequent transfer of Shares in the United States or to US Persons (please see the compulsory redemption provisions under "Minimum Subscription and Holding Amounts and Eligibility for Shares").

Should a Shareholder become a US Person, they may be subject to US withholding taxes and tax reporting.

Shares of the Fund are offered on the basis of the information contained in this Prospectus, each Key Investor Information Document, and the documents referred to therein.

The text of the Articles is integral to the understanding of this Prospectus. Investors should review the Articles carefully. In the event of any inconsistency between this Prospectus and the Articles, the Articles shall prevail.

The Directors, whose names are set out under "Board of Directors", have taken all reasonable care to ensure that the information contained in this Prospectus and each Key Investor Information Document is, to the best of their knowledge and belief, in accordance with the facts and does not omit anything material to such information. The Directors accept responsibility accordingly.

Prior to subscribe for Shares, Investors should obtain a copy of the subscription agreement (the "**Subscription Agreement**") which contains, inter alia, representations on which the Board of Directors may accept an Investor's subscription.

No action has been taken which would permit a public offering of the Shares in any jurisdiction where action for that purpose would be required. The Prospectus, each Key Investor Information Document and any other documents relating to the Fund do not constitute an offer or solicitation in any jurisdiction in which an offer or solicitation is not authorized, or in which the person making the offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such an offer or solicitation. Any representation to the contrary is unlawful. No action has been taken by the initiators or the Fund that would permit a public offering of Shares or possession or distribution of information in any jurisdiction where action for that purpose is required.

Prospective investors should review this Prospectus and the Key Investor Information Document carefully and in its entirety and consult with their legal, tax and financial advisers in relation to (i) the legal and regulatory requirements within their own countries for the subscribing, purchasing, holding, switching, redeeming or disposing of Shares; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the subscribing, purchasing, holding, switching, redeeming or disposing of Shares; (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, switching, redeeming or disposing of Shares; and (iv) any other consequences of such activities.

The distribution of this Prospectus and the Key Investor Information Document in certain jurisdictions may require that it be translated into an appropriate language. Unless contrary to local law in the jurisdiction concerned, in the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English version shall always prevail.

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

The most recent annual report and the latest semi-annual report, if published thereafter, form an integral part of this Prospectus. These documents and each Key Investor Information Document published by the Fund are available at the registered office of the Fund.

Data protection

Certain personal data of Investors (including, but not limited to, the name, address and invested amount of each Investor) may be collected, recorded, stored, adapted, transferred or otherwise processed and used by the Fund, the Board of Directors, the initiators or any of their respective officers, members, employees, representatives or agents. In particular, such data may be processed for the purposes of account and distribution fee administration, anti-money laundering and terrorism financing identification, maintaining the register of Shareholders, processing subscription, redemption and conversion orders (if any) and payments of dividends to Shareholders and to provide client-related services. Such information shall not be passed on to any unauthorised third persons.

The Management Company or the Fund may sub-contract to another entity the processing of personal data. The Management Company and the Fund undertake not to transfer personal data to any other third parties except if required by law or on the basis of a prior written consent of the Shareholders.

Each Investor has a right of access to his/her/its personal data and may ask for a rectification thereof in case where such data is inaccurate or incomplete.

By subscribing to the Shares, each Investor consents to such processing of its personal data. This consent is formalised in writing in the Subscription Agreement used by the relevant intermediary.

Investment Risks

Investment in the Fund carries with it a degree of financial risk. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested. Investment risk factors for an investor to consider are set out under section "Principal Risks".

The Fund does not represent an obligation of, nor is it guaranteed by the Management Company or any other affiliate or subsidiary of LUXEMBOURG FUND PARTNERS S.A..

Foreign Account Tax Compliance Act (FATCA)

Foreign Account Tax Compliance Act (the "**FATCA**") provisions generally impose a reporting to the US Internal Revenue Service of U.S. persons direct and indirect ownership of non-U.S. accounts and non-U.S. entities. The Fund and the Management Company may require all Shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned legislation.

Despite anything else herein contained and as far as permitted by Luxembourg law, the Fund and the Management Company shall have the right to (i) withhold any taxes or similar charges that it is legally required to withhold, whether by law or otherwise, in respect of any shareholding in the Fund; (ii) require any Shareholder or beneficial owner of the Shares to promptly furnish such personal data as may be required by the Fund and the Management Company in its discretion in order to comply with any law and/or to promptly determine the amount of withholding to be retained; (iii) divulge any such personal information to any tax or regulatory authority, as may be required by law or such authority,

Any information provided in this context is collected for anti-money laundering compliance and FATCA purposes only.

Common Reporting Standard (CRS)

The OECD received a mandate by the G8/G20 countries to develop a global reporting standard to achieve a comprehensive and multilateral automatic exchange of information (AEOI) in the future on a global basis. The CRS has been incorporated in the amended Directive on Administrative Cooperation (DAC 2), adopted on 9 December 2014, which the EU Member States will need to incorporate into their national laws by 31 December 2015. Luxembourg enacted the CRS provisions in a law enacted on 18 March 2015 (the "**CRS Law**") which amends the law of 29 March 2013 on administrative cooperation in the field of taxation.

The CRS requires Luxembourg Financial Institutions to identify their account holders (including in the case of an Investment Entity equity and debt holders) and establish if they are fiscally resident outside Luxembourg. In this respect, a Luxembourg Financial Institution is required to obtain a self-certification to establish the CRS status and/or tax residence of its account holders at account opening.

Luxembourg Financial Institutions need to perform their first reporting of financial account information for the year 2016 about account holders and (in certain cases) their Controlling Persons that are tax resident in a Reportable Jurisdiction (identified in a Grand Ducal Decree) to the Luxembourg tax authorities (*Administration des contributions directes*) by 30 June 2017.

The Luxembourg tax authorities will automatically exchange this information with the competent foreign tax authorities by the end of September 2017.

Data protection

The CRS Law requires EU Financial Institutions to inform beforehand each reportable individual investor that certain information will be collected and reported and should provide him with all the information required under Luxembourg law of 2002 on data protection which includes the following:

The Fund, as Reporting Luxembourg Financial Institution, will be responsible for the personal data processing.

- The personal data is intended to be used for the purpose of the CRS/DAC 2;
- The data will be reported to the Luxembourg tax authorities, where applicable, and the relevant foreign tax authorities;
- For each information request sent to the individual equity or debt holder, the answer from the individual equity or debt holder will be mandatory. Failure to respond may result in incorrect or double reporting.

Each reported individual has the right to access the data/financial information reported to the Luxembourg tax authorities as well as to rectify those data.

DIRECTORY

Promoter:	**LUXEMBOURG FUND PARTNERS S.A.** 2, boulevard de la Foire L-1528 Luxembourg - Grand Duchy of Luxembourg
***Board of Directors of the Fund*:**	**Mr. Luc LELEUX** Managing Director Luxembourg Fund Partners S.A. 2, boulevard de la Foire L-1528 Luxembourg - Grand Duchy of Luxembourg **Mr. Yves MAHE** Managing Director YM Advisory 2, rue de l'Eau L-1449 Luxembourg - Grand Duchy of Luxembourg **Mr. Antony BARNETT** Managing Director Trafalgar International GmbH 24-25 Ayias Zonis St Friedrichstrasse 15 60323 Frankfurt am Main Germany
Management Company, Domiciliary Agent*:** ***& Investment Manager	**LUXEMBOURG FUND PARTNERS S.A.** 2, boulevard de la Foire L-1528 Luxembourg - Grand Duchy of Luxembourg
Depositary Bank and Paying Agent:	**RBC Investor Services Bank S.A.** 14, Porte de France L-4360 Esch-sur-Alzette - Grand Duchy of Luxembourg
Administrator, Listing and Registrar Agent:	**RBC Investor Services Bank S.A.** 14, Porte de France L-4360 Esch-sur-Alzette - Grand Duchy of Luxembourg
Distributor:	**LUXEMBOURG FUND PARTNERS S.A.** 2, boulevard de la Foire L-1528 Luxembourg - Grand Duchy of Luxembourg
Auditor of the Fund:	**PricewaterhouseCoopers, *Société coopérative*** 2, rue Gerhard Mercator L-2182 Luxembourg - Grand Duchy of Luxembourg

Glossary

Administrator RBC Investor Services Bank S.A..

Articles The Articles of Incorporation of the Fund as amended from time to time.

Auditor of the Fund PricewaterhouseCoopers, *société coopérative.*

Benchmark The benchmark, as amended from time to time, where listed in section 4 of “Part II - Sub-Fund’s Factsheets” for each Sub-Fund is a point of reference against which the performance of the Sub-Fund may be measured, unless otherwise stated. The benchmark may also be a guide to market capitalization of the targeted underlying companies, and where applicable this will be stated in the Sub-Fund’s Investment Policy. The degree of correlation with the benchmark may vary from Sub-Fund to Sub-Fund, depending on factors such as the risk profile, investment objective and investment restrictions of the Sub-Fund, and the concentration of constituents in the benchmark. Where a Sub-Fund’s benchmark is part of the investment policy, this is stated in the investment objective and policy of the Sub-Fund in “Part II - Sub-Fund’s Factsheets” and the Sub-Fund will be seeking to outperform such benchmark. Benchmarks used in the calculation of the performance fees are stated under each Sub-Fund in “Part II - Sub-Fund’s Factsheets” and where Sub-Funds’ currency exposure is managed with reference to a benchmark; the benchmarks are stated in “Part II - Sub-Fund’s Factsheets”. Where “Not yet determined” appears in place of the benchmark in “Part II - Sub-Fund’s Factsheets”, the Sub-Fund has not yet been launched.

The description “Total Return Net” is applied to a benchmark when the return is quoted net of tax on dividends, “Total Return Gross” is applied to a benchmark when the return quoted is gross of tax on dividends, and “Price Index” is applied when the return excludes dividend income.

Business Day Unless otherwise specified in “Part II - Sub-Fund’s Factsheets”, any full day on which banks are open for normal banking business in Luxembourg.

Caisse de Consignation The *Caisse de Consignation* is a Luxembourg Government agency responsible for safekeeping unclaimed assets entrusted to it by financial institutions in accordance with applicable Luxembourg law(s). The Management Company will pay unclaimed Shareholder assets to the Caisse de Consignation in certain circumstances as described in the Prospectus.

CDSC Contingent Deferred Sales Charge.

Company Law The Luxembourg law of 10 August 1915 on Commercial Companies, as amended.

CSSF The Luxembourg *Commission de Surveillance du Secteur Financier* (CSSF) in charge of the supervision of UCITS and UCI in the Grand Duchy of Luxembourg.

Dealing Basis Forward pricing (a forward price is a price calculated at the valuation point following the Fund’s deal cut off time).

Depositary Bank RBC Investor Services Bank S.A.

Directors The members of the Board of Directors of the Fund (the “Board”, the “Directors” or the “Board of Directors”).

Distributor The person or entity duly appointed from time to time by the Management Company to distribute or arrange for the distribution of Shares.

Documents of the Fund The Articles, Prospectus, Key Investor Information Document, supplementary documents and financial reports.

Domicile The term “domicile” in the context of “Part II - Sub-Fund’s Factsheets” refers to the country where a company is incorporated and has its registered office.

Eligible State Any EU Member State, any member state of the Organisation for Economic Co-operation and Development (“OECD”), and any other state which the Directors deem appropriate with regard to the investment objectives of each Sub-Fund. Eligible States in this category include countries in Africa, the Americas, Asia, Australasia and Europe.

Equity Security In the context of “Part II - Sub-Fund’s Factsheets”, equity security is a type of

	investment that represents an interest in a company. Equity exposure may be achieved through investment in shares, depository receipts, warrants and other participation rights. Subject to the foregoing, equity exposure may also be achieved, to a limited extent, through investment in convertible securities, index and participation notes and equity linked notes.
ESMA	The European Securities and Markets Authority is an independent EU Authority that contributes to safeguarding the stability of the European Union's financial system by ensuring the integrity, transparency, efficiency and orderly functioning of securities markets, as well as enhancing investor protection.
FATCA	Foreign Account Tax Compliance Act
Member State	A member state of the European Union.
EUR/Euro	The official single European currency adopted by a number of EU Member States participating in the Economic and Monetary Union (as defined in European Union legislation).
FATF	Financial Action Task Force (also referred to as Groupe d'Action Financière Internationale "GAFI"). The FATF is an inter-governmental body whose purpose is the development and promotion of national and international policies to combat money laundering and terrorist financing.
Feeder Fund or Feeder	Feeder UCITS of funds which qualifies as master UCITS as defined in the Law.
Financial Year	The financial year of the Fund ends on 31 December each year.
Fund	LFPARTNERS INVESTMENT FUNDS, an investment company organised under Luxembourg laws as a *société anonyme* qualifying as a *société d'investissement à capital variable* ("SICAV"). The Fund comprises several Sub-Funds. Each Sub-Fund may have one or more Classes of Shares. The Fund is authorised under Part I of the Law and qualifies as an Undertaking for Collective Investments in Transferable Securities ("UCITS") under the EC Directive 2009/65 of 13 July 2009.
Group of Companies	Companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts and according to recognized international accounting rules.
Historical Performance	Past performance information for each Share Class of a Sub-Fund is contained in the Key Investor Information Document for that Share Class, which is available at the registered office of the Fund.
Institutional Investor(s)	The institutional investors, as defined by guidelines or recommendations issued by the Luxembourg CSSF from time to time.
Investment Manager	The Management Company may delegate investment management and advisory functions for each Sub-Fund to one or more of the Investment Managers for each Sub-Fund, as indicated under "Part II - Sub-Fund's Factsheets".
ISDA	The International Swaps and Derivatives Association is the global trade association representing participants in the privately negotiated derivatives industry.
Key Investor Information Documentation	The Fund publishes a Key Investor Information Document (a "**KIID**") for each Share Class of each Sub-Fund which contains the information required by the Luxembourg Law to help investors understand the nature and the risks of investing in the Sub-Fund. A KIID must be provided to investors prior to subscribing for Shares so they can make an informed decision about whether to invest.
Law	The Luxembourg law of 17 December 2010 relating to Undertakings for Collective Investment, as amended form time to time.
Legal Structure	Open-ended investment company with separate Sub-Funds incorporated in the Grand Duchy of Luxembourg.
Management Company	Luxembourg Fund Partners S.A. has been designated by the Directors of the Fund as Management Company to provide investment management, distribution and marketing functions to the Fund with the possibility to delegate part of such

	functions to third parties.
Management Fee	The management fee payable by the Fund to the Management Company in accordance with the investment management agreement between the Fund and the Management Company, at the annual rates set forth for each Sub-Fund under "Part II - Sub-Fund's Factsheets".
Master Fund or Master	the Fund in which the feeder Sub-Fund invests.
Member State	a member State of the European Union.
Minimum Investment	The minimum investment levels for initial and subsequent investments are specified under "Minimum initial subscription amounts" and "Minimum subsequent subscription amounts" in each Sub-Fund Factsheet details below.
Money Market Instruments	Instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time.
Net Asset Value	In relation to any Shares of any Share Class, the value determined in accordance with the relevant provisions described under the heading "Determination of the Net Asset Value" as set out below.
Net Asset Value per Share	The net asset value of a Share Class divided by the number of Shares of that Share Class in issue or deemed to be in issue.
Other Regulated Market	Market which is regulated, operates regularly and is recognized and open to the public, namely a market (i) that meets the following cumulative criteria: liquidity; multilateral order matching (general matching of bid and ask prices in order to establish a single price); transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are dealt in at a certain fixed frequency, (iii) which is recognized by a State or by a public authority which has been delegated by that State or by another entity which is recognized by that State or by that public authority such as a professional association and (iv) on which the securities dealt are accessible to the public.
Other State	Any State of Europe which is not a Member State, any State of America, Africa, Asia, Australia and Oceania.
Performance Fee	The fee (if any) payable by the Fund to the Management Company according to the investment management agreement between the Fund and the Management Company, at the annual rates set forth for each Sub-Fund under "Part II - Sub-Fund's Factsheets".
Pricing Currency	The currency in which the Net Asset Value of a Class of Shares is calculated and expressed.
Reference Currency	The reference currency of a Sub-Fund (or a Share Class thereof, if applicable) which, however, does not necessarily correspond to the currency in which the Sub-Fund's assets are invested at any point in time. Where currency is used in the name of a Sub-Fund, this merely refers to the reference currency of the Sub-Fund and does not indicate a currency bias within the portfolio. Individual Share Classes may have different currency denominations which denote the currency in which the Net Asset Value per Share is expressed. These differ from Currency Hedged Share Classes which are described in "Part II - Sub-Fund's Factsheets".
Redemption Day	The Business Day on which an application to redeem Shares may be received by the Administrator as set out under "Part II - Sub-Fund's Factsheets"
Regulated Market	The market defined in item 14 of Article 4 of the European Parliament and the Council Directive 2004/39/EC of 21 April 2004 on markets in financial instruments, as well as any other market in an Eligible State which is regulated, operates regularly and is recognised and open to the public.
Shares	Shares of each Sub-Fund will be offered in registered form. All Shares must be fully paid for and fractions will be issued up to 3 decimal places. Registered Shares will be issued and confirmed by means of a contract note dispatched to the investor, following the issue of the Shares. No Share certificates will be issued. Shares may also be held and transferred through accounts maintained with clearing systems.

Share Class(es)/ Class(es) of Shares	Pursuant to the Articles of the Fund, the Board of Directors may decide to issue, within each Sub-Fund, separate classes of Shares (hereinafter referred to as a "Share Class" or "Class of Shares", as appropriate) whose assets will be commonly invested but where a specific initial or redemption charge structure, fee structure, minimum subscription amount, currency or dividend policy may be applied. If different Share Classes are issued within a Sub-Fund, the details of each Share Class are described in the relevant section of "Part II - Sub-Fund's Factsheets".
Shareholder	A holder of Shares.
Sub-Fund	A specific portfolio of assets and liabilities within the Fund having its own net asset value and represented by a separate Class or Classes of Shares, which are distinguished mainly by their specific investment policy and objective and/or by the currency in which they are denominated. The specifications of each Sub-Fund are described in the relevant section of "Part II - Sub-Fund's Factsheets". The Board may, at any time, decide to create additional Sub-Funds and, in such case, "Part II - Sub-Fund's Factsheets" will be updated.
Subscription Day	The Business Day on which an application to subscribe for Shares may be received, as set in "Part II - Sub-Fund's Factsheets".
Total Net Asset Value	The total net asset value of the Fund.
Transferable Securities	- shares and other securities equivalent to shares; - bonds and other forms of securitised debt; - any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange with the exclusion of techniques and instruments.
UCI	An Undertaking for Collective Investment as defined by the Law.
UCITS	An Undertaking for Collective Investment in Transferable Securities under Article 1 (2) of the UCITS Directive and as defined by the Law.
UCITS Directive	Council Directive EEC/85/611 of 20 December 1985 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in Transferable Securities, as amended, which will be replaced as of 1 July 2011 by the Directive 2009/65/CE of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in Transferable Securities (recast).
United States or US	The United States of America, its territories or possessions or any area subject to its jurisdiction including the Commonwealth of Puerto Rico
US Person	i) a natural person who is a resident of the United States; (ii) a corporation, partnership or other entity, other than an entity organized principally for passive investment, organized under the laws of the United States and which has its principal place of business in the United States; (iii) an estate or trust, the income of which is subject to United States income tax regardless of the source; (iv) a pension plan for the employees, officers or principals of an entity organized and with its principal place of business in the United States; (v) an entity organized principally for passive investment such as a pool, investment company or other similar entity; provided, that units of participation in the entity held by persons who qualify as U.S. persons or otherwise as qualified eligible persons represent in aggregate 10% or more of the beneficial interests in the entity, and that such entity was formed principally for the purpose of investment by such persons in a commodity pool the operator of which is exempt from certain requirements of Part 4 of the U.S. Commodity Futures Trading Commission's regulations by virtue of its participants being non-U.S. Persons; or (vi) any other "U.S. Person" as such term may be defined in Regulation S under the U.S. Securities Act of 1933, as amended, or in regulations adopted under the U.S. Commodity Exchange Act of 1922, as amended.
Valuation Day	The Net Asset Value per Share of each Share Class is determined on each day that is a valuation day for that Sub-Fund. Subject to any further restrictions as specified in the relevant section of "Part II - Sub-Fund's Factsheets", a "Valuation

Day" is a Business Day other than a day on which any exchange or market on which a substantial portion of the relevant Sub-Fund's investments is traded, is closed. When dealings on any such exchange or market are restricted or suspended, the Management Company may, in consideration of prevailing market conditions or other relevant factors, determine whether a Business Day shall be a Valuation Day or non-valuation day. Requests for issue, redemption, transfer and switching of Shares of any Share Class are accepted by the Fund in Luxembourg on any Valuation Day of the relevant Sub-Fund. By derogation to the above, on New Year's Eve, provided that such day is not a Saturday or Sunday, the Net Asset Value per Share of each Share Class in respect of this day shall be made available at the registered office of the Fund although no deals will be processed on that day. A list of expected non-valuation days is available from the Management Company on request.

Value at Risk (VaR) Value at Risk (VaR) provides a measure of the potential loss that could arise over a given time interval under normal market conditions, and at a given confidence level.

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PART I:

GENERAL PART OF THE PROSPECTUS

I. Introduction

The Fund is an "umbrella fund" which may be composed of one or more Sub-Funds as set forth under the heading “Part II - Sub-Fund’s Factsheets”, each representing a separate portfolio of assets. Shares in any particular Sub-Fund will be further divided into different classes (each a “**Class**”, or “**Share Class**” and together the “**Classes”** or “**Share Classes**”, as appropriate) to accommodate different subscription, conversion and redemption provisions and/or fees and charges to which they are subject, as well as their availability to certain types of investors. All references to a Sub-Fund, shall, where the context requires, include any Class of Shares that belongs to such Sub-Fund.

In order to protect present and futures assets and liabilities against the fluctuation of the relevant market, the Investment Manager or the Sub-Investment Manager(s) may, in each Sub-Fund, purchase financial derivative instruments in order to hedge the exchange risks of the Classes of Shares which are not denominated in the Reference Currency and for other authorized purposes (please refer to “Special investment and hedging techniques”).

The objective of the transactions referred to above presupposes the existence of a direct relationship between the contemplated transactions and the assets or liabilities to be hedged and implies that in principle transactions may not exceed the net asset value of such assets and liabilities.

The Fund has the possibility to create further Sub-Funds as well as further Classes of Shares. When such new Sub-Funds or Classes of Shares are created, this Prospectus will be amended accordingly, in order to provide all the necessary information on such new Sub-Funds and Classes of Shares. A Key Investor Information Document relating to the new Sub-Funds will also be issued accordingly.

For further information on the Classes of Shares, investors should refer to the chapter "Subscription, Transfer, Conversion and Redemption of Shares" and to each Sub-Fund’s Factsheets issued by the Fund detailing the available Classes for each Sub-Fund as well as their characteristics.

II. The Fund

The Fund has been incorporated on 14 November 2013 for an unlimited period of time as a *société d’investissement à capital variable* under the form of a *société anonyme*.

The minimum capital of the Fund, as provided by law, which must be achieved within six months after the date on which the Fund has been authorized as a UCITS under Luxembourg law, shall be at least equal to EUR 1,250,000.-.The initial capital of the Fund is equal to thirty one thousand Euro (€ 31,000.-) divided into thirty one (31) Shares of no par value. The capital of the Fund is represented by fully paid up Shares of no par value. The share capital is at all times equal to the total net assets of all the Sub-Fund(s).

The Articles of Incorporation have been lodged with the registry of the District Court and a publication of such deposit made in the Mémorial C, Recueil des Sociétés et Associations of 24 December 2013.

The registered office of the Fund is located at 2, boulevard de la Foire L-1528 Luxembourg, Grand Duchy of Luxembourg.

Under Luxembourg law, the Fund is a distinct legal entity. Each Sub-Fund, however, is not a distinct legal entity from the Fund. However, with regard to third parties and, in particular, with regard to the Fund's creditors and between Shareholders, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it.

III. Investment Restrictions

Unless more restrictive rules are provided for in the investment policy of any specific Sub-Fund, each Sub-Fund shall comply with the rules and restrictions detailed below.

The Board of Directors of the Fund shall, based upon the principle of risk spreading, have power to determine the corporate and investment policy for the investments for each Sub-Fund, the Reference Currency, the Pricing Currency, as the case may be, and the course of conduct of the management and business affairs of the Fund.

The investment policy of each Sub-Fund shall comply with the rules and restrictions laid down hereafter and each Sub-Fund is to be considered as a separate UCITS for the application of this section.

A. Investments in the Sub-Fund(s) shall consist solely of:

(1) Transferable Securities and Money Market Instruments listed or dealt in on a Regulated Market;

(2) Transferable Securities and Money Market Instruments dealt in on an Other Regulated Market in a Member State;

(3) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange of an Other State or dealt in an Other Regulated Market in an Other State;

(4) 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 an Other Regulated Market;
- such admission is secured within one year of issue;

(5) units of UCITS authorised according to the UCITS Directive and/or other UCIs within the meaning of Article 1 (2) a) and b) of the UCITS Directive, whether situated in a Member State or in an Other State, provided that:

- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;
- the level of protection for shareholders in such other UCIs is equivalent to that provided for shareholders in a UCITS, and in particular to the rules on assets segregation, borrowing, lending, and short sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;
- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;

- no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can in aggregate be invested in units of other UCITS or other UCIs, according to their constitutional documents;

(6) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in an Other State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;

(7) financial derivative instruments, i.e. in particular options, futures, including equivalent cash-settled instruments, dealt in on a Regulated Market or on an Other Regulated Market referred to in (1), (2) and (3) above, and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

(a) the underlying consists of instruments covered by this Section A., financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest according to its investment objectives;
(b) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and
(c) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative;
(d) the exposure to the underlying assets does not exceed the investment restrictions set out in C. (10) below.

under no circumstances shall these operations cause the Sub-Fund to diverge from its investment objectives;

(8) Money Market Instruments other than those dealt on a Regulated Market or on an Other Regulated Market, to the extent that the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:

- issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, an Other State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or
- issued by an undertaking any securities of which are dealt in on Regulated Markets or on Other Regulated Markets referred to in (1), (2) or (3) above; or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or issued by other bodies belonging to the categories approved by the Regulatory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the three indents directly above and provided that the issuer is a company whose capital and reserves amount to at least ten million EUR (EUR 10,000,000.-) and which presents and publishes its annual accounts in accordance with 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;

(9) Securities issued by one or several other Sub-Funds (the "**Target Sub-Fund(s)**"), under the following conditions:

- the Target Sub-Fund does not invest in the investing Sub-Fund;
- not more than 10 % of the assets of the Target Sub-Fund may be invested in other Sub-Funds;
- the voting rights linked to the transferable securities of the Target Sub-Fund are suspended during the period of investment;
- in any event, for as long as these securities are held by the Fund, their value will not be taken into consideration for the calculation of the Net Asset Value for the purposes of verifying the minimum threshold of the net assets imposed by the Law; and
- there is no duplication of management/subscription or repurchase fees between those at the level of the Sub-Fund having invested in the Target Sub-Fund and those of the Target Sub-Fund.

B. Each Sub-Fund may however:

(1) Invest up to 10% of its assets in assets other than those referred to above under A (1) through (8).

(2) Hold cash and cash equivalent on an ancillary basis; such restriction may exceptionally and temporarily be exceeded if Board of Directors of the Fund considers this to be in the best interest of the Shareholders.

(3) Borrow up to 10% of its assets, provided that such borrowings are (i) made only on a temporary basis or (ii) enable the acquisition of immovable property essential for the direct pursuit of its business. When authorized to borrow under (i) and (ii) above, such borrowing shall not exceed 15% of its assets in total. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction.

(4) Acquire foreign currency by means of a back-to-back loan.

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

Risk Diversification rules

For the purpose of calculating the restrictions described in (1) to (5), (8), (9), (13) and (14) hereunder, companies which are included in the same Group of Companies are regarded as a single issuer.

Transferable Securities and Money Market Instruments

(1) No Sub-Fund may purchase additional Transferable Securities and Money Market Instruments of any single issuer if:

(i) upon such purchase more than 10% of its assets would consist of Transferable Securities or Money Market Instruments of one single issuer; or

(ii) the total value of all Transferable Securities and Money Market Instruments of issuers in each of which it invests more than 5% of its assets would 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) A Sub-Fund may invest on a cumulative basis up to 20% of its assets in Transferable Securities and Money Market Instruments issued by the same Group of Companies.

(3) The limit of 10% set forth above under (1)(i) is increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any Other State or by a public international body of which one or more Member State(s) are member(s).

(4) The limit of 10% set forth above under (1)(i) is increased up to 25% in respect of qualifying debt securities issued by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public supervision in order to protect the holders of such qualifying debt securities. For the purposes hereof, "qualifying debt securities" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through to the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its assets in qualifying debt securities issued by such an issuer, the total value of such investments may not exceed 80% of the assets of such Sub-Fund.

(5) The securities specified above under (3) and (4) are not to be included for purposes of computing the ceiling of 40% set forth above under (1)(ii).

(6) **Notwithstanding the ceilings set forth above, each Sub-Fund is authorized to invest, in accordance with the principle of risk spreading, up to 100% of its assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any other member state of the OECD such as the United States or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues and (ii) the securities from any such issue do not account for more than 30% of the total assets of such Sub-Fund.**

(7) Without prejudice to the limits set forth hereunder under (15) and (16), the limits set forth in (1) are raised to a maximum of 20% for investments in stocks and/or debt securities issued by the same body when the aim of the Sub-Fund's investment policy is to replicate the composition of a certain stock or debt securities index which is recognized by the CSSF, on the following basis:

- the composition of the index is sufficiently diversified,
- the index represents an adequate benchmark for the market to which it refers,
- it is published in an appropriate manner.

The limit of 20% 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.

Bank Deposits

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

Derivative Instruments

(9) The risk exposure to counterparty in an OTC derivative transaction may not exceed 10% of the Sub-Fund's assets when the counterparty is a credit institution referred to in A. (6) above or 5% of its assets in other cases.

(10) Investment in financial derivative instruments shall only be made, and within the limits set forth in (2), (5) and (14), provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in (1) to (5), (8), (9), (13) and (14). When the Sub-Fund invests in index-based financial derivative instruments, these investments do not necessarily have to be combined to the limits set forth in (1) to (5), (8), (9), (13) and (14).

(11) When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of C. (10) and D. hereunder as well as with the risk exposure and information requirements laid down in the sales documents of the Fund.

Units of Open-Ended Fund(s)

(12) No Sub-Fund may invest more than 20% of its assets in the units of a single UCITS or other UCIs.

For the purpose of the application of this investment limit, each portfolio of a UCI with multiple portfolios within the meaning of Article 181 of the Law is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various portfolios vis-à-vis third parties is ensured. Investments made in units of UCIs, other than UCITS may not in aggregate exceed 30% of the assets of a Sub-Fund.
When a Sub-Fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in (1) to (5), (8), (9), (13) and (14).

When a Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation by the Investment Manager or by any other company with which the Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, the Investment Manager or other company may not charge subscription or redemption fees on account of the Sub-Fund's investment in the units of such other UCITS and/or UCIs.

A Sub-Fund that invests a substantial proportion of its assets in other UCITS and/or other UCIs shall disclose in the Prospectus the maximum level of the management fees that may be charged both to the Sub-Fund itself and to the other UCITS and/or other UCIs in which it intends to invest. In its annual financial report, the Fund shall indicate the maximum proportion of asset management fee charged both to the Sub-Fund itself and to the UCITS and/or other UCIs in which it invests.

Master Feeder Structures

Any Sub-Fund which acts as a Feeder Fund of a Master Fund shall invest at least 85% of its assets in shares/units of another UCITS or of a Sub-Fund of such UCITS, which shall neither itself be a feeder fund nor hold units/shares of a feeder fund. The Feeder may not invest more than 15% of its assets in one or more of the following:

a) ancillary liquid assets in accordance with Article 41, paragraph (2)of the Law;
b) financial derivative instruments, which may be used only for hedging purposes, in accordance with Article 41 (1) g) and Article 42 (2) and (3) of the Law;
c) movable and immovable property which is essential for the direct pursuit of the Fund's business.

When a Feeder Fund invests in the shares/units of a Master Fund which is managed, directly or by delegation by the same management company or by any other company with which such management company is linked by common management or control, or by a substantial direct or indirect holding, the management company or such any other company may not charge subscription or redemption fees on account of the Sub-Fund investment in the shares/units of the Master Fund.

To be eligible, any Master Fund must at all times (i) have at least one feeder UCITS among its shareholders, (ii) not itself become a feeder UCITS, and (iii) not hold shares or units of a feeder UCITS in accordance with Directive 2009/65/EC. The Sub-Fund's specifics in Part II of the Prospectus will contain information on investment objective and policy of the relevant Master Fund of the Feeder Funds of the Company.

Valuation Day for shares of the Feeder Funds will correspond to dealing days for shares of the relevant Master Fund. Similarly, the respective dealing cut-off times for the Feeder Funds and the relevant Master Fund are set so that valid subscription or redemption orders for Shares of the Feeder Fund placed before the cut-off time can then be reflected in the Feeder Fund's investment into the Master Fund. Accordingly, valuation points for the Feeder Funds and the relevant Master Fund must also be coordinated, as each Feeder Fund's investments into their respective Master Fund will be valued at the latest available net asset value per share as published by the Master Fund.

A number of documents and agreements must be in place to the effect of coordinating interactions between the Feeder Fund and the Master Fund, in accordance with the relevant provisions of the Directive 2009/65/EC:

a) The Feeder Fund and the Master Fund shall establish information sharing agreement describing, especially, the appropriate measures to mitigate conflicts of interest that may arise between them, the basis of investment and divestment by the Feeder Fund, standard dealing arrangements, events affecting dealing arrangements and standard arrangements for the audit report.

b) The Depositary and the depositary of each of the Master Fund must enter into an agreement in order to share information regarding the Master Fund if the Master Fund does not have the same depositary bank as the Feeder Fund. This agreement describes, especially, the documents and categories of information to be routinely shared between both depositaries or available upon request, the manner and timing of transmission, the coordination of involvement of each depositary in operational matters in view of their duties under their respective national law, the coordination of accounting year-end procedures, reportable breaches committed by the Master Fund, the procedure for ad hoc requests for assistance, and particular contingent events reportable on ad hoc basis.

c) The Auditor of the Company and the auditor of the Master Fund must enter into an Information Exchange Agreement in order to share information regarding the Master Fund if the Master Fund does not have the same approved statutory auditor or, as the case may be, the same independent auditor(s) as the Feeder Fund. This agreement describes, especially, the documents and categories of information to be routinely shared between auditors or available upon request, the manner and timing of transmission of information, the coordination of involvement of each auditor in accounting year-end procedures of the Feeder Fund and the Master Fund, reportable irregularities identified in the Master Fund and standard arrangements for ad hoc requests for assistance.

Each Feeder Fund is invested in specific shares of the Master Fund. The fees, charges and expenses of those specific shares of Master Fund associated with such investment are described in the Master Fund prospectus and details on the actual charges and expenses incurred at the level of the Master Fund are available on the website of the Management Company at www.lfpartners.lu. The maximum level of the management fees that may be charged both to the Feeder Fund and to the Master is disclosed in this Prospectus. The Feeder Fund indicates the maximum proportion of management fees charged both to the Master Fund itself and to the Master Fund in its annual report. The Master Fund shall not charge subscription or redemption fees for the investment of the Feeder into its shares/units or the disinvestment thereof.

Please refer to Part II of the Prospectus for additional information on fees and expenses payable by the Feeder Funds. The Key Information for Investors Documents issued for each Sub-Fund and Class of Shares also contain additional information on ongoing charges incurred by the Feeder Funds (aggregated with the charges incurred at the level of the Master Fund).

If and to the extent that voting rights attached to shares of the Master Fund will be exercised on behalf of the Feeder Fund, a summary description of the strategies followed in the exercise of such rights, as well as the actions taken on the basis of those strategies, will be made available to investors upon their specific request addressed to the Management Company.

It is intended that the performance of the various Classes of shares offered by the Feeder Fund will be similar to that of the corresponding classes of shares of the Master Fund. However, the performance of both funds will not be equal due, in particular, to costs and expenses incurred by the Feeder Fund and if the Reference Currency of the Feeder Fund differs from that of the Master Fund.

Combined limits

(13) Notwithstanding the individual limits laid down in (1), (8) and (9) above, a Sub-Fund, where this would lead to investing more than 20% of its assets in a single body shall not combine any of the following:

- investments in Transferable Securities or Money Market Instruments issued by that body,
- deposits made with that body, or
- exposures arising from OTC derivative transactions undertaken with that body.

(14) The limits set out in (1), (3), (4), (8), (9) and (13) above may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with (1), (3), (4), (8), (9) and (13) above may not exceed a total of 35% of the assets of each Sub-Fund.

Limitations on Control

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

(16) Neither any Sub-Fund nor the Fund as a whole may acquire (i) more than 10% of the outstanding non-voting shares of the same issuer; (ii) more than 10% of the outstanding debt securities of the same issuer; (iii) more than 10% of the Money Market Instruments of any single issuer; or (iv) more than 25% of the outstanding shares or units of the same UCITS and/or UCI.

The limits set forth in (ii) to (iv) may be disregarded at the time of acquisition if at that time the gross amount of debt securities or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The ceilings set forth above under (15) and (16) do not apply in respect of:

- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;
- Transferable Securities and Money Market Instruments issued or guaranteed by any Other State;
- Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s);
- shares in the capital of a company which is incorporated under or organized pursuant to the laws of an Other State provided that (i) such company invests its assets principally in securities issued by issuers of that State, (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investment policy the restrictions set forth under C., items (1) to (5), (8), (9) and (12) to (16); and
- shares in the capital of subsidiary companies which, exclusively on behalf of the Fund carry on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of Shares at the request of Shareholders.

D. In addition, the Fund shall comply in respect of its assets with the following investment restrictions per instrument:

Each Sub-Fund shall ensure that (i) its global risk exposure relating to financial derivative instruments does not exceed its total net asset value and (ii) it does not invest in financial derivative instruments more than 20% of its total net asset value as set out in the CSSF circular 07/308 or any successor thereof.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

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

(1) No Sub-Fund may acquire commodities or precious metals or certificates representative thereof. For the avoidance of doubt, transactions in foreign currencies, financial instruments, indices, or Transferable Securities as well as futures and forward contracts, options and swaps are not considered as commodities for the purposes of this restriction.

(2) No Sub-Fund may invest in real estate provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

(3) No Sub-Fund may issue warrants or other rights to subscribe for its Shares.

(4) A Sub-Fund may not grant loans or guarantees in favour of a third party, provided that such restriction shall not prevent each Sub-Fund from investing in non-fully paid-up Transferable Securities, Money Market Instruments or other financial instruments, as mentioned under A., items (5), (7) and (8).

(5) No Sub-Fund may enter into short sales of Transferable Securities, Money Market Instruments or other financial instruments as listed under A., items (5), (7) and (8).

