



ISSUING DOCUMENT

August 2022

APHILION SIF

Société d'investissement à capital variable - Fonds d'investissement spécialisé

APPLICATIONS FOR SUBSCRIPTION WILL BE RESERVED TO WELL-INFORMED INVESTORS WHO/WHICH ARE NOT RESTRICTED PERSONS. MARKETING OF SHARES IN THE EU UNDER THE PASSPORT IN ACCORDANCE WITH ARTICLE 32 OF THE AIFMD IS LIMITED TO PROFESSIONAL INVESTORS. EACH INVESTOR WILL HAVE TO MAKE ITS OWN ASSESSMENT OF THE CONDITIONS OF ITS PARTICIPATION IN THE COMPANY.

IT IS THE RESPONSIBILITY OF THE INVESTORS TO DETERMINE WHETHER A PARTICIPATION IN THE COMPANY IS SUITABLE FOR THEM OR NOT.

Important information

Aphilion SIF (the **Company**) is offering Shares of several separate Sub-Funds on the basis of the information contained in this Issuing Document and in the documents referred to herein.

The Company is subject to part II of 2007 Act and appointed Aphilion IM as its authorised alternative investment fund manager.

The Company is a public limited liability company (*société anonyme*) under the 1915 Act. The Company is managed by its Board.

The admission of the Company to the official list of special investment funds does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of the content of the Issuing Document or the assets held in any Sub-Fund. Any representations to the contrary are unauthorised and unlawful.

Restrictions on holding Shares under the 2007 Act, the Articles and this Issuing Document

Shares are reserved for Well-Informed Investors who are not Restricted Persons.

The Company will refuse to issue Shares to a person that does not qualify as a Well-Informed Investor or that according to the Board is a Restricted Person. The Company will furthermore refuse any Transfer that would result in Shares being held by a person that is not a Well-Informed Investor or that is a Restricted Person.

The Company is entitled to compulsorily redeem Shares held by such a person.

Shares – Sub-Funds – Classes – Net Asset Value

Shares to be issued hereunder will be issued in several separate Sub-Funds. A separate portfolio of assets is maintained for each Sub-Fund that is invested in accordance with the investment objective applicable to that Sub-Fund. As a result, the Company is an “umbrella fund” enabling Investors to choose between one or more investment policies. Investors may choose which one or more Sub-Fund(s) may be most appropriate for their specific risk and return expectations as well as their diversification needs.

Furthermore, in accordance with the Articles, the Company may resolve to issue Shares of different Classes. Within each Sub-Fund, Investors may choose the alternative Class features which are most suitable to their individual circumstances, given, *inter alia*, their qualification, the subscribed amount, the currency of the relevant Class and the fee structure of that Class.

The Company may, at any time, create additional Sub-Funds and Classes. Upon creation of an additional Sub-Fund or Class, the Issuing Document will be updated or supplemented accordingly.

Marketing of Shares

Shares are marketed in the EU to Professional Investors who are not Restricted Persons. Where Shares are marketed in the EU to Well-Informed Investors who do not qualify as Professional Investors, marketing must comply with the applicable laws and regulations of the relevant EU

member state and a key investor document in accordance with PRIIPs Regulation must be provided to this Investor.

Investors in the EU who do not qualify as Professional Investors as well as Investors outside the EU are required to inform themselves on the conditions imposed by their applicable laws and regulations before investing in the Company and to assess the impact and the risks they may be exposed to when investing into the Company. This Issuing Document has been provided to these Investors upon their own request.

The Issuing Document does not constitute an offer or solicitation in jurisdictions where no marketing is authorised or notified Shares or where it is unlawful to make an offer or a solicitation of Shares.

It is the responsibility of any person in possession of the Issuing Document and of any person wishing to subscribe for Ordinary Shares to inform themselves of and to observe all applicable laws and regulations of the relevant jurisdictions. Furthermore, it is the responsibility of any recipient of this Issuing Document to confirm and observe all applicable laws and regulations. Notwithstanding anything to the contrary herein, each Shareholder (and each employee, representatives, or other agent of such Shareholder) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of (a) the Company and (b) any of its transactions, and all materials of any kind (including opinions or other tax analyses) that are provided to the shareholder relating to such tax treatment and tax structure.

Structure of the Issuing Document

Part A provides general rules to be applied to the Company and to each Sub-Fund.

Part B provides specific rules applicable for a relevant Sub-Fund.

DIRECTORY