F. Notwithstanding anything to the contrary herein contained:

(1) The ceilings set forth above may be disregarded by each Sub-Fund when exercising subscription rights attaching to Transferable Securities and Money Market Instruments in such Sub-Fund's portfolio.

(2) If such ceilings are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the interests of its Shareholders.

The Fund has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares of the Fund are offered or sold.

G. Global Risk Exposure and Risk Management

The Management Company must employ a risk-management process which enables it to monitor and measure at any time the risk of the positions in its portfolios and their contribution to the overall risk profile of its portfolios.

In relation to financial derivative instruments the Management Company must employ a process (or processes) for accurate and independent assessment of the value of OTC derivatives and the Fund shall ensure for each Sub-Fund that its global risk exposure relating to financial derivative instruments does not exceed the total net value of its portfolio.

The global risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

Each Sub-Fund may invest, according to its investment policy and within the limits laid down within "*Investment Restrictions*" and "*Special Investment and Hedging Techniques*", in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in "*Investment Restrictions*".

When a Sub-Fund invests in index-based financial derivative instruments, these investments do not necessarily have to be combined to the limits laid down in "*Investment Restrictions*" under C. item (1) to (5), (8), (9), (13) and (14).

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

Whenever risk management processes, adequate to perform the functions described above are employed on behalf of the Management Company by the Investment Manager and/or appointed Sub-Investment Manager(s) in managing the Sub-Fund(s), they are deemed to be employed by the Management Company.

IV. Use of Hedging Techniques

The Fund may employ techniques and instruments relating to Transferable Securities and other financial liquid assets for efficient portfolio management, investment, hedging or other risk management purposes. Each Sub-Fund is to be considered as a separate UCITS for the application of this section.

When these operations concern the use of derivative instruments, these conditions and limits shall conform to the provisions laid down in "*Investment Restrictions*".

The Sub-Fund may also enter into swaps (such as interest rates swaps or total return swaps).

A swap is a contract (typically with a bank or a brokerage firm) to exchange two streams of payments (for example, an exchange of floating rate payments for fixed payments). A Sub-Fund may enter into swap contracts under the following restrictions:

- each of these swap contracts shall be entered into with first class financial institutions that specialize in these types of transactions; and
- all such permitted swap transactions must be executed on the basis of industry accepted documentation/standardized documentation, such as the ISDA Master Agreement.

In particular, subject to the investment restrictions set forth above, the Sub-Funds may enter into total return swaps: total return swaps, are contracts in which one party receives interest payments on a reference asset plus any capital gains and losses over the payment period, while the other receives a specified fixed or floating cash flow unrelated to the credit worthiness of the reference asset, especially where the payments are based on the same notional amount. The reference asset may be any asset, index, or basket of assets.

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives as laid down under "*Investment Objective*" and "*Investment Policy*" of each Sub-Fund.

Furthermore, the Fund may also enter into securities lending and borrowing transactions provided that they comply with the following rules.

Securities Lending and Borrowing

The Fund may engage in securities lending transactions either directly or through a standardised lending system organised by a recognised clearing institution or by a financial institution specialising in this type of transaction and subject to prudential supervision rules which are considered by the CSSF as equivalent to those provided by EU law, in exchange for a securities lending fee. To limit the risk of loss to the Fund, the borrower must post in favour of the Fund collateral representing at any time, during the lifetime of the agreement, at least 90% of the total value of the securities loaned in favour of the Fund. The amount of collateral is valued daily to ensure that this level is maintained.

Collateral may consist of cash, or securities or instruments permissible under Luxembourg law or regulations, such as (i) liquid assets and/or (ii) sovereign OECD bonds, (iii) shares or units issued by specific money market UCIs, (iv) shares or units issued by UCITS investing in bonds issued or guaranteed by first class issuers offering an adequate liquidity, (v) shares or units issued by UCITS investing in shares listed or dealt on a stock exchange of a Member State of the OECD provided they are included in a main index, (vi) direct investment in bonds or shares with the characteristics mentioned in (iv) and (v). Cash collateral can be reinvested in liquid assets permissible under Luxembourg law or regulations, such as Money Market Instruments rated at least A1 or P1 (or its equivalent) or repurchase agreements with counterparties rated at least A1 or P1 (or its equivalent) or, if such counterparties are not rated, whose parent companies are rated at least A1 or P1 (or its equivalent).

The Fund may pay fees to third parties for services in arranging such loans, as such persons may or may not be affiliated with the Fund, or any investment manager as permitted by applicable securities and banking law.

The principal risk when lending securities is that the borrower might become insolvent or refuse to honour its obligations to return the securities. In this event, a Sub-Fund could experience delays in recovering its securities and may possibly incur a capital loss. A Sub-Fund may also incur a loss in reinvesting the cash collateral it receives. Such a loss may arise due to a decline in the value of the investment made with cash collateral received from a securities lending counterparty. A decline in the value of such investment of the cash collateral would reduce the amount of collateral available to be returned by the Sub-Fund to the securities lending counterparty at the conclusion of the securities lending contract. The Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.

Repurchase Agreements and Reverse Repurchase Agreements

The Fund may enter into repurchase agreement transactions which consist of the purchase and sale of securities with a clause reserving the seller the right or the obligation to repurchase from the acquirer the securities sold at a price and term specified by the two parties in their contractual arrangement.

The Fund can act either as purchaser or seller in repurchase agreement transactions or a series of continuing repurchase transactions. Its involvement in such transactions is, however, subject to the following rules:

(1) The Fund may not buy or sell securities using a repurchase agreement transaction unless the counterparty in such transactions is a first class financial institution specialising in this type of transaction subject to prudential supervision rules considered by the CSSF as equivalent to those provided by EU law.

(2) During the life of a repurchase agreement contract, the Fund cannot sell the securities which are the object of the contract, either before the right to repurchase these securities has been exercised by the counterparty, or the repurchase term has expired, except to the extent the Fund has other means of coverage.

(3) As the Fund is exposed to redemptions of its own Shares, it must take care to ensure that the level of its exposure to repurchase agreement transactions is such that it is able, at all times, to meet its redemption obligations.

Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques

The Fund may employ the techniques and instruments indicated in Chapter IV. "Use of Hedging Techniques" of the Prospectus related to Transferable Securities and money market instruments provided that such techniques or instruments are considered by the Board of Directors as economically appropriate to the efficient portfolio management of the Fund in accordance with the investment objectives of each Sub-fund, with respect to Article 9 of the Grand-Ducal decree of 8th February 2008, and in accordance with Circular CSSF 14/592.

Such techniques and instruments may be used by any Sub-Fund for the purpose of generating additional capital or income or for reducing costs or risk, to the extent permitted by and within the limits set forth in (i) article 11 of the Grand Ducal regulation of 8 February 2008 relating to certain definitions of the Luxembourg Law, (ii) CSSF Circular 08/356 relating to the rules applicable to undertakings for collective investments when they use certain techniques and instruments relating to transferable securities and money market instruments ("**CSSF Circular 08/356**"), (iii) CSSF Circular 14/592 relating to the rules applicable to undertakings for collective investments when they use efficient portfolio management techniques and instruments ("**CSSF Circular 14/592**") and (iv) any other applicable laws and regulations.

The Sub-Funds will get the revenue generated from such techniques and instruments deducted with the direct and indirect operational costs. Detailed information on the costs and the related entities can be found in the annual report of the Company.

In respect of techniques and instruments, the Sub-funds will obtain from its counterparty collateral of a type and market value sufficient to satisfy the requirements of CSSF Circular 08/356 and CSSF Circular 14/592.

Where the Fund enters into OTC financial derivative transactions and efficient portfolio management techniques, all collateral used to reduce counterparty risk exposure should comply with the following criteria at all times:

a) Liquidity – any collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Article 56 of the UCITS Directive.

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

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

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

e) Collateral diversification (asset concentration) – collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When the Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, the Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. The Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Fund' net asset value.

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

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

h) Collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

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

j) Cash collateral received should only be:

- placed on deposit with entities prescribed in Article 50(f) of the UCITS Directive;
- invested in high-quality government bonds;
- used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on accrued basis;
- invested in short-term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds.

To the extent required by CSSF Circular 08/356 and CSSF Circular 14/592, reinvestments of such cash collateral must be taken into account for the calculation of the Sub-Fund's global exposure, and re-invested cash collateral must comply with diversification requirements established for non-cash collateral.

The Management Company will only accept cash deposit in the currency of the Sub-Fund as collateral. The cash amount received as collateral will always be deposited at the Custodian Bank of the Sub-Fund. The Management Company will not authorize the use of other asset classes as collateral.

Use of the aforesaid techniques and instruments involves certain risks and there can be no assurance that the objective sought to be obtained from such use will be achieved (for more information on risks, see "Chapter 5 "Principal Risks" of this Prospectus).

V. Principal Risks

Each separate security, in which a Sub-Fund may invest and the investment techniques, which a Sub-Fund may employ are subject to various risks. The following describes some of the general risk factors that should be considered before investing in a particular Sub-Fund. The following list is neither specific nor exhaustive and a financial adviser or other appropriate professional should be consulted for additional advice.

Market Risk

All securities investments involve a risk of loss of capital. An investment in the Sub-Fund(s) involves a high degree of risk; including the risk that the entire amount invested may be lost. The investment program of the Sub-Fund(s) may at times entail limited portfolio diversification, which practice can, in certain circumstances, substantially increase the impact of adverse price movements in respect of such instruments on the relevant Sub-Fund's investment portfolio. In addition, the Sub-Fund(s) are subject to the risk of broad market movements that may affect adversely the Sub-Fund(s)' results. No guarantee or representation can be made as to the future success of the investment program of the Sub-Fund(s), or that the Sub-Fund(s)' investment program will have a significant correlation with any market or index.

Investments in Emerging Markets

Political and economic structures in countries with emerging economies or stock markets may be undergoing significant evolution and rapid development, and such countries may lack the social, political and economic stability characteristics of more developed countries including a significant risk of currency value fluctuation. Such instability may result from, among other things, authoritarian governments, or military involvement in political and economic decision-making, including changes or attempted changes in governments through extra-constitutional means; popular unrest associated with demands for improved political, economic or social conditions; internal insurgencies; hostile relations with neighbouring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognise private property rights and have at times nationalised or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalisation or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of a Sub-Fund's investments in those countries and the availability to the Sub-Fund of additional investments in those countries.

The small size and inexperience of the securities markets in certain countries and the limited volume of trading in securities may make a Sub-Fund's investments illiquid and more volatile than investments in more established markets, and a Sub-Fund may be required to establish special custodial or other arrangements before making certain investments. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of an investment.

In addition, the settlement systems may be less developed than in more established markets, which could impede a Sub-Fund's ability to effect portfolio transactions and may result in the Sub-Fund investments being settled through a more limited range of counterparties with an accompanying enhanced credit risk. Moreover, the payment of redemptions proceeds in Sub-Funds that invest in emerging markets may be delayed. Certain countries may also operate margining or pre-payment systems whereby margin or the entire settlement proceeds for a transaction need to be posted prior to the settlement date which can give rise to credit and operational risks as well as potentially borrowing costs for the Fund.

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

Small Market Capitalization Companies

The risks relating to the Sub-Fund(s)' investment in the securities of small market capitalization companies include without limitation: (a) the tendency of the securities of such companies to be less liquid, and subject to more abrupt or erratic market movements, than securities of larger, more established companies, because such companies' securities typically are traded in lower volume and with less frequency; (b) the tendency of such companies to be more subject to changes in earnings and prospects than larger, more established companies; (c) the tendency of such companies to be more dependent on limited financial resources, to have more limited product lines and markets, and to have smaller numbers of individuals in such companies management than larger, more established companies; (d) the relatively strong tendency of such companies to be involved in actual or anticipated reorganizations or restructurings which may, among other risks, present difficulty in obtaining information as to the financial condition of such companies; (e) the greater susceptibility of such companies to poor economic or market conditions and to changes in interest rates and borrowing costs; and (f) the relative infrequency with which such companies pay significant dividends.

Mid-Sized Companies

Investments in mid-sized companies may involve greater risks than investments in larger companies, including fewer managerial and financial resources. In addition, stocks of mid-sized companies can be more volatile than stocks of larger issuers. At the same time, mid-sized companies may not be as nimble as smaller companies in responding to competitive challenges.

Risk of debt securities

Debt securities are subject to the risk of an issuer's inability to meet principal and interest payments on the obligation (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). Unless specifically described below under "Investment Objectives and Policies", no minimum rating is required for the debt obligations acquired by the Sub-Funds. In respect of structured products, they may also be more volatile, less liquid and more difficult to accurately price than less complex securities. The timing of purchase and sale transactions in debt obligations may result in capital appreciation or depreciation because the value of debt obligations generally varies inversely with prevailing interest rates.

Market Volatility

Market volatility reflects the degree of instability and expected instability of the performance of the Shares or the Sub-Funds Assets. The level of market volatility is not purely a measurement of the actual volatility but is largely determined by the prices for instruments that offer investors protection against such market volatility.

The prices of these instruments are determined by forces of supply and demand in the options and derivatives markets generally. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macro-economic factors and speculation.

Listing Procedure

The Company may apply for the listing of certain Classes of the Shares on the Luxembourg Stock Exchange and/or any other stock exchange as determined by the Directors. There can be no certainty, however, that a listing on such stock exchanges will be achieved.

Liquidity and Secondary Trading

Even where the Shares are listed on one or more stock exchanges, there can be no certainty that there will be liquidity in the Shares on one or more of the stock exchanges or that the market price at which the Shares may be traded on a stock exchange will be the same as the Net Asset Value per Share. There can be no guarantee that once the Shares are listed on a stock exchange they will remain listed or that the conditions of listing will not change.

Trading in Shares on a stock exchange may be halted due to market conditions or, because in the stock exchange’s view, trading the Shares is inadvisable. In addition, trading in the Shares may be subject to a halt in trading caused by extraordinary market volatility pursuant to the stock exchange's rules. If trading on a stock exchange is halted, investors in Shares may not be able to sell their Shares until trading resumes. Although, where applicable, the Shares are listed on a stock exchange, it may be that the principal market for some Shares may be in the over-the-counter market. The existence of a liquid trading market for the Shares may in such case depend on whether broker-dealers will make a market in such Shares.

Although as a condition precedent to listing on certain stock exchanges one or more market makers, being financial institutions, might be appointed to offer prices for the Shares, there can be no assurance that a market will continually be made for any of the Shares or that such market will be or remain liquid. The price at which Shares may be sold will be adversely affected if trading markets for the Shares are limited or absent.

Use of Derivatives and other Investment Techniques

The Sub-Fund(s) may employ techniques and instruments relating to Transferable Securities and other financial liquid assets for efficient portfolio management (i.e. to increase or decrease their exposure to changing security prices, interest rates, currency exchange rates, commodity prices or other factors that affect security values) and hedging purposes. These techniques may include the use of forward currency exchange contracts, contracts for differences, futures and option contracts, swaps and other investment techniques.

Participation in the futures and option markets, in currency exchange or swap transactions involves investment risks and transactions costs to which the Sub-Fund(s) would not be subject in the absence of the use of these strategies.

As contracts for differences are directly linked to the value of the underlying assets they will fluctuate depending on the market of the assets represented in the contracts for differences.

The Fund may use these techniques to adjust the risk and return characteristics of a Sub-Fund’s investments. If the Investment Manager or the relevant Sub-Investment Manager(s) judges market conditions incorrectly or employs a strategy that does not correlate well with a Sub-Fund’s investments, these techniques could result in a loss, regardless of whether the intent was to reduce risk or increase return.

These techniques may increase the volatility of a Sub-Fund and may involve a small investment of cash relative to the magnitude of the risk assumed. In addition, these techniques could result in a loss if the counterparty of the transaction does not perform as promised. Sub-Fund(s) engaging in swap transactions are also exposed to a potential counterparty risk. In the case of insolvency or default of the swap counterparty, the Sub-Fund involved could suffer a loss.

There can be no assurance that the Investment Manager or the relevant Sub-Investment Manager(s) will be able to successfully hedge the Sub-Fund(s) or that the Sub-Fund(s) will achieve their investment objectives.

Absence or Lack of Diversification

Although some of the Sub-Fund(s) will write call options and purchase put options in order to hedge certain of their equity securities positions, the Sub-Fund(s)' portfolios will only consist of equity securities positions that are net long, and such positions will be comprised of a subset of the aggregate long equity positions. Furthermore, there is no requirement that the Sub-Fund(s) will be diversified with respect to industry or geography. Accordingly, the relevant Sub-Fund(s)' portfolios may be subject to greater volatility and risk of loss than is the case with respect to a more widely diversified portfolio.

Limited Hedging

Some Sub-Fund(s) will engage in limited hedging activities, since the Sub-Fund(s) may only employ limited hedging techniques (write call options, purchase put options, futures contracts or other derivatives). The Sub-Fund(s) may not maintain such hedged positions if doing so would create a net short position with respect to such security, and the Sub-Fund(s) may not engage otherwise in short-selling strategies at any time. As a general matter, these limitations on the Sub-Fund(s)' ability to enter into hedging transactions may prevent the Sub-Fund(s) from minimizing potential losses in ways available to traditional hedge funds, particularly in a market environment in which the value of equities is generally declining.

Use of Options

Some Sub-Fund(s) will enter into certain types of options transactions, such as purchasing call options and put options and writing call options in respect of equity securities concurrently held by the Sub-Fund(s). The market for options is highly volatile. Hence, the risks involved in options investing may be substantial. If the Sub-Fund(s) buy a call or put option, they may lose the entire premium paid for such option, unless it becomes profitable to exercise such option before its expiration date. If the Sub-Fund(s) sell a call option, the market price of the underlying security may rise above the exercise price causing the Sub-Fund(s) to lose the opportunity for gain on the underlying security (assuming the security was purchased for less than the exercise price).

Large Capitalization Companies:

Sub-Fund(s) investing in large capitalization companies may under-perform certain other stock funds (those emphasizing small company stocks, for example) during periods when large company stocks are generally out of favour. Also larger, more established companies are generally not nimble and may be unable to respond quickly to competitive challenges, such as changes in technology and consumer tastes, which may cause the Sub-Fund(s)' performance to suffer.

Increased Cost of Frequent Trading

Frequent purchases and sales may be required to implement some Sub-Fund(s) investment program. More frequent purchases and sales will increase the commission costs and certain other expenses involved in such Sub-Fund(s) operations. These costs are borne by the Sub-Fund(s) regardless the profitability of the Sub-Fund(s) investment and trading activities.

Clearing and Settlement

Transactions entered into by some Sub-Fund(s) may be executed on various U.S. and non-U.S. exchanges (although it is expected that a significant majority of its transactions will be executed in the United States), and may be cleared and settled through various clearinghouses, custodians, depositories, brokers, and dealers throughout the world. Although the Sub-Fund(s) will attempt to execute, clear, and settle transactions through entities that the relevant Sub-Investment Manager(s) believes to be sound, there can be no assurance that a failure by any such entity will not lead to a loss to the relevant Sub-Fund.

Conflicts of Interest

General

The Investment Manager and the relevant Sub-Investment Manager(s) may act as investment advisors to various funds and accounts some of which employ investment strategies that overlap, to some degree, with those of the Sub-Fund(s). Neither the investment management agreement nor the relevant sub-investment management agreements impose any specific obligations or requirements concerning the allocation of investment opportunities, time, or effort to the Sub-Fund(s) or any restrictions on the nature or timing of investments for the account of the Sub-Fund(s) and for the Investment Manager and relevant Sub-Investment Manager(s)' own account or for other accounts which the Investment Manager and relevant Sub-Investment Manager(s) or their affiliates may manage (other than restrictions and requirements discussed herein). Accordingly, the Investment Manager and relevant Sub-Investment Manager(s) are not obligated to devote any specific amount of time to the affairs of the relevant Sub-Fund and are not required to accord exclusivity or priority to such Sub-Fund in the event of limited investment opportunities, provided that the Investment Manager and Sub-Investment Manager(s) will act in a manner that they consider fair and reasonable in allocating investment opportunities. From time to time, the principals of the Investment Manager and relevant Sub-Investment Manager(s) may serve on the boards of directors or other governing bodies of companies whose securities are, or may be, traded by the Sub-Fund(s) or by the proprietary accounts of the Investment Manager and Sub-Investment Manager(s), their principals or affiliates or other accounts that they control. In addition, some Sub-Fund(s) or such proprietary accounts may trade the securities of affiliates, investors, customers, suppliers, service providers, or lenders of, or joint ventures with, such portfolio companies. In serving as directors or other governing members of such portfolio companies, such individuals will have a fiduciary duty to such companies and will be required to act in the best interests of such companies, and such individuals and accounts that they control will be restricted at certain times from trading the securities of such companies. None of the foregoing activities should interfere substantially with the commitment of time necessary for the Investment Manager and relevant Sub-Investment Manager(s) or their principals to perform their responsibilities to the relevant Sub-Fund.

The Management Company

The Management Company shall established appropriate rules of conduct to avoid conflicts of interest and to ensure that the Fund is fairly treated when they cannot be avoided; there is no assurance that a conflict of interest between the Management Company and Fund will not arise. In this instance, the Management Company will seek to manage any conflict arising as a result thereof bearing in mind its obligations to both the Fund and the investors.

Personal Trading

Subject to internal compliance policies and approval procedures, as well as applicable laws and regulations, members, officers and employees of the Investment Manager may engage, from time to time, in personal trading of securities and other instruments, including securities and instruments in which the Fund may invest.

Directors

The Directors may provide services to other investment programs and have similar conflicts of interest. In addition, subject to applicable law, any of the service providers (including the Directors) may deal, as principal or agent, with the Fund, provided that such dealings are on normal commercial terms negotiated on an arm's length basis. It should also be noted that some of the Directors are also members or employees of the Investment Manager or its affiliates. The Directors shall nevertheless act independently and in the best interest of investors.

Other Accounts of Sub-Investment Manager(s) or Investment Advisor(s)

Sub-Investment Manager(s) or Investment Advisor(s) also manage other accounts besides the Sub-Fund(s) (including other accounts in which the Sub-Investment Manager(s)or Investment Advisor(s) may have an interest) and may have financial and other incentives to favour such accounts over the Sub-Fund. When investing on behalf of other accounts, as well as the Sub-Fund, Sub-Investment Manager(s) or Investment Advisor(s) must allocate their resources, as well as limited market opportunities. Doing so may not only increase the level of competition for trades the Sub-Fund might otherwise make, including the priorities of order entry, but also may make it difficult or impossible to take or liquidate a particular position at a price indicated by a Sub-Investment Manager(s)' or Investment Advisors' strategy.

Sub-Investment Manager(s) or Investment Advisor(s) and their principals, in managing accounts other than those of the Sub-Fund, may employ trading methods, policies and strategies which differ from those of the Sub-Fund. Therefore, the results of the Sub-Fund's trading may differ from those of the other accounts traded by the Sub-Investment Manager(s) or Investment Advisor(s).

A Sub-Investment Manager(s) or Investment Advisor(s) may purchase and sell positions for the account of a Sub-Fund in proportion to all of the investment portfolios managed by the Sub-Investment Manager(s) or Investment Advisor(s) and allocate positions bought or sold for the account of the Sub-Fund in such quantities they deem fair and equitable in aggregate and/or pursuant to systematic allocation. Accordingly there may be instances when Sub-Investment Manager(s) or Investment Advisor(s) do not purchase positions for the account of the Sub-Fund even though they may be extremely optimistic about the prospects of an issuer or instances where positions of the Sub-Fund are sold even though the Sub-Investment Manager(s or Investment Advisors' assessment of the position has not changed.

Capital Erosion Risk

Investors should note that as Management Fees, inter alia, may be charged to the capital as well as to the income of the Sub-Fund(s), upon redemption of Shares investors may not receive back the full amount of their original investment. Investors should also note that the Net Asset Value calculation takes account of both realised and unrealised capital gains and losses.

Foreign Exchange/Currency Risk

Although Shares of the different Classes within the relevant Sub-Fund may be denominated in USD or EUR (or any other currency as may be determined by the Board of Directors from time to time), the Sub-Fund(s) may invest the assets related to a Class of Shares in securities denominated in a wide range of other currencies. The Net Asset Value of the relevant Class of Shares of the relevant Sub-Fund as expressed in the Pricing Currency will consequently fluctuate in accordance with the changes in foreign exchange rate between the Pricing Currency and the currencies in which the Sub-Fund(s)' investments are denominated.

The Sub-Fund may therefore be exposed to a foreign exchange/currency risk. It may be not be possible or practicable to hedge against the consequent foreign exchange/currency risk exposure.
Each Sub-Investment Manager may enter into currency transactions within the limits described under "*Investment restrictions*" above at his sole discretion.

Risk of Temporary Illiquidity

In order to reduce volatility or regulate operations, certain markets limit price movements by introducing daily fluctuation limits. The prices may not, throughout a single trading session, fluctuate beyond limits set on the basis of the closing prices on the preceding day and no transaction may be passed beyond these limits. Such limits may consequently prevent the Sub-Fund(s) from liquidating rapidly unfavourable positions.

It can also occur that the Sub-Fund(s) may not obtain prices to their satisfaction when the volume dealt on the market is insufficient regarding the positions to be liquidated. It is, moreover, possible that a stock exchange suspends transactions on a certain market.

Changes in Applicable Law

The Sub-Fund(s) must comply with various legal requirements, including securities laws and tax laws as imposed by the jurisdictions under which they operate. Should any of those laws change over the life of the Sub-Fund(s), the legal requirement to which the Sub-Fund(s) and its Shareholders may be subject could differ materially from current requirements.

Long Equity Exposure

Some of the Sub-Fund(s)' strategy may involve long, unhedged or only partially hedged investments in, and exposure to, equities. Such investments may decline in value in the event of general equity market declines.

Futures Trading

The ability to use futures may be limited by market conditions, regulatory limits and tax considerations. The use of futures involves certain special risks, including (i) dependence on the Investment Manager or Sub-Investment Manager(s)' ability to predict movements in the price of interest rates, securities and currency markets; (ii) imperfect correlation between movements in the securities or currency on which a futures contract is based and movements in the securities or currencies; (iii) the absence of liquid market for any particular instrument at any particular time.

Investment in Warrants

Warrants confer on the investor the right to subscribe a fixed number of ordinary shares in the relevant company at a pre-determined price for a fixed period.

The cost of this right will be substantially less than the cost of the share itself. Consequently the price movements in the share will be multiplied in the price movements of the warrant. This multiplier is the leverage or gearing factor; the higher the leverage the more attractive the warrant. One may make comparisons or relative worth among warrants considering the premium paid for such rights and the amount of leverage imbedded in the warrants. The levels of the premium and gearing can increase or decrease with investor sentiment. Warrants are therefore more volatile and speculative than ordinary shares. Investors should be warned that prices of warrants are extremely volatile and that furthermore, it may not always be possible to dispose of them.

Counterparty risk

Cash held by counterparty in terms of an agreement may not be treated as client money subject to the protection conferred by the local rules and accordingly may not be segregated; it could be used by the counterparty in the course of its investment business and the relevant Sub-Fund may therefore rank as an unsecured creditor in relation thereto.

A Sub-Fund may also be exposed to a credit risk on the counterparties with which it trades in relation to non-exchange traded futures, options, contracts for differences and swaps. Non-exchange traded futures, options, contracts for differences and swaps are agreements specifically tailored to the needs of an individual investor that enable the user to structure precisely the date, market level and amount of a given position. Non-exchange traded futures, options, contracts for differences and swaps are not afforded the same protections as may apply to participants trading futures, options, contracts for differences or swaps on organized exchanges, such as the performance guarantee of an exchange clearing house. The counterparty for these agreements will be the specific company or firm involved in the transaction, rather than a recognized exchange and accordingly the insolvency, bankruptcy or default of a counterparty with which the Sub-Fund trades such options or contracts for differences could result in substantial losses to the Sub-Fund.

Finally, a Sub-Fund may also be exposed to a credit risk on counterparties with whom it trades securities, and may bear the risk of settlement default.

Performance Fee

The Management Company will receive a Performance Fee from the Fund, based upon the appreciation, if any, in the net assets of the Fund. The Management Company may share the Performance Fee with the Investment Manager or Investment Advisor. The payment of an Performance Fee may result in (i) making substantially higher payments to the Management Company than traditional compensation arrangements, and (ii) creating an incentive to make investments that are more speculative than they would be in the absence of such arrangement, even if the interests of the Fund, its shareholders and the Management Company are similar and aligned in terms of pursuit of profitable investments for the Fund. In addition, because the Performance Fee is calculated on a basis which includes unrealised appreciation, it may be greater than if such compensation were based solely on realised gains.

Investments relating to Contingent Convertible Bonds (“Coco bonds” or “Cocos”)

Such types of convertible bonds, also known as CoCo bonds, Cocos or contingent convertible notes, are slightly different to regular convertible bonds in that the likelihood of the bonds converting to equity is "contingent" on a specified event (the "**trigger**"), such as the stock price of the company exceeding a particular level for a certain period of time. They carry a distinct accounting advantage as unlike other kinds of convertible bonds, they do not have to be included in a company's diluted earnings per share until the bonds are eligible for conversion.

It is also a form of capital that regulators hope could help buttress a bank’s finances in times of stress. CoCos are different to existing hybrids because they are designed to convert into shares if the pre-set trigger is breached in order to provide a shock boost to capital levels and reassure investors more generally. Hybrids, including CoCos, contain features of both debt and equity. They are intended to act as a cushion between senior bondholders and shareholders, who will suffer first if capital is lost. The bonds usually allow a bank to either hold on to the capital past the first repayment date, or to skip paying interest coupons on the notes.

Investors should fully understand and consider the risks of CoCos and correctly factor those risks into their valuation. One inherent risk is related to the trigger levels. Such levels determine the exposure to the conversion risk, depending on the distance to the trigger level. The trigger could be activated either through a material loss in capital as represented in the numerator or an increase in risk weighted assets as measured in the denominator. As a result, the bond can be converted into equity at an unfavourable moment.

Furthermore, there is the risk of coupon cancellation. While all CoCos are subject to conversion or write down when the issuing bank reaches the trigger level, for some CoCos there is an additional source of risk for the investor in the form of coupon cancellation in a going concern situation. Coupon payments on such type of instruments are entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time. The cancellation of coupon payments on such CoCos does not amount to an event of default. Cancelled payments do not accumulate and are instead written off. This significantly increases uncertainty in the valuation of such instruments and may lead to mispricing of risk. Such CoCo holders may see their coupons cancelled while the issuer continues to pay dividends on its common equity and variable compensation to its workforce.

Contrary to classic capital hierarchy, CoCo investors may also suffer a loss of capital when equity holders do not. In certain scenarios, holders of CoCos will suffer losses ahead of equity holders, e.g., when a high trigger principal write-down CoCo is activated. This cuts against the normal order of capital structure hierarchy, where equity holders are expected to suffer the first loss. This is less likely with a low trigger CoCo, when equity holders will already have suffered loss. Moreover, high trigger CoCos may suffer losses not at the point of gone concern, but conceivably in advance of lower trigger CoCos and equity. Some CoCos are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority. It cannot be assumed that the perpetual CoCos will be called on call date. Such CoCos are a form of permanent capital. In these cases, the investor may not receive return of principal if expected on call date or indeed at any date.

In addition, there might arise risks due to “unknown factors”. In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform. In the event a single issuer activates a trigger or suspends coupons, it is unclear whether the market will view the issue as an idiosyncratic event or systemic. In the latter case, potential price contagion and volatility to the entire asset class is possible. This risk may in turn be reinforced depending on the level of underlying instrument arbitrage. Furthermore, in an illiquid market, price formation may be increasingly stressed.

Finally, investors have been drawn to the instrument as a result of the CoCos’ often attractive yield which may be viewed as a complexity premium. Yield has been a primary reason this asset class has attracted strong demand, yet it remains unclear whether investors have fully considered the underlying risks. Relative to more highly rated debt issues of the same issuer or similarly rated debt issues of other issuers, CoCos tend to compare favourably from a yield standpoint. The concern is whether investors have fully considered the risk of conversion or coupon cancellation.

Risks of Investing in a Master Fund

Any Feeder Fund will also be subject to specific risks associated with its investment into the Master Fund as well as specific risks incurred at the level of the Master Fund and its investments. If the Master Fund invests in a particular asset category, investment strategy or financial or economic market, the Feeder Fund will then become more susceptible to fluctuations in value resulting from adverse economic conditions affecting the performance of that particular asset category, investment strategy or financial or economic market.

Therefore, before investing in Shares, prospective investors should carefully read the description of the risk factors relating to an investment in the Master Fund, as disclosed in the prospectus of the Master Fund which is available free of charge from the Management Company as well as on the website of the Management Company at www.lfpartners.lu.

In addition to the above risk factors, prospective investors in Shares of a Feeder Sub-Fund should consider the following risks associated with the Feeder Fund's investment in the Master Fund.

Liquidity and Valuation Risk

When a Sub Fund is a Feeder Fund, it is intended that the Feeder Fund will invest substantially all of its assets in the Master Fund save for a residual cash amount which may be required from time to time for dealing liquidity purposes and payment of costs and expenses of the Feeder Fund.

The Net Asset Value of the Feeder Fund will mainly depend on the net asset value of the Master Fund.

Consequently, the Net Asset Value per Share may be determined only after the net asset value of the Master Fund has been determined, and the number of Shares to be issued to, exchanged or redeemed from, an investor in the Feeder Fund may not be determined until the net asset value per share of the Master Fund is determined. The determination of the Net Asset Value per Share may be suspended upon a suspension of the calculation of the net asset value per share of the Master Fund or any other suspension or deferral of the issue, redemption and/or exchange of shares in the Master Fund, in accordance with the provisions under the section "Net Asset Value" below.

The rules applied to calculate the Net Asset Value per Share, as described under the *section "Determination of the Net Asset Value*" below, presume the Feeder Fund's ability to value its investment in the Master Fund. In valuing such investment holdings, the Feeder Fund may rely on financial information provided by the Management Company and the administrator of the Master Fund. Independent valuation sources such as exchange listing may not be available for the Master Fund.

Operational and Legal Risks

The main operational and legal risks associated with any Feeder Fund's investment in the Master Fund include, without being limited to, the Feeder Fund's access to information on the Master Fund, coordination of dealing arrangements between the Feeder Fund and the Master Fund, the occurrence of events affecting such dealing arrangements, the communication of documents from and to the Master Fund to and from the Feeder Fund, the coordination of the involvement of the respective depositary and auditor of the Feeder Fund and the Master Fund and the identification and reporting of investment breaches and irregularities by the Master Fund.

Such operational and legal risks will be mitigated and managed by the Management Company, the Depositary and the Auditor, as applicable, in coordination with the depositary, the administrator and the auditor of the Master Fund. A number of documents and/or agreements are in place to that effect, including (1) internal conduct of business rules established by the Management Company, (2) an information sharing agreement between the Depositary and the depositary of the Master Fund, and (3) an information exchange agreement between the Independent Auditor and the auditor(s) of the Master Fund.

Currency Risk

The Reference Currency of the Feeder Fund and the Master Fund may differ and the underlying investments of the Master Fund are denominated in a variety of currencies. Generally, the Management Company will not seek to hedge out currency exposure at Feeder Fund’s level (unless specified otherwise in the Sub Fund addendum). Equally, the Management Company will not seek to hedge out any currency exposure at the Master Fund’s level. Consequently, the performance of the Feeder Fund may be strongly influenced by movements in foreign exchange rates because the Reference Currency of the Feeder Fund will not correspond to that of the Master Fund and may not correspond to the currency of the securities positions held in the Master Fund.

Concentration Risk and Market risk

Given the feeder nature of the Feeder Fund it will naturally be concentrated in the Master Fund. Therefore, concentration risks and market risks will mainly occur at the level of the Master Fund. In this respect, investors should carefully read the risks associated with an investment in the Master Fund, as described in the prospectus of the Master Fund.

Investment Management Risk

The investment performance of the Feeder Fund is substantially dependent on the investment performance of the Master Fund and, therefore, on the services provided by certain individuals to the Master Fund. In the event of the death, incapacity, departure, insolvency or withdrawal of these individuals, the performance of the Master Fund and, consequently, the Feeder Fund, may be adversely affected.

VI. Luxembourg Anti-Money Laundering Regulations

In an effort to deter money laundering, the Fund, the Investment Manager, any distributor and the Registrar and Transfer Agent must comply with all applicable laws and regulations regarding the prevention of money laundering. In particular, the Registrar and Transfer Agent must comply with Luxembourg law dated 12 November 2004 as amended from time to time against money laundering and terrorism financing. To that end, the Fund, the Investment Manager, any distributor and the Registrar and Transfer Agent may request information necessary to establish the identity of a potential investor and the origin of subscription proceeds. Failure to provide documentation may result in a delay or rejection by the Fund of any subscription or exchange or a delay in pay out of redemption of Shares by such investor.

VII. Subscription, Transfer, Conversion and Redemption of Shares

Share Characteristics

A. Available Classes

Each Sub-Fund issues Shares in several separate Classes of Shares, as set out in each Sub-Fund's Factsheets under Part II below as well as under "Introduction". Such Classes of Shares may differ with respect to the type of investors for which they are designed, their Pricing Currency and as the case may be with respect to their fee structure.

B. Shareholder Rights

All Shareholders have the same rights, regardless of the Class of Shares held. Each Share is entitled to one vote at any general meeting of Shareholders. There are no preferential or pre-emptive rights attributable to the Shares.

C. Reference Currency/Reference Currency/Pricing Currency

The Reference Currency of the Fund is the U.S. Dollar. The Reference Currency of each Sub-Fund and the Pricing Currency of each Class of Shares are as set out in each Sub-Fund Factsheet under Part II of the Prospectus.

D. Dividend Policy

The Fund may issue distributing Share Classes and capitalization Share Classes within each Sub-Fund, as set out in each Sub-Fund Factsheet under Part II of the Prospectus.

Capitalization Share Classes capitalize their entire earnings whereas distributing Share Classes pay dividends.

For Shares of Classes entitled to distribution, dividends, if any, will be declared and distributed on an annual basis. Moreover, interim dividends may be declared and distributed from time to time at a frequency decided by the Board of Directors of the Fund in compliance with the conditions set forth by law.

The general meeting of Shareholders of the Class or Classes of Shares issued in respect of any Sub-Fund, upon proposal of the Board of Directors of the Fund, shall determine how the income of the relevant Classes of Shares of the relevant Sub-Fund(s) shall be disposed of and the Fund may declare from time to time, at such time and in relation to such periods as the Board of Directors of the Fund may determine, distributions in the form of cash or Fund's Shares for the Class of Shares entitled to distribution.

Should the Shareholders decide the distribution of a cash dividend, all distributions will be paid out of the net investment income available for distribution. For certain Classes of Shares, the Board of Directors of the Fund may decide from time to time to distribute net realised capital gains.

Should the Shareholders decide the distribution of a Fund's Shares dividend, dividends will be reinvested in further Shares within the same Class of the same Sub-Fund, and investors will be advised of the details by dividends' statements. No Subscription Fees, as defined below, will be imposed on reinvestments of dividends or other distributions.

However, in any event, no distribution may be made if, as a result, the Total Net Asset Value of the Fund would fall below the equivalent in U.S. Dollar of EUR 1,250,000.-.

Dividends not claimed within five years of their due date will lapse and revert to the relevant Shares of the relevant Class in the relevant Sub-Fund.

No interest shall be paid on a distribution declared by the Fund and kept by it at the disposal of its beneficiary.

E. Listed Classes

The Classes of Shares of a Sub-Fund that are listed on the Luxembourg Stock Exchange are indicated as such in each Sub-Fund Factsheet under Part II of the Prospectus. The Board of Directors of the Fund may, in its sole discretion, elect to list any Classes of Shares on any stock exchange.

F. Fractional Shares

The Sub-Fund issues whole and fractional Shares up to one-thousandth of a Share. Fractional entitlements to Shares do not carry voting rights but do grant rights of participation on a pro-rated basis in net results and liquidation proceeds attributable to the relevant Sub-Fund.

G. Share Registration and Certificates

All Shares are issued in registered un-certificated form, unless a Share certificate is formally requested by the Shareholder, the cost of such Share certificate being borne by the Shareholder making this request. All Shareholders shall receive from the Registrar and Transfer Agent a written confirmation of his or her shareholding.

Subscription of Shares

A. Minimum Investment and Holding Amount

No investor may subscribe initially or subsequently for less than the minimum initial and subsequent subscription amounts of Shares indicated in each Sub-Fund Factsheet under Part II of the Prospectus if any. No investor may transfer or redeem Shares of any Class if the transfer or redemption would cause the investor’s holding amount of that Class of Shares to fall below the minimum amount of Shares indicated, as the case may be, in each Sub-Fund Factsheet under Part II of the Prospectus.

The Board of Directors of the Fund may, provided that equal treatment of Shareholders be complied with, (i) grant Shareholders an exemption from the conditions of minimum holding and accept a redemption request that would cause the investor’s holding in any Sub-Fund to fall below the minimum holding amount for such shares and/or (ii) grant Shareholders an exemption from the conditions of minimum subscription of Shares and accept subscriptions in any Sub-Fund in an amount inferior to the minimum initial subscription amount or minimum subsequent subscription amount for such shares.

These exemptions may only be made in favour of investors who understand and are able to bear the risk linked to an investment in the relevant Sub-Fund, on exceptional basis and in specific cases.

B. Subscription Fee

The subscription of Shares may be subject to a subscription fee of a percentage of the Net Asset Value per Share of the Shares being subscribed as indicated in each Sub-Fund Factsheet under Part II of the Prospectus and which shall revert, if applicable, to the Sub-Fund (the “Subscription Fee”).

C. Procedure of Subscription

Market Timing Policy

The Fund does not knowingly allow investments which are associated with market timing practices as such practices may adversely affect the interests of all Shareholders.

As per the CSSF' Circular 04/146, market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same UCI within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value.

Opportunities may arise for the market timer either if the Net Asset Value is calculated on the basis of market prices which are no longer up to date (stale prices) or if the Fund is already calculating the Net Asset Value when it is still possible to issue orders.

Market timing practices are not acceptable as they may affect the performance of the Fund through an increase of the costs and/or entail a dilution of the profit.

Accordingly, the Board of Directors of the Fund may, whenever they deem it appropriate and at their sole discretion, cause the Registrar and Transfer Agent and the Administrator, respectively, to implement any of the following measures:

- Cause the Registrar and Transfer Agent to reject any application for conversion and/or subscription of Shares from investors whom the former consider market timers.
- The Registrar and Transfer Agent may combine Shares which are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in market timing practices.
- If a Sub-Fund is primarily invested in markets which are closed for business at the time the Sub-Fund is valued, during periods of market volatility, cause the Administrator to allow for the Net Asset Value per Share to be adjusted to reflect more accurately the fair value of the Sub-Fund's investments at the point of valuation.

In addition, the Board of Directors of the Fund reserves the right to levy an additional fee of up to 2% of the Net Asset Value per Share of the Shares subscribed if the Board of Directors of the Fund considers that the applying investor is engaging in excessive trading (market-timing) practices. Any such fee shall be levied for the benefit of the Sub-Fund concerned.

D. Subscription Application

Any investor intending to subscribe initially must complete an application form. Application forms are available from and should be sent to the Registrar and Transfer Agent at the following address:

RBC Investor Services Bank S.A.

14, Porte de France

L-4360 Esch-sur-Alzette - Grand Duchy of Luxembourg

The application for subscription of Shares must include:

- the monetary amount or the number of Shares the Shareholder wishes to subscribe, and
- the Class from which Shares are to be subscribed.

The Registrar and Transfer Agent may request an investor to provide additional information to substantiate any representation made by the investor in its application. Any application that has not been completed to the satisfaction of the Registrar and Transfer Agent will be rejected. In addition, the Board of Directors of the Fund, in its sole discretion, may at any time suspend or close the sale of any Class of Shares or all Shares.

E. Subscription Date and Purchase Price

Shares may be subscribed as referred to in the relevant Sub-Fund Factsheet. Except during the initial offering period, the subscription date for any subscription application shall be as indicated in the relevant Sub-Fund Factsheet under Part II of the Prospectus. The purchase price for any subscription application will be the sum of the relevant Net Asset Value per Share of such Shares on the subscription date plus any applicable Subscription Fees.

Investors should note that they will not know the actual purchase price of their Shares until their order has been fulfilled.

F. Payment

Each investor must pay the purchase price as determined in the relevant Sub-Fund Factsheet under Part II of the Prospectus.

The purchase price must be paid by electronic bank transfer only, as specified in the application form.

Any payment must be in cleared funds before it will be considered as having been received.

An investor should pay the purchase price in the Pricing Currency. However, the Fund may accept to receive the purchase price in another currency. The fee linked to the conversion of currency will be borne by the investor.

If subscribed Shares are not paid for, the Fund may redeem the Shares issued, whilst retaining the right to claim the issue fees, commission and any difference. In this case the applicant may be required to indemnify the Company against any and all losses, costs or expenses incurred directly or indirectly as a result of the applicant's failure to make timely settlement, as conclusively determined by the Board of Directors in its discretion. In computing such losses, costs or expenses account shall be taken where appropriate of any movement in the price of the Shares between allotment and cancellation or redemption and the costs incurred by the Company in taking proceedings against the applicant.

G. Subscriptions in Kind

The Fund may accept payment for subscriptions in a Sub-Fund in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of such Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Fund's Auditor (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Fund or its duly appointed delegate.

VIII. Transfer of Shares

A Shareholder may transfer Shares to one or more other persons, provided that all Shares have been paid in full with cleared funds and each transferee meets the qualifications of an investor in the relevant Class of Shares.

In order to transfer Shares, the Shareholder must notify the Registrar and Transfer Agent of the proposed date and the number of Shares transferred. The Registrar and Transfer Agent only will recognize a transfer with a future date. In addition, each transferee must complete an application form before its request be accepted.

The Shareholder should send its notice and each completed application form to the Registrar and Transfer Agent at the following address:

RBC Investor Services Bank S.A.

14, Porte de France

L-4360 Esch-sur-Alzette - Grand Duchy of Luxembourg

The Registrar and Transfer Agent may request a transferee to provide additional information to substantiate any representation made by the transferee in its application. Any application that has not been completed to the satisfaction of the Registrar and Transfer Agent will be rejected.

The Registrar and Transfer Agent will not effectuate any transfer until it is satisfied with the form of notice and has accepted each transferee's subscription application.

Any Shareholder transferring Shares and each transferee, jointly and separately, agree to hold the Sub-Fund and each of its agents harmless with respect to any loss suffered by one or more of them in connection with a transfer.

IX. Redemption of Shares

A Shareholder may request the Fund to redeem some or all of the Shares it holds in the Fund. If as a result of any redemption request, the number of Shares held by any Shareholder in a Class would fall below the minimum holding amount for that Class of Shares, if any, the Fund may treat such request as a request to redeem the full balance of such Shareholder's holding of Shares in the relevant Class Shares may be redeemed on days referred to in the relevant Sub-Fund Factsheet under Part II of the Prospectus.

If the aggregate value of the redemption and conversion requests received by the Registrar and Transfer Agent on any day corresponds to more than 10% of the net assets of a Sub-Fund or of a Class, the Fund may defer part or all of such redemption and conversion requests for such period, as long as it is needed to sell the assets and only if it is as it considers to be in the best interest of the Sub-Fund or of a Class and its Shareholders. Any deferred redemption and conversion shall be treated as a priority to any further redemption and conversion requests received on any following redemption date or conversion date. Should at the time of the request of redemption the documentation requested by the Registrar and Transfer Agent in compliance with all applicable laws and regulations regarding the prevention of money laundering not be complete, the redemption request will not be processed until the said documentation is completed.

A. Redemption Notice

Any Shareholder intending to redeem Shares must notify the Registrar and Transfer Agent:

RBC Investor Services Bank S.A.

14, Porte de France

L-4360 Esch-sur-Alzette - Grand Duchy of Luxembourg

That redemption notice must include the following:

- The Shareholder's name, as it appears on the Shareholder's account, his or her address and account number;
- The number of Shares of each Class to be redeemed; and
- Bank details of beneficiary of redemption proceeds.

Shareholders holding Share certificates must include these certificates in their redemption notice to the Registrar and Transfer Agent.

The Registrar and Transfer Agent may request the Shareholder to provide additional information to substantiate any representation made by the investor in the notice. The Registrar and Transfer Agent will reject any redemption notice that has not been completed to its satisfaction. Payments will only be made to the Shareholder of record; no third-party payments will be made.

Any Shareholder redeeming Shares agrees to hold the Fund and each of its agents harmless with respect to any loss suffered by one or more of them in connection with that redemption.

B. Redemption Fee

The redemption of Shares may be subject to a redemption fee of a percentage of the Net Asset Value per Share of the Shares being redeemed as indicated in each Sub-Fund Factsheet under Part II of the Prospectus. Any redemption fee shall be levied for the benefit of the Sub-Fund concerned.

The Board of Directors of the Fund reserves the right to levy an additional fee of up to 2% of the Net Asset Value per Share of the Shares redeemed if the Board of Directors of the Fund considers that the redeeming investor is engaging in excessive trading (market-timing) practices. Any such fee shall be levied for the benefit of the Sub-Fund concerned.

C. Redemption Date and Redemption Price

The redemption date for any redemption notice shall be as indicated in the relevant Sub-Fund Factsheet under Part II of the Prospectus. The redemption price for any redemption notice will be the relevant Net Asset Value per Share of such Shares on the redemption date less any applicable redemption fee.

Investors should note that they will not know the redemption price of their Shares until their redemption request has been fulfilled.

D. Payment

The Fund will pay the Shareholder redemption proceeds as determined in the relevant Sub-Fund Factsheet under Part II of the Prospectus.

The redemption proceeds will be paid by electronic bank transfer in accordance with the instructions in the redemption notice as accepted. All costs associated with that payment will be borne by the Shareholder.

Redemption proceeds will be paid in the relevant Pricing Currency. If an investor requests payment in another currency, the Fund or its agent will make reasonable efforts to convert the payment into the currency requested. All costs associated with the conversion of that payment will be borne by the Shareholder, whether such conversion actually is made. Neither the Fund nor any agent of the Fund shall be liable to an investor if the Fund or agent is unable to convert and pay into a currency other than the relevant Pricing Currency.

E. Redemption in specie

Any Shareholder may redeem Shares in specie, provided that the Fund determines that the redemption would not be detrimental to the remaining Shareholders and the redemption is effected in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Fund's Auditor (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with redemptions in kind shall be borne by the relevant Shareholders. Redemptions in kind are subject to the prior and express authorization of the Board of Directors or its duly appointed delegate.

F. Forced Redemption

The Fund may immediately redeem some or all of a Shareholder's Shares if the Fund believes that:

- The Shareholder has made any misrepresentation as to his or her qualifications to be a Shareholder;
- The Shareholder's continued presence as a Shareholder of the Fund would cause irreparable harm to the Fund or the other Shareholders of the Fund;
- The Shareholder, by trading Shares frequently, is causing the relevant Sub-Fund to incur higher portfolio turnover and thus, causing adverse effects on the Sub-Fund's performance, higher transactions costs and/or greater tax liabilities;
- The Shareholder's continued presence as a Shareholder would result in a breach of any law or regulation, whether Luxembourg or foreign, by the Fund; or

When equalisation techniques are used in a Sub-Fund, part of the Shares of a Shareholder may be compulsory redeemed in some cases and in an amount determined in the equalisation method.

X. Conversion of Shares

Subject to the provisions of each Sub-Fund Factsheet under Part II of the Prospectus, any Shareholder may in principle request the conversion of its Shares for (i) Shares of the same Class of another Sub-Fund or (ii) Shares of a different Class of the same or another Sub-Fund as more fully described below. Such conversion request will be treated as a redemption and subsequent subscription of Shares. Consequently, any Shareholder requesting such conversion must comply with the procedures of subscription and redemption, as well as with all other requirements notably relating to investor qualifications and minimum investment and holding thresholds, if any, applicable to each Sub-Fund.

If Shares are converted for Shares of another Class or Sub-Fund having the same or lower Subscription Fees, no additional charge shall be levied. If Shares are converted for Shares of another Class or Sub-Fund having higher Subscription Fees, the conversion may be subject to a conversion fee to the benefit of an intermediary as determined by the Board of Directors of the Fund equal to the difference in percentage of the Subscription Fees of the relevant Shares.

To exercise the right to exchange Shares, the Shareholders must deliver an exchange order in proper form to the Registrar and Transfer Agent.

The number of Shares in the newly selected Sub-Fund or Class of Shares will be calculated in accordance with the following formula:

$$A = (BxCxD)/E$$

where:

A is the number of Shares to be allocated in the new Class;

B is the number of Shares of the original Class to be converted;

C is the Net Asset Value per Share of the original Class on the relevant Valuation Day;

D is the actual rate of exchange on the day concerned in respect of the Pricing Currency of the original Class and the Pricing Currency of the new Class;

E is the Net Asset Value per Share of the new Class on the relevant Valuation Day.

XI. Determination of the Net Asset Value

A. Day of Calculation

The Fund calculates the Net Asset Value of each Class of Shares on each Valuation Day as indicated for each Sub-Fund in its description under Part II of the Prospectus.

B. Method of Calculation

The Net Asset Value per Share on any day that any Sub-Fund calculates its Net Asset Value is determined by dividing the value of the portion of assets attributable to that Class less the portion of liabilities attributable to that Class, by the total number of Shares of that Class outstanding on such day.

The Net Asset Value per Share of each Class shall be available at the registered office of the Fund within the timeline specified in the Sub-Fund's Factsheet.

The Net Asset Value of each Share shall be determined in the Pricing Currency of the relevant Class of Shares.

The Net Asset Value of each Class of Share may be rounded to the nearest 1/1,000 of the Pricing Currency in accordance with the Fund's guidelines.

In calculating the Net Asset Value and Net Asset Value per Share, the Administrator may rely upon such automatic pricing services as it shall determine or, if so instructed by the Fund, the Management Company or the Investment Manager, it may use information provided by particular pricing services, brokers, market makers or other intermediaries. In such circumstances, the Administrator shall not, in the absence of fraud, negligence or wilful default on the part of the Administrator, be liable for any loss suffered by the Fund or any Shareholder by reason of any error in the calculation of the Net Asset Value and Net Asset Value per Share resulting from any inaccuracy in the information provided by any such pricing service, broker, market maker or other intermediary.

The value of each Sub-Fund's assets shall be determined as follows:

(1) the value of any cash on hand or on deposit, bills and demand notes payable and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Board of Directors of the Fund may consider appropriate in such case to reflect the true value thereof;

(2) the value of any asset admitted to official listing on to any stock exchange or dealt on any regulated market shall be based on the last available closing or settlement price in the relevant market prior to the time of valuation, or on any other price deemed appropriate by the Board of Directors of the Fund;

(3) the value of assets that are not listed or dealt in on a stock exchange or on any regulated market or if, with respect to assets listed or dealt in on any stock exchange or any regulated market, the price as determined pursuant to sub-paragraph (1) is in the opinion of the Directors not representative of the value of the relevant assets, such assets are stated at fair market value or otherwise at the fair value at which it is expected they may be resold, as determined in good faith by or under the direction of the Board of Directors of the Fund;

(4) the liquidating value of futures, forward or options contracts not traded on a stock exchange of an Other State or on Regulated Markets, or on Other Regulated Markets or dealt on any Regulated Market shall mean their net liquidating value determined, pursuant to the policies established prudently and in good faith by the Board of Directors of the Fund, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on a stock exchange of an Other State or on Regulated Markets, or on other Regulated Markets or dealt on any Regulated Market shall be based upon the last available settlement or closing prices as applicable to these contracts on a stock exchange or on regulated markets, or on other regulated markets on which the particular futures, forward or options contracts are traded on behalf of the Fund; provided that if a future, forward or options contract could not be liquidated on the day with respect to which assets are being determined, the basis for determining the liquidating value of such

contract shall be such value as the Board of Directors of the Fund may deem fair and reasonable;

(5) Money Market Instruments with a remaining maturity of 90 days or less will be valued by the amortized cost method, which approximates market value. Under this valuation method, the relevant Sub-Fund's investments are valued at their acquisition cost as adjusted for amortisation of premium or accretion of discount rather than at market value;

(6) units or shares of an open-ended undertaking for collective investment ("UCI") will be valued at their last determined and available official net asset value, as reported or provided by such UCI or its agents, or at their last unofficial net asset values (i.e. estimates of net asset values) if more recent than their last official net asset values, provided that due diligence has been carried out by the investment manager, in accordance with instructions and under the overall control and responsibility of the Board of Directors of the Fund, as to the reliability of such unofficial net asset values. The net asset value calculated on the basis of unofficial net asset values of the target UCI may differ from the net asset value which would have been calculated, on the relevant Valuation Day, on the basis of the official net asset values determined by the Administrators of the target UCI. The net asset value is final and binding notwithstanding any different later determination. Units or shares of a closed-ended UCI will be valued in accordance with the valuation rules set out in items (ii) and (iii) above;

(7) interest rate swaps will be valued on the basis of their market value established by reference to the applicable interest rate curve.

Total return swaps will be valued at fair value under procedures approved by the Board of Directors of the Fund. As these swaps are not exchange-traded, but are private contracts into which the Fund and a swap counterparty enter as principals, the data inputs for valuation models are usually established by reference to active markets. However it is possible that such market data will not be available for total return swaps near the Valuation Day. Where such markets inputs are not available, quoted market data for similar instruments (e.g. a different underlying instrument for the same or a similar reference entity) will be used provided that appropriate adjustments are made to reflect any differences between the total return swaps being valued and the similar financial instrument for which a price is available. Market input data and prices may be sourced from exchanges, a broker, an external pricing agency or a counterparty.

If no such market input data are available, total return swaps will be valued at their fair value pursuant to a valuation method adopted by the Board of Directors of the Fund which shall be a valuation method widely accepted as good market practice (i.e. used by active participants on setting prices in the market place or which has demonstrated to provide reliable estimate of market prices) provided that adjustments that the Board of Directors of the Fund may deem fair and reasonable be made. The Fund's auditor will review the appropriateness of the valuation methodology used in valuing total return swaps. In any way the Fund will always value total return swaps on an arm-length basis.

All other swaps will be valued at fair value as determined in good faith pursuant to procedures established by the Board of Directors of the Fund;

(8) assets or liabilities denominated in a currency other than that in which the relevant Net Asset Value will be expressed, will be converted at the relevant foreign currency spot rate on the relevant Valuation Day. If such quotations are not available, the rate of exchange will be

determined in good faith by or under procedures established by the Board of Directors of the Fund. In that context account shall be taken of hedging instruments used to cover foreign exchange risks;

(9) all other securities, instruments and other assets will be valued at fair market value, as determined in good faith pursuant to procedures established by the Board of Directors of the Fund.

The liabilities of the Fund are fully described in the Articles of Incorporation.

XII. Temporary Suspension of Calculation of the Net Asset Value

The Fund may temporarily suspend the determination of the Net Asset Value per Share within any particular Class of Shares and the issue and redemption of its Shares from its Shareholders as well as the conversion from and to shares of each Class:

(1) During any period when any of the principal stock exchanges, Regulated Market or any Other Regulated Market in a Member State or in an Other State on which a substantial part of the Funds' investments attributable to such Sub-Fund from time to time is quoted, or when one or more foreign exchange markets in the currency in which a substantial portion of the assets of the Sub-Fund is denominated, are closed otherwise than for ordinary holidays or during which dealings are substantially restricted or suspended; or

(2) Political, economic, military, monetary or other emergency beyond the control, liability and influence of the Fund makes the disposal of the assets of any Sub-Fund impossible under normal conditions or such disposal would be detrimental to the interests of the Shareholders; or

(3) During any breakdown in the means of communication network normally employed in determining the price or value of any of the relevant Sub-Fund's investments or the current price or value on any stock exchange or market in respect of the assets attributable to such Sub-Fund; or

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

(5) During any period when for any other reason the prices of any investments owned by the Fund attributable to such Sub-Fund cannot promptly or accurately be ascertained; or

(6) During any period when the Board of Directors of the Fund so decides, provided all shareholders are treated on an equal footing and all relevant laws and regulations are applied (i) as soon as an extraordinary general meeting of Shareholders of the Fund or a Sub-Fund has been convened for the purpose of deciding on the liquidation or dissolution of the Fund or a Sub-Fund and (ii) when the Board of Directors of the Fund is empowered to decide on this matter, upon its decision to liquidate or dissolve a Sub-Fund; or

(7) Following the suspension of the calculation of the net asset value, issue, redemptions or conversions of shares or units of the Master in which the Fund or a Sub-Fund invests as its Feeder.The Fund may suspend the issue, conversion and redemption of Shares of any Class within any Sub-Fund forthwith upon occurrence of an event causing it to enter into merger, liquidation or upon the order of the CSSF.

Any suspension of the calculation of the Net Asset Value shall be notified to the subscribers and Shareholders requesting redemption, subscription, [transfer] or conversion of their Shares on receipt of their request for subscription, [transfer] redemption or conversion. The suspension as to any Sub-Fund will have no effect on the determination of Net Asset Value and the issue, redemption or conversion of Shares in any Class of the other Sub-Fund(s).

XIII. Taxation

A. *Taxation of the Company*

Subscription tax

The Company is as a rule liable in Luxembourg to a subscription tax (*taxe d'abonnement*) of 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Company at the end of the relevant calendar quarter.

This rate is however of 0.01% per annum for:

- individual Sub-Funds of UCIs the exclusive object of which is the collective investment in money market instruments and the placing of deposits with credit institutions;
- individual Sub-Funds of UCIs the exclusive object of which is the collective investment in deposits with credit institutions; and
- individual Sub-Funds of UCIs with multiple Sub-Funds as well as for individual classes of securities issued within a UCI or within a Sub-Fund of a UCI with multiple Sub-Funds, provided that the securities of such Sub-Funds or classes are reserved to one or more institutional investors.

Are further exempt from the subscription tax:

- the value of the assets represented by units held in other UCIs, provided such units have already been subject to the subscription tax;
- UCIs as well as individual Sub-Fund of umbrella funds (i) whose securities are reserved for institutional investors[1], (ii) whose exclusive object if the collective investment in money market instruments and the placing of deposits with credit institutions, (iii) whose weighted residual portfolio maturity must not exceed ninety (90) days, and (iv) which have obtained the highest possible rating from a recognized rating agency; and

[1] Where several classes of securities exist within the UCI or the Sub-Fund, the exemption only applies to classes whose securities are reserved for institutional investors.

- UCIs whose securities are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, created on the initiative of a same group for the benefit of its employees and (ii) undertakings of this same group investing funds they hold, to provide retirement benefits to their employees.

Withholding tax

Under current Luxembourg tax law and subject to the application of the Luxembourg laws dated 21 June 2005 (the “Laws”) implementing Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (“EU Savings Directive”) and several agreements concluded between Luxembourg and certain dependant territories of the European Union, there is no withholding tax on any distribution made by the Company or its paying agent to the Shareholders.

Under the Laws, a Luxembourg paying agent (within the meaning of article 4.1 of the EU Savings Directive) is required since 1 July 2005 to withhold tax on interest and other similar income as defined hereafter paid by it to (or under certain circumstances, to the benefit of an individual or an entity (i) without legal personality (except for a Finnish *avoin yhtiö* and *kommandiittiyhtiö/öppet bolag* and *kommanditbolag* and a *Swedish handelsbolag* and *kommanditbolag*) and (ii) whose profits are not taxed under the general arrangements for the business taxation and (iii) that is not, or has not opted to be considered as, a UCITS recognized in accordance with EC Directive 85/611/EEC (“Residual Entity”) (within the meaning of article 4.2 of the EU Savings Directive), resident or established in another EU Member State as Luxembourg, unless the beneficiary of the interest payments elects for an exchange of information. The same regime applies to payments to individuals or Residual Entities resident or established in any of the dependent or associated territories of the Member State. The withholding tax rate is currently thirty-five per cent (35%).

Interest as defined by the Laws encompasses (i) dividends distributed by a UCITS where the investment in debt claims within the meaning of the EU Savings Directive of such UCITS exceeds fifteen per cent (15%) of its assets and (ii) income realized upon the sale, refund, redemption of shares or units held in a UCITS, if it invests directly or indirectly more than twenty-five per cent (25%) of its assets in debt claims within the meaning of the EU Savings Directive.

Income tax

Under current law and practice, the Company is not liable to any Luxembourg income tax.

Value added tax

The Company is considered in Luxembourg as a taxable person for value added tax (“VAT”) purposes without input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Company could potentially trigger VAT and require the VAT registration of the Company in Luxembourg as to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

No VAT liability arises in principle in Luxembourg in respect of any payments made by the Company to its Shareholders, as such payments are linked to their subscription to the Company’s Shares and do therefore not constitute the consideration received for taxable services supplied.

Other taxes

No stamp or other tax is generally payable at a proportional rate in Luxembourg in connection with the issue of Shares against cash by the Company.

Any amendment to the Articles of the Company is generally subject to a fixed registration duty of seventy-five Euro (EUR 75.-).

Tax implication of the investment into the Master Fund for the Company

The investment into the Master Fund has no specific Luxembourg tax impact.

B. Taxation of the Shareholders

Luxembourg tax residency of the shareholders

A shareholder will not become resident, nor be deemed to be resident, in Luxembourg by reason only of the holding and/or disposing of the shares or the execution, performance or enforcement of his/her rights thereunder.

Income tax

A Luxembourg resident Shareholder is not liable to any Luxembourg income tax on reimbursement of share capital previously contributed to the Company.

i. *Luxembourg resident individuals*

Dividends and other payments derived from the Shares by a resident individual Shareholder, who acts in the course of the management of either his/her private wealth or his/her professional/business activity, are subject to income tax at the ordinary progressive rates.

Capital gains realized upon the disposal of the Shares by a resident individual Shareholder, who acts in the course of the management of his/her private wealth, are not subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation. Capital gains are deemed to be speculative and are thus subject to income tax at ordinary rates if the shares are disposed of within six (6) months after their acquisition or if their disposal precedes their acquisition. A participation is deemed to be substantial where a resident individual shareholder holds or has held, either alone or together with his spouse or partner and/or minor children, directly or indirectly at any time within the five (5) years preceding the disposal, more than ten percent (10%) of the share capital of the company whose shares are being disposed of. A shareholder is also deemed to alienate a substantial participation if he acquired free of charge, within the five (5) years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same five-year period). Capital gains realized on a substantial participation more than six (6) months after the acquisition thereof are taxed according to the half-global rate method (i.e. the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realized on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the participation.

Capital gains realized on the disposal of the Shares by a resident individual Shareholder, who acts in the course of the management of his/her professional/business activity, are subject to income tax at ordinary rates. Taxable gains are determined as being the difference between the price for which the Shares have been disposed of and the lower of their cost or book value.

ii. *Luxembourg resident companies*

A Luxembourg resident company (*société de capitaux*) must include any profits derived, as well as any gain realized on the sale, disposal or redemption of Shares, in their taxable profits for Luxembourg income tax assessment purposes.

iii. *Luxembourg residents benefiting from a special tax regime*

Shareholders which are Luxembourg resident companies benefiting from a special tax regime, such as (i) undertakings for collective investment subject to the law of 17 December 2010, (ii) specialized investment funds subject to the amended Law of 13 February 2007 and (iii) family wealth management companies governed by the law of 11 May 2007, are income tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg income tax.

Luxembourg non-resident shareholders

A non-resident, who has neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the Shares are attributable, is generally not liable to any Luxembourg income tax on income received and capital gains realized upon the sale, disposal or redemption of the Shares.

A non-resident company which has a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable, must include any income received, as well as any gain realized on the sale, disposal or redemption of Shares, in its taxable income for Luxembourg tax assessment purposes. The same inclusion applies to an individual, acting in the course of the management of a professional or business undertaking, who has a permanent establishment or a permanent representative in Luxembourg, to which the Shares are attributable. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

Net wealth tax

A Luxembourg resident, or a non-resident who has a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable, is subject to Luxembourg net wealth tax on such Shares, except if the Shareholder is (i) a resident or non-resident individual taxpayer, (ii) an undertaking for collective investment subject to the law of 17 December 2010, (iii) a securitization company governed by the law of 22 March 2004 on securitization, (iv) a company governed by the law of 15 June 2004 on venture capital vehicles, (v) a specialized investment fund governed by the amended law of 13 February 2007, or (vi) a family wealth management company governed by the law of 11 May 2007.

Other taxes

Under Luxembourg tax law, where an individual Shareholder is a resident of Luxembourg for tax purposes at the time of his/her death, the Shares are included in his or her taxable basis for inheritance tax purposes. On the contrary, no inheritance tax is levied on the transfer of the Shares upon death of a Shareholder in cases where the deceased was not a resident of Luxembourg for inheritance purposes.

Gift tax may be due on a gift or donation of the shares, if the gift is recorded in a Luxembourg notary deed or otherwise registered in Luxembourg.

XIV. Management of the Fund

A. Management Company and Domiciliary Agent

Pursuant to the Fund Management Company Agreement, Luxembourg Fund Partners S.A. has been appointed to act as management company of the Fund. The Management Company will be responsible on a day-to-day basis under the supervision of the Board of Directors, for providing administration, marketing, distribution, investment management and advisory services in respect of all the Sub-Funds and may delegate part or all of such functions to third parties.

The Management Company has delegated certain central administration functions to the Administrator, the Share registrar and transfer functions to the Registrar Agent, the investment management function to the Investment Manager and the Share distribution function to the Distributor.

The Management Company was incorporated in the form of a *société anonyme* on 10 December 2009 for an unlimited duration. The Management Company is approved as a management company and is governed by Chapter 15 of the Law, as of 17 December 2010. The Management Company is an independent management company which provides management services to the collective investment schemes market.

The Management Company shall oversee compliance by the Fund with the investment restrictions and oversee the implementation of the Fund's strategies and investment policies. The Management Company shall send reports to the Board of Directors on a periodic basis and inform each board member without delay of any non-compliance by the Company with the investment restrictions.

The Management Company will be provided with access to periodic reports from the Investment Manager and from the other service providers to enable it to perform its monitoring and supervision duties.

The share capital of the Management Company is of three hundred thousand EURO (EUR 300,000.-) divided into three thousand (3,000.-) ordinary shares all with a par value of hundred Euro (EUR 100.-) per share.

As of the date of this Prospectus, the Management Company's board of directors consists of the following members:

- Mr. Luc LELEUX, Managing Director and Chief Operating Officer, LUXEMBOURG FUND PARTNERS S.A., Luxembourg;
- Mr. Julien RENAUX, Managing Director, Head of Risk & Compliance, LUXEMBOURG FUND PARTNERS S.A., Luxembourg;
- Mr. Christophe LENTSCHAT, Managing Director, JTC, Luxembourg;
- Mr. Yves MAHE, director, LUXEMBOURG FUND PARTNERS S.A., Luxembourg;
- Mr. Peter HUGHES, Group Managing Director and Founder of APEX FUND SERVICES, Bermuda.

The remuneration policy of the Management Company is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile, rules or instruments of incorporation of the funds managed.

The remuneration policy reflects the Management Company's objectives for good corporate governance as well as sustained and long-term value creation for Shareholders. The remuneration policy has been designed and implemented to:

- support actively the achievement of the Management Company's strategy and objectives;
- support the competitiveness of the Management Company in the markets it operates;

- be able to attract, develop and retain high-performing and motivated employees; and
- address any situations of conflicts of interest. For that purpose, the Management Company has implemented and maintains an adequate management of conflicts of interest policy.

Employees of the Management Company are offered a competitive and market-aligned remuneration package making fixed salaries a significant component of their total package.

The principles of the remuneration policy are reviewed on a regular basis and adapted to the evolving regulatory framework. The remuneration policy has been approved by the Board of directors of the Management Company.

The details of the up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identities of persons responsible for awarding the remuneration and benefits, can be found on the following website: www.lfpartners.lu. A paper copy of the remuneration policy will be made available free of charge upon request.

As the Fund's domiciliary agent (the "**Domiciliary Agent**"), the Management Company will be responsible for the domiciliation of the Fund and will perform, inter alia, the functions as foreseen in the Luxembourg act of 31 May 1999 on the domiciliation of companies, as amended and, in particular, allow the Fund to establish its registered office at the registered office of the Management Company and provide facilities necessary for the meetings of the Fund's officers, directors and/or of the shareholders of the Fund.

The Fund and the Management Company may terminate at any time these agreements upon three (3) months written notice delivered to the Fund notice addressed by one party to the other or under other circumstances set out in such agreement.

B. Investment Manager / Sub-Investment Manager(s) / Investment Advisor(s)

Investment Manager

Pursuant to an investment management agreement, an Investment Manager other than Luxembourg Fund Partners S.A. may be appointed. The Investment Manager will manage the assets of the Fund on a day-to-day basis. The Fund investment policy will be determined by the Board of Directors. The Investment Manager will, under the overall control and review of the Management Company, make the decision to buy, sell or hold a particular asset.

With the prior consent of the Management Company, the Investment Manager may delegate the investment management function to a sub-investment manager.

The Investment Manager will receive a Management Fee and a Performance Fee if applicable, as set forth in section "*Charges and Expenses*". The Investment Manager is responsible for paying out of its own fees, the fees of the Sub-Investment Manager.

The investment management agreement provides that the Management Company and the Investment Manager are responsible for the management of the Sub-Fund(s). Therefore, the responsibility for making decisions to buy, sell or hold a particular security rests with the Investment Manager, subject to the control, supervision, direction and instruction of the Management Company.

Sub-Investment Manager(s)

The Investment Manager may delegate the management of the assets of each Sub-Fund to one or several Sub-Investment Manager(s) pursuant to a sub-investment management agreement(s) with the Sub-

Investment Manager(s). The relevant Sub-Investment Manager(s) will be disclosed for each Sub-Fund under Part II of the Prospectus.

The investment management agreement and sub-investment management agreements provide that the Management Company, the Investment Manager or the Sub-Investment Manager(s) are responsible for the management of the Sub-Fund(s). Therefore, the responsibility for making decisions to buy, sell or hold a particular security rests with the Investment Manager or the Sub-Investment Manager(s), subject to the control, supervision, direction and instruction of the Management Company.

Investment Advisor(s)

The Investment Manager may delegate the process of selection the assets of each Sub-Fund to one or several Investment Advisor(s) pursuant to an investment advisory agreement(s) with the Sub-Investment Manager(s) or Investment Manager or with the Management Company. The relevant Sub-Investment Manager(s) will be disclosed for each Sub-Fund under Part II of the Prospectus.

The investment advisory agreement provides that the Management Company, the Investment Manager or the Sub-Investment Manager(s) are responsible for the management of the Sub-Fund(s). Therefore, the responsibility for issuing recommendations to buy, sell or hold a particular security rests with the Investment Advisor, subject to the control, supervision, direction and instruction of the Management Company and the potential Investment Manager.

C. Depositary Bank and Paying Agent

Pursuant to a depositary bank agreement entered into by the Fund and RBC Investor Services (the "**Depositary Bank**") on or about 6 December 2013 (the "**Depositary Bank Agreement**"), the Depositary Bank has been appointed as depositary bank for (i) the safekeeping of the cash, securities and all other assets of the Fund to be entrusted to it and (ii) the supervision, in accordance with applicable laws, of all assets of the Fund that are not or cannot be technically "entrusted to" or "kept in safe custody by" the Depositary Bank.

The Depositary Bank is a public limited liability (*société anonyme*) established under Luxembourg laws, incorporated in Luxembourg. It is licensed to carry out banking activities under the terms of the Luxembourg act of 5 April 1993 on the financial sector, as amended and specialises in custody, fund administration and related services.

The Depositary Bank is responsible for the:

a) safekeeping of the assets;

b) oversight duties;

c) cash flow monitoring and

d) principal paying agent functions.

pursuant to the Law, the CSSF Circular 14/587, and the Depositary Bank Agreement.

Under its oversight duties, the Depositary is required to:

- ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Fund are carried out in accordance with the Law and with the Fund's Management Regulations,

- ensure that the value of Shares is calculated in accordance with the Law and the Fund's Management Regulations,
- carry out the instructions of the Management Company, unless they conflict with the Law or the Fund's Management Regulations,
- ensure that in transactions involving the Fund's assets, the consideration is remitted to the Fund within the usual time limits;
- ensure that the Fund's revenues are allocated in accordance with the Law and the Fund's Management Regulations.

An up-to-date of the identity of the Depositary and a description of its duties and of conflicts of interest that may arise, may be obtained, free of charge and upon request, from the Depositary and via the following website link https://www.rbcits.com/AboutUs.

The Depositary is authorized to delegate its safekeeping duties under the Law to delegates and sub-custodians and to open accounts with such sub-custodians.

An up-to-date description of any safekeeping functions delegated by the depositary may be obtained, free of charge and upon request, from the Depositary and via the following website https://www.rbcits.com.

And an up-to-date list of the delegates and sub-custodians may be obtained, free of charge and upon request, from the Depositary and via the following website link http://www.lfpartners.lu/index.php/services/downloads.

In order to address any situations of conflicts of interest, that may arise notably from the above delegation, the Depositary has implemented and maintains a management of conflicts of interest policy, aiming namely at:

- Identifying and analysing potential situations of conflicts of interest;
- Recording, managing and monitoring the conflict of interest situations either in:
  - Relying on the permanent measures in place to address conflicts of interest such as maintaining separate legal entities, segregation of duties, separation of reporting lines, insider lists for staff members; or
  - Implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall, making sure that operations are carried out at arm's length and/or informing the concerned Unitholders of the Fund, or (ii) refuse to carry out the activity giving rise to the conflict of interest.

An up-to-date information on conflicts of interest policy referred to above may be consulted, free of charge and upon request, at the Depositary's premises during opening hours and via the following website link https://www.rbcits.com/AboutUs/CorporateGovernance/p_InformationOnConflictsOfInterestPolicy.aspx.

The Depositary Bank agrees to act as the principal paying agent (the "Paying Agent") in connection with the receipt of, for the account of and to deposit into the accounts of the Fund, the amounts transferred to the benefit of the Fund in respect of any subscriptions for Shares of the Fund, the payment of dividends and other distributions on the Shares of the Fund, including without limitation the payment, on behalf and out of the accounts of the Fund, of the redemption price of the Shares in respect of any redemption requests.

The principal Paying Agent shall arrange with all additional paying agents for the payment of the dividends and for the payment, reimbursement and compensation of the paying agents for their proper expenses and services as such.

In respect of any losses to the Fund arising from any Correspondent, including losses resulting from the fraud, negligence or wilful default of any Correspondent, the Depositary Bank shall use its reasonable endeavours to exercise such rights as are available to it in the local market against the relevant Correspondent and account to the Fund for any recovery, and in the case of a liquidation, bankruptcy or insolvency of a Correspondent, the Depositary Bank will use all reasonable endeavours to recover any Securities or other property held and to recover any losses suffered by the Fund as a consequence of such liquidation, bankruptcy or insolvency.

The Depositary Bank shall, in compliance with Luxembourg laws, be liable to the Fund and the Shareholders for any loss suffered by them as a result of its unjustifiable failure to perform its obligations or improper performance thereof.

In performing its obligations under the Depositary Bank Agreement, the Depositary Bank shall observe and comply with (i) Luxembourg Law and any other applicable laws and regulations for the time being in force, (ii) the Depositary Bank Agreement (including any operating procedures agreed to from time to time between the Depositary Bank and the Fund), and (iii) the terms of this Prospectus. Furthermore, in carrying out its role as depositary bank, the Depositary Bank must act solely in the interest of the Shareholders.

Either party may terminate the Depositary Bank Agreement by giving at least three months' notice to the other party (or earlier on certain breaches of the Depositary Bank Agreement, including the insolvency of any of the parties thereof).

The Depositary Bank may not be removed by the Fund until the Fund has appointed a replacement depositary bank. The duties of the Depositary Bank, as depositary bank, shall continue after its removal for such period as may be necessary to allow the transfer of all assets of the Fund to the succeeding depositary bank.

The fees and costs of the Depositary Bank for the above functions will be borne by the Fund (and apportioned between each of the Fund Sub-Fund to reflect the services provided by the Depositary Bank for each Sub-Fund) and conform to common practice in Luxembourg. The Depositary Bank will receive a depositary bank fee as further described in each Sub-Fund's Factsheet.

Unless the Depositary Bank has acted fraudulently, negligently or with wilful default, the Depositary Bank shall not be liable to the Fund or to any Shareholder for any act or omission in the course of or in connection with the discharge by the Depositary Bank of its duties. The Fund has agreed to indemnify the Depositary Bank or any persons appointed by it from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from the fraud, negligence or wilful default on the part of the Depositary Bank) which may be imposed on, incurred by or asserted against the Depositary Bank in performing its obligations or duties hereunder.

The Depositary Bank has no decision-making discretion relating to the Fund's investments. The Depositary Bank is a service provider to the Fund and is not responsible for the preparation of this Prospectus or the activities of the Fund and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus or the validity of the structure and investments of the Fund.

D. Administrator, Registrar, Transfer Agent and Listing Agent

RBC Investor Services Bank S.A. serves as Administrator, Transfer Agent and Listing Agent in accordance with the administrative agency, transfer agency and listing agency agreements entered into between the Fund, the Management Company and the Administrator on 25 January 2016.

The Administrator, it is responsible for maintaining the books and financial records of the Fund and calculating the Net Asset Value of each Class of Shares.

As the Fund's registrar and transfer agent (the "**Registrar and Transfer Agent**"), it is responsible for handling the processing of subscription of Shares, dealing with requests for redemption and conversion and accepting transfer of funds, for the safekeeping of the Register of the Fund, the delivery of the Share certificates, if requested, for accepting Shares certificates rendered for replacement, redemption or conversion and for providing and supervising the mailing reports, notices and other documents to the Shareholders, as further described in the above mentioned agreement.

As the Fund's listing agent (the "**Listing Agent**"), if applicable, it will provide services in the coordination of the various aspects of the stock exchange admission files (required documents, compliance with deadlines, preparation of files and checklists, relationships with other stakeholders, etc) and the submission of files to the competent authorities (coordination of the files submission and communication with the competent authorities).

The fees and costs for the above functions are met by the Fund and comply with common practice in Luxembourg.

The Fund and the Administrator may terminate at any time these agreements upon three months' prior written notice addressed by one party to the other or under other circumstances set out in such agreements.

Unless the Administrator has acted fraudulently, negligently or with wilful default, the Administrator shall not be liable to the Fund or to any Shareholder for any act or omission in the course of or in connection with the discharge by the Administrator of its duties. The Fund has agreed to indemnify the Administrator or any persons appointed by it from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from the fraud, negligence or wilful default on the part of the Administrator) which may be imposed on, incurred by or asserted against the Administrator in performing its obligations or duties hereunder.

The Administrator has no decision-making discretion relating to the Fund's investments. The Administrator is a service provider to the Fund and is not responsible for the preparation of this Prospectus or the activities of the Fund and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus or the validity of the structure and investments of the Fund.

The mandate by the Management Company to the Administrator may not prevent the effectiveness of the supervision of the Management Company; in particular it must not prevent the Management Company from acting or the Fund from being managed in the best interest of the investors.

E. Auditors of the Fund

The Board of Directors of the Fund has appointed PricewaterhouseCoopers as the auditor of the Fund.

F. Distributor

The Fund may engage certain financial institutions ("**Intermediaries**") to solicit and sell Shares to investors.

Each entity acting as distributor of the Shares of the Fund will comply, and by contractual agreement require each sub-distributor or Intermediary of the Shares to comply, with applicable laws and regulations concerning money laundering and, in particular, circulars issued by the CSSF.

Subject to the law of the countries where Shares are offered, Intermediaries may, with the agreement of the Fund act as nominees for a Shareholder.

In this capacity, the Intermediary shall apply for the subscription, conversion or redemption of Shares for the account of its client and request registration of such operations in the Fund Shares' register in the name of such Intermediary.

Notwithstanding the foregoing, a Shareholder may invest directly in the Fund without using the services of a nominee. The agreement between the Fund and any nominee shall contain a provision or, if such is not the case, shall be deemed to include a provision that gives the Shareholder the right to exercise its title to the Shares subscribed through the nominee. The nominee agent will have no power to vote at any general meeting of Shareholders, unless the Shareholder grants it a power of attorney in writing with authority to do so.

An investor may ask at any time in writing that the Shares shall be registered in his name and in such case, upon delivery by the investor to the Registrar and Transfer Agent of the relevant confirmation letter of the nominee, the Registrar and Transfer Agent shall enter the corresponding transfer and investors' name into the Shareholder register and notify the nominee accordingly.

However, the aforesaid provisions are not applicable for Shareholders who have acquired Shares in countries where the use of the services of a nominee (or other intermediary) is necessary or compulsory for legal, regulatory or compelling practical reasons.

In relation to any subscription, an Intermediary authorised to act as nominee is deemed to represent the Fund that:

- the investor is not a U.S. Person;
- it will notify the Fund and the Registrar and Transfer Agent immediately if it learns that an investor has become a U.S. Person;
- in the event that it has discretionary authority with respect to Shares which become beneficially owned by a U.S. Person, the Intermediary will cause such Shares to be redeemed and;
- it will not knowingly transfer or deliver any Shares or any part thereof or interest therein to a U.S. Person nor will any Shares be transferred to the United States.

The Fund may, at any time, require Intermediaries who act as nominees to make additional representations to comply with any changes in applicable laws and regulations. All Intermediaries shall offer to each investor a copy of this Prospectus as well as the relevant Key Investor Information Document(s) (or any similar supplement, addendum or information note as may be required under applicable local law) as required by applicable laws prior to the subscription by the investor in any Sub-Fund. The list of nominees and Intermediaries is available at the registered office of the Fund.

An investor who subscribes through such an Intermediary can have some charges applied in the country where the Shares are offered.

G. Charges and Expenses

General

The Fund pays out of its assets all expenses payable by the Fund. Those expenses include in particular fees payable to:

- the Depositary Bank;
- the Administrator, Registrar and Transfer Agent, Listing Agent, Paying and Domiciliary Agent;
- the Management Company and the Investment Manager;
- the Distributor;
- the independent auditors;
- the Legal Advisor, counsels and other professionals appointed; and
- Directors and Senior Managers' fees (if any) and expenses.

They also include administrative expenses, such as registration fees, insurance coverage and the costs relating to the translation and printing of this Prospectus, the Key Investor Information Document(s) and reports to Shareholders.

Expenses specific to a Sub-Fund or Class of Shares will be borne by that Sub-Fund or Class of Share. This includes the costs and expenses of all transactions carried out for such Sub-Fund or Class of Shares such as brokers' commissions (if any), borrowing charges (if any) and any issue or transfer taxes chargeable in connection with any securities transactions, all taxes and corporate fees payable to governments or agencies, interest on borrowings, litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business and all other organisational and operating expenses reasonably incurred for such Sub-Fund or Class of Shares. Charges that are not specifically attributable to a particular Sub-Fund or Class of Shares may be allocated among the relevant Sub-Fund(s) or Classe(s) of Shares based on their respective net assets or any other reasonable basis given the nature of the charges.

The costs and expenses incurred in connection with the formation of the Fund and the initial issue of Shares by the Fund, including those incurred in the preparation and publication of the sales documents of the Fund, all legal, fiscal and printing costs, as well as certain launch expenses (including advertising costs) and other preliminary expenses shall be written off over a period not exceeding three years and in such amount in each year in each Sub-Fund of the Fund as determined by the Board of Directors of the Fund on an equitable basis.

Upon creation of a new Sub-Fund the costs and expenses incurred in connection with its formation shall be written off over a period not exceeding three years against the assets of such new Sub-Fund and in such amounts in each year as determined by the Board of Directors of the Fund, the newly created Sub-Fund bearing a pro rata share of the costs and expenses incurred in connection with the formation of the Fund and the initial issue of Shares, which have not already been written off at the time of creation of this new Sub-Fund.

Management and Performance Fees

The Management Company will receive a Management Fee and a Performance Fee paid by the Fund in respect of each Sub-Fund.

The Management Company will be in charge of the payment of the fee to be paid to the Investment Manager(s).

The Management and Performance Fees are usually paid in arrears at the end of a Calculation Period.

1. Management Company Fee

The calculation of the Management Company Fee and applicable rate are more fully described in each Sub-Fund Factsheet.

Unless otherwise indicated in such description, the Management Company Fee is usually equal to the Net Asset Value on each Valuation Day (before deduction of the Management Fee and any accrued Performance Fee) multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

2. Performance Fee

The Management Company may also receive a Performance Fee if and as detailed in each Sub-Fund Factsheet

The calculation of the Performance Fee and applicable rate are more fully described in each “Sub-Fund Factsheet”.

3. Distributor Fee

The Distributor may also receive a Distribution Fee if and as detailed in each Sub-Fund Factsheet.

4. Depositary Bank Fee

The Depositary Bank Fee in respect of each Sub-Fund is described in each Sub-Fund Factsheet.

5. Administrative, Domiciliary, Paying, Registrar and Transfer Agent Fee

The fees of the Administrative, Domiciliary, Paying, Registrar and Transfer Agent in respect of each Sub-Fund are also described in any such Sub-Fund Factsheet.

XV. General Information

A. Accounting Year

The Fund’s accounting year begins on the January 1 and ends on December 31 of each year.

The first accounting year will begin the day when the Fund will be incorporated and will end on December 31, 2014. The first semi-annual financial report shall be published for the period ending on 30 June 2014.

B. Reports

The Fund publishes annually audited financial statements and semi-annually unaudited financial statements.

The first annual audited report was published for the period ending on 31 December 2014. The first semi-annual financial report was published for the period ending on 30 June 2014.

C. Shareholders' Meetings

The annual general meeting of Shareholders is held the second Thursday of the month of April at 2 pm. Extraordinary Shareholders' meetings or general meetings of Shareholders of any Sub-Fund or any Class of Shares may be held at such time and place as indicated in the notice to convene. Notices of such meetings shall be provided to the Shareholders in accordance with Luxembourg law and with the Articles of Incorporation.

The first annual general meeting of Shareholders will take place on 2015.

D. Minimum Net Assets

The Fund must maintain assets equivalent in net value to at least the equivalent in U.S. Dollar of EUR 1,250,000.-. There is no requirement that the individual Sub-Fund(s) have a minimum amount of assets.

E. Changes in Investment Policies of the Sub-Fund

The investment objective and policies of each Sub-Fund may be modified from time to time by the Board of Directors of the Fund without the consent of the Shareholders, although the Shareholders will be given one (1) month's prior notice of any such change in order to redeem their Shares free of charge.

F. Merger and Division of Sub-Funds

In the event that for any reason the value of the net assets in any Sub-Fund or the value of the net assets of any Class within a Sub-Fund has decreased to an amount determined by the Board of Directors to be the minimum level for such Sub-Fund or such Class to be operated in an economically efficient manner, or if a change in the economic or political situation relating to the Sub-Fund or Class concerned would have material adverse consequences on the investments of that Sub-Fund, or in order to proceed to a rationalization of the Classes and/or the Sub-Funds offered, the Board of Directors may decide to proceed with a merger (within the meaning of the Law) of the assets of the Company, any Sub-Fund with those of (i) another existing Sub-Fund within the Company or another Sub-Fund within such other Luxembourg or foreign UCITS (the "new Sub-Fund"), or of (ii) another Luxembourg or foreign UCITS (the "new UCITS"), and to designate the Shares of the Company or of the Sub-Fund as Shares of the new UCITS or the new Sub-Fund, as applicable. The Board of Directors of the Fund is competent to decide on or approve the effective date of the merger. Such a merger shall be subject to the conditions and procedures imposed by the Law, in particular concerning the terms of the merger to be established by the Board of Directors of the Fund and the information to be provided to the Shareholders.

Notwithstanding the powers conferred to the Board of Directors by the preceding section, a merger (within the meaning of the Law) of the assets and of the liabilities attributable to any Sub-Fund with another Sub-Fund within the Company may be decided upon by a general meeting of the Shareholders of the involved Sub-Fund, at which there shall be no quorum requirement and which shall decide upon the merger by resolutions taken by simple majority of the votes validly cast. The general meeting of the Shareholders of the involved Sub-Funds will decide on the effective date of such a merger it has initiated within the Company by resolution taken with no quorum requirement and adopted at a simple majority of the votes validly cast.

The Shareholders may also decide a merger (within the meaning of the Law) of the assets and of the liabilities attributable to the Company or any Sub-Fund with the assets of any new UCITS or new Sub-Fund within another UCITS. Such a merger and the decision on the effective date of such a merger shall require resolutions of the Shareholders of the Company or Sub-Fund concerned subject to the quorum and majority requirements provided for the amendment of the Articles, except when such a merger is to be implemented with a Luxembourg UCITS of the contractual type ("fonds commun de placement"), in which case resolutions shall be binding only on such Shareholders who have voted in favour of such merger. If the merger is to be implemented with a Luxembourg fonds commun de placement, Shareholders not having voted in favour of such merger will be considered as having requested the redemption of their Shares, except if they have given written instructions to the contrary to the Company. The assets which may not or are unable to be distributed to such Shareholders for whatever reasons will be deposited with the “Caisse de Consignation” on behalf of the persons entitled thereto.

Where the Company or any of its Sub-Funds is the absorbed entity which, thus, ceases to exist and irrespective of whether the merger is initiated by the Board of Directors or by the Shareholders, the general meeting of Shareholders of the Company or of the relevant Sub-Fund must decide the effective date of the merger. Such general meeting is subject to the quorum and majority requirements provided for the amendment of the Articles.

The merger shall be proceeded according to the Law. An appropriate and accurate information on the proposed merger shall be provided to their respective unitholders so as to enable them to make an informed judgement of the impact of the merger on their investment. This information shall be provided at least thirty days before the last date for requesting repurchase or redemption or, as the case may be, conversion without additional charge under Article 73, paragraph (1) of the Law.

In the event that the Board of Directors of the Fund believes it is required for the interests of the Shareholders of the relevant Sub-Fund or that a change in the economic or political situation relating to the Sub-Fund concerned has occurred which would justify it, the reorganisation of one Sub-Fund, by means of a division into two or more Sub-Funds, may be decided by the Board of Directors of the Fund. Such decision will be published in the same manner as described above and, in addition, the publication will contain information in relation to the two or more new Sub-Funds. Such publication will be made one month before the date on which the reorganisation becomes effective in order to enable the Shareholders to request redemption of their Shares, free of charge before the operation involving division into two or more Sub-Funds becomes effective.

G. Dissolution and Liquidation of the Fund, any Sub-Fund or any Class of Shares

The Fund and any Sub-Fund have been established for an unlimited period, unless otherwise provided under B. Sub-Fund Factsheet.

In the event that for any reason the value of the net assets in any Sub-Fund or the value of the net assets of any Class within a Sub-Fund has decreased to an amount determined by the Board of Directors to be the minimum level for such Sub-Fund or such Class to be operated in an economically efficient manner, or if a change in the economic or political situation relating to the Sub-Fund or Class concerned would have material adverse consequences on the investments of that Sub-Fund, or in order to proceed to an rationalization of the Classes and/or the Sub-Funds offered, the Board of Directors may decide to compulsorily redeem all the Shares of the relevant Class or Classes issued in such Sub-Fund at the Net Asset Value per Share (taking into account actual realization prices of investments and realization expenses) calculated on the Valuation Day at which such decision shall take effect and therefore close such Class or Sub-Fund. The decision of the Board of Directors will be published (either in newspapers to be determined by the Board of Directors or by way of a notice sent to the Shareholders at their addresses indicated in the register of Shareholders) prior to the effective date of the compulsory redemption and the publication and will indicate the reasons for, and the procedures of the compulsory redemption operations. Unless it is otherwise decided in the interests of, or to keep equal treatment between the Shareholders, the Shareholders of the Sub-Fund or Class concerned may continue to request redemption or conversion of their Shares free of charge (but taking into account actual realization prices of investments and realization expenses) prior to the date effective for the compulsory redemption.

Notwithstanding the powers conferred to the Board of Directors by the preceding paragraph, the Shareholders of any one or all Classes of Shares issued in any Sub-Fund may at a general meeting of such Shareholders, upon proposal from the Board of Directors, redeem all the Shares of the relevant Class or Classes and refund to the Shareholders the Net Asset Value of their Shares (taking into account actual realization prices of investments and realization expenses) calculated on the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such general meeting of Shareholders which shall decide by resolution taken by simple majority of the validly cast votes.

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

All redeemed Shares shall be cancelled.

The dissolution of the last Sub-Fund of the Company will result in the liquidation of the Company.

However, the Fund may at any time be dissolved by a resolution of the general meeting of Shareholders subject to the quorum and majority requirements referred to in the Articles of Incorporation and in compliance with the provision of the Company Law.

Liquidation of the Fund shall be carried out in compliance with the Company Law and with the Articles of Incorporation.

In addition and in accordance with articles 79 (4) and 79 (5) of the Law, the Feeder Fund shall be dissolved and liquidated if the Master Fund is liquidated, divided into two or more UCITS or merged with another UCITS, unless the CSSF approves either (a) the investment of at least 85% of the assets of the Company into units of another master UCITS or (b) the Company's conversion into a UCITS which is not a feeder UCITS within the meaning of the Law.

XVI. Documents Available

Any investor may obtain a copy of any of the following documents at:

Luxembourg Fund Partners S.A.
2, boulevard de la Foire
L-1528 Luxembourg
Grand Duchy of Luxembourg

- the Articles of Incorporation;
- the agreement between the Fund, the Management Company;
- the agreement between the Fund, the Management Company and the Investment Manager (if any);
- the agreement between the Fund and the Depositary Bank and Paying Agent;
- the agreement between the Fund and the Administrator, Registrar and Transfer Agent and Listing agent;
- the agreement between the Fund and the Domiciliary Agent;

- the agreement between the Fund and the Investment advisor (if any);
- the most recent annual and semi-annual financial statements of the Fund;
- if the Sub-Fund is a Feeder Fund, the related Master Fund's prospectus, articles of incorporation, annual and semi-annual financial reports and key investor information documents.

A copy of the Prospectus, Key Investor Information Document(s), the most recent financial statements and the Articles of Incorporation may be obtained free of charge upon request at the registered office of the Fund or the Depositary Bank.

The Fund will publish in a Luxembourg newspaper, if appropriate, any Shareholder notice required to be published by Luxembourg law or as provided in the Articles of Incorporation.

PART II:

SUB-FUND'S FACTSHEETS

EUROPE 10 OF 7 EQUITY FUND

Introduction

The Sub-Fund Europe 10 of 7 Equity Fund (hereafter the "**Europe 10 of 7 Equity Fund**"), was launched in January 2014.

Investment Objective

The Fund's objective is to seek consistent long-term capital gains by investing in equity securities of European large cap companies. The unique aspect of the Investment Objective is to select the 10 largest capitalizations of the 7 European most representative indices.

The 7 European indices selected are:

1. The Swiss Market Index (SMI): an index of 20 blue chip companies in Switzerland. It is considered a benchmark index for Swiss stocks. It consists of large cap companies and is weighted for market capitalization, meaning price changes for companies with higher market caps affect the price of the index more. It was established in 1988;
2. The OMX Stockholm (OMX): the OMX Stockholm 30 is a stock market index for the Stockholm Stock Exchange. It is a market value-weighted index that consists of the 30 most-traded stock classes;
3. The FTSE MIB (MIB): the index consists of the 40 most-traded stock classes on the exchange. The index was administered by Standard & Poor's from its inception until June 2009, when this responsibility was passed to FTSE Group, which is 100% owned by the Borsa Italiana's parent company London Stock Exchange Group;
4. The IBEX 35 (IBEX): tt is a market capitalization weighted index comprising the 35 most liquid Spanish stocks traded in the Madrid Stock Exchange General Index and is reviewed twice annually;
5. The FTSE 100 Index (FTSE): the "footsie" is a share index of the 100 companies listed on the London Stock Exchange with the highest market capitalization. It is one of the most widely used stock indices and is seen as a gauge of business prosperity for business regulated by UK company law;
6. The DAX Index (DAX): the DAX is a blue chip stock market index consisting of the 30 major German companies trading on the Frankfurt Stock Exchange;
7. The CAC 40 (CAC): the CAC 40 is a benchmark French stock market index. The index represents a capitalization-weighted measure of the 40 most significant values among the 100 highest market caps on the Paris Bourse (now Euronext Paris).

The Europe 10 of 7 Equity Fund is suitable for investors who:

1. seek capital growth; and
2. understand the risks of investing in European equities.

Investment Policy

At least 98% of the Sub-Fund will be invested in equity securities of a concentrated range of European companies as described in the Investment Objective. The companies will be in the top 10 by size of the European indices, as defined above, at the time of purchase. The Sub-Fund has no bias to any particular industry.

The Investment Manager will not allocate assets evenly across all markets and the portfolio allocation will depend on the prevailing conditions in each market and the potential opportunities arising from them. The Investment Manager will, however, allocate assets equally across the 10 equities of the chosen markets and will rebalance this position monthly. It is the intention of the Investment Manager to consider both macroeconomic and thematic views to determine market positioning when they find pertinent opportunities.
Additionally, the Investment Manager will adjust the portfolio allocation depending on other parameters such as net inflow, respectively net outflow or changes in the market capitalizations of the already selected companies.

It is foreseeable that the Investment Manager will invest a non-substantial amount into other UCITS offering a wider geographical diversification, for instance to gain exposure to Asian markets, if an opportunity arise and for a limited period of time, for a maximum of 12 months from the day of investment.

Cash and cash equivalents may be held on an ancillary basis.

Risk Profile

- The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.
- The value of equity securities may go down as well as up in response to the performance of individual companies and general market conditions.
- Further information about risks can be found in Section "*Principal Risk*".

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Company Fee*	Performance Fee Rate
A C E Institutional Investors	EUR GBP USD	Capitalisation of income	Up to 1.59%	none
B D F Retail Investors	EUR GBP USD	Capitalisation of income	Up to 1.84%	none

* Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 41,500 (VAT excluded and all fixed fee being converted into Euro). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.

Distributor Fee

The Distributor will receive a Distributor Fee paid by the Fund which is the Share Creation Charge below-indicated.

The Distributor Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the Valuation Day.
There is no additional charge for distribution to be paid by the Fund to the Distributor.

Initial Issue of Shares

Shares were initially available during an initial offering period closing on 30 January 2014, or at any other earlier date decided by the Board of Directors (the "Initial Offering Period"), at an initial price of:

Classes of Shares A & B: EUR 1.-

Classes of Shares C & D: GBP 1.-

Classes of Shares E & F: USD 1.-

in each case, an "Initial Issue Price"

Payment of the Initial Issue Price had to be received on 27 January 2014 at the latest.

Subscriptions of Shares

Classes of Shares	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day and Cut-Off Time
A, C, E Institutional Investors	EUR 100,000.- GBP 100,000.- USD 100,000.-	EUR 10,000.- GBP 10,000.- USD 10,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
B, D, F Retail Investors	EUR 100,- GBP 100,- USD 100,-	N/A	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day

Where:

"Valuation Day" is each Business Day of each week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Subscriptions applications must be received before 3 p.m. Luxembourg time on a Subscription Day. If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Share Class. The Fund may issue further Share Classes that may be denominated in different currencies.

The Fund may accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

Subscription Fee

Class A, C, E Shares – Institutional Investors

Subscription fee of up to 5%

Class B, D, F Shares – Retail Investors

A Share Creation Charge ("SCC") of 5% will apply: represented by a monthly charge, equal to 0.083% per month of every subscription amount received, which will be borne by the Fund in the form of a Share Creation Charge and amortised back to the Fund on a daily basis over a period of sixty (60) months from the date of each subscription. The Share Creation Charge shall apply to all initial subscriptions and any subsequent subscriptions. The full amount of the Share Creation Charge may be paid to officially appointed parties involved in the offering of Shares, at the time of the subscription. Upon redemption of shares the Share Creation Charge will extinct, the write off of the remaining accrual will be materialized by a Contingent Deferred Sales Charge computed on a pro rata temporis.

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Class A Shares and Class B Shares

Minimum Redemption Amount	Redemption Day and Cut-Off Time	Payment Day
EUR 1,000.- GBP 1,000.- USD 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 4 Business Days following the relevant Valuation Day

Redemption applications must be received by fax before 3 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund may accept redemptions in specie as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

Class A, C, E Shares – Institutional Investors

No redemption fee will apply.

Class B, D, F Shares – Retail Investors

A Contingent Deferred Sales Charge ("CDSC") as outlined below:

- Year 1 (after the Subscription): 5% of the redemption proceed pro rata temporis
- Year 2: 4% of the redemption proceed pro rata temporis
- Year 3: 3% of the redemption proceed pro rata temporis
- Year 4: 2% of the redemption proceed pro rata temporis
- Year 5: 1% of the redemption proceed pro rata temporis

Charges and Expenses

See Part I under "*Charges and Expenses*".

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of 0.27%, accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer Agent fees up to a maximum annual rate of 0.09%.

Benchmark

MSCI Europe Index

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Management Company will calculate the global exposure of the Fund on a daily basis. This global exposure will be calculated using the Commitment Approach.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

The Fund does not intend to use financial derivative instruments nor for investments nor for hedging purposes. If, in case of corporate actions as rights/warrant issues, the Fund holds derivative instruments or securities with embedded derivative instruments, the Commitment Approach would then be used to compute the global exposure. The holding of such securities would be exceptional and temporary as the fund would sell these positions.

Leverage

The Fund does not intend to use leverage techniques by investing in financial derivative instruments.

Securities lending operations

The Fund does not intend to participate to securities lending activities and will not be subject to the CSSF Circular 14/592.

Reference Currency of the Fund

Euro (EUR)

SILVER RAINBOW FUND

Introduction

The Sub-Fund Silver Rainbow Fund (hereafter the "**Silver Rainbow Fund**"), was launched in January 2014.

Investment Objective

The Fund's objective is to seek consistent long-term capital appreciation. The Investment Objective is to seek exposure to different markets, different industries on an opportunistic approach by investing into carefully selected regulated mutual funds.
The Silver Rainbow Fund will offer investors the possibility to invest in a portfolio mainly composed of open ended and regulated investment funds with a high level of risk diversification. Investors can then benefit from a professional and seasoned suite of investment techniques.

Whilst the diversification and risk mitigation will be optimum, market risks are going to remain. The Silver Rainbow Fund may then not be able to meet its objective.

Investment Policy

The Silver Rainbow Fund may be fully invested in open ended and regulated investment funds invested in equities, bonds, money market instruments, in cash and if the appropriate market conditions are met the Silver Rainbow Fund may be exposed substantially to regulated investment funds qualifying as Undertaking for Collective Investments in Transferable Securities ("**UCITS**") under the EC Directive 2009/65 of 13 July 2009 with exposure to Precious Metals or any raw materials. The Fund may invest from time to time in UCITS that would have adopted investment strategy and policy of Hedge Funds subject to the EC Directive 2009/65 of 13 July 2009; nevertheless the total exposure in this type of assets and its inherent risks may not exceed 10% of the total net asset of the fund. These investment funds having adopted investment strategy and policy of Hedge Funds must be subject to a regulated body member of the European Union or by the Swiss financial regulator.

The weighting of each type of asset in the portfolio of the Silver Rainbow Fund will depend on the prevailing market opportunities and foreseen evolution of these targeted markets.

Cash and cash equivalents may be held on an ancillary basis. From time to time, depending on the conditions of financial markets, the Silver Rainbow Fund may be substantially disinvested.

Valuation Day

"The Fund is going to be valued on each Friday (the "Valuation Date"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "Valuation Day"). If the

Valuation Day is a bank holiday in the Grand Duchy of Luxembourg then the net asset value per share is going to be computed on the next banking day".

Risk Profile

- The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.
- The value of equity securities may go down as well as up in response to the performance of individual companies and general market conditions.
- The Silver Rainbow Fund's may be fully invested in open ended and regulated investment funds investing in securities issued by selected companies. Operating expenses, including investment advisory and administration fees, of such targeted investment funds will reduce the return and investment value on such investments. All risks linked to assets of the targeted investment funds may decrease the investment values of Shareholders.
- Further information about risks can be found in Section "*Principal Risks*".

Share Class Characteristics

Classes of Shares	**Pricing Currency**	**Dividend Policy**	**Management Company Fee***	**Performance Fee Rate**
A Institutional Investors	EUR	Capitalisation of income	Up to 2.12%	15% above the High WaterMark
B Retail Investors	EUR	Capitalisation of income	Up to 1.54%	15% above the High WaterMark

* Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 28,500 (VAT excluded and all fixed fee being converted into Euro). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.

The maximum level of management fees that may be charged by the underlying regulated investment funds in which the Fund may invests is of 2%, which are additional fees to the Management Fees.

Performance Fee

The Management Company will receive a Performance Fee paid by the Fund as described above.

The Performance Fee will be accrued weekly and paid annually to the Management Company within fifteen (15) Business Days following the end of the previous Financial Year.

The "*High WaterMark*" is defined as the higher of (i) the Initial Issue Price of such Share or issue price and (ii) the highest Net Asset Value per Share of the relevant Class at the end of the previous Financial Year in respect of which a Performance Fee was computed and charged.

Initial Issue of Shares

Shares were initially available during an initial offering period closing on 30 January 2014, or at any other earlier date decided by the Board of Directors (the "Initial Offering Period"), at an initial price of:

Classes of Shares A & B: EUR 1,000.-

in each case, an "Initial Issue Price"

Payment of the Initial Issue Price had to be received on 27 January 2014 at the latest.

Subscriptions of Shares

Classes of Shares	**Minimum initial subscription amount**	**Minimum subsequent subscription amount**	**Subscription Day and Cut-Off Time**
A Institutional Investors	EUR 500,000.-	EUR 10,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
B Retail Investors	EUR 10,000,-	EUR 10,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day

Where:

"Valuation Day" is Monday of each week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Subscriptions applications must be received before 3 p.m. Luxembourg time on a Subscription Day. If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Class. The Fund may issue further Shares that may be denominated in different currencies.

The Fund may accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

Subscription Fee

Class A & B Shares – Institutional & Retail Investors

Subscription fee of up to 3%

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Class A Shares and Class B Shares

Minimum Redemption Amount	**Redemption Day and Cut-Off Time**	**Payment Day**
EUR 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 4 Business Days following the relevant Valuation Day

Redemption applications must be received by fax before 3 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund may accept redemptions in specie as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

No redemption fee will apply.

Charges and Expenses

See Part I under "*Charges and Expenses*".

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of 0.11%, accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer fees up to a maximum annual rate of 0.09%.

Benchmark

MSCI Europe Index

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Management Company will calculate the global exposure of the Fund on a daily basis. This global exposure will be calculated using the Commitment Approach.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

The Fund does not intend to use financial derivative instruments nor for investments nor for hedging purposes. If, in case of corporate actions as rights/warrant issues, the Fund holds derivative instruments or securities with embedded derivative instruments, the Commitment Approach would then be used to compute the global exposure. The holding of such securities would be exceptional and temporary as the fund would sell these positions.

Leverage

The Fund does not intend to use leverage techniques by investing in financial derivative instruments.

Securities lending operations

The Fund does not intend to participate in securities lending activities and will not be subject to the CSSF Circular 14/592.

Reference Currency of the Fund

Euro (EUR)

HARRIS LANE GLOBAL BALANCED FUND

Introduction

The Sub-Fund Harris Lane Global Balanced Fund was launched in 2014.

Investment Objective

The Investment Objective of the Harris Lane Global Balanced Fund is to seek a diversified exposure to different regulated financial markets through a dynamically managed portfolio of multi-asset, multi-currency investments. The Fund's return objective seeks to provide income and offer long term capital appreciation consistent with reasonable risk. During periods of high market stress and uncertainty, the Fund will seek to preserve capital.

Whilst the diversification and risk mitigation will be optimum, market risks are going to remain. The Harris Lane Global Balanced Fund may then not be able to meet its objective.

Investment Policy

To achieve this objective, the Fund will typically invest in a diversified portfolio of equities, fixed and variable income securities, cash and cash equivalent instruments and alternative type of investments, including commodities, convertible bonds, foreign currencies and structured products listed or dealt on a regulated stock exchange. These worldwide investments will be through direct and/or indirect exposure to the above mention asset classes. Indirect exposure may be achieved through investments in regulated investment funds, in structured products or in derivatives listed or dealt on a regulated stock exchange. Investments in the above assets will give rise to foreign currency exposure which may be partially or fully hedged at the discretion of the Management Company.

The Harris Lane Global Balanced Fund uses a balanced approach to invest in a broad range of essentially listed securities and may adopt any investment technique or strategy permitted under the rules governed by the Law of 17th December 2010 relating to collective undertakings (the **"Law"**) to achieve its objective. The Harris Lane Global Balanced Fund may be exposed substantially to regulated investment funds, including Undertaking for Collective Investments in Transferable Securities ("**UCITS**") under the EC Directive 2009/65 of 13 July 2009 and Undertaking for Collective Investments ("**UCIs**") complying with the conditions of 41(1)e) of the Luxembourg Law of 17 December 2010 on Undertaking for Collective Investments.

The Harris Lane Global Balanced Fund may also invest in a portfolio composed of Financial Derivative Instruments ("**FDIs**") to hedge the value of its assets against adverse movements in the various assets classes.

The combination of asset classes and countries will be varied from time to time both with respect to types of listed securities and markets in response to changing market and economic trends.

The exposure to alternative investments will include commodities via ETFs and ETCs on financial indices.

The use of financial derivatives instruments, including options, futures, indexed securities, inverse securities, swaps and forward contracts both consists to allow asset class appreciation exposure of the Harris Lane Global Balanced Fund and to hedge the value of its assets against adverse movements in the various assets classes. The Fund may from time to time use a small portion of its assets to invest in inverse securities to capitalize on overbought asset classes or to hedge current positions, within the limits as defined in the Law.

The weighting of each type of FDI in the portfolio of the Harris Lane Global Balanced Fund will depend on the level of protection needed, based the foreseen evolution of the asset classes to be hedged.

Cash and cash equivalents may be held on an ancillary basis. From time to time, depending on the conditions of financial markets, the Harris Lane Global Balanced Fund may be substantially disinvested.

The Harris Lane Global Balanced Fund is suitable for investors who:

1. *seek capital growth; and*
2. *understand the risks of investing in equities, fixed income and derivatives instruments*.

Valuation Day

"The Fund is going to be valued on each Friday (the "Valuation Date"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "Valuation Day"). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg then the net asset value per share is going to be computed on the next banking day".

Risk Profile

- The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.
- The value of the portfolio may go down as well as up in response to the performance of the assets and underlying regulated investment funds, as well as currencies fluctuations.
- The Harris Lane Global Balanced Fund's may be fully invested in open ended and regulated investment funds investing in securities issued by selected companies. Operating expenses, including investment advisory and administration fees, of such targeted investment funds will reduce the return and investment value on such investments. All risks linked to assets of the targeted investment funds may decrease the investment values of Shareholders.
- Specific risks in connection with Financial Derivative Instruments:

  - *Equity risk* **-** The value of all Funds that invest in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and Fund investing in equities could incur significant losses.

- *Debt Securities* - Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranationals and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of a Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities. Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Funds. This may also affect a debt security's liquidity and make it difficult for a Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of a Fund which may result in higher default rates than anticipated on the bonds and other debt securities.

- *Structured Products* - Investments in structured products may involve additional risks than those resulting from direct investments in underlying assets. Funds investing in structured products are exposed not only to movements in the value of the underlying asset including but not limited to currency (or basket of currencies), equity, bond, commodity index or any other eligible index, but also to the risk that the issuer of the structured product defaults or becomes bankrupt. The Fund may bear the risk of the loss of its principal investment and periodic payments expected to be received for the duration of its investment in the structured products. In addition, a liquid secondary market may not exist for the structured products, and there can be no assurance that one will develop. The lack of a liquid secondary market may make it difficult for the Fund to sell the structured products it holds. Structured products may also embed leverage which can cause their prices to be more volatile and their value to fall below the value of the underlying asset.

- *Derivatives risk* – Participation in warrants, futures, options and forward contracts involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Fund would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Management Company and the Investment Advisor, the Fund may be placed in a position which is better or worse than that in which it would have been if these instruments had not been used.

- *Equity Warrants* – An equity warrant generally allows an investor the right to subscribe for a fixed number of ordinary shares at a predetermined price on a future date or during a fixed period of time. Since the price of the warrant is normally substantially less than the price of the share itself, an increase in the share price will generally cause the value of the warrant to increase at a greater rate. On the other hand, a fall in the share price may cause the warrant to become valueless. The use of warrants by the Fund will, therefore, usually mean that the net asset value of the Fund will increase or decrease at a greater rate than would have been the case if the relevant investment had actually been made in the shares underlying the relevant warrants.

- *Futures* – Owing to the low margin deposits normally required in index and stock futures contracts, a high degree of leverage is typical of a futures trading account. As a result, a small price movement in index and stock futures contract may result in relatively large losses or profits to the Fund. The position of the Fund in such transactions may not be capable of being closed out in certain circumstances.

- *Options* – The Fund may engage in the use of call and put options. There are risks associated with the sale and purchase of call and put options. The buyer of a call or put options assumes the risk of losing his entire investment in the options. If the buyer of the call/ (put) option shorts/(holds) the underlying security, the loss on the call/(put) option will be offset in whole or in part by any gain on the underlying security. The seller of a call/(put) option which is covered (e.g. the seller has a long/(short) position in the underlying security) assumes the risk of a decrease/(an increase) in the market price of the underlying security below/(above) the purchase/(sales) price (in establishing the long/(short) position) of the underlying security, less the premium received, and gives up the opportunity for gain on the underlying security above/(below) the exercise price of the option. The seller of the call/(put) option which is uncovered assumes the risk of an increase/(a decrease) in the market price of the underlying security above/(below) the exercise price of the option, less the premium received.

  A call or put option on index futures contracts gives the investor the right to buy or sell respectively an index futures contract at a pre-determined level on a future date or during a fixed period of time. Since the cost of the option is normally substantially less than the cost of the index futures contract itself, an increase in the value of the index futures contract will generally cause the value of the call option to increase at a greater rate and may cause the put option to become valueless. On the other hand, a fall in the value of the index futures contract will generally cause the value of the put option to increase at a greater rate and may cause the call option to become valueless. The use of call and put options on index futures contracts by the Fund will, therefore, usually mean that the net asset value of the Fund will increase or decrease at a greater rate than would have been the case if the relevant investment had actually been made in the index futures contract underlying the relevant option.

- *Forward contracts* – The Fund may enter into forward contracts which are not traded on exchanges and are generally not regulated. There are no limitations on a daily price movement of forward contracts. Banks and other dealers with whom the Fund may maintain accounts may require the Fund to deposit margin with respect to such trading, although margin requirements are often minimal or non-existent. The Fund’s counterparties are not required to continue to make markets in such contracts. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the price at which the counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Management Company or the Investment Advisor would otherwise recommend, to the possible detriment of the Fund.

- Further information about risks can be found in Section “Principal Risk”.

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Company Fee*	Performance Fee
A1 Institutional Investors	EUR	Capitalisation of income	Up to 1.15%	N/A
A2 Retail Investors	EUR	Capitalisation of income	Up to 1.65%	N/A
B1 Institutional Investors	CHF	Capitalisation of income	Up to 1.15%	N/A
B2 Retail Investors	CHF	Capitalisation of income	Up to 1.65%	N/A
C1 Institutional Investors	USD	Capitalisation of income	Up to 1.15%	N/A
C2 Retail Investors	USD	Capitalisation of income	Up to 1.65%	N/A

* Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 35,700 (VAT excluded and all fixed fee being converted into Euro). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.

The maximum level of management fees that may be charged by the underlying regulated investment funds in which the Fund may invests is of 2%, which are additional fees to the Management Fees.

Initial Issue of Shares

Shares were initially available during an initial offering period closing on 21 April 2014 (the “Initial Offering Period”), at an initial price of:

Classes of Shares A1 & A2: EUR 100.-

Classes of Shares B1 & B2: CHF 100.-

Classes of Shares C1 & C2: USD 100.-

in each case, an “Initial Issue Price”

Payment of the Initial Issue Price had to be received on 17 April 2014 at 3 p.m. at the latest.

Subscriptions of Shares

Classes of Shares	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day and Cut-Off Time
A1 Institutional Investors	EUR 2,000,000.-	EUR 10,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
A2 Retail Investors	EUR 100,000,-	EUR 1,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
B1 Institutional Investors	CHF 2,000,000.-	USD 10,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
B2 Retail Investors	CHF 100,000,-	USD 1,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
C1 Institutional Investors	USD 2,000,000.-	CHF 10,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
C2 Retail Investors	USD 100,000,-	CHF 1,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day

Where:

“Valuation Day” is Monday of each week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Subscriptions applications must be received before 3 p.m. Luxembourg time on a Subscription Day. If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Class. The Fund may issue further Shares that may be denominated in different currencies.

The Fund may not accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

Subscription Fee

Classes A1, B1 and C1 Shares – Institutional Investors
A maximum Subscription Fee of up to 2% is payable to the Management Company, the Distributor(s) or any third party if so instructed by the Management Company.

Classes A2, B2 and C2 Shares – Retails Investors
A maximum Subscription Fee of up to 2% is payable to the Management Company, the Distributor(s) or any third party if so instructed by the Management Company.

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Classes of Shares	**Minimum Redemption Amount**	**Redemption Day and Cut-Off Time**	**Payment Day**
Classes A1 & A2	EUR 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 4 Business Days following the relevant Valuation Day
Classes B1 & B2	CHF 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 4 Business Days following the relevant Valuation Day
Classes C1 & C2	USD 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 4 Business Days following the relevant Valuation Day

Redemption applications must be received by fax before 3 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund will not accept redemptions in specie as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

A redemption fee of up to 2% will be charged to clients that redeem before the year anniversary of their investment, otherwise a maximum of 1% can be charged and payable to the Management Company, the Distributor(s) or any third party if so instructed by the Management Company.

Charges and Expenses

See Part I under "*Charges and Expenses*".

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of 0.30%, accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer fees up to a maximum annual rate of 0.90%, accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears.

Investment Advisory Fee

The Investment Advisor will be exclusively remunerated by the Management Company out of the Management Company Fee levied at the Fund's level. If any fees are paid to the Investment Advisor out of the net assets of the Fund, such fees shall be deducted from the fees payable to the Management Company, and may not, in aggregate, exceed the maximum Management Company Fee set out above.

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Management Company will calculate the global exposure of the Fund on a daily basis. This global exposure will be calculated using the Commitment Approach.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

If, in case of corporate actions as rights/warrant issues, the Fund holds derivative instruments or securities with embedded derivative instruments, the Commitment Approach would then be used to compute the global exposure. The holding of such securities would be exceptional and temporary as the fund would sell these positions.

Leverage

The Fund intends to use leverage techniques by investing in financial derivative instruments. At maximum the use of leverage techniques will not exceed 100% of the total net assets of the Fund at any point of time.

Securities lending operations

The Fund does not intend to participate in securities lending activities within the meaning of the CSSF Circular 14/592.

Reference Currency of the Fund

Euro (EUR)

Investment Advisor of the Fund

International Financial Advisors

12-14, rue du Cendrier

CH-1201 Geneva

Switzerland

GLOBAL STRATEGY FUND

Introduction

The Sub-Fund Global Strategy Fund (hereafter the “**Fund**”), was launched in April 2014.

Investment Objective

The Fund’s objective is to seek consistent long-term capital appreciation. The Investment Objective is to seek exposure to different regulated financial markets; different industries on an opportunistic approach by employing a dual strategy using futures contracts with main underlying being major World indices, ETFs relating to commodities and a currency trading.
The Global Strategy Fund will offer investors the possibility to invest in a portfolio mainly composed of Exchange Traded Funds (ETFs) and Financial Derivative Instruments (“**FDIs**”).

One leg of the Global Strategy Fund’s strategy will be oriented very short term intraday profit taking whilst the other leg will be oriented towards short to middle term profit taking.

Whilst the diversification and risk mitigation will be optimum, market risks are going to remain. The Global Strategy Fund may then not be able to meet its objective.

The Global Strategy Fund is suitable for investors who:

1. seek capital growth; and
2. understand the risks of investing in financial derivatives instruments.

Investment Policy

The Global Strategy Fund may be fully invested in Financial Derivative Instruments within the limits as defined in the Law, gaining exposure to the main World indices and ETFs relating to commodities.

The weighting of each type of futures contracts and ETFs in the portfolio of the Global Strategy Fund will depend on the prevailing market opportunities and foreseen evolution of these targeted markets.

Short-selling of securities will be done for hedging purposes - the strategy is to reduce the risk of the long positions of the Fund. Short-selling will be done on future contracts and world indexes.

Cash and cash equivalents may be held on an ancillary basis. From time to time, depending on the conditions of financial markets, the Global Strategy Fund may be substantially disinvested.

Valuation Day

The Fund is going to be valued on each Friday (the "Valuation Date"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "Valuation Day"). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg then the net asset value per share is going to be computed on the next banking day".

Risk Profile

- The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.
- The value of the portfolio may go down as well as up in response to the performance of individual contracts and behavior of the respective underlying as well as currencies fluctuations.
- Specific risks in connection with Financial Derivative Instruments:

  - *Derivatives risk* – Participation in warrants, futures, ETFs, options and forward contracts involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Fund would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Manager and the Investment Manager, the Fund may be placed in a position which is better or worse than that in which it would have been if these instruments had not been used.

  - *Equity Warrants* – An equity warrant generally allows an investor the right to subscribe for a fixed number of ordinary shares at a predetermined price on a future date or during a fixed period of time. Since the price of the warrant is normally substantially less than the price of the share itself, an increase in the share price will generally cause the value of the warrant to increase at a greater rate. On the other hand, a fall in the share price may cause the warrant to become valueless. The use of warrants by the Fund will, therefore, usually mean that the net asset value of the Fund will increase or decrease at a greater rate than would have been the case if the relevant investment had actually been made in the shares underlying the relevant warrants.

  - *Futures* – Owing to the low margin deposits normally required in index and stock futures contracts, a high degree of leverage is typical of a futures trading account. As a result, a small price movement in index and stock futures contract may result in relatively large losses or profits to the Fund. The position of the Fund in such transactions may not be capable of being closed out in certain circumstances.

  - *Options* – The Fund may engage in the use of call and put options. There are risks associated with the sale and purchase of call and put options. The buyer of a call or put options assumes the risk of losing his entire investment in the options. If the buyer of the call/ (put) option shorts/(holds) the underlying security, the loss on the call/(put) option will be offset in whole or in part by any gain on the underlying security. The seller of a call/(put) option which is covered (e.g. the seller has a long/(short) position in the underlying security) assumes the risk of a decrease/(an increase) in the market price of the underlying security below/(above) the purchase/(sales) price (in establishing the long/(short) position) of the underlying security, less the premium received, and gives up the opportunity for gain on the underlying security above/(below) the exercise price of the option. The seller of the call/(put) option which is uncovered assumes the risk of an increase/(a decrease) in the market price of the underlying security above/(below) the exercise price of the option, less the premium received.

A call or put option on index futures contracts gives the investor the right to buy or sell respectively an index futures contract at a pre-determined level on a future date or during a fixed period of time. Since the cost of the option is normally substantially less than the cost of the index futures contract itself, an increase in the value of the index futures contract will generally cause the value of the call option to increase at a greater rate and may cause the put option to become valueless. On the other hand, a fall in the value of the index futures contract will generally cause the value of the put option to increase at a greater rate and may cause the call option to become valueless. The use of call and put options on index futures contracts by the Fund will, therefore, usually mean that the net asset value of the Fund will increase or decrease at a greater rate than would have been the case if the relevant investment had actually been made in the index futures contract underlying the relevant option.

- *Forward contracts* – The Fund may enter into forward contracts which are not traded on exchanges and are generally not regulated. There are no limitations on a daily price movement of forward contracts. Banks and other dealers with whom the Fund may maintain accounts may require the Fund to deposit margin with respect to such trading, although margin requirements are often minimal or non-existent. The Fund's counterparties are not required to continue to make markets in such contracts. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the price at which the counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Manager or the Investment Manager would otherwise recommend, to the possible detriment of the Fund.

- Further information about risks can be found in Section "Principal Risk".

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Company Fee*	Performance Fee Rate
A Institutional Investors	EUR	Capitalisation of income	Up to 2.09%	20% above the High WaterMark
B Corporate Investors	EUR	Capitalisation of income	Up to 2.09%	20% above the High WaterMark
C Institutional Investors	USD	Capitalisation of income	Up to 2.09%	20% above the High WaterMark
D Corporate Investors	USD	Capitalisation of income	Up to 2.09%	20% above the High WaterMark

* Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 32,500 (VAT excluded and all fixed fee being converted into Euro). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.

Performance Fee

The Management Company will receive a Performance Fee paid by the Fund as described above. The Performance Fee will be accrued weekly and paid monthly to the Management Company of the Global Strategy Fund.

The "*High WaterMark*" is defined as the higher of (i) the Initial Issue Price of such Share or issue price and (ii) the highest Net Asset Value per Share of the relevant Class at the end of any previous monthly Performance Fee calculation period in respect of which a Performance Fee was charged.

Initial Issue of Shares

Shares were initially available during an initial offering period closing on 28 April 2014 (the "Initial Offering Period"), at an initial price of:

Classes of Shares A & B: EUR 1,000.-

Classes of Shares C & D: USD 1,000.-

in each case, an "Initial Issue Price"

Payment of the Initial Issue Price had to be received on 24 April 2014 at the latest.

Subscriptions of Shares

Classes of Shares	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day and Cut-Off Time
A Institutional Investors	EUR 50,000.-	EUR 1,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
B Retail Investors	EUR 50,000,-	EUR 1,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
C Institutional Investors	USD 65,000.-	USD 1,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
D Retail Investors	USD 65,000,-	USD 1,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day

Where:

"Valuation Day" is Monday of each week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Subscriptions applications must be received before 3 p.m. Luxembourg time on a Subscription Day. If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Class. The Fund may issue further Shares that may be denominated in different currencies.

The Fund may not accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

Subscription Fee

No subscription fee for share classes A & C.

Classes B & D Shares – Retail Investors.

A maximum Subscription fee of up to 2% is payable to the Management Company.

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Classes of Shares	**Minimum Redemption Amount**	**Redemption Day and Cut-Off Time**	**Payment Day**
Class A	EUR 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	within 4 Business Days following the relevant Valuation Day
Class B	EUR 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	within 4 Business Days following the relevant Valuation Day
Class C	USD 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	within 4 Business Days following the relevant Valuation Day
		before 3 p.m. Luxembourg	within 4 Business Days

Class D	USD 1,000.-	time at least 2 Business Days preceding the relevant Valuation Day	following the relevant Valuation Day

Redemption applications must be received by fax before 3 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund will not accept redemptions in specie as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

No redemption fee will apply.

Charges and Expenses

See Part I under "*Charges and Expenses*".

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of 0.27%, accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer fees up to a maximum annual rate of 0.90%.

Investment Advisory Fee

The Investment Advisor will be exclusively remunerated by the Management Company out of the Management Company Fee levied at the Fund's level and will receive from the Management Company 50% of the Performance Fee paid by the Fund to the Management Company. If any fees are paid to the Investment Advisor out of the net assets of the Fund, such fees shall be deducted from the fees payable to the Management Company, and may not, in aggregate, exceed the maximum Management Company Fee and Performance Fee set out above.

Benchmark

CS Hedge Fund Index Managed Futures

Global Risk Exposure and Risk Management

Valuation at Risk Approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Management Company will calculate the global exposure of the Fund on a daily basis. This global exposure will be calculated using the Absolute Valuation at Risk Approach.

Leverage

The Fund intends to use leverage techniques by investing in financial derivative instruments. At maximum the use of leverage techniques will not exceed 150% of the total net assets of the fund, computed on the sum of the notionals of all the financial derivative instruments, at any point of time.

Securities lending operations

The Fund does not intend to participate in securities lending activities within the meaning of the CSSF Circular 14/592.

Reference Currency of the Fund

US Dollar (USD)

Investment Advisor

Hetz Capital Ltd

43, rue Basel Herzliyya

Israel 4666043

ASG DYNAMIC INCOME FUND

Introduction

The Sub-Fund ASG DYNAMIC INCOME Fund (hereafter the "**Fund**"), was launched in 2014.

Investment Objective

The Fund's objective is to achieve capital gains through strategic allocation of its assets in a global diversified income-generating portfolio. The portfolio is structured with a mix of fixed income products and alternative income asset classes, such as Master Limited Partnerships ("MLPs") Dividend generating Equities and Real Estate Investment Trusts ("REITs"). Through a dynamic investment approach, ASG DYNAMIC INCOME Fund strategically invests in investment companies with robust balance sheets and sustainable earnings patterns that will deliver a performance over and above an equivalent static portfolio. In addition, a flexible allocation method is used to achieve consistent risk adjusted returns.
The ASG DYNAMIC INCOME Fund will offer investors the possibility to invest in a portfolio mainly composed of fixed income products, such as Bonds, Convertible Bonds Subordinated Debts, Hybrids, Preferred Securities and Contingent Convertible Bonds.

The ASG DYNAMIC INCOME Fund may also invest in Undertaking for Collective Investments in Transferable Securities ("**UCITS**") under the EC Directive 2009/65 of 13 July 2009, and Exchange Traded Funds ("**ETFs**").

Whilst the diversification and risk mitigation will be optimum, market risks are going to remain. The ASG DYNAMIC INCOME Fund may then not be able to meet its objective.

The ASG Dynamic Income Fund is suitable for investors who:

1. seek capital growth; and
2. understand the risks of investing in fixed income and alternative income asset classes instruments.

Investment Policy

The ASG DYNAMIC INCOME Fund may be fully invested in fixed income instruments within the limits as defined in the Law, gaining exposure in carefully selecting investments in companies based on the following characteristics:

- Their financial stability, cash flow and franchise. The fund seeks to determine the investment's income producing sustainability over time ;
- Their geographical exposure and sector of business. The fund will analyse the geographical environment as well as the activity sector of their operations ;
- Regulatory factors that can or could impact their activity ;

- Historical trends and the specifics of their business. The fund will analyse profit performance trends, market capitalisation, share ownership to determine the potential business strengths and weaknesses.

The weighting of each type of securities in the portfolio of the ASG DYNAMIC INCOME Fund will depend on the prevailing market opportunities and foreseen evolution of these targeted markets or companies.

Cash and cash equivalents may be held on an ancillary basis. From time to time, depending on the conditions of financial markets, the ASG DYNAMIC INCOME Fund may be substantially disinvested.

Valuation Day

The Fund's is going to be valued on each banking day (the "Valuation Date"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "Valuation Day"). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg then the net asset value per share is going to be computed on the next banking day.

Risk Profile

- The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.
- The value of the portfolio may go down as well as up in response to the performance of individual contracts and behavior of the respective underlying as well as currencies fluctuations.
- Specific risks in connection with Fixed Income Instruments:

• *Interest Rate Risk* – The market value of the securities will be inversely affected by movements in interest rates. When rates rise, market prices of existing debt securities fall as these securities become less attractive to investors when compared to higher coupon new issues. As prices decline, bonds become cheaper so the overall return, when taking into account the discount, can compete with newly issued bonds at higher yields. When interest rates fall, market prices on existing fixed income securities tend to rise because these bonds become more attractive when compared to the newly issued bonds priced at lower rates.

• *Price Risk* – Investors who need access to their principal prior to maturity have to rely on the secondary market to sell their securities. The price received may be more or less than the original purchase price and may depend, in general, on the level of interest rates, time to term, credit quality of the issuer and liquidity. Among other reasons, prices may also be affected by current market conditions, or by the size of the trade (prices may be different for 10 bonds versus 1,000 bonds), etc. It is important to note that selling a security prior to maturity may affect actual yield received, which may be different than the yield at which the bond was originally purchased. This is because the initially quoted yield assumed holding the bond to term.

• *Liquidity Risk* – Liquidity risk is the risk that an investor will be unable to sell securities due to a lack of demand from potential buyers, sell them at a substantial loss and/or incur substantial transaction costs in the sale process. Broker/dealers, although not obligated to do so, may provide secondary markets.

- *Reinvestment Risk* – Downward trends in interest rates also create reinvestment risk, or the risk that the income and/or principal repayments will have to be invested at lower rates. Reinvestment risk is an important consideration for investors in callable securities. Some bonds may be issued with a call feature that allows the issuer to call, or repay, bonds prior to maturity. This generally happens if the market rates fall low enough for the issuer to save money by repaying existing higher coupon bonds and issuing new ones at lower rates. Investors will stop receiving the coupon payments if the bonds are called. Generally, callable fixed income securities will not appreciate in value as much as comparable non-callable securities.

- *Prepayment Risk* – Similar to call risk, prepayment risk is the risk that the issuer may repay bonds prior to maturity. This type of risk is generally associated with mortgage-backed securities. Homeowners tend to prepay their mortgages at times that are advantageous to their needs, which may be in conflict with the holders of the mortgage-backed securities. If the bonds are repaid early, investors face the risk of reinvesting at lower rates.

- *Purchasing Power Risk*– Fixed income investors often focus on the real rate of return, or the actual return minus the rate of inflation. Rising inflation has a negative impact on real rates of return because inflation reduces the purchasing power of the investment income and principal.

- *Credit Risk*– The safety of the fixed income investor's principal depends on the issuer's credit quality and ability to meet its financial obligations, such as payment of coupon and repayment of principal at maturity. Rating agencies assign ratings based on their analysis of the issuer's financial condition, economic and debt characteristics, and specific revenue sources securing the bond. Issuers with lower credit ratings usually have to offer investors higher yields to compensate for additional credit risk. A change in either the issuer's credit rating or the market's perception of the issuer's business prospects will affect the value of its outstanding securities. Ratings are not a recommendation to buy, sell or hold and may be subject to review, revision, suspension or reduction, or may be withdrawn at any time. If a bond is insured, attention should be given to the credit worthiness of the underlying issuer or obligor on the bond as the insurance feature may not represent additional value in the marketplace or may not contribute to the safety of principal and interest payments.

- *Capital Structure*– It is important to know and understand how fixed income securities are ranked in the capital structure of the issuer. The ranking of a fixed income security is yet another factor that may affect its price. It determines the order of repayment priority by the issuer. Most bonds are unsecured debentures or promises to pay and do not have assets pledged to support the bond payments. They can be ranked senior, subordinated, or lower in the capital structure. Preferred securities are typically ranked below corporate bonds in repayment priority.

- *Default Risk*– The risk of default is the risk that the issuer will not be able to make interest payments and/or return the principal at maturity. Professional advice and, in many cases, professional management, are key elements of successful financial planning. Bonds, by their very nature, provide investors with an opportunity to initiate investment strategies that complement individual objectives. Those who wish to optimize the bond market opportunities created by movements in interest rates may wish to seek professional management. On the other hand, investors who want to create a sound portfolio foundation based on predictable returns and reduced risk may choose to implement fixed income investment strategies that suit their individual needs and risk tolerance.

- Further information about risks can be found in Section "Principal Risk".

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Company Fee*
A1	USD	Capitalisation of income	up to 2.28%
A1-Dis	USD	Distribution of income **	up to 2.28%
A2	EUR	Capitalisation of income	up to 2.28%
A2-Dis	EUR	Distribution of income **	up to 2.28%
B1	USD	Capitalisation of income	up to 0.28%
B1-Dis	USD	Distribution of income **	up to 0.28%
B2	EUR	Capitalisation of income	up to 0.28%
B2-Dis	EUR	Distribution of income **	up to 0.28%
I1 Institutional Investors	USD	Capitalisation of income	up to 1.58%
I1-Dis Institutional Investors	USD	Distribution of income **	up to 1.58%
I2 Institutional Investors	EUR	Capitalisation of income	up to 1.58%
I2-Dis Institutional Investors	EUR	Distribution of income **	up to 1.58%

** Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 49,460 (VAT excluded and all fixed fee being converted into Euro). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

** Distribution of income may occur two times per annum: on January (on the basis of the NAV computed on the last Valuation Day of December of the previous year) and on July (on the basis of the NAV computed on the last Valuation Day of June).

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.

Initial Issue of Shares

Shares were initially available during an initial offering period on September 30th, 2014 or at any other earlier date decided by the Board of Directors (the "Initial Offering Period"), at an initial price of:

Class of Shares A1, B1 and I1: USD 100.00-

Class of Shares A2, B2 and I2: EUR 100.00-

in each case, an "Initial Issue Price"

Payment of the Initial Issue Price must be received on September 29th, 2014 before 3 p.m. Luxembourg time at the latest.

Subscriptions of Shares

Classes of Shares	ISIN Code	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day and Cut-Off Time
A1	LU1107613173	USD 1,000.00	USD 100.00	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day.
A1-Dis	LU1122782060	USD 1,000.00	USD 100.00	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day.
A2	LU1107613256	EUR 1,000.00	EUR 100.00	before 3 p.m. Luxembourg time on the 3

				Business Days preceding the Valuation Day.
A2-Dis	LU1122782144	EUR 1,000.00	EUR 100.00	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day.
B1	LU1107613330	USD 1,000,00	USD 100.00	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day.
B1-Dis	LU1122782227	USD 1,000,00	USD 100.00	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day.
B2	LU1107613413	EUR 1,000.00	EUR 100.00	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day.
B2-Dis	LU1122782490	EUR 1,000.00	EUR 100.00	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day.
I1 Institutional Investors	LU1107613504	USD 1,000,000.00	USD 1,000.00	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day.
I1-Dis Institutional Investors	LU1122782573	USD 1,000,000.00	USD 1,000.00	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day.
I2 Institutional Investors	LU1107613686	EUR 1,000,000.00	EUR 1,000.00	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day.
I2-Dis Institutional Investors	LU1122782656	EUR 1,000,000.00	EUR 1,000.00	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day.

Where:

"Valuation Day" is each Business Day of the week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

Shares are available for subscription on any Subscription Day at the Net Asset Value per Share of the relevant Class calculated on the relevant Valuation Day.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Class. The Fund may issue further Shares that may be denominated in different currencies.

The Fund may not accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

Subscription Fee

A maximum Subscription fee of up to 2% is payable to the Management Company who may distribute it in its channel of authorised distributors, for Share classes A1, A1-Dis, A2, A2-Dis, I1, I1-Dis, I2 and I2-Dis.

A maximum Subscription fee of up to 5% is payable to the Management Company who may distribute it in its channel of authorised distributors, for Share classes B1, B1-Dis, B2 and B2-Dis.

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Class A1 Shares, Class A1-Dis Shares, Class B1 Shares, Class B1-Dis Shares, Class I1 Shares and Class I1-Dis Shares

Minimum Redemption Amount	**Redemption Day and Cut-Off Time**	**Payment Day**
None	before 3 p.m. Luxembourg time on each valuation date	Within 3 Business Days following the relevant valuation date

Class A2 Shares, Class A2-Dis Shares, Class B2 Shares, Class B2-Dis Shares, Class I2 Shares and Class I2-Dis Shares

Minimum Redemption Amount	**Redemption Day and Cut-Off Time**	**Payment Day**
None	before 3 p.m. Luxembourg time on each valuation date	Within 3 Business Days following the relevant valuation date

Redemption applications must be received by fax before 3 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund will not accept redemptions in specie as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

No redemption fee will apply.

Charges and Expenses

See Part I under "*Charges and Expenses*".

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of 0.27%, accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer fees up to a maximum annual rate of 0.90%, accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears.

Investment Advisory Fee

The Investment Advisor will be exclusively remunerated by the Management Company out of the Management Company Fee levied at the Fund's level and will receive from the Management Company 50% of the Performance Fee paid by the Fund to the Management Company. If any fees are paid to the Investment Advisor out of the net assets of the Fund, such fees shall be deducted from the fees payable to the Management Company, and may not, in aggregate, exceed the maximum Management Company Fee and Performance Fee set out above.

Benchmark

For Share Classes A1, A1-Dis, B1, B1-Dis, I1 and I1-Dis:
Barclays US Agg Credit Total Return Index Value Unhedged USD (LUCRTRUU).

For Share Classes A2, A2-Dis, B2, B2-Dis, I2 and I2-Dis:
Barclays US Agg Credit Total Return Index Value Unhedged EUR (LUCRTREU).

Global Risk Exposure and Risk Management

Absolute VaR approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Management Company will calculate the global exposure of the Fund on a daily basis. This global exposure will be calculated using the VaR Approach.

The VaR Approach is defined as a statistical technique used to measure and quantify the level of financial risk within a firm or investment portfolio over a specific time frame. Value at risk is used by risk managers in order to measure and control the level of risk which the firm undertakes. The risk manager's job is to ensure that risks are not taken beyond the level at which the firm can absorb the losses of a probable worst outcome.

Leverage

The ASG DYNAMIC INCOME Fund intends to use leverage techniques. At maximum the use of leverage techniques will not exceed 100% of the total net assets of the Fund, computed on the sum of the notionals of all the financial derivative instruments at any point of time.

Securities lending operations

The Fund does not intend to participate in securities lending activities within the meaning of the CSSF Circular 14/592.

Reference Currency of the Fund

US Dollar (USD)

Management Company

Luxembourg Fund Partners S.A.
2, Boulevard de la Foire
L-1528 Luxembourg
Grand-Duchy of Luxembourg

Investment Advisor

ASG Capital
1221 Brickell Avenue,
Suite 900 - Miami, FL 33131
United States
www.asg-capital.com

ABERFELD INFINITY GLOBAL RETURN FUND

Introduction

The Aberfeld Infinity Global Return Fund (the "**Fund**") was launched in January 2015.

References to "Fund" in this Annex, are to LFPartners Investment Funds – Aberfeld Infinity Global Return Fund.

Terms defined in the main part of the Prospectus shall bear the same meaning in this Annex.

Investment Objective

The Investment Objective of the Aberfeld Infinity Global Return Fund is to seek a diversified exposure to different regulated financial markets through a dynamically managed portfolio of multi-asset, multi-currency investments. The Fund's return objective seeks to provide income and offer long term capital appreciation consistent with reasonable risk. During periods of high market stress and uncertainty, the Fund will seek to preserve capital.

Whilst the diversification and risk mitigation will be optimum, market risks are going to remain. The Aberfeld Infinity Global Return Fund may then not be able to meet its objective.

Investment Policy

To achieve this objective, the Fund will typically invest in a diversified portfolio of equities, fixed and variable income securities, cash and cash equivalent instruments, financial derivative instruments and other alternative type of investments, mainly including convertible bonds, exchange-traded funds, foreign currencies and structured products. These worldwide investments will be through direct and/or indirect exposure to the above mention asset classes. Indirect exposure may be achieved through investments in regulated investment funds, in structured products or in financial derivative instruments. Investments in the above assets will give rise to foreign currency exposure which may be partially or fully hedged at the discretion of the Investment Manager.

The Aberfeld Infinity Global Return Fund uses a balanced approach to invest in a broad range of essentially listed securities and may adopt any investment technique or strategy permitted under the rules governed by the Law of 17th December 2010 relating to collective undertakings (the "**Law**") to achieve its objective. The Fund may be exposed substantially to regulated investment funds authorized under Article 41(1) of the Law.

The Aberfeld Infinity Global Return Fund may also invest in Financial Derivative Instruments to hedge the value of its assets against adverse movements in the various assets classes.

The combination of asset classes and countries will be varied from time to time both with respect to types of listed securities and markets in response to changing market and economic trends.

The use of financial derivative instruments, including options, futures, indexed securities, swaps and forward contracts both consists to allow asset class appreciation exposure of the Aberfeld Infinity Global Return Fund and to hedge the value of its assets against adverse movements in the various assets classes.

The weighting of each type of financial derivative instruments in the portfolio of the Aberfeld Infinity Global Return Fund will depend on the level of protection needed, based the foreseen evolution of the asset classes to be hedged.

Cash and cash equivalents may be held on an ancillary basis. From time to time, depending on the conditions of financial markets, the Aberfeld Infinity Global Return Fund may be substantially disinvested.

The assets of the Fund may be denominated in currencies other than the Reference Currency.

Investments will be made in accordance with the investment restrictions as set out in the general part of the Prospectus.

Term of the Sub-Fund

The Fund has been established for an indefinite period of time.

Investment Manager

The Management Company has appointed Aberfeld Asset Management B.V. as investment manager to the Fund (the "**Investment Manager**"). The Investment Manager is licensed and supervised by the Netherlands Authority for the Financial Markets (AFM) registered under license number 14002943.

The Investment Manager was appointed to provide day-to-day management of the Fund's investments, subject to the overall supervision and responsibility of the Management Company. The Investment Manager is required to adhere strictly to the guidelines laid down by the Management Company. In particular, the Investment Manager is required to ensure that the assets of the Fund are invested in a manner consistent with the Sub-Fund's investment restrictions and that cash belonging to the Fund is invested in accordance with the guidelines laid down by the Management Company.

Profile of the Typical Investor

The Fund is suitable for investors who seek long-term capital appreciation and who are comfortable with and understand the risks associated with investing in the financial markets. The investors must be able to accept temporary losses. Hence, the Fund is suitable both for investors who can afford to see their capital blocked for years but also for those investors who have no intention to block their capital at all. No minimal holding time will be required from the investors for the sake of maximum liquidity, transparency and efficiency.

Valuation Day

The Fund is going to be valued on each Friday (the "**Valuation Date**"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "**Valuation Day**"). If the

Valuation Day is a bank holiday in the Grand Duchy of Luxembourg then the net asset value per share is going to be computed on the next banking day.

Risk Profile

- The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.
- The value of the portfolio may go down as well as up in response to the performance of the assets and underlying regulated investment funds, as well as currencies fluctuations.
- The Aberfeld Infinity Global Return Fund's portfolio may be fully invested in open ended and regulated investment funds investing in securities issued by selected companies. Operating expenses, including investment advisory and administration fees, of such targeted investment funds will reduce the return and investment value on such investments. All risks linked to assets of the targeted investment funds may decrease the investment values of Shareholders.
- *Equity risk* - The value of all funds that invest in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and Fund investing in equities could incur significant losses.
- *Debt Securities* - Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranationals and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of the Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities. Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Funds. This may also affect a debt security's liquidity and make it difficult for a Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of the Fund which may result in higher default rates than anticipated on the bonds and other debt securities.

- *Structured Products* - Investments in structured products may involve additional risks than those resulting from direct investments in underlying assets. Funds investing in structured products are exposed not only to movements in the value of the underlying asset including but not limited to currency (or basket of currencies), equity, bond, financial index on commodities or any other eligible index, but also to the risk that the issuer of the structured product defaults or becomes bankrupt. The Fund may bear the risk of the loss of its principal investment and periodic payments expected to be received for the duration of its investment in the structured products. In addition, a liquid secondary market may not exist for the structured products, and there can be no assurance that one will develop. The lack of a liquid secondary market may make it difficult for the Fund to sell the structured products it holds. Structured products may also embed leverage which can cause their prices to be more volatile and their value to fall below the value of the underlying asset.
- Specific risks in connection with Financial Derivative Instruments:

    - *Derivatives risk* – Participation in warrants, futures, options and forward contracts involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Fund would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Manager and the Investment Manager, the Fund may be placed in a position which is better or worse than that in which it would have been if these instruments had not been used.

    - *Equity Warrants* – An equity warrant generally allows an investor the right to subscribe for a fixed number of ordinary shares at a predetermined price on a future date or during a fixed period of time. Since the price of the warrant is normally substantially less than the price of the share itself, an increase in the share price will generally cause the value of the warrant to increase at a greater rate. On the other hand, a fall in the share price may cause the warrant to become valueless. The use of warrants by the Fund will, therefore, usually mean that the net asset value of the Fund will increase or decrease at a greater rate than would have been the case if the relevant investment had actually been made in the shares underlying the relevant warrants.

    - *Futures* – Owing to the low margin deposits normally required in index and stock futures contracts, a high degree of leverage is typical of a futures trading account. As a result, a small price movement in index and stock futures contract may result in relatively large losses or profits to the Fund. The position of the Fund in such transactions may not be capable of being closed out in certain circumstances.

    - *Options* – The Fund may engage in the use of call and put options. There are risks associated with the sale and purchase of call and put options. The buyer of a call or put options assumes the risk of losing his entire investment in the options. If the buyer of the call/ (put) option shorts/(holds) the underlying security, the loss on the call/(put) option will be offset in whole or in part by any gain on the underlying security. The seller of a call/(put) option which is covered (e.g. the seller has a long/(short) position in the underlying security) assumes the risk of a decrease/(an increase) in the market price of the underlying security below/(above) the purchase/(sales) price (in establishing the long/(short) position) of the underlying security, less the premium received, and gives up the opportunity for gain on the underlying security above/(below) the exercise price of the option. The seller of the call/(put) option which is uncovered assumes the risk of an increase/(a decrease) in the market price of the underlying security above/(below) the exercise price of the option, less the premium received.

A call or put option on index futures contracts gives the investor the right to buy or sell respectively an index futures contract at a pre-determined level on a future date or during a fixed period of time. Since the cost of the option is normally substantially less than the cost of the index futures contract itself, an increase in the value of the index futures contract will generally cause the value of the call option to increase at a greater rate and may cause the put option to become valueless. On the other hand, a fall in the value of the index futures contract will generally cause the value of the put option to increase at a greater rate and may cause the call option to become valueless. The use of call and put options on index futures contracts by the Fund will, therefore, usually mean that the net asset value of the Fund will increase or decrease at a greater rate than would have been the case if the relevant investment had actually been made in the index futures contract underlying the relevant option.

- *Forward contracts* – The Fund may enter into forward contracts which are not traded on exchanges and are generally not regulated. There are no limitations on a daily price movement of forward contracts. Banks and other dealers with whom the Fund may maintain accounts may require the Fund to deposit margin with respect to such trading, although margin requirements are often minimal or non-existent. The Fund's counterparties are not required to continue to make markets in such contracts. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the price at which the counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Manager or the Investment Manager would otherwise recommend, to the possible detriment of the Fund.

- Further information about risks can be found in Section "Principal Risk".

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Company Fee*	Performance Fee
A1 Institutional Investors	EUR	Capitalisation of income	Up to 0.88%	10%
A2 Institutional Investors	EUR	Capitalisation of income	Up to 1.38%	10%
A3 Retail Investors	EUR	Capitalisation of income	Up to 1.38%	10%
A4 Retail Investors	EUR	Capitalisation of income	Up to 2.38%	10%

* Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 40,000 (VAT excluded and all fixed fee being converted into Euro). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.

The maximum level of management fees that may be charged by the underlying regulated investment funds in which the Fund may invests is of 4%, which are additional fees to the Investment Management Fees.

Performance Fee

The Management Company will receive a Performance Fee paid by the Fund.

The Performance Fee consists of 10% of the net increase of the Net Asset Value per Share compared to the end of the previous quarter's Net Asset Value per Share of the Fund. The computation of the Performance Fee is reset on a quarterly basis.

The Performance Fee will be accrued weekly and paid on a quarterly basis in arrears to the Management Company.

Initial Issue of Shares

Shares were initially available during an initial offering period on January 21st 2015 (the "Initial Offering Period"), at an initial price of:

Classes of Shares A1 & A2: EUR 100.-

Classes of Shares A3 & A4: EUR 100.-

in each case, an "Initial Issue Price"

Payment of the initial price had to be received on January 19th 2015 at the latest.

Subscriptions of Shares

Classes of Shares	ISIN Code	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day and Cut-Off Time
A1 Institutional Investors	LU1162593112	EUR 100,000.-	EUR 10,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
A2 Institutional Investors	LU1162594862	EUR 25,000.-	EUR 10,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
A3 Retail Investors	LU1162596057	EUR 10,000.-	EUR 5,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
A4 Retail Investors	LU1162597709	EUR 1,000.-	EUR 1,000.-	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day

Where:

"Valuation Day" is Monday of each week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

Shares are available for subscription on any Subscription Day at the Net Asset Value per Share of the relevant Class calculated on the relevant Valuation Day.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Class. The Fund may issue further Shares that may be denominated in different currencies.

The Fund may not accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

Subscription Fee

Classes A1 and A2 Shares – Institutional Investors
A maximum Subscription Fee of up to 3% is payable to the Investment Manager.

Classes A3 and A4 Shares – Retails Investors
A maximum Subscription Fee of up to 5% is payable to the Investment Manager.

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Classes of Shares	Minimum Redemption Amount	Redemption Day and Cut-Off Time	Payment Day
Classes A1 & A2	EUR 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 2 Business Days following the relevant Valuation Day
Classes A3 & A4	EUR 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 2 Business Days following the relevant Valuation Day

Redemption applications must be received by fax before 3 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund will not accept redemptions in specie as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

A redemption fee of up to 2% will be charged to Investors that redeem before the year anniversary of their investment, otherwise a maximum of 1% can be charged and payable to the Investment Manager.

Charges and Expenses

See Part I under "*Charges and Expenses*".

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of maximum 0.27% accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer fees up to a maximum annual rate of 0.90%.

Investment Management Fee

The Investment Manager will be exclusively remunerated by the Management Company out of the Management Company Fee and Performance Fee levied at the Fund's level. If any fees are paid to the Investment Manager out of the net assets of the Fund, such fees shall be deducted from the fees payable to the Management Company, and may not, in aggregate, exceed the maximum Management Company Fee and Performance Fee set out above.

Benchmark

S&P TARGET RISK GROWTH INDEX

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Management Company will calculate the global exposure of the Fund on a daily basis. This global exposure will be calculated using the Commitment Approach.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

If, in case of corporate actions as rights/warrant issues, the Fund holds derivative instruments or securities with embedded derivative instruments, the Commitment Approach would then be used to compute the global exposure. The holding of such securities would be exceptional and temporary as the fund would sell these positions.

Leverage

The Fund intends to use leverage techniques by investing in financial derivative instruments. At maximum the use of leverage techniques will not exceed 100% of the total net assets of the Fund at any point of time.

Securities lending operations

The Fund does not intend to participate in securities lending activities within the meaning of the CSSF Circular 14/592.

Reference Currency of the Fund

Euro (EUR)

Investment Manager of the Fund

Aberfeld Asset Management B.V.
20 Vijzelstraat
1017 HK Amsterdam
Netherlands

THE GLOBAL FUND

Introduction

The GLOBAL FUND (the "**Fund**") was launched in June 2015.

References to "Fund" in this Annex are to LFPartners Investment Funds – The GLOBAL FUND.

Terms defined in the main part of the Prospectus shall bear the same meaning in this Annex.

Investment Objective

The GLOBAL FUND's objective is to maximize returns to its investors in its investments while reducing volatility over the long term and maximizing capital preservation by investing its assets through a diversified portfolio of investments.

For that purpose, The GLOBAL FUND will identify, invest in and manage prime selected investments seeking consistent returns combined with long-term capital appreciation mainly through a portfolio of carefully selected government and corporate bonds, diversified type of securities, money market instruments and cash. The GLOBAL FUND will invest its capital using a defined strategy that focuses on building a diversified portfolio of investments and will emphasise the cultivation and management of a multifaceted revenue stream.

The GLOBAL FUND has an absolute performance objective and therefore does not have a single benchmark indicator. The Investment Approach is based on a combination of Fundamental (macro and micro) and Technical Analysis.

Whilst the diversification and risk mitigation will be optimum, market risks are going to remain. The GLOBAL FUND may then not be able to meet its objective.

Investment Policy

The targeted long term capital appreciation of The GLOBAL FUND will be achieved via a carefully managed asset allocation strategy among a diverse range of financial products and currencies and may adopt any investment technique or strategy permitted under the rules governed by the Law of 17th December 2010 relating to collective undertakings (the "**Law**") to achieve its objective. The Fund may be exposed substantially to regulated investment funds authorized under Article 41(1) of the Law.

The combination of asset classes and countries will be varied from time to time both with respect to types of listed securities and markets in response to changing market and economic trends.

The investments' portfolio of The GLOBAL FUND will permit the exposure to various assets classes:

- Government and corporate bonds (with no rating constraints), investments in high yield bonds being limited to maximum 20% of the net asset value of the Fund;
- Listed equity stocks such as USA, European and Japanese blue chips;
- Other investment funds (managed by Templeton, Aberdeen, Fidelity, Black Rock and Pioneer for instance); and
- Deposits, cash and money market instruments.

It is part of the investment strategy to have the possibility using Forex investments (Currencies based such as EUR, USD, JPY, CHF, GBP, HUF, AUD, BRL, SGD,) in order to hedge fully or partially, when needed, any foreign exchange currency exposure.

From time to time, depending on the conditions of financial markets, The GLOBAL Fund may be substantially disinvested.

The assets of the Fund may be denominated in currencies other than the Reference Currency.

Investments will be made in accordance with the investment restrictions as set out in the general part of the Prospectus.

Term of the Sub-Fund

The Fund has been established for an indefinite period of time.

Profile of the Typical Investor

The Fund is suitable for investors who seek not only capital preservation but also long-term capital appreciation and who are comfortable with and understand the risks associated with investing in the financial markets. The investors must be able to accept temporary losses. Hence, the Fund is suitable both for investors who can afford to see their capital blocked for years but also for those investors who have no intention to block their capital at all. No minimal holding time will be required from the investors for the sake of maximum liquidity, transparency and efficiency.

Valuation Day

The GLOBAL FUND is going to be valued on each Friday (the "Valuation Date"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "Valuation Day"). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg then the net asset value per share is going to be computed on the next banking day.

Risk Profile

- The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.
- The value of the portfolio may go down as well as up in response to the performance of the assets and underlying regulated investment funds, as well as currencies fluctuations.
- The GLOBAL FUND's portfolio may be fully invested in open ended and regulated investment funds investing in securities issued by selected companies. Operating expenses, including investment advisory and administration fees, of such targeted investment funds will reduce the return and investment value on such investments. All risks linked to assets of the targeted investment funds may decrease the investment values of Shareholders.
- *Equity risk* - The value of all funds that invest in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and Fund investing in equities could incur significant losses.
- *Debt Securities* - Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranational and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of the Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities. Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Funds. This may also affect a debt security's liquidity and make it difficult for a Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of the Fund which may result in higher default rates than anticipated on the bonds and other debt securities.
- *Forward contracts* – The Fund may enter into forward contracts which are not traded on exchanges and are generally not regulated. There are no limitations on a daily price movement of forward contracts. Banks and other dealers with whom the Fund may maintain accounts may require the Fund to deposit margin with respect to such trading, although margin requirements are often minimal or non-existent. The Fund's counterparties are not required to continue to make markets in such contracts. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the price at which the counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems

therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Manager or the Investment Manager would otherwise recommend, to the possible detriment of the Fund.

Further information about risks can be found in Section "*Principal Risk*".

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Company Fee Rate of up to*	Performance Fee
A All investors	EUR	Capitalization of income	2.51%	20%
B All investors	HUF	Capitalization of income	2. 51%	20%
C All investors	USD	Capitalization of income	2.51%	20%

* Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 35.200 (VAT excluded and all fixed fee being converted into Euro). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.
The Management Company will receive a Performance Fee paid by the Fund.

Performance Fee

The Performance Fee is calculated quarterly, starting from the last Net Asset Value of the prior quarter to the last Net Asset Value of the current quarter (the "**Calculation Period**"), and will be accrued as at each Valuation Date. Exceptionally, the first Performance Fee will start upon the launch date of the Fund and end on the 30th of June 2015.

For each Calculation Period, the Performance Fee in respect of each Class will be up to 20%, as specified above for each Share Class, of any appreciation in the Net Asset Value per Share (prior to reduction of any accrued Performance Fee) of such Class during that Calculation Period above the High Water Mark (as defined below) of that Share, as measured at the end of the Calculation Period. No Performance Fee will be payable in respect to any Class of Shares unless the Net Asset Value (prior to reduction of any accrued Performance Fee) of the relevant Class of Shares as of the end of the relevant Calculation Period exceeds its High Water Mark.

The High Water Mark is the greater of the following during each Calculation Period:

- the last Net Asset Value of the relevant quarter, and
- the Initial Issue Price based on which Shareholders have subscribed during the Calculation Period.

The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value before deduction for any accrued Performance Fee.

The Performance Fee is normally payable to the Management Company in arrears at the end of each Calculation Period. However, in the case of Shares redeemed during a Calculation Period, the Performance Fee in respect of those Shares will be calculated as if the date of redemption of such Shares were the end of the Calculation Period and will become payable immediately after the relevant Valuation Date.

If the Management Company Agreement is terminated before the end of a Calculation Period, the Performance Fee in respect of the Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

Transfers of Shares will be treated as redemption and subscription for Performance Fee calculation purposes. Such treatment will result in the crystallization of any Performance Fee due to holding at such time, in relation to the transferred Shares.

The Management Company will grant remuneration to any appointed investment advisor out of the Performance Fee received.

The maximum level of investment management fees that may be charged by the underlying investment funds in which the Fund may invest is of 2%, which are additional fees to the Management Company Fees.

Investment Advisor Fee

The Investment Advisor will be exclusively remunerated by the Management Company out of the Management Company Fee levied at the Fund's level and will receive from the Management Company 50% of the Performance Fee paid by the Fund to the Management Company. If any fees are paid to the Investment Advisor out of the net assets of the Fund, such fees shall be deducted from the fees payable to the Management Company, and may not, in aggregate, exceed the maximum Management Company Fee and Performance Fee set out above.

Initial Issue of Shares

Shares were initially available during an initial offering period closing on 30 June 2015 (the “Initial Offering Period”), at an initial price of, in each case, an “Initial Issue Price”:

Class A: EUR 100
Class B: HUF 100
Class C: USD 100

Payment of the Initial Issue Price had to be received on 25 June 2015 at the latest.

Subscriptions of Shares

Classes of Shares	**ISIN Code**	**Minimum initial subscription amount**	**Minimum subsequent subscription amount**	**Subscription Day and Cut-Off Time**
A All investors	LU1243805535	EUR 100	EUR 100	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
B All investors	LU1243805709	HUF 30,000	HUF 30,000	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
C All investors	LU1243805964	USD 100	USD 100	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day

Where:

“Valuation Day” is Monday of each week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

Shares are available for subscription on any Subscription Day at the Net Asset Value per Share of the relevant Class calculated on the relevant Valuation Day.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Class. The Fund may issue further Shares that may be denominated in different currencies.

The Fund may not accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

Subscription Fee

A Share Creation Charge ("SCC") of 5% will apply: represented by a monthly charge, equal to 0.083% per month of every subscription amount received, which will be borne by the Fund in the form of a Share Creation Charge and amortized back to the Fund on a daily basis over a period of sixty (60) months from the date of each subscription. The Share Creation Charge shall apply to all initial subscriptions and any subsequent subscriptions. The full amount of the Share Creation Charge may be paid to officially appointed parties involved in the offering of Shares, at the time of the subscription. Upon redemption of shares the Share Creation Charge will extinct, the write off of the remaining accrual will be materialized by a Contingent Deferred Sales Charge computed on a pro rata temporis.

The Management Company may decide to waive or reduce, for each share classes, the Share Creation Charge.

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Classes of Shares	Minimum Redemption Amount	Redemption Day and Cut-Off Time	Payment Day
Classes A, B and C	EUR 1,000.- or equivalent to the amount in HUF and USD. No redemption amount in the case where a shareholder of the holding are below EUR 1,000.- or equivalent to the amount in HUF and USD.	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 2 Business Days following the relevant Valuation Day

Redemption applications must be received by fax before 3 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund will not accept redemptions in specie as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

A Contingent deferred sales charge ("CDSC") as outlined below may apply if a Share Creation has been charged to the Fund:

- Year 1: 5% of the redemption proceed ;
- Year 2: 4% of the redemption proceed ;
- Year 3: 3% of the redemption proceed ;
- Year 4: 2% of the redemption proceed ;
- Year 5: 1% of the redemption proceed ;

No redemption fees will be charged after the fifth year. The Management Company may decide to waive or reduce, for each share classes, the CDSC.

Charges and Expenses

See Part I under "*Charges and Expenses*".

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of maximum 0.27% accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer fees up to a maximum annual rate of 0.90%.

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Management Company will calculate the global exposure of the Fund on a daily basis. This global exposure will be calculated using the Commitment Approach.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

If, in case of corporate actions as rights/warrant issues, the Fund holds derivative instruments or securities with embedded derivative instruments, the Commitment Approach would then be used to compute the global exposure. The holding of such securities would be exceptional and temporary as the fund would sell these positions.

Leverage

The Fund may use leverage techniques by investing in currency forex instruments. At maximum, the use of leverage techniques will not exceed 100% of the total net assets of the Fund at any point of time.

Securities lending operations

The Fund does not intend to participate in securities lending activities within the meaning of the CSSF Circular 14/592 of 30 September 2014.

Reference Currency of the Fund

Euro (EUR)

Investment Advisor of the Fund

THE MILLIONS s.r.o.
M.R. Stefanika 2/9
945 01 Komarno
SLOVAKIA

OPERTY FUND

Introduction

Operty Fund (the "Fund") will be launched at a later stage upon decision of the Board of Directors (for an unlimited period of time).

References to the "Fund" in this Annex are to LFPartners Investment Funds – Operty Fund.

Terms defined in the main part of the Prospectus shall bear the same meaning in this Annex.

Investment Objective

The main objective of the Fund is to provide shareholders with attractive and sustainable total returns by investing primarily in a diversified portfolio of high yield corporate bonds and other high yield interest-bearing securities, globally, consistent with prudent investment management, in a context of risk controls and independence of the returns generated by the overall corporate bond markets. The Fund will be predominantly focused on Northern European corporate bonds. The Fund will seek to preserve capital through the use of various risk management techniques, given its long term investment strategies.

The Fund has an expected average return target of 7% per annum. There is however no guarantee that such an expected return would be achieved.

Investment Policy

The Fund's view is striving for economic benefits and conservation of nature and environment compatible to each other. The combination of these aims is also part of the philosophy of the Management Company.

The Fund seeks to achieve its investment objective by primarily investing its assets in a diversified portfolio of high yield corporate bonds and other high yield debt securities of varying maturities or derivative instruments, such as options, futures contracts or swap agreements, to get a synthetic exposure on these securities. The average portfolio duration of the Fund will normally vary from 5-7% based on the Management Company’s forecast for interest rates.

The Fund may also invest on an ancillary basis in investment grade securities.

The Fund may also invest up to 10% of its Net Asset Value in aggregate in other Funds, including exchange traded funds, and/or other Sub-Funds of the Fund. The Fund may invest up to 20% of its Net Asset Value in corporate debt securities issued by companies domiciled in emerging markets and some of these investments may be made through investments in other funds.

The Fund intends to utilize various investment strategies in a broad array of fixed and floating income sectors to achieve its investment objective.

The quality and diversification of the investments will be organized as follows.

During the investment period of one year, the following aspects are at least taken into consideration:

- geography/region: mainly Northern Europe;
- sector;
- maturity;
- currency;
- type: fixed, floating and variable zero coupon on payment rank;
- seniority: junior secured, senior secured and sub-ordinated.

At the end of the investment period, the Management Company will have to disinvest progressively in the best interest of the Shareholders until the liquidation of the Fund at the Fund's term.
There can be no assurance that the investment objectives and policy of the Fund will be achieved. Consequently, the NAV may increase or decrease and positive or negative returns of different levels may arise.

The Management Company may, for hedging, efficient portfolio management or arbitrage purposes, employ financial derivatives, including options, futures and options on futures, equivalent cash settled instruments, dealt in on a Regulated Market referred and/or financial derivative instruments dealt in over-the-counter derivatives.

Finally, the Fund is allowed to enter in repurchase agreements and any other efficient portfolio management techniques, such as security lending transactions.

The Fund may lastly invest in ABS or MBS up to 20% of the net assets of the Fund.

The Fund will not invest in defaulted or distressed debt securities.

SEK is the reference currency of the Fund but assets may be denominated in other currencies. Given the nature of the investments, currency and related exposure, the Fund may employ on a regular basis currency management and hedging techniques.

The Fund targets a total size of SEK 250 million (excluding gearing).

The Fund is primarily suitable for private investors with an investment horizon of at least five (5) years that want to gain higher returns than provided by regular savings accounts, while having the intention to preserve limited risks.

The Fund put an adequate risk management in place so as to ensure that the liquidity of the Fund is sufficient and aligned with potential daily redemption of Shares as detailed below.

Valuation Day

The Fund’s Net Asset Value per share is going to be valued on each Business Day (the “Valuation Date”). The Fund’s net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the “Valuation Day”). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg then the Net Asset Value per share is going to be computed on the next banking day.

Risk Profile

The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.

The value of the assets of the Fund may go down as well as up in response to the performance of individual companies or issuers and general market conditions.

Debt Securities and high yield risks - Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranationals and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of a Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities. Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Funds. This may also affect a debt security's liquidity and make it difficult for a Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of a Fund which may result in higher default rates than anticipated on the bonds and other debt securities.

Emerging market risks - The Fund may be exposed to emerging markets. Specific risks in connection with emerging markets shall be considered:

- Investments in emerging market securities involve a greater degree of risk than those in securities of issuers based in more developed countries. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile and less liquid markets, less strict securities market regulation, less favourable tax provisions and limitations on the removal of funds or other assets of the Fund or its target funds. Other risks include a greater likelihood of severe inflation, unstable currency, adverse changes in government regulation, political and social instability or diplomatic developments (including war), and nationalisation, expropriation or confiscatory taxation than investments in securities of issuers based in developed countries. In addition, the Fund's (indirect) investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities.
- Emerging markets generally are not as efficient as the developed ones. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, especially in adverse market conditions, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive

practices. Furthermore, the quality and reliability of official data published by the government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported.

- The fact that the evidence of ownership of the Fund's securities or the Fund's target funds may be held outside of a developed country may subject them to additional risks, which include possible adverse political and economic developments, and the attendant risk of seizure or nationalisation of foreign deposits. In addition, it may subject them to the possible adoption of governmental restrictions which might adversely affect payments on securities or restrict payments to investors located outside the country of the issuers, whether from currency blockage or otherwise. Furthermore, some securities may be subject to brokerage or stock transfer taxes levied by governments, which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of sale. The issuers of some of these securities, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and therefore potentially carry greater risk. In addition, settlement of trades in some emerging markets is much slower and subject to a greater risk of failure than in markets in developed countries. Custodial expenses for a portfolio of emerging markets securities generally are higher than for a portfolio of securities of issuers based in developed countries. Further, custodians might not be not able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that the Fund will not be recognised as the owner of securities held on its behalf by a sub-custodian. In addition, dividend and interest payments from, and capital gains in respect of, certain securities may be subject to taxes that may or may not be reclaimable.

Derivatives risk – Participation in futures, options and SWAP agreements or in other derivative instruments involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Fund would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Management Company, the Fund may be placed in a position which is better or worse than that in which it would have been if these instruments had not been used.

- *Futures* – Owing to the low margin deposits normally required in index and stock futures contracts, a high degree of leverage is typical of a futures trading account. As a result, a small price movement in index and stock futures contract may result in relatively large losses or profits to the Fund. The position of the Fund in such transactions may not be capable of being closed out in certain circumstances.

- *Options* – The Fund may engage in the use of call and put options. There are risks associated with the sale and purchase of call and put options. The buyer of a call or put options assumes the risk of losing his entire investment in the options. If the buyer of the call/ (put) option shorts/(holds) the underlying security, the loss on the call/(put) option will be offset in whole or in part by any gain on the underlying security. The seller of a call/(put) option which is covered (e.g. the seller has a long/(short) position in the underlying security) assumes the risk of a decrease/(an increase) in the market price of the underlying security below/(above) the purchase/(sales) price (in establishing the long/(short) position) of the underlying security, less the premium received, and gives up the opportunity for gain on the underlying security above/(below) the exercise price of the option. The seller of the call/(put) option which is uncovered assumes the risk of an increase/(a decrease) in the market price of the underlying security above/(below) the exercise price of the option, less the premium received.

A call or put option on index futures contracts gives the investor the right to buy or sell respectively an index futures contract at a pre-determined level on a future date or during a fixed period of time. Since the cost of the option is normally substantially less than the cost of the index futures contract itself, an increase in the value of the index futures contract will generally cause the value of the call option to increase at a greater rate and may cause the put option to become valueless. On the other hand, a fall in the value of the index futures contract will generally cause the value of the put option to increase at a greater rate and may cause the call option to become valueless. The use of call and put options on index futures contracts by the Fund will, therefore, usually mean that the net asset value of the Fund will increase or decrease at a greater rate than would have been the case if the relevant investment had actually been made in the index futures contract underlying the relevant option.

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

Further information about risks can be found in Section "Principal Risk".

Share Class Characteristics

Classes of Shares	**Pricing Currency**	**Dividend Policy**	**Management Company Fee***	**Performance Fee Rate**
Class A All type of Investors	SEK	Capitalisation of income. However, the Board of Directors is entitled to propose to the general meeting of Shareholders the payment of a dividend once a year.	Up to 1,42%	None

Class B All type of Investors	EUR	Capitalisation of income.	Up to 1,42%	None

* Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 46,200.00 (VAT excluded and all fixed fee being converted into Euro). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.

Initial Issue of Shares

Shares will initially be available during an initial offering period to be determined at a later stage upon decision of the Board of Directors (the “Initial Offering Period”), at an initial price of:

Classes of Shares A: SEK 100.-
Classes of Shares B: EUR 100.-

in each case, an “Initial Issue Price”

Payment of the Initial Issue Price must be received on a date to be determined at a later stage upon decision of the Board of Directors.

Subscriptions of Shares

Classes of Shares	ISIN Code	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day and Cut-Off Time
Class A All type of Investors	LU257751799	None	None	Share class B before 3 p.m. Luxembourg time on the Valuation Date.
Class B All type of Investors	LU1257751872	EUR 10,000.-	EUR 1,000.-	Share class C before 3 p.m. Luxembourg time on the Valuation Date.

Shares are issued at the relevant Net Asset Value per Share, upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

Shares are available for subscription on any Subscription Day at the Net Asset Value per Share of the relevant Class calculated on the relevant Valuation Day.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Class. The Fund may issue further Shares that may be denominated in different currencies.

The Fund may accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under “Subscription, Transfer and Redemption of Shares”.

Subscription Fee

Class A - SEK

Subscription fee 0 %

Class B - EUR

Subscription fee: up to 5 % payable to the distributors.

The Board of Directors, in its discretion, can waive the above subscription fee at any time for any Class.

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Classes of Shares	Minimum Redemption Amount	Redemption Day and Cut-Off Time	Payment Day
Class A All type of Investors	None	before 3 p.m. Luxembourg time on the Valuation Date	Within 4 Business Days following the relevant Valuation Day
Class B All type of Investors	EUR 1,000.-	Before 3 p.m. Luxembourg time on the Valuation Date	Within 4 Business Days following the relevant Valuation Day

Redemption applications must be received before 3 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Operty Fund may accept redemptions in specie as stipulated in Part I under "Subscription, Transfer and Redemption of Shares".

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

Class A & B Shares:

No redemption fee will apply.

Charges and Expenses

See Part I under "Charges and Expenses".

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary and Supervisory Fee up to a maximum annual rate of 0,40 bps, accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears with a minimum fee of 7.000 EUR p.a.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer Agent fees up to a maximum annual rate of 0,035 % accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears, plus a monthly fixed fee of 3,500 EUR.

Investment Advisory Fee

The Investment Advisor will be exclusively remunerated by the Management Company out of the Management Company Fee levied at the Fund's level. If any fees are paid to the Investment Advisor out of the net assets of the Fund, such fees shall be deducted from the fees payable to the Management Company, and may not, in aggregate, exceed the maximum Management Company Fee set out above.

Risk Monitoring Method

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

The Global Exposure calculated in accordance with the Commitment approach will not exceed 100% of the net asset value of the fund.

Leverage

At maximum the use of leverage techniques will not exceed 100% of the total net assets of the Fund, computed on the sum of the notionals of all the financial derivative instruments at any point of time.

Securities lending operations

The Fund does intend to participate in securities lending activities and will be subject to the CSSF Circular 14/592 of 30 September 2014.

Reference Currency of the Fund

Swedish Krona (SEK)

Investment Advisor of the Fund

Fonium Rådgivning AB,
Citadellsvägen 23,
211 18 MALMÖ
Sweden

THE AEON CAUTIOUS FUND

Introduction

The AEON CAUTIOUS FUND (the "**Fund**") will be launched at a later stage upon decision of the Board of Directors.

References to "Fund" in this Annex, are to LFPartners Investment Funds – THE AEON CAUTIOUS FUND.

Terms defined in the main part of the Prospectus shall bear the same meaning in this Annex.

Investment Objective

The AEON CAUTIOUS FUND aims to provide moderate long term capital growth by mainly being exposed to bonds, deposits and cash to give an emphasis on capital preservation.

For that purpose, the Fund will invest in collective investment schemes and may also invest in transferable securities (including equities) and money market instruments, cash and deposits. The Fund will invest mainly in a combination of index tracking funds and actively managed funds. Derivatives and forward transactions may also be used for investment purposes. The AEON CAUTIOUS FUND will invest its capital using a defined strategy that focuses on building a diversified portfolio of investments and will emphasise the cultivation and management of a multifaceted revenue stream.

Whilst the diversification and risk mitigation will be optimum, market risks are going to remain. The AEON CAUTIOUS Fund may then not be able to meet its objective. Investment in the Fund should be regarded as a long-term investment.

Investment Policy

The Fund uses a balanced approach to invest in a broad range of essentially listed securities and may adopt any investment technique or strategy permitted under the rules governed by the Law of 17th December 2010 relating to collective undertakings (the "**Law**") to achieve its objective.

The Fund will mainly invest in UCITS and/or other UCIs (including index tracking funds and ETFs) with main exposure to debt instruments. It may also invest on an ancillary basis in debt instruments (without any rating constraint) and deposits. The Fund may also be exposed to equities, money market instruments, commodities and real estates through eligible ETF, Exchanged Traded Commodities, REITs (closed-ended) or index derivative instruments.

The Fund is not subject to any geographical or sectorial constraints. In addition, the weight of each type of asset in the portfolio of the Fund will depend on the prevailing market opportunities and foreseen evolution of these targeted markets and economic trends.

The Fund may also invest in financial derivative instruments to achieve its investment objective, for efficient portfolio management and for hedging purposes, in particular currency hedging. Cash and cash equivalents may be held on an ancillary basis. From time to time, depending on the conditions of financial markets, the Fund may be substantially disinvested.

The investments are broadly split into two main asset groupings:

- Store of Value i.e. exposure to fixed income, deposits and cash on an ancillary basis.
- Growth i.e. exposure to equities, commodities and real estates on an ancillary basis;

The portfolio manager has the flexibility to tactically adjust the asset mix within defined ranges to take advantage of changing market conditions, whilst managing risk. This asset class selection is based on a research-driven assessment of the global economy, which draws on information from the manager's own proprietary models, which include sentiment and technical indicators.

The allocation selection, which is a research-driven process, is based on two types of analysis:

- Qualitative analysis focuses on understanding the fund manager's investment process, looking at factors such as investment philosophy, asset selection, portfolio construction and risk controls.
- Quantitative analysis examines where a fund's performance comes from, aiming to understand the drivers of performance as well as in depth analysis of portfolio holdings over time.

The assets of the Fund may be denominated in currencies other than the Reference Currency. The Fund may invest in ABS/MBS up to 20% of the Fund's net asset value and may enter into any efficient portfolio technique transaction.

Investments will be made in accordance with the investment restrictions as set out in the general part of the Prospectus.

Term of the Sub-Fund

The Fund has been established for an indefinite period of time.

Profile of the Typical Investor

The Fund is suitable for investors who seek not only capital preservation but also long-term capital appreciation and who are comfortable with and understand the risks associated with investing in the financial markets. The investors must be able to accept temporary losses. Hence, the Fund is suitable both for investors who can afford to see their capital blocked for years but also for those investors who have no intention to block their capital at all. No minimal holding time will be required from the investors for the sake of maximum liquidity, transparency and efficiency.

Valuation Day

The AEON CAUTIOUS Fund's net asset value per share is going to be valued on every Wednesday (the "Valuation Date"). The Fund's net asset value will be calculated on the next following banking day in the

Grand Duchy of Luxembourg (the "Valuation Day"). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg then the net asset value per share is going to be computed on the next banking day.

Risk Profile

The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.

The value of the portfolio may go down as well as up in response to the performance of the assets and underlying regulated investment funds, as well as currencies fluctuations.

The Fund's may be fully invested in UCITS and/or other UCIs investing in securities issued by selected companies or issuers. Operating expenses, including investment advisory and administration fees, of such targeted investment funds will reduce the return and investment value on such investments. All risks linked to assets of the targeted investment funds may decrease the investment values of Shareholders.

- *Debt Securities* - Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranational and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of the Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities. Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Funds. This may also affect a debt security's liquidity and make it difficult for a Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of the Fund which may result in higher default rates than anticipated on the bonds and other debt securities.

- *Equity risk* - The value of all funds that invest in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and Fund investing in equities could incur significant losses.

- Further information about risks can be found in Section "*Principal Risk*".

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Company Fee*	Performance Fee
A (All investors)	EUR	Capitalization of income	up to 1,97% p.a.	none
B (All investors)	GBP	Capitalization of income	up to 1,97% p.a.	none
C (All investors)	USD	Capitalization of income	up to 1,97% p.a.	none

*Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 34.700 (VAT excluded). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund.On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Investment Management Fee) on such Valuation Day, multiplied by the Management Company Fee Rate and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee will be accrued weekly and paid by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the relevant month.

The maximum level of investment management fees that may be charged by the underlying investment funds in which the Fund may invest is of 2%, which are additional fees to the Management Company Fees.

In consideration for its services, the Investment Manager shall be paid a Management Fee and Performance Fee by the Management Company out of the Management Company Fee and Performance Fee (as above defined). If any fees are paid to the Investment Manager out of the net assets of the Fund, such fees shall be deducted from the fees payable by the Management Company, and may not, in the aggregate, exceed the maximum Management Company Fee and Performance Fee set out above.

Initial Issue of Shares

Shares will initially be available during an initial offering period to be determined at a later stage upon decision of the Board of Directors (the "Initial Offering Period"), at an initial price of, in each case, an "Initial Issue Price":

Class A: EUR 100
Class B: GBP 100
Class C: USD 100

Payment of the Initial Issue Price must be received on a date to be determined at a later stage upon decision of the Board of Directors.

Subscriptions of Shares

Classes of Shares	ISIN Code	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day and Cut-Off Time
A	LU1257750718	none	none	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
B	LU1257750809	none	none	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
C	LU1257750981	none	none	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day

Where:

"Valuation Day" is Thursday of each week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

Shares are available for subscription on any Subscription Day at the Net Asset Value per Share of the relevant Class calculated on the relevant Valuation Day.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Class. The Fund may issue further Shares that may be denominated in different currencies.

The Fund may not accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under "Subscription, Transfer and Redemption of Shares".

Subscription Fee

A Share Creation Charge shall apply to all 'commission bearing' initial subscriptions and any subsequent subscriptions:

- An up to 5% SCC ("Share Creation Charge"): a monthly charge, equal to 0.083% per month of every subscription amount received, which will be borne by the Fund in the form of a Share Creation Charge and amortized back to the Fund on a quarterly basis over a period of sixty (60) months from the date of each subscription;
- The full amount of the Share Creation Charge may be paid by the Fund to the Management Company who may in turn remunerate any appointed distributor involved in the Promotion of the Fund, at the time of the subscription;
- Upon redemption of shares the balance of the Share Creation Charge will be applied.

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Classes of Shares	Minimum Redemption Amount	Redemption Day and Cut-Off Time	Payment Day
Classes A, B and C	EUR 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 2 Business Days following the relevant Valuation Day

Redemption applications must be received by fax before 3 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund will not accept redemptions in specie as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Charges and Expenses

See Part I under "*Charges and Expenses*".

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of maximum 0.27% accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer fees up to a maximum annual rate of 0.90%.

Benchmark

BC Global Aggregate unhedged index 70%, MSCI AC World TR Index Net 20%, US Libor 1mth 5%, BBG Commodity Index TR 5%.

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Management Company will calculate the global exposure of the Fund on a daily basis. This global exposure will be calculated using the Commitment Approach.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

If, in case of corporate actions as rights/warrant issues, the Fund holds derivative instruments or securities with embedded derivative instruments, the Commitment Approach would then be used to compute the global exposure. The holding of such securities would be exceptional and temporary as the fund would sell these positions.

Leverage

The Fund may use leverage techniques by investing in derivatives and forward instruments.
At maximum, the use of leverage techniques will not exceed 100% of the total net assets of the Fund at any point of time.

Securities lending operations

The Fund may participate in securities lending activities within the meaning of the CSSF Circular 14/592 of 30 September 2014.

Reference Currency of the Fund

US Dollar (USD)

Investment Manager of the Fund

FIL PENSIONS MANAGEMENT
Oakhill House
130 Tonbridge Road
Hildenborough
Kent TN11 9DZ

THE AEON BALANCED FUND

Introduction

The AEON BALANCED FUND (the "**Fund**") will be launched at a later stage upon decision of the Board of Directors.

References to "Fund" in this Annex, are to LFPartners Investment Funds – THE AEON BALANCED Fund.

Terms defined in the main part of the Prospectus shall bear the same meaning in this Annex.

Investment Objective

The AEON BALANCED FUND aims to provide long term capital growth from a balanced exposure to equities and debt instruments with the ability to be also exposed to commodities, real estates and cash/deposits. For that purpose, the Fund will invest in collective investment schemes and may also invest in all types of transferable securities, money market instruments, cash and deposits. The fund will invest mainly in a combination of index tracking funds and actively managed funds. Derivatives and forward transactions may also be used for investment purposes. The AEON BALANCED FUND will invest its capital using a defined strategy that focuses on building a diversified portfolio of investments and will emphasise the cultivation and management of a multifaceted revenue stream.

Whilst the diversification and risk mitigation will be optimum, market risks are going to remain. The AEON BALANCED Fund may then not be able to meet its objective. Investment in the Fund should be regarded as a long-term investment.

Investment Policy

The Fund uses a balanced approach to invest in a broad range of essentially listed securities and may adopt any investment technique or strategy permitted under the rules governed by the Law of 17th December 2010 relating to collective undertakings (the "**Law**") to achieve its objective.

The Fund will mainly invest in UCITS and/or other UCIs (including index tracking funds and ETFs) with main exposure to equities and debt instruments. It may also invest on an ancillary basis in debt instruments (without any rating constraint) and deposits. The Fund may also be exposed to commodities and real estates through eligible ETF, Exchanged Traded Commodities, REITs (closed-ended) or index derivative instruments.

The Fund is not subject to any geographical or sectorial constraints. In addition, the weight of each type of asset in the portfolio of the Fund will depend on the prevailing market opportunities and foreseen evolution of these targeted markets and economic trends

The Fund may also invest in financial derivative instruments to achieve its investment objective, for efficient portfolio management and for hedging purposes, in particular currency hedging.

Cash and cash equivalents may be held on an ancillary basis. From time to time, depending on the conditions of financial markets, the Fund may be substantially disinvested.

The investments are broadly split into two main asset groupings:

- Growth i.e. exposure to equities, commodities and real estates; and
- Store of Value i.e. exposure to fixed income, deposits and cash on an ancillary basis.

The portfolio manager has the flexibility to tactically adjust the asset mix within defined ranges to take advantage of changing market conditions, whilst managing risk. This asset class selection is based on a research-driven assessment of the global economy, which draws on information from the manager's own proprietary models, which include sentiment and technical indicators.

The allocation selection, which is a research-driven process, is based on two types of analysis:

Qualitative analysis focuses on understanding the fund manager's investment process, looking at factors such as investment philosophy, asset selection, portfolio construction and risk controls.

Quantitative analysis examines where a fund's performance comes from, aiming to understand the drivers of performance as well as in depth analysis of portfolio holdings over time.

The assets of the Fund may be denominated in currencies other than the Reference Currency. The Fund may invest in ABS/MBS up to 20% of the Fund's net asset value and may enter into any efficient portfolio technique transaction.

Investments will be made in accordance with the investment restrictions as set out in the general part of the Prospectus.

Term of the Sub-Fund

The Fund has been established for an indefinite period of time.

Profile of the Typical Investor

The Fund is suitable for investors who seek long-term capital appreciation and who are comfortable with and understand the risks associated with investing in the financial markets. The investors must be able to accept temporary losses. Hence, the Fund is suitable both for investors who can afford to see their capital blocked for years but also for those investors who have no intention to block their capital at all. No minimal holding time will be required from the investors for the sake of maximum liquidity, transparency and efficiency.

Valuation Day

The AEON CAUTIOUS Fund's net asset value per share is going to be valued on every Wednesday (the "Valuation Date"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "Valuation Day"). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg then the net asset value per share is going to be computed on the next banking day.

Risk Profile

- The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.

- The value of the portfolio may go down as well as up in response to the performance of the assets and underlying regulated investment funds, as well as currencies fluctuations.

- The Fund's may be fully invested in UCITS and/or other UCIs investing in securities issued by selected companies or issuers.

- Operating expenses, including investment advisory and administration fees, of such targeted investment funds will reduce the return and investment value on such investments. All risks linked to assets of the targeted investment funds may decrease the investment values of Shareholders.

- *Debt Securities* - Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranational and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of the Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities. Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Funds. This may also affect a debt security's liquidity and make it difficult for a Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of the Fund which may result in higher default rates than anticipated on the bonds and other debt securities.

- *Equity risk* - The value of all funds that invest in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and Fund investing in equities could incur significant losses.

- *Derivatives risk* – Participation in futures, options and SWAP agreements or in other derivative instruments involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Fund would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Management Company, the Fund may be placed in a position which is better or worse than that in which it would have been if these instruments had not been used.

    - *Futures* – Owing to the low margin deposits normally required in index and stock futures contracts, a high degree of leverage is typical of a futures trading account. As a result, a small price movement in index and stock futures contract may result in relatively large losses or profits to the Fund. The position of the Fund in such transactions may not be capable of being closed out in certain circumstances.

    - *Options* – The Fund may engage in the use of call and put options. There are risks associated with the sale and purchase of call and put options. The buyer of a call or put options assumes the risk of losing his entire investment in the options. If the buyer of the call/ (put) option shorts/(holds) the underlying security, the loss on the call/(put) option will be offset in whole or in part by any gain on the underlying security. The seller of a call/(put) option which is covered (e.g. the seller has a long/(short) position in the underlying security) assumes the risk of a decrease/(an increase) in the market price of the underlying security below/(above) the purchase/(sales) price (in establishing the long/(short) position) of the underlying security, less the premium received, and gives up the opportunity for gain on the underlying security above/(below) the exercise price of the option. The seller of the call/(put) option which is uncovered assumes the risk of an increase/(a decrease) in the market price of the underlying security above/(below) the exercise price of the option, less the premium received.

    - A call or put option on index futures contracts gives the investor the right to buy or sell respectively an index futures contract at a pre-determined level on a future date or during a fixed period of time. Since the cost of the option is normally substantially less than the cost of the index futures contract itself, an increase in the value of the index futures contract will generally cause the value of the call option to increase at a greater rate and may cause the put option to become valueless. On the other hand, a fall in the value of the index futures contract will generally cause the value of the put option to increase at a greater rate and may cause the call option to become valueless. The use of call and put options on index futures contracts by the Fund will, therefore, usually mean that the net asset value of the Fund will increase or decrease at a greater rate than would have been the case if the relevant investment had actually been made in the index futures contract underlying the relevant option.

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

- Further information about risks can be found in Section "*Principal Risk*".

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Company Fee*	Performance Fee
A (All Investors)	EUR	Capitalization of income	up to 1,97% p.a.	none
B (All Investors)	GBP	Capitalization of income	up to 1,97% p.a.	none
C (All Investors)	USD	Capitalization of income	up to 1,97% p.a.	none

*Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 34.700 (VAT excluded). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund.On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Investment Management Fee) on such Valuation Day, multiplied by the Management Company Fee Rate and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee will be accrued weekly and paid by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the relevant month.

The maximum level of investment management fees that may be charged by the underlying investment funds in which the Fund may invest is of 2%, which are additional fees to the Management Company Fees.

In consideration for its services, the Investment Manager shall be paid a Management Fee and Performance Fee by the Management Company out of the Management Company Fee and Performance Fee (as above defined). If any fees are paid to the Investment Manager out of the net assets of the Fund, such fees shall be deducted from the fees payable by the Management Company, and may not, in the aggregate, exceed the maximum Management Company Fee and Performance Fee set out above.

Initial Issue of Shares

Shares will initially be available during an initial offering period to be determined at a later stage upon decision of the Board of Directors (the "Initial Offering Period"), at an initial price of, in each case, an "Initial Issue Price":

Class A: EUR 100
Class B: GBP 100
Class C: USD 100

Payment of the Initial Issue Price must be received on a date to be determined at a later stage upon decision of the Board of Directors.

Subscriptions of Shares

Classes of Shares	ISIN Code	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day and Cut-Off Time
A	LU1257751013	none	none	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
B	LU1257751104	none	none	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
C	LU1257751286	none	none	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day

Where:

"Valuation Day" is Thursday of each week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

Shares are available for subscription on any Subscription Day at the Net Asset Value per Share of the relevant Class calculated on the relevant Valuation Day.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Class. The Fund may issue further Shares that may be denominated in different currencies.

The Fund may not accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

Subscription Fee

A Share Creation Charge shall apply to all 'commission bearing' initial subscriptions and any subsequent subscriptions:

- An up to 5% SCC ("Share Creation Charge"): a monthly charge, equal to 0.083% per month of every subscription amount received, which will be borne by the Fund in the form of a Share Creation Charge and amortized back to the Fund on a quarterly basis over a period of sixty (60) months from the date of each subscription;
- The full amount of the Share Creation Charge may be paid by the Fund to the Management Company who may in turn remunerate any appointed distributor involved in the Promotion of the Fund, at the time of the subscription;
- Upon redemption of shares the balance of the Share Creation Charge will be applied.

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Classes of Shares	Minimum Redemption Amount	Redemption Day and Cut-Off Time	Payment Day
Classes A, B and C	EUR 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 2 Business Days following the relevant Valuation Day

Redemption applications must be received by fax before 3 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund will not accept redemptions in specie as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Charges and Expenses

See Part I under "*Charges and Expenses*".

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of maximum 0.27% accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer fees up to a maximum annual rate of 0.90%.

Benchmark

BC Global Aggregate unhedged index 34%, MSCI AC World TR Index Net 56%, US Libor 1mth 2%, BBG Commodity Index TR 8%.

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Management Company will calculate the global exposure of the Fund on a daily basis. This global exposure will be calculated using the Commitment Approach.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

If, in case of corporate actions as rights/warrant issues, the Fund holds derivative instruments or securities with embedded derivative instruments, the Commitment Approach would then be used to compute the global exposure. The holding of such securities would be exceptional and temporary as the fund would sell these positions.

Leverage

The Fund may use leverage techniques by investing in derivatives and forward instruments.

At maximum, the use of leverage techniques will not exceed 100% of the total net assets of the Fund at any point of time.

Securities lending operations

The Fund may participate in securities lending activities within the meaning of the CSSF Circular 14/592 of 30 September 2014.

Reference Currency of the Fund

US Dollar (USD)

Investment Manager of the Fund

FIL PENSIONS MANAGEMENT
Oakhill House
130 Tonbridge Road
Hildenborough
Kent TN11 9DZ

THE AEON ACTIVE FUND

Introduction

The AEON ACTIVE FUND (the "**Fund**") will be launched at a later stage upon decision of the Board of Directors.

References to "Fund" in this Annex, are to LFPartners Investment Funds – THE AEON ACTIVE Fund.

Terms defined in the main part of the Prospectus shall bear the same meaning in this Annex.

Investment Objective

The AEON ACTIVE FUND aims to provide long term capital growth by mainly being exposed to equities through investments in UCITS and/or other UCIs. The Fund will invest in collective investment schemes and may also invest in transferable securities (including debt instruments), money market instruments, cash and deposits. The fund will invest mainly in a combination of index tracking funds and actively managed funds. Derivatives and forward transactions may also be used for investment purposes. The AEON ACTIVEFUND will invest its capital using a defined strategy that focuses on building a diversified portfolio of investments and will emphasise the cultivation and management of a multifaceted revenue stream.

Whilst the diversification and risk mitigation will be optimum, market risks are going to remain. The AEON ACTIVE Fund may then not be able to meet its objective. Investment in the Fund should be regarded as a long-term investment.

Investment Policy

The Fund uses a balanced approach to invest in a broad range of essentially listed securities and may adopt any investment technique or strategy permitted under the rules governed by the Law of 17th December 2010 relating to collective undertakings (the "**Law**") to achieve its objective.

The Fund will mainly invest in UCITS and/or other UCIs (including index tracking funds and ETFs) with main exposure to equities. It may also invests on an ancillary basis in debt instruments. The Fund may also be exposed to debt instruments (including money market instruments), commodities and real estates through eligible ETF, Exchanged Traded Commodities, REITs (closed-ended) or index derivative instruments.

The Fund is not subject to any geographical or sectorial constraints. In addition, the weight of each type of asset in the portfolio of the Fund will depend on the prevailing market opportunities and foreseen evolution of these targeted markets and economic trends

The Fund may also invest in financial derivative instruments to achieve its investment objective, for efficient portfolio management and for hedging purposes, in particular currency hedging.

Cash and cash equivalents may be held on an ancillary basis. From time to time, depending on the conditions of financial markets, the Fund may be substantially disinvested.

The investments are broadly split into two main asset groupings:

- Growth i.e. exposure to equities, commodities and real estate; and
- Store of Value i.e. exposure to fixed income and cash on an ancillary basis.

The portfolio manager has the flexibility to tactically adjust the asset mix within defined ranges to take advantage of changing market conditions, whilst managing risk. This asset class selection is based on a research-driven assessment of the global economy, which draws on information from the manager's own proprietary models, which include sentiment and technical indicators.

The allocation selection, which is a research-driven process, is based on two types of analysis:

Qualitative analysis focuses on understanding the fund manager's investment process, looking at factors such as investment philosophy, asset selection, portfolio construction and risk controls.

Quantitative analysis examines where a fund's performance comes from, aiming to understand the drivers of performance as well as in depth analysis of portfolio holdings over time.

The assets of the Fund may be denominated in currencies other than the Reference Currency. The Fund may invest in ABS/MBS up to 20% of the Fund's net asset value and may enter into any efficient portfolio technique transaction.

Investments will be made in accordance with the investment restrictions as set out in the general part of the Prospectus.

Term of the Sub-Fund

The Fund has been established for an indefinite period of time.

Profile of the Typical Investor

The Fund is suitable for investors who seek long-term capital appreciation and who are comfortable with and understand the risks associated with investing in the financial markets. The investors must be able to accept temporary losses. Hence, the Fund is suitable both for investors who can afford to see their capital blocked for years but also for those investors who have no intention to block their capital at all. No minimal holding time will be required from the investors for the sake of maximum liquidity, transparency and efficiency.

Valuation Day

The AEON CAUTIOUS Fund's net asset value per share is going to be valued on every Wednesday (the "Valuation Date"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "Valuation Day"). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg then the net asset value per share is going to be computed on the next banking day.

Risk Profile

- The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.

- The value of the portfolio may go down as well as up in response to the performance of the assets and underlying regulated investment funds, as well as currencies fluctuations.

- The Fund's may be fully invested in UCITS and/or other UCIs investing in securities issued by selected companies or issuers.

- Operating expenses, including investment advisory and administration fees, of such targeted investment funds will reduce the return and investment value on such investments. All risks linked to assets of the targeted investment funds may decrease the investment values of Shareholders.

- *Equity risk* - The value of all funds that invest in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and Fund investing in equities could incur significant losses.

- *Debt Securities* - Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranational and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of the Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities. Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Funds. This may also affect a debt security's liquidity and make it difficult for a Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of the Fund which may result in higher default rates than anticipated on the bonds and other debt securities.

- *Derivatives risk* – Participation in futures, options and SWAP agreements or in other derivative instruments involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Fund would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Management Company, the Fund may be placed in a position which is better or worse than that in which it would have been if these instruments had not been used.

  - Futures – Owing to the low margin deposits normally required in index and stock futures contracts, a high degree of leverage is typical of a futures trading account. As a result, a small price movement in index and stock futures contract may result in relatively large losses or profits to the Fund. The position of the Fund in such transactions may not be capable of being closed out in certain circumstances.

  - Options – The Fund may engage in the use of call and put options. There are risks associated with the sale and purchase of call and put options. The buyer of a call or put options assumes the risk of losing his entire investment in the options. If the buyer of the call/ (put) option shorts/(holds) the underlying security, the loss on the call/(put) option will be offset in whole or in part by any gain on the underlying security. The seller of a call/(put) option which is covered (e.g. the seller has a long/(short) position in the underlying security) assumes the risk of a decrease/(an increase) in the market price of the underlying security below/(above) the purchase/(sales) price (in establishing the long/(short) position) of the underlying security, less the premium received, and gives up the opportunity for gain on the underlying security above/(below) the exercise price of the option. The seller of the call/(put) option which is uncovered assumes the risk of an increase/(a decrease) in the market price of the underlying security above/(below) the exercise price of the option, less the premium received.

  - A call or put option on index futures contracts gives the investor the right to buy or sell respectively an index futures contract at a pre-determined level on a future date or during a fixed period of time. Since the cost of the option is normally substantially less than the cost of the index futures contract itself, an increase in the value of the index futures contract will generally cause the value of the call option to increase at a greater rate and may cause the put option to become valueless. On the other hand, a fall in the value of the index futures contract will generally cause the value of the put option to increase at a greater rate and may cause the call option to become valueless. The use of call and put options on index futures contracts by the Fund will, therefore, usually mean that the net asset value of the Fund will increase or decrease at a greater rate than would have been the case if the relevant investment had actually been made in the index futures contract underlying the relevant option.

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

- Further information about risks can be found in Section "*Principal Risk*".

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Company Fee*	Performance Fee
A (All investors)	EUR	Capitalization of income	up to 1,97% p.a.	none
B (All investors)	GBP	Capitalization of income	up to 1,97% p.a.	none
C (All investors)	USD	Capitalization of income	up to 1,97% p.a.	none

*Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 34.700 (VAT excluded). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund.On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Investment Management Fee) on such Valuation Day, multiplied by the Management Company Fee Rate and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee will be accrued weekly and paid by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the relevant month.

The maximum level of investment management fees that may be charged by the underlying investment funds in which the Fund may invest is of 2%, which are additional fees to the Management Company Fees.

In consideration for its services, the Investment Manager shall be paid a Management Fee and Performance Fee by the Management Company out of the Management Company Fee and Performance Fee (as above defined). If any fees are paid to the Investment Manager out of the net assets of the Fund, such fees shall be deducted from the fees payable by the Management Company, and may not, in the aggregate, exceed the maximum Management Company Fee and Performance Fee set out above.

Initial Issue of Shares

Shares will initially be available during an initial offering period to be determined at a later stage upon decision of the Board of Directors (the "Initial Offering Period"), at an initial price of, in each case, an "Initial Issue Price":

Class A: EUR 100
Class B: GBP 100
Class C: USD 100

Payment of the Initial Issue Price must be received on a date to be determined at a later stage upon decision of the Board of Directors.

Subscriptions of Shares

Classes of Shares	ISIN Code	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day and Cut-Off Time
A	LU1257751369	none	none	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
B	LU1257751443	none	none	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
C	LU1257751526	none	none	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day

Where:

"Valuation Day" is Thursday of each week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

Shares are available for subscription on any Subscription Day at the Net Asset Value per Share of the relevant Class calculated on the relevant Valuation Day.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Class. The Fund may issue further Shares that may be denominated in different currencies.

The Fund may not accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

Subscription Fee

A Share Creation Charge shall apply to all 'commission bearing' initial subscriptions and any subsequent subscriptions:

- An up to 5% SCC ("Share Creation Charge"): a monthly charge, equal to 0.083% per month of every subscription amount received, which will be borne by the Fund in the form of a Share Creation Charge and amortized back to the Fund on a quarterly basis over a period of sixty (60) months from the date of each subscription;
- The full amount of the Share Creation Charge may be paid by the Fund to the Management Company who may in turn remunerate any appointed distributor involved in the Promotion of the Fund, at the time of the subscription;
- Upon redemption of shares the balance of the Share Creation Charge will be applied.

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Classes of Shares	Minimum Redemption Amount	Redemption Day and Cut-Off Time	Payment Day
Classes A, B and C	EUR 1,000.-	before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 2 Business Days following the relevant Valuation Day

Redemption applications must be received by fax before 3 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund will not accept redemptions in specie as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Charges and Expenses

See Part I under "*Charges and Expenses*".

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of maximum 0.27% accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer fees up to a maximum annual rate of 0.90%.

Benchmark

MSCI AC World TR Index Net 90%, BBG Commodity Index TR 10%.

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Management Company will calculate the global exposure of the Fund on a daily basis. This global exposure will be calculated using the Commitment Approach.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

If, in case of corporate actions as rights/warrant issues, the Fund holds derivative instruments or securities with embedded derivative instruments, the Commitment Approach would then be used to compute the global exposure. The holding of such securities would be exceptional and temporary as the fund would sell these positions.

Leverage

The Fund may use leverage techniques by investing in derivatives and forward instruments.

At maximum, the use of leverage techniques will not exceed 100% of the total net assets of the Fund at any point of time.

Securities lending operations

The Fund may participate in securities lending activities within the meaning of the CSSF Circular 14/592 of 30 September 2014.

Reference Currency of the Fund

US Dollar (USD)

Investment Manager of the Fund

FIL PENSIONS MANAGEMENT
Oakhill House
130 Tonbridge Road
Hildenborough
Kent TN11 9DZ

SKYBOUND Global Asset Allocation Fund

Introduction

The SKYBOUND Global Asset Allocation Fund is launched as from the 25th of January 2016.

Any reference to "**Fund**" in this Annex, shall be to "LFPartners Investment Funds – SKYBOUND Global Asset Allocation Fund".

Terms defined in the main part of the Prospectus shall bear the same meaning in this Annex.

Investment Objective

The Investment Objective of the Fund is to target returns of 8% to 10% p.a. with moderate to high risk. It will achieve this by investing in various themes, across the globe with an attractive risk/reward (asymmetric) profile over the medium term (around 18 months). These themes will be selected by reviewing the prevailing, macro policies in force, assessing their impact on different asset classes and then determining the investable themes that emerge.

Whilst the diversification and risk mitigation will be optimum, market risks are going to remain. The Fund may then not be able to meet its objective.

Investment Policy

The Fund is of the fund of funds type and will invest in other UCITS and / or other UCIs including eligible Alternative Investment Funds (AIFs), so as to be exposed to a wide variety of instruments of all asset classes (equities, bonds & cash). As the Fund is focused on investing in themes (as outlined above), the instruments it adopts will be those offering the best, risk adjusted profiles. For this reason, while the majority of capital will be allocated to target UCITS and other UCIs, the Fund may also invest, on an ancillary basis, in stand-alone transferable securities and in derivative instruments, for exposure and hedging purposes.

The Fund will not invest in ABS/MBS, Contingent convertible bonds ("Cocos") or defaulted bonds.

The assets of the Fund may be denominated in currencies other than the Reference Currency.

Investments will be made in accordance with the investment restrictions as set out in the general part of the Prospectus.

Derivative instruments

The Fund may use derivatives instruments, at a share class level, for currency hedging purposes. Derivative instruments may also be used for exposure purposes up to 100% of the Net Asset Value.

Term of the Sub-Fund

The Fund has been established for an indefinite period of time.

Profile of the Typical Investor

The Fund is suitable for investors who seek long-term capital appreciation and who are comfortable with and understand the risks associated with investing in a variety of financial markets of moderate to high risk. Investors must also be comfortable with and understand that while their monies will be invested in liquid instruments, they will need to trade-off temporary losses in return for capital appreciation. Note, there is no minimal holding period required of the investors for the sake of maximum liquidity, transparency and efficiency.

Valuation Day

The Fund's Net Asset Value per share is going to be valued on each Business Day (the "Valuation Date"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "Valuation Day"). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg then the Net Asset Value per share is going to be computed on the next banking

Risk Profile

The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.

The value of the portfolio may go down as well as up in response to the performance of the assets and underlying regulated investment funds, as well as currencies fluctuations.

The Fund's may be fully invested in UCITS and/or other UCIs investing in securities issued by selected companies or issuers. Operating expenses, including investment advisory and administration fees, of such targeted investment funds will reduce the return and investment value on such investments. All risks linked to assets of the targeted investment funds may decrease the investment values of Shareholders.

- *Debt Securities* - Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranational and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of the Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities. Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Funds. This may also affect a debt security's liquidity and make it difficult for a Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of the Fund which may result in higher default rates than anticipated on the bonds and other debt securities.

- *Equity risk* - The value of all funds that invest in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and Fund investing in equities could incur significant losses.

- *Derivatives risk* – Participation in warrants, futures, options and forward contracts involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Fund would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Management Company and the Investment Advisor, the Fund may be placed in a position which is better or worse than that in which it would have been if these instruments had not been used.

- *Futures* – Owing to the low margin deposits normally required in index and stock futures contracts, a high degree of leverage is typical of a futures trading account. As a result, a small price movement in index and stock futures contract may result in relatively large losses or profits to the Fund. The position of the Fund in such transactions may not be capable of being closed out in certain circumstances.

- *Options* – The Fund may engage in the use of call and put options. There are risks associated with the sale and purchase of call and put options. The buyer of a call or put options assumes the risk of losing his entire investment in the options. If the buyer of the call/ (put) option shorts/(holds) the underlying security, the loss on the call/(put) option will be offset in whole or in part by any gain on the underlying security. The seller of a call/(put) option which is covered (e.g. the seller has a long/(short) position in the underlying security) assumes the risk of a decrease/(an increase) in the market price of the underlying security below/(above) the purchase/(sales) price (in establishing the long/(short) position) of the underlying security, less the premium received, and gives up the opportunity for gain on the underlying security above/(below) the exercise price of the option. The seller of the call/(put) option which is uncovered assumes the risk of an increase/(a decrease) in the market price of the underlying security above/(below) the exercise price of the option, less the premium received.

  A call or put option on index futures contracts gives the investor the right to buy or sell respectively an index futures contract at a pre-determined level on a future date or during a fixed period of time. Since the cost of the option is normally substantially less than the cost of the index futures contract itself, an increase in the value of the index futures contract will generally cause the value of the call option to increase at a greater rate and may cause the put option to become valueless. On the other hand, a fall in the value of the index futures contract will generally cause the value of the put option to increase at a greater rate and may cause the call option to become valueless. The use of call and put options on index futures contracts by the Fund will, therefore, usually mean that the net asset value of the Fund will increase or decrease at a greater rate than would have been the case if the relevant investment had actually been made in the index futures contract underlying the relevant option.

- *Forward contracts* – The Fund may enter into forward contracts which are not traded on exchanges and are generally not regulated. There are no limitations on a daily price movement of forward contracts. Banks and other dealers with whom the Fund may maintain accounts may require the Fund to deposit margin with respect to such trading, although margin requirements are often minimal or non-existent. The Fund's counterparties are not required to continue to make markets in such contracts. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the price at which the counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Management Company or the Investment Advisor would otherwise recommend, to the possible detriment of the Fund.

- *Emerging markets* - The Fund may be exposed to emerging markets. Specific risks in connection with emerging markets shall be considered:

  - Investments in emerging market securities involve a greater degree of risk than those in securities of issuers based in more developed countries. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile and less liquid markets, less strict securities market regulation, less favourable tax provisions and limitations on the removal of funds or other assets of the Fund or its target funds. Other risks include a greater likelihood of severe inflation, unstable currency, adverse changes in government regulation, political and social instability or diplomatic developments (including war), and nationalisation, expropriation or confiscatory taxation than investments in securities of issuers based in developed countries. In addition, the Fund's (indirect) investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities.

  - Emerging markets generally are not as efficient as the developed ones. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, especially in adverse market conditions, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by the government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported.

- The fact that the evidence of ownership of the Fund's securities or the Fund's target funds may be held outside of a developed country may subject them to additional risks, which include possible adverse political and economic developments, and the attendant risk of seizure or nationalisation of foreign deposits. In addition, it may subject them to the possible adoption of governmental restrictions which might adversely affect payments on securities or restrict payments to investors located outside the country of the issuers, whether from currency blockage or otherwise. Furthermore, some securities may be subject to brokerage or stock transfer taxes levied by governments, which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of sale. The issuers of some of these securities, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and therefore potentially carry greater risk. In addition, settlement of trades in some emerging markets is much slower and subject to a greater risk of failure than in markets in developed countries. Custodial expenses for a portfolio of emerging markets securities generally are higher than for a portfolio of securities of issuers based in developed countries. Further, custodians might not be not able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that the Fund will not be recognised as the owner of securities held on its behalf by a sub-custodian. In addition, dividend and interest payments from, and capital gains in respect of, certain securities may be subject to taxes that may or may not be reclaimable.

- Further information about risks can be found in Section "*Principal Risk*".

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Company Fee (including investment advisory fee)*	Performance Fee
A (All investors)	USD	Accumulation	Up to 2.25%	10 percent (%) of the return of the Fund subject to a hurdle rate as described below
B (All investors)	GBP	Accumulation	Up to 2.25%	10 percent (%) of the return of the Fund subject to a hurdle rate as described below

* Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 35,200 (VAT excluded). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.

The maximum level of management fees that may be charged by the underlying investment funds in which the Fund may invest is of 4%, which are additional fees to the Management Company Fees.

Performance Fee

The Fund will pay to the Management Company a Performance Fee, which will be accrued daily and paid monthly in the respective currency of each class of shares. The Fund shall take a Performance Fee of 10% of the monthly return of the class of shares in their respective currencies subject to a monthly hurdle rate and calculated in the following prescribed manner:

a. If, at the end of the reference period, the monthly return of the class of shares is less than or equal to the monthly hurdle rate, then the class of shares shall not be entitled to any performance fee;
b. If, at the end of the reference period, the monthly return of the class of shares is greater than the corresponding monthly hurdle rate then the Management Company shall be entitled to a performance fee of 10% of the monthly performance above the High WaterMark.
c. If, at the end of the reference period, the class of shares is below its High WaterMark then the class of shares shall not charge a performance fee until such time as the class of shares has reached its High WaterMark.
d. In no event shall the Management Company have to return any Performance Fees previously charged and paid with respect to the class of shares.

The annual hurdle rate in respect of every annual period will be 6%. The daily hurdle rate shall be the annual hurdle rate divided by three hundred sixty five (365).

The "*High WaterMark*" is defined as the higher of (i) the Initial Issue Price of such Share or issue price and (ii) the highest Net Asset Value per Share of the relevant Class at the end of the previous month in respect of which a Performance Fee was computed and charged.

The reference period starts on the first day of each calendar month and ends on the last day of the same calendar month. Exceptionally, the first reference period on each Class starts on the launch date of that Class and ends on the last day of the same month.

Initial Issue of Shares

Shares were initially available as from the 25th of January 2016, or at any other later date decided by the Board of Directors, at an initial price of:

- Class A Shares: USD 100.-
- Class B Shares: GBP 100.-

Payment of the initial price had to be received in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

Subscriptions of Shares

Classes of Shares	ISIN Code	Minimum Initial Subscription Amount	Minimum Subsequent Subscription Amount	Subscription Day and Cut-Off Time
A	LU1348712966	100,000 USD	10,000 USD	Before 3 p.m. Luxembourg time on the Valuation Date
B	LU1348718575	100,000 USD or its equivalent in GBP	10,000 USD or its equivalent in GBP	Before 3 p.m. Luxembourg time on the Valuation Date

Subscriptions applications must be received before 3 p.m. Luxembourg time on a Subscription Day. If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

Shares are issued at the relevant Net Asset Value per Share on the Valuation Day. The settlement in cleared funds should be received within a period of 3 Business Days after the Valuation Day.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Class. The Fund may issue further Shares that may be denominated in different currencies.

The Fund may accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under “Subscription, Transfer and Redemption of Shares”.

Subscription Fee

- Class A (USD) Shares: Subscription fee: up to 3%
- Class B (GBP) Shares: Subscription fee: up to 3%

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Classes of Shares	Minimum Redemption Amount	Redemption Dealing Deadline	Payment Day
A	None	Before 3 p.m. Luxembourg time on the relevant Valuation Date	Within 3 business days of the Redemption Day
B	None	Before 3 p.m. Luxembourg on the relevant Valuation Date	Within 3 business days of the Redemption Day

Redemption applications must be received before 3 p.m. Luxembourg time on a Redemption Day. If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day. Redemption proceeds will be paid within 3 Business Days following the Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund may accept redemptions in specie as stipulated in Part I under “Subscription, Transfer and Redemption of Shares”.

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

- Class A Shares: None
- Class B Shares: None

Charges and Expenses

See Part I under “Charges and Expenses”.

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of 40 bps charged based on the Fund’s AuM, with a minimum yearly supervisory fee of EUR 3,500. Furthermore, the Fund will also be paying additional fees to the Depositary Bank, e.g. banking settlement fees and custody fees, as described in details in the agreement between the Fund and the Depositary Bank.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer Agent fees up to a maximum annual rate of 0.05%, plus a monthly fixed fee of EUR 2,500 EUR per month. Furthermore, the Fund will also be paying additional fees to the Administrative, Registrar and Transfer Agent, e.g. one-off implementation fee, NAV calculation fees, financial statement preparation & audit fees, as described in details in the agreement between the Fund and the Administrative, Registrar and Transfer Agent.

Investment Advisor Fee

The Investment Advisor will be exclusively remunerated by the Management Company out of the Management Company Fee levied at the Fund's level and will receive from the Management Company 50% of the Performance Fee paid by the Fund to the Management Company. If any fees are paid to the Investment Advisor out of the net assets of the Fund, such fees shall be deducted from the fees payable to the Management Company, and may not, in aggregate, exceed the maximum Management Company Fee and Performance Fee set out above.

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Management Company will calculate the global exposure of the Fund on a daily basis. This global exposure will be calculated using the Commitment Approach.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

Leverage

At maximum the use of leverage techniques will not exceed 100% of the total net assets of the Fund, computed on the sum of notionals of all the financial derivative instruments at any point of time.

Securities lending operations

The Fund does not intend to participate in securities lending activities within the meaning of the CSSF Circular 14/592 of 30 September 2014.

Reference Currency of the Fund

US Dollar (USD)

Investment Advisor of the Fund

Skybound Capital UK Limited
3rd floor, 33 Bruton Street
London, W1J 6QU, United Kingdom

SERENITY FUND

Introduction

The Serenity Fund (the "**Fund**") will be launched as from the 25th of January 2016.

References to "Fund" in this Annex are to LFPartners Investment Funds – Serenity Fund.

Terms defined in the main part of the Prospectus shall bear the same meaning in this Annex

Investment Objective

The investment objective is to provide long term capital appreciation by investing into actively selected equities and regulated UCITS and other UCITS eligible UCIs that invest across a range of asset classes globally.

Investment Policy

The Fund will mainly invest in equities and shares or units issued by other UCITS and/or UCITS compliant UCIs (including ETFs). Issuers of the underlying investments may be located in different countries, including emerging markets.

The weight of each type of asset in the portfolio will depend on the prevailing market opportunities and foreseen evolution of these targeted markets; nevertheless:

- ✓ The maximum exposure of the fund in UCITS and/or UCITS compliant UCIs shall not exceed 40% of the net asset value of the Fund;
- ✓ The fund's exposure to equities is limited to 55% of the net asset value of the Fund;

The Fund will also invest in debt instruments, money market instruments and term deposits on an ancillary basis.

The Fund may use financial derivative instruments for currency hedging purposes only, such as currency SWAP, and will not invest in ABS/MBS, Contingent Convertible Bonds ("Cocos") or in defaulted securities and will not enter into any efficient portfolio technique transaction.

The Fund may lastly be substantially disinvested depending on prevailing market conditions. When such situation arises, the Fund will invest the cash available in government bonds to comply with prevailing diversification rules for UCITS.

Term of the Sub-Fund

The Fund has been established for an indefinite period of time.

Profile of the Typical Investor

The Fund is suitable for investors who seek long-term capital appreciation and who are comfortable with and understand the risks associated with investing in a variety of equity and investment funds (UCITS and other UCIs) and broadly speaking of financial markets of moderate to high risk. Investors must also be comfortable with and understand that while their monies will be invested in liquid instruments, they will need to trade-off temporary losses in return for capital appreciation. Note, there is no minimal holding period required of the investors for the sake of maximum liquidity, transparency and efficiency.

Valuation Day

The Fund's Net Asset Value per share is going to be valued on each Business Day (the "**Valuation Date**"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "**Valuation Day**"). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg then the Net Asset Value per share is going to be computed on the next banking day.

Risk Profile

The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.

The value of the assets of the Fund may go down as well as up in response to the performance of individual companies or issuers and general market conditions.

The Fund's may invest in UCITS and/or other UCIs investing in securities issued by selected companies or issuers. Operating expenses, including investment management fee and administration fees, of such targeted investment funds will reduce the return and investment value on such investments. All risks linked to assets of the targeted investment funds may decrease the investment values of Shareholders.

- *Equity risk* - The value of all funds that invest in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and Fund investing in equities could incur significant losses.

- *Derivatives risk* – Participation in warrants, futures, options and forward contracts involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Fund would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Management Company and the Investment Advisor, the Fund may be placed in a position which is better or worse than that in which it would have been if these instruments had not been used.
- *Futures* – Owing to the low margin deposits normally required in index and stock futures contracts, a high degree of leverage is typical of a futures trading account. As a result, a small price movement in index and stock futures contract may result in relatively large losses or profits to the Fund. The position of the Fund in such transactions may not be capable of being closed out in certain circumstances.
- *Options* – The Fund may engage in the use of call and put options. There are risks associated with the sale and purchase of call and put options. The buyer of a call or put options assumes the risk of losing his entire investment in the options. If the buyer of the call/ (put) option shorts/(holds) the underlying security, the loss on the call/(put) option will be offset in whole or in part by any gain on the underlying security. The seller of a call/(put) option which is covered (e.g. the seller has a long/(short) position in the underlying security) assumes the risk of a decrease/(an increase) in the market price of the underlying security below/(above) the purchase/(sales) price (in establishing the long/(short) position) of the underlying security, less the premium received, and gives up the opportunity for gain on the underlying security above/(below) the exercise price of the option. The seller of the call/(put) option which is uncovered assumes the risk of an increase/(a decrease) in the market price of the underlying security above/(below) the exercise price of the option, less the premium received.

  A call or put option on index futures contracts gives the investor the right to buy or sell respectively an index futures contract at a pre-determined level on a future date or during a fixed period of time. Since the cost of the option is normally substantially less than the cost of the index futures contract itself, an increase in the value of the index futures contract will generally cause the value of the call option to increase at a greater rate and may cause the put option to become valueless. On the other hand, a fall in the value of the index futures contract will generally cause the value of the put option to increase at a greater rate and may cause the call option to become valueless. The use of call and put options on index futures contracts by the Fund will, therefore, usually mean that the net asset value of the Fund will increase or decrease at a greater rate than would have been the case if the relevant investment had actually been made in the index futures contract underlying the relevant option.

- *Forward contracts* – The Fund may enter into forward contracts which are not traded on exchanges and are generally not regulated. There are no limitations on a daily price movement of forward contracts. Banks and other dealers with whom the Fund may maintain accounts may require the Fund to deposit margin with respect to such trading, although margin requirements are often minimal or non-existent. The Fund’s counterparties are not required to continue to make markets in such contracts. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the price at which the counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Management Company or the Investment Advisor would otherwise recommend, to the possible detriment of the Fund.

- *Emerging markets* - The Fund may be exposed to emerging markets. Specific risks in connection with emerging markets shall be considered:

- Investments in emerging market securities involve a greater degree of risk than those in securities of issuers based in more developed countries. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile and less liquid markets, less strict securities market regulation, less favourable tax provisions and limitations on the removal of funds or other assets of the Fund or its target funds. Other risks include a greater likelihood of severe inflation, unstable currency, adverse changes in government regulation, political and social instability or diplomatic developments (including war), and nationalisation, expropriation or confiscatory taxation than investments in securities of issuers based in developed countries. In addition, the Fund's (indirect) investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities.
- Emerging markets generally are not as efficient as the developed ones. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, especially in adverse market conditions, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by the government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported.
- The fact that the evidence of ownership of the Fund's securities or the Fund’s target funds may be held outside of a developed country may subject them to additional risks, which include possible adverse political and economic developments, and the attendant risk of seizure or nationalisation of foreign deposits. In addition, it may subject them to the possible adoption of governmental restrictions which might adversely affect payments on securities or restrict payments to investors located outside the country of the issuers, whether from currency blockage or otherwise. Furthermore, some securities may be subject to brokerage or stock transfer taxes levied by governments, which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of sale. The issuers of some of these securities, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and therefore potentially carry greater risk. In addition, settlement of trades in some emerging markets is much slower and subject to a greater risk of failure than in markets in developed countries. Custodial expenses for a portfolio of emerging markets securities generally are higher than for a portfolio of securities of issuers based in developed countries. Further, custodians might not be not able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that the Fund will not be recognised as the owner of securities held on its behalf by a sub-custodian. In addition, dividend and interest payments from, and capital gains in respect of, certain securities may be subject to taxes that may or may not be reclaimable.

- Debt Securities - Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranational and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of the Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities. Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Fund. This may also affect a debt security's liquidity and make it difficult for a Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of the Fund which may result in higher default rates than anticipated on the bonds and other debt securities.

- Further information about risks can be found in Section "*Principal Risk*".

Share Class Characteristics

Classes of Shares	**Pricing Currency**	**Dividend Policy**	**Management Company Fee Rate**	**Performance Fee Rate**
A Institutional investors	EUR	Capitalisation	A maximum of 2 %	See below
B Retail investors	EUR	Capitalisation	A maximum of 2 %	See below
C Retail investors	GBP	Capitalisation	A maximum of 2 %	See below
D Retail investors	USD	Capitalisation	A maximum of 2 %	See below

* Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 42,900 (VAT excluded and all fixed fee being converted into Euro). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.

The maximum level of management fees that may be charged by the underlying investment funds in which the Fund may invest is of 2%, which are additional fees to the Management Company Fees.

Performance Fee

The Management Company will receive a Performance Fee paid by the Fund.

The Performance Fee consists of 10% of the net increase of the last Net Asset Value per Share of each Class of the reference period above a monthly hurdle rate of 0,50% compared to the end of the previous reference period's Net Asset Value per Share of that Class. The reference period starts on the first day of each calendar month and ends on the last day of the same calendar month. Exceptionally, the first reference period on each Class starts on the launch date of that Class and ends on the last day of the same month.

The computation of the Performance Fee is reset on a monthly basis at the end of each reference period.

The Performance Fee will be accrued daily and paid on a monthly basis in arrears to the Management Company.

Initial Issue of Shares

Shares were initially available as from the 25th of January 2016, or at any other date decided by the Board of Directors (the “Initial Offering Period”), at an initial price of:

Class of Shares A: EUR 100.-

Class of Shares B: EUR 100.-

Class of Shares C: GBP 100.-

Class of Shares D: USD 100.-

An “Initial Issue Price” Payment of the Initial Issue Price must be received in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

Subscriptions of Shares

Classes of Shares	ISIN Code	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day and Cut-Off Time
A	LU1348720712	EUR 1,000.-	EUR 100.-	Before 3 p.m. Luxembourg time on the Valuation Date
B	LU1348721959	EUR 1,000.-	EUR 100.-	Before 3 p.m. Luxembourg time on the Valuation Date
C	LU1348723658	GBP 1,000.-	GBP 100.-	Before 3 p.m. Luxembourg time on the Valuation Date
D	LU1348728293	USD 1,000.-	USD 100.-	Before 3 p.m. Luxembourg time on the Valuation Date

Subscriptions applications must be received before 3 p.m. Luxembourg time on a Subscription Day. If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Class. The Fund may issue further Shares that may be denominated in different currencies.

The Fund may accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under “Subscription, Transfer and Redemption of Shares”.

Subscription Fee

A subscription fee will apply of up to 3 % may apply for Share Class A.

A Share Creation Charge (“SCC”) of 5% may apply to Share Classes B, C and D, represented by a monthly charge, equal to 0.083% per month of every subscription amount received, which will be borne by the Fund in the form of a Share Creation Charge and amortised back to the Fund on a daily basis over a period of sixty (60) months from the date of each subscription. The Share Creation Charge shall apply to all initial subscriptions and any subsequent subscriptions. The full amount of the Share Creation Charge may be paid to officially appointed parties involved in the offering of Shares, at the time of the subscription. Upon redemption of shares the Share Creation Charge will extinct, the write off of the remaining accrual will be materialized by a Contingent Deferred Sales Charge computed on a pro rata temporis.

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Classes of Shares	Minimum Redemption Amount	Redemption Day and Cut-Off Time	Payment Day
A	EUR 1,000.-	Before 3 p.m. Luxembourg time on the Valuation Date	Within 4 Business Days following the relevant Valuation Day
B	EUR 1,000.-	Before 3 p.m. Luxembourg time on the Valuation Date	Within 4 Business Days following the relevant Valuation Day
C	GBP 1,000.-	Before 3 p.m. Luxembourg time on the Valuation Date	Within 4 Business Days following the relevant Valuation Day
D	USD 1,000.-	Before 3 p.m. Luxembourg time on the Valuation Date	Within 4 Business Days following the relevant Valuation Day

Redemption applications must be received before 3 p.m. Luxembourg time on a Redemption Day. If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund may accept redemptions in specie as stipulated in Part I under “Subscription, Transfer and Redemption of Shares”.

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

No redemption fee will be levied for Share Class A.

Share Classes B, C & D are subject to a Contingent Deferred Sales Charge (“CDSC”) as outlined below so as to compensate the 5% Share Creation Charge borne by the Fund:

- Year 1 (after the subscription): 5% of the redemption proceed pro rata temporis;
- Year 2: 4% of the redemption proceed pro rata temporis;
- Year 3: 3% of the redemption proceed pro rata temporis;
- Year 4: 2% of the redemption proceed pro rata temporis;
- Year 5: 1% of the redemption proceed pro rata temporis.

Charges and Expenses

See Part I under “Charges and Expenses”.

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of 0,30%, accrued on each Valuation Day, calculated on the basis of the average Net Asset Values of the Shares and paid on a monthly basis in arrears, subject to a monthly fixed minimum fee as will be determined from time to time between the parties.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer Agent fees up to a maximum annual rate of 0.20%, subject to a monthly fixed minimum fees as will be determined from time to time between the parties.

Investment Management Fee

In consideration for its services, the Investment Manager shall be paid a Management Fee and Performance Fee by the Management Company out of the Management Company Fee and Performance Fee (as above defined). If any fees are paid to the Investment Manager out of the net assets of the Fund, such fees shall be deducted from the fees payable by the Management Company, and may not, in the aggregate, exceed the maximum Management Company Fee and Performance fee set out above.

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

Leverage

The Fund may only use derivative instruments for hedging purposes only.

Securities lending operations

The Fund does not intend to participate in securities lending activities and will not be subject to the CSSF Circular 14/592 of 30 September 2014.

Reference Currency of the Fund

Euro (EUR)

Investment Manager of the Fund

FIDUCENTER S.A.

18 rue de l'eau

L-1449 Luxembourg

BALANCED PORTFOLIO FUND

Introduction

The **Sub-Fund** “**Balanced Portfolio Fund**” will be launched on Q2 2016.

Any reference to “**Fund**” in this Annex shall be to “LFPartners Investment Funds –Balanced Portfolio Fund”.

Terms defined in the main part of the Prospectus shall bear the same meaning in this Annex.

The Fund will identify, assess, select and manage a diversified portfolio of mutual funds and eligible alternative investment schemes, aiming to provide capital appreciation over the medium to long term.

Investment Objective

The strategy will primarily focus on downside protection and create asymmetry returns which are the drivers of medium to long-term performance. The Fund is going to adopt a conservative approach when defining his investments. The Fund’s main investment objective is to provide investors with a balance growth and income.

The Fund will make selective asset allocation decisions based on a sound assessment of underlying investment potential offered by each targeted investment fund. The investment strategy will be process driven, following a strategy of diversification over a broad number of investments and portfolio limits to avoid over exposure to any specific investment area.

The Fund’s investment strategy is based on the following steps:

- Assessing the investment universe, on-going review of the alternative sectors;
- Development of a target asset allocation, using an optimizer to construct a portfolio with the lowest volatility;
- Definition of optimal portfolio composition, qualitatively assessing each target investment for portfolio allocation;
- Rigorous quantitative and qualitative due diligence process (Track Record & Value Analysis, Ratings Surveillance, Reference Checks, Legal Due Diligence);
- Portfolio Management: Performance Measurement, Return enhancement, Risk control, Reporting, Predictability and Transparency.

The Fund is suitable for investors who are prepared to accept some potential for capital loss in return for a moderate level of capital growth.

Investment Policy

The Fund will construct a portfolio of:

- mutual funds, undertakings for collective investments in transferable securities (UCITS), undertakings for collective investments (UCIs) investing in or exposed to fixed income, equities, commodities (through UCITS eligible instruments), currencies and cash, compliant with prevailing rules under the UCITS Law;
- UCITS and eligible UCIs alternative strategy funds such as managed futures funds, long/short equity funds, global macro investment funds, listed REITs, UCITS eligible private equity funds in emerging/developed market capitalizations of large or small companies; and
- Currency SWAPS for hedging purposes only.

The Fund shall identify, capture, develop and 'actively manage' a portfolio of UCITS and UCIs compliant alternative investment funds and assets to ensure limited correlation between investment strategies and broader markets expanding or restricting exposure to specific investment areas in order to maximise returns within specific investment cycles.

Depending on prevailing market conditions the Fund may be primarily invested in money market, cash and deposits to protect the interest of its investors.

Profile of the Typical Investor

The Fund is suitable for investors who seek a conservative medium to long-term capital appreciation and who are comfortable with and understand the risks associated with investing in a variety of investment funds (UCITS and other UCIs) and broadly speaking of financial markets of moderate to high risk. Investors must also be comfortable with and understand that while their monies will be invested in liquid instruments, they will need to trade-off temporary losses in return for capital appreciation. Note, there is no minimal holding period required of the investors for the sake of maximum liquidity, transparency and efficiency.

Valuation Day

The Fund's Net Asset Value is going to be valued on each banking day (the "Valuation Date"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "Valuation Day"). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg, then the net asset value per share is going to be computed on the next banking day.

Risk Profile

The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.

The value of the assets of the Fund may go down as well as up in response to the performance of individual companies or issuers and general market conditions.

The Fund's may invest in UCITS and/or other UCIs investing in securities issued by selected companies or issuers. Operating expenses, including investment management fee and administration fees, of such targeted investment funds will reduce the return and investment value on such investments. All risks linked to assets of the targeted investment funds may decrease the investment values of Shareholders.

- *Equity risk* - The value of all funds that invest in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and Fund investing in equities could incur significant losses.¨

- *Debt Securities* - Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranational and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of the Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities. Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Fund. This may also affect a debt security's liquidity and make it difficult for a Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of the Fund which may result in higher default rates than anticipated on the bonds and other debt securities.

- *Derivatives risk* – Participation in derivatives involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Fund would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Management Company, the Fund may be placed in a position which is better or worse than that in which it would have been if these instruments had not been used.

- *Futures* – Owing to the low margin deposits normally required in index and stock futures contracts, a high degree of leverage is typical of a futures trading account. As a result, a small price movement in index and stock futures contract may result in relatively large losses or profits to the Fund. The position of the Fund in such transactions may not be capable of being closed out in certain circumstances.

- *Emerging markets* - The Fund may be exposed to emerging markets. Specific risks in connection with emerging markets shall be considered:
  - Investments in emerging market securities involve a greater degree of risk than those in securities of issuers based in more developed countries. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile and less liquid markets, less strict securities market regulation, less favourable tax provisions and limitations on the removal of funds or other assets of the Fund or its target funds. Other risks include a greater likelihood of severe inflation, unstable currency, adverse changes in government regulation, political and social instability or diplomatic developments (including war), and nationalisation, expropriation or confiscatory taxation than investments in securities of issuers based in developed countries. In addition, the Fund's (indirect) investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities.
  - Emerging markets generally are not as efficient as the developed ones. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, especially in adverse market conditions, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by the government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported.
  - The fact that the evidence of ownership of the Fund's securities or the Fund’s target funds may be held outside of a developed country may subject them to additional risks, which include possible adverse political and economic developments, and the attendant risk of seizure or nationalisation of foreign deposits. In addition, it may subject them to the possible adoption of governmental restrictions which might adversely affect payments on securities or restrict payments to investors located outside the country of the issuers, whether from currency blockage or otherwise. Furthermore, some securities may be subject to brokerage or stock transfer taxes levied by governments, which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of sale. The issuers of some of these securities, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and therefore potentially carry greater risk. In addition, settlement of trades in some emerging markets is much slower and subject to a greater risk of failure than in markets in developed countries. Custodial expenses for a portfolio of emerging markets securities generally are higher than for a portfolio of securities of issuers based in developed countries. Further, custodians might not be not able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that the Fund will not be recognised as the owner of securities held on its behalf by a sub-custodian. In addition, dividend and interest payments from, and capital gains in respect of, certain securities may be subject to taxes that may or may not be reclaimable.

- Further information about risks can be found in Section “*Principal Risks*”.

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Company Fee (including investment advisory fee)*	Performance Fee
A Retail Investors	GBP	Capitalisation	**Up to 1.70%**	None
A2 Retail Investors	GBP	Capitalisation	**Up to 1.70%**	None
B Retail Investors	USD	Capitalisation	**Up to 1.70%**	None

* Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 43'000 (VAT excluded). Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.

The maximum level of management fees that may be charged by the underlying regulated investment funds in which the Fund may invests is of 2%, which are additional fees to the Management Fees.

Initial Issue of Shares

Shares were initially available during an initial offering period closing on 30th of June or at any other earlier date decided by the Board of Directors (the "Initial Offering Period"), at an initial price of:

Class of Share A: GBP 100

Class of Share A2: GBP 100

Class of Share B: USD 100

in each case, an “Initial Issue Price”.

Payment of the Initial Issue Price had to be received on the day prior the relevant Valuation Day at the latest before 17:00 CET.

Subscription of Shares

Classes of Shares	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day and Cut-Off Time
A	GBP 10,000	GBP 1,000	before 5 p.m. Luxembourg time on the Business Day prior the Valuation Day
A2	GBP 10,000	GBP 1,000	before 5 p.m. Luxembourg time on the Business Day prior the Valuation Day
B	USD 10,000	USD 1,000	before 5 p.m. Luxembourg time on the day prior the Valuation Day

Where:

“Valuation Day” is each Business Day of each week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Subscriptions applications must be received before 5 p.m. Luxembourg time on the day prior the Valuation Day. If an application is received after 5 p.m., it may be processed on the next relevant Valuation Day.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within three Business Day after acceptance of the request for subscription.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Share Class. The Fund may issue further Share Classes that may be denominated in different currencies.

The Fund may accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under “Subscription, Transfer, Conversion and Redemption of Shares”.

Subscription Fee

Class A

Subscription fee of up to 5% payable either to the Management Company or to the appointed distributor(s).

Class A2

A Share Creation Charge ("**SCC**") of 5% may apply: represented by a monthly charge, equal to 0.083% per month of every subscription amount received, which will be borne by the Fund in the form of a Share Creation Charge and amortised back to the Fund on a daily basis over a period of sixty (60) months from the date of each subscription. The Share Creation Charge shall apply to all initial subscriptions and any subsequent subscriptions. The full amount of the Share Creation Charge may be paid to officially appointed parties involved in the offering of Shares, at the time of the subscription. Upon redemption of shares the Share Creation Charge will extinct, the write off of the remaining accrual will be materialized by a Contingent Deferred Sales Charge computed on a pro rata temporis.

Class B

Subscription fee of up to 5% payable either to the Management Company or to the appointed distributor(s).

Redemption of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Classes of Shares	Minimum Redemption Amount	Redemption Day and Cut-Off Time	Payment Day
A & A2	GBP 1,000	before 5 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 4 Business Days following the relevant Valuation Day
B	USD 1,000	before 5 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 4 Business Days following the relevant Valuation Day

Redemption applications must be received by fax before 5 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 5 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund may accept redemptions in specie as stipulated in Part I under “Subscription, Transfer, Conversion and Redemption of Shares”.

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A Shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

Class A

No redemption fee will apply.

Class A2

Share Class A2 is subject to a Contingent Deferred Sales Charge (“**CDSC**”) as outlined below so as to compensate the 5% Share Creation Charge borne by the Fund:

- Year 1 (after the subscription): 5% of the redemption proceed pro rata temporis;
- Year 2: 4% of the redemption proceed pro rata temporis;
- Year 3: 3% of the redemption proceed pro rata temporis;
- Year 4: 2% of the redemption proceed pro rata temporis;
- Year 5: 1% of the redemption proceed pro rata temporis.

Class B

No redemption fee will apply

This Redemption Fee may be paid by the Fund to either to the Management Company or to the appointed distributor(s).

Charges & Expenses

See Part I under “Charges and Expenses”.

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of 0.40% charged based on the Fund’s AuM, with a minimum yearly supervisory fee of EUR 4,500. Furthermore, the Fund will also be paying additional fees to the Depositary Bank, e.g. banking settlement fees and custody fees, as described in details in the agreement between the Fund and the Depositary Bank.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer Agent fees up to a maximum annual rate of 0,0225%, plus a monthly fixed fee of EUR 12,100 EUR per month. Furthermore, the Fund will also be paying additional fees to the Administrative, Registrar and Transfer Agent, e.g. one-off implementation fee, NAV calculation fees, financial statement preparation & audit fees, as described in details in the agreement between the Fund and the Administrative, Registrar and Transfer Agent.

Investment Advisory Fee

The Investment Advisor will be exclusively remunerated by the Management Company out of the Management Company Fee levied at the Fund's level and will receive from the Management Company 50% of the Performance Fee paid by the Fund to the Management Company. If any fees are paid to the Investment Advisor out of the net assets of the Fund, such fees shall be deducted from the fees payable to the Management Company, and may not, in aggregate, exceed the maximum Management Company Fee set out above.

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

Leverage

The Fund may only use derivative instruments for hedging purposes only.

Securities lending operations

The Fund does not intend to participate in securities lending activities and will not be subject to the CSSF Circular 14/592 of 30 September 2014.

Reference Currency of the Fund

British Pound (GBP)

Investment Advisor of the Fund

Old Broad Street Investments Limited

Mill Mall, Suite 6, Wickhams Cay 1

P.O. Box 2085, Road Town

Tortola, British Virgin Islands

ENHANCED GROWTH FUND

Introduction

The **Sub-Fund** "**Enhanced Growth Fund**" will be launched on Q2 2016.

Any reference to "**Fund**" in this Annex shall be to "LFPartners Investment Funds – Enhanced Growth Fund".

Terms defined in the main part of the Prospectus shall bear the same meaning in this Annex.

The Fund will identify, assess, select and manage a diversified portfolio of mutual funds and eligible alternative investment schemes, aiming to provide capital growth over the long term.

Investment Objective

The strategy will primarily focus on seeking growth over the long term and create asymmetry returns which are the drivers of long-term performance. The Fund's main investment objective is to provide investors with an enhanced growth and income.

The Fund will make selective asset allocation decisions based on a sound assessment of underlying investment potential offered by each targeted investment fund. The investment strategy will be process driven, following a strategy of diversification over a broad number of investments and portfolio limits to avoid over exposure to any specific investment area.

The Fund's investment strategy is based on the following steps:

- Assessing the investment universe, on-going review of the alternative sectors;
- Development of a target asset allocation, using an optimizer to construct a portfolio with the lowest volatility;
- Definition of optimal portfolio composition, qualitatively assessing each target investment for portfolio allocation;
- Rigorous quantitative and qualitative due diligence process (Track Record & Value Analysis, Ratings Surveillance, Reference Checks, Legal Due Diligence);
- Portfolio Management: Performance Measurement, Return enhancement, Risk control, Reporting, Predictability and Transparency.

The Fund is suitable for investors who are prepared to tolerate higher capital losses in return for a higher level of capital growth.

Investment Policy

The Fund will construct of portfolio of:

- UCITS and eligible UCIs alternative strategy funds such as managed futures funds, long/short equity funds, global macro investment funds, listed REITs, UCITS eligible private equity funds in emerging/developed market capitalizations of large or small companies;

- mutual funds, undertakings for collective investments in transferable securities (UCITS), undertakings for collective investments (UCIs) investing mainly in equities, commodities (through UCITS eligible instruments), compliant with prevailing rules under UCITS Law and on an ancillary basis mutual funds, undertakings for collective investments in transferable securities (UCITS), undertakings for collective investments (UCIs) investing in fixed income securities, currencies and cash; and
- Currency SWAPS for hedging purposes only.

The Fund shall identify, capture, develop and 'actively manage' a portfolio of UCITS and eligible UCIs alternative investment funds and assets to ensure limited correlation between investment strategies and broader markets expanding or restricting exposure to specific investment areas in order to maximize returns within specific investment cycles.

No specific restrictions apply concerning the volatility limits of the portfolio of the Fund.

Depending on prevailing market conditions the Fund may be primarily invested in money market, cash and deposits to protect the interest of its investors, potentially through mutual funds, undertakings for collective investments in transferable securities (UCITS) and undertakings for collective investments (UCIs).

Profile of the Typical Investor

The Fund is suitable for investors who seek medium to long-term capital appreciation and who are comfortable with and understand the risks associated with investing in a variety of investment funds (UCITS and other UCIs) and broadly speaking of financial markets of moderate to high risk. Investors must also be comfortable with and understand that while their monies will be invested in liquid instruments, they will need to trade-off temporary losses in return for capital appreciation. Note, there is no minimal holding period required of the investors for the sake of maximum liquidity, transparency and efficiency.

Valuation Day

The Fund's Net Asset Value is going to be valued on each banking day (the "Valuation Date"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "Valuation Day"). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg, then the net asset value per share is going to be computed on the next banking day.

Risk Profile

The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.

The value of the assets of the Fund may go down as well as up in response to the performance of individual companies or issuers and general market conditions.

The Fund's may invest in UCITS and/or other UCIs investing in securities issued by selected companies or issuers. Operating expenses, including investment management fee and administration fees, of such targeted investment funds will reduce the return and investment value on such investments. All risks linked to assets of the targeted investment funds may decrease the investment values of Shareholders.

- *Equity risk* - The value of all funds that invest in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and Fund investing in equities could incur significant losses.

- *Debt Securities* - Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranational and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of the Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities. Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Fund. This may also affect a debt security's liquidity and make it difficult for a Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of the Fund which may result in higher default rates than anticipated on the bonds and other debt securities.

- *Derivatives risk* – Participation in derivatives involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Fund would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Management Company, the Fund may be placed in a position which is better or worse than that in which it would have been if these instruments had not been used.

- *Futures* – Owing to the low margin deposits normally required in index and stock futures contracts, a high degree of leverage is typical of a futures trading account. As a result, a small price movement in index and stock futures contract may result in relatively large losses or profits to the Fund. The position of the Fund in such transactions may not be capable of being closed out in certain circumstances.
- *Emerging markets* - The Fund may be exposed to emerging markets. Specific risks in connection with emerging markets shall be considered:
  - Investments in emerging market securities involve a greater degree of risk than those in securities of issuers based in more developed countries. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile and less liquid markets, less strict securities market regulation, less favourable tax provisions and limitations on

the removal of funds or other assets of the Fund or its target funds. Other risks include a greater likelihood of severe inflation, unstable currency, adverse changes in government regulation, political and social instability or diplomatic developments (including war), and nationalisation, expropriation or confiscatory taxation than investments in securities of issuers based in developed countries. In addition, the Fund's (indirect) investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities.

Emerging markets generally are not as efficient as the developed ones. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, especially in adverse market conditions, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by the government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported.

- The fact that the evidence of ownership of the Fund's securities or the Fund's target funds may be held outside of a developed country may subject them to additional risks, which include possible adverse political and economic developments, and the attendant risk of seizure or nationalisation of foreign deposits. In addition, it may subject them to the possible adoption of governmental restrictions which might adversely affect payments on securities or restrict payments to investors located outside the country of the issuers, whether from currency blockage or otherwise. Furthermore, some securities may be subject to brokerage or stock transfer taxes levied by governments, which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of sale. The issuers of some of these securities, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and therefore potentially carry greater risk. In addition, settlement of trades in some emerging markets is much slower and subject to a greater risk of failure than in markets in developed countries. Custodial expenses for a portfolio of emerging markets securities generally are higher than for a portfolio of securities of issuers based in developed countries. Further, custodians might not be not able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that the Fund will not be recognised as the owner of securities held on its behalf by a sub-custodian. In addition, dividend and interest payments from, and capital gains in respect of, certain securities may be subject to taxes that may or may not be reclaimable.

- Further information about risks can be found in Section "*Principal Risks*".

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Company Fee (including investment advisory fee)*	Performance Fee
A Retail Investors	GBP	Capitalisation	**Up to 2.10%**	None
A2 Retail Investors	GBP	Capitalisation	**Up to 2.10%**	None
B Retail Investors	USD	Capitalisation	**Up to 2.10%**	None

* Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 43'000 (VAT excluded) - all fixed fee being converted into Euro. Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.

The maximum level of management fees that may be charged by the underlying regulated investment funds in which the Fund may invests is of 2%, which are additional fees to the Management Fees.

Initial Issue of Shares

Shares were initially available during an initial offering period closing on 30th June or at any other earlier date decided by the Board of Directors (the "**Initial Offering Period**"), at an initial price of:

Class of Share A: GBP 100

Class of Share A2: GBP 100

Class of Share B: USD 100

in each case, an “Initial Issue Price”.

Payment of the Initial Issue Price had to be received on the day prior the relevant Valuation Day at the latest before 17:00 CET.

Subscription of Shares

Classes of Shares	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day an Cut-Off Time
A	GBP 10,000	GBP 1,000	before 5 p.m. Luxembourg time on the Business Day prior the Valuation Day
A2	GBP 10,000	GBP 1,000	before 5 p.m. Luxembourg time on the Business Day prior the Valuation Day
B	USD 10,000	USD 1,000	before 5 p.m. Luxembourg time on the day prior the Valuation Day

Where:

“Valuation Day” is each Business Day of each week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Subscriptions applications must be received before 5 p.m. Luxembourg time on the day prior the Valuation Day. If an application is received after 5 p.m., it may be processed on the next relevant Valuation Day.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within three Business Day after acceptance of the request for subscription.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Share Class. The Fund may issue further Share Classes that may be denominated in different currencies.

The Fund may accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under “Subscription, Transfer, Conversion and Redemption of Shares”.

Subscription Fee

Class A

Subscription fee of up to 5% payable either to the Management Company or to the appointed distributor(s).

Class A2

A Share Creation Charge ("**SCC**") of 5% may apply: represented by a monthly charge, equal to 0.083% per month of every subscription amount received, which will be borne by the Fund in the form of a Share Creation Charge and amortised back to the Fund on a daily basis over a period of sixty (60) months from the date of each subscription. The Share Creation Charge shall apply to all initial subscriptions and any subsequent subscriptions. The full amount of the Share Creation Charge may be paid to officially appointed parties involved in the offering of Shares, at the time of the subscription. Upon redemption of shares the Share Creation Charge will extinct, the write off of the remaining accrual will be materialized by a Contingent Deferred Sales Charge computed on a pro rata temporis.

Class B

Subscription fee of up to 5% payable either to the Management Company or to the appointed distributor(s).

Redemption of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Classes of Shares	Minimum Redemption Amount	Redemption Day and Cut-Off Time	Payment Day
A & A2	GBP 1,000	before 5 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 4 Business Days following the relevant Valuation Day
B	USD 1,000	before 5 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 4 Business Days following the relevant Valuation Day

Redemption applications must be received by fax before 5 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 5 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund may accept redemptions in specie as stipulated in Part I under “Subscription, Transfer, Conversion and Redemption of Shares”.

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A Shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

Class A

No redemption fee will apply.

Class A2

Share Class A2 is subject to a Contingent Deferred Sales Charge (“**CDSC**”) as outlined below so as to compensate the 5% Share Creation Charge borne by the Fund:

- Year 1 (after the subscription): 5% of the redemption proceed pro rata temporis;
- Year 2: 4% of the redemption proceed pro rata temporis;
- Year 3: 3% of the redemption proceed pro rata temporis;
- Year 4: 2% of the redemption proceed pro rata temporis;
- Year 5: 1% of the redemption proceed pro rata temporis.

Class B

No redemption fee will apply.

This Redemption Fee may be paid by the Fund to either to the Management Company or to the appointed distributor(s).

Charges & Expenses

See Part I under “Charges and Expenses”.

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of 0,40% charged based on the Fund’s AuM, with a minimum yearly supervisory fee of EUR 4,500. Furthermore, the Fund will also be paying additional fees to the Depositary Bank, e.g. banking settlement fees and custody fees, as described in details in the agreement between the Fund and the Depositary Bank.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer Agent fees up to a maximum annual rate of 0,0225%, plus a monthly fixed fee of EUR 12,100 EUR per month. Furthermore, the Fund will also be paying additional fees to the Administrative, Registrar and Transfer Agent, e.g. one-off implementation fee, NAV calculation fees, financial statement preparation & audit fees, as described in details in the agreement between the Fund and the Administrative, Registrar and Transfer Agent.

Investment Advisory Fee

The Investment Advisor will be exclusively remunerated by the Management Company out of the Management Company Fee levied at the Fund's level and will receive from the Management Company 50% of the Performance Fee paid by the Fund to the Management Company. If any fees are paid to the Investment Advisor out of the net assets of the Fund, such fees shall be deducted from the fees payable to the Management Company, and may not, in aggregate, exceed the maximum Management Company Fee set out above.

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

Leverage

The Fund may only use derivative instruments for hedging purposes only.

Securities lending operations

The Fund does not intend to participate in securities lending activities and will not be subject to the CSSF Circular 14/592 of 30 September 2014.

Reference Currency of the Fund

British Pound (GBP)

Investment Advisor of the Fund

Old Broad Street Investments Limited

Mill Mall, Suite 6, Wickhams Cay 1

P.O. Box 2085, Road Town

Tortola, British Virgin Islands

STONEBRIDGE UK VALUE OPPORTUNITIES FUND

Introduction

The Sub-Fund Stonebridge UK Value Opportunities Fund (hereafter the "**Stonebridge UK Value Opportunities Fund**"), was launched on Q2 2016.

Any reference to "**Fund**" in this Annex shall be to "LFPartners Investment Funds – Stonebridge UK Value Opportunities Fund".

Investment Objective

The Fund's objective is to seek consistent medium to long-term capital growth by investing in UK equity securities, while having a low correlation between the portfolio of the Fund and the UK equity market.

The philosophy of the Sub-Fund is to invest in shares of companies that exhibit "deep value" characteristics i.e. that exhibit balance sheet strength in relation to their market capitalization. To provide a margin of safety, the Sub-Fund seeks to identify companies that have been profitable in the past and can realistically be expected to be able to stay profitable.

The Stonebridge UK Value Opportunities Fund is suitable for investors who:

1. seek capital growth; and
2. understand the risks of investing in UK equities.

Investment Policy

In order to implement its philosophy and to achieve its objective, the Fund will mainly invest in:

- equity and equity related securities (preferred shares, ADR, GDR,...) of companies which are domiciled and/or are listed on the London Stock Exchange and/or have their main economic activity in the United Kingdom;

- cash deposits and cash equivalents (Money Market Instruments, money market undertakings for collective investment).

Preferred shares means company stocks generally with dividends that are paid to shareholders before common stock dividends are paid out. In the event of a company bankruptcy, shareholders of preferred shares have a right to be paid company assets first. Preferred shares typically pay a fixed dividend, whereas common stocks do not. And unlike common shareholders, shareholders of preferred shares usually do not have voting rights.

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

On an ancillary basis, the Fund may invest in other geographical areas (including emerging markets) and in other eligible assets, such as:

- other UCITS and / or eligible undertakings for collective investment (UCIs) up to 10% of the net assets;
- structured products, such as but not limited to notes, certificates, any other transferable securities whose returns are correlated with changes in, among others, equities, debts, basket of transferable securities, eligible financial indices or currency;

- Convertible bonds or reverse convertibles up to 10% of the net assets;

- Debt securities or issuers with credit rating of minimum investment grade and no distressed or defaulted issuers. Credit ratings referred above are those measured by any leading credit rating agencies or with quality considered as equivalent by the Investment Manager in the absence of any official rating. In case of dual official rating, the higher rating shall apply.

The Investment Manager does not intend to invest in contingent convertible bonds, Asset Backed Securities or Mortgage Backed Securities.

If the Investment Manager considers this to be in the best interest of the Shareholders, on a temporary basis and for defensive purposes, the Fund may also hold, in accordance with the risk diversification provisions as set out in the Law, up to 100% of its net assets, liquidities, such as cash deposits, money market UCIs and Money Market Instruments, treasury bills and other short-term sovereign securities.

The Fund may lastly use financial derivative instruments for hedging purposes and efficient portfolio management (but not for leverage purposes) including index related financial derivative instruments.

The Fund will not invest in security lending transaction or (reverse) repurchase agreement.

Term of the Fund

The Fund has been established for an indefinite period of time.

Valuation Day

The Fund's Net Asset Value is going to be valued on each banking day (the "**Valuation Date**"). The Fund's net asset value will be calculated on the next following banking day in the Grand Duchy of Luxembourg (the "**Valuation Day**"). If the Valuation Day is a bank holiday in the Grand Duchy of Luxembourg, then the net asset value per share is going to be computed on the next banking day.

Risk Profile

The investment value of Shareholders may fall as well as rise and Shareholders may get back less than they originally invested.

The value of the portfolio may go down as well as up in response to the performance of the assets and underlying regulated investment funds, as well as currencies fluctuations.

The Fund's may invest in UCITS and/or other eligible UCIs investing in securities issued by selected companies or issuers. Operating expenses, including investment management fee and administration fees, of such targeted investment funds will reduce the return and investment value on such investments. All risks linked to assets of the targeted investment funds may decrease the investment values of Shareholders.

- *Equity risk* **-** The value of all Funds that invest in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and Fund investing in equities could incur significant losses.

- *Debt Securities* - Funds investing in securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranationals and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of a Fund's investments generally declines. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value. Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Below investment grade debt securities have a lower credit rating than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities. Changes to the financial condition of the issuer of the securities caused by economic, political or other reasons may adversely affect the value of debt securities and therefore the performance of the Funds. This may also affect a debt security's liquidity and make it difficult for a Fund to sell the debt security. It is possible that credit markets will experience a lack of liquidity during the term of a Fund which may result in higher default rates than anticipated on the bonds and other debt securities.

- *Structured Products* - Investments in structured products may involve additional risks than those resulting from direct investments in underlying assets. Funds investing in structured products are exposed not only to movements in the value of the underlying asset including but not limited to currency (or basket of currencies), equity, bond, commodity index or any other eligible index, but also to the risk that the issuer of the structured product defaults or becomes bankrupt. The Fund may bear the risk of the loss of its principal investment and periodic payments expected to be received for the duration of its investment in the structured products. In addition, a liquid secondary market may not exist for the structured products, and there can be no assurance that one will develop. The lack of a liquid secondary market may make it difficult for the Fund to sell the structured products it holds. Structured products may also embed leverage which can cause their prices to be more volatile and their value to fall below the value of the underlying asset.

- *Derivatives risk* – Participation in derivatives involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Fund would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Management Company and the Investment Manager, the Fund may be placed in a position which is better or worse than that in which it would have been if these instruments had not been used.

- *Forward contracts* – The Fund may enter into forward contracts which are not traded on exchanges and are generally not regulated. There are no limitations on a daily price movement of forward contracts. Banks and other dealers with whom the Fund may maintain accounts may require the Fund to deposit margin with respect to such trading, although margin requirements are often minimal or non-existent. The Fund's counterparties are not required to continue to make markets in such contracts. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the price at which the counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Management Company or the Investment Manager would otherwise recommend, to the possible detriment of the Fund.

Further information about risks can be found in Section "Principal Risks".

Share Class Characteristics

Classes of Shares	Pricing Currency	Dividend Policy	Management Fee (including the investment management fees)*	Performance Fee
I Institutional Investors	GBP	Capitalisation of Income	Up to 1.90%	20 percent (%) of the quarterly performance above the High Watermark as described below
R Retail Investors	GBP	Capitalisation of Income	Up to 1.85%	20 percent (%) of the quarterly performance above the High Watermark as described below

* Depending on the assets under management and subject to a yearly minimum fixed fee of EUR 44,400 (VAT excluded) - all fixed fee being converted into GBP. Depending on the Pricing Currency, the above Management Company Fees may be subject to exchange rate fluctuations.

Management Company Fee

The Management Company will receive a Management Company Fee paid by the Fund. On each Valuation Day (as this term is defined below), the Management Company Fee is equal to the Net Asset Value (before deduction of the Management Company Fee) on such Valuation Day, multiplied by the Management Company Fee and multiplied by the number of calendar days between such Valuation Day and the immediately preceding Valuation Day, divided by 365 (or 366, if applicable).

The Fund shall also pay to the Management Company fixed fees inherent to domiciliation, KIID and risk management services, which are included in the above maximum Management Company Fee.

The Management Company Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the last Valuation Day of the preceding month.

The maximum level of management fees that may be charged by the underlying regulated investment funds in which the Fund may invests is of 2%, which are additional fees to the Management Company Fees.

Performance Fee

The Fund will pay to the Management Company a Performance Fee, which will be accrued daily and paid quarterly in the respective currency of each class of shares. The Fund shall take a Performance Fee of 20% of the quarterly return of the class of shares in their respective currencies subject to a quarterly hurdle rate and calculated in the following prescribed manner:

1. If, at the end of the reference period, the quarterly return of the class of shares is less than or equal to the quarterly hurdle rate, then the class of shares shall not be entitled to any performance fee;

2. If, at the end of the reference period, the quarterly return of the class of shares is greater than the corresponding quarterly hurdle rate then the Management Company shall be entitled to a performance fee of 20% of the quarterly performance above the High Watermark.

3. If, at the end of the reference period, the class of shares is below its High Watermark then the class of shares shall not charge a performance fee until such time as the class of shares has reached its High Watermark.

4. In no event shall the Management Company have to return any Performance Fees previously charged and paid with respect to the class of shares.

The quarterly hurdle rate will be 1.25%.

The "High Watermark" is defined as the higher of (i) the Initial Issue Price of such Share or issue price and (ii) the highest Net Asset Value per Share of the relevant Class at the end of the previous quarter in respect of which a Performance Fee was computed and charged.

The reference period starts on the first day of each calendar quarter and ends on the last day of the same calendar quarter. Exceptionally, the first reference period on each Class starts on the launch date of that Class and ends on the last day of the same quarter.

Investment Management Fee

The Investment Manager will be exclusively remunerated by the Management Company out of the Management Company Fee and Performance Fee levied at the Fund's level. If any fees are paid to the Investment Manager out of the net assets of the Fund, such fees shall be deducted from the fees payable to the Management Company, and may not, in aggregate, exceed the maximum Management Company Fee and Performance Fee set out above.

Distributor Fee

The Distributor will receive a Distributor Fee paid by the Fund which is the Share Creation Charge below-indicated.

The Distributor Fee is normally payable by the Fund on a monthly basis within fifteen (15) Business Days following the Valuation Day.

Initial Issue of Shares

Shares were initially available during an initial offering period closing on 30th June 2016, or at any other earlier date decided by the Board of Directors (the "**Initial Offering Period**"), at an initial price of:

- Classes of Shares I: GBP 100,-
- Classes of Shares R: GBP 100,-

In each case, an "Initial Issue Price"

Payment of the Initial Issue Price had to be received at the latest on the day prior the relevant Valuation Day before 3 p.m. CET.

Subscriptions of Shares

Classes of Shares	Minimum initial subscription amount	Minimum subsequent subscription amount	Subscription Day and Cut-Off Time
I Institutional Investors	GBP 1´000´000,-	N/A	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day
R Retail Investors	GBP 100,-	N/A	before 3 p.m. Luxembourg time on the 3 Business Days preceding the Valuation Day

Where:

"Valuation Day" is each Business Day of each week or such other and/or additional day(s) that the Board of Directors may determine from time to time.

Subscriptions applications must be received before 3 p.m. Luxembourg time on a Subscription Day. If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

Shares are issued at the relevant Net Asset Value per Share upon receipt of settlement in cleared funds within a period of 3 Business Days after acceptance of the request for subscription.

The Board of Directors, in its discretion, can modify the Minimum Initial Subscription Amount and/or Minimum Subsequent Subscription Amount at any time for any Share Class. The Fund may issue further Share Classes that may be denominated in different currencies.

The Fund may accept payment for subscriptions in the Fund in the form of securities and other assets as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

Subscription Fee

Class I Shares – Institutional Investors

No subscription fee.

Class R Shares – Retail Investors

An up to 5% Share Creation Charge ("SCC") will apply: represented by a monthly charge, equal to 0.083% per month of every subscription amount received, which will be borne by the Fund in the form of a Share Creation Charge and amortised back to the Fund on a daily basis over a period of sixty (60) months from the date of each subscription. The Share Creation Charge shall apply to all initial subscriptions and any subsequent subscriptions.

The full amount of the Share Creation Charge may be paid to officially appointed parties involved in the offering of Shares, at the time of the subscription.

Upon redemption of shares the Share Creation Charge will extinct, the write off of the remaining accrual will be materialized by a Contingent Deferred Sales Charge computed on a pro rata temporis.

Redemptions of Shares

Shares may generally be redeemed on each Redemption Day at a price per share based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Class I Shares and Class R Shares

Minimum Redemption Amount	Redemption Day and Cut-Off Time	Payment Day
N/A	Before 3 p.m. Luxembourg time at least 2 Business Days preceding the relevant Valuation Day	Within 5 Business Days following the relevant Valuation Day

Redemption applications must be received by fax before 3 p.m. Luxembourg time on a Redemption Day (as defined above). If an application is received after 3 p.m., it may be processed on the next relevant Valuation Day.

When there is insufficient liquidity in the relevant Share Class due to exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption orders of that Class of Shares until the sale of corresponding assets has been made without delay.

The Fund may accept redemptions in specie as stipulated in Part I under "*Subscription, Transfer and Redemption of Shares*".

In the event of a compulsory redemption, the redemption price will be determined as of the close of business on the redemption date (which may be any Valuation Day) specified by the Board of Directors in its notice to the Shareholder. A shareholder whose Shares are compulsorily redeemed will have no Shareholder rights after the close of business on the date on which the notice of compulsory redemption was issued.

Redemption Fee

Class I Shares – Institutional Investors

No redemption fee will apply.

Class R Shares – Retail Investors

Class R Shares is subject to a Contingent Deferred Sales Charge ("CDSC") as outlined below so as to compensate the 5% Share Creation Charge borne by the Fund:

- Year 1 (after the Subscription): 5% of the redemption proceed pro rata temporis
- Year 2: 4% of the redemption proceed pro rata temporis

- Year 3: 3% of the redemption proceed pro rata temporis
- Year 4: 2% of the redemption proceed pro rata temporis
- Year 5: 1% of the redemption proceed pro rata temporis

Charges and Expenses

See Part I under "*Charges and Expenses*".

Depositary Bank Fee

The Fund shall pay to the Depositary Bank a Depositary Fee up to a maximum annual rate of 0.02% charged based on the Fund's AuM, with a minimum yearly fee of EUR 9,500. Furthermore, the Fund will also be paying additional fees to the Depositary Bank, e.g. banking settlement fees and custody fees, as described in details in the agreement between the Fund and the Depositary Bank.

Administrative, Registrar and Transfer Agent Fee

The Fund shall pay to the Administrative, Registrar and Transfer Agent fees up to a maximum annual rate of 0.03%, plus a minimum monthly fixed fee of EUR 12'100per month (plus EUR 330 per month and per additional class). Furthermore, the Fund will also be paying additional fees to the Administrative, Registrar and Transfer Agent, e.g. one-off implementation fee, NAV calculation fees, financial statement preparation & audit fees, as described in details in the agreement between the Fund and the Administrative, Registrar and Transfer Agent.

Global Risk Exposure and Risk Management

Commitment approach will be used to compute the global risk exposure.

The Management Company, on behalf of the Fund, 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 the Fund.

The Commitment Approach is defined as the sum of the absolute value of the individual commitments of financial derivatives instruments, after taking into account possible effects of netting and hedging techniques.

Leverage

The Fund does not intend to use leverage techniques by investing in financial derivative instruments.

Securities lending operations

The Fund does not intend to participate to securities lending activities and will not be subject to the CSSF Circular 14/592.

Reference Currency of the Fund

British Pound (GBP)

Investment Manager of the Fund

Valex Capital AG

Schützenstrasse 18

8808 Pfäffikon, SZ

Switzerland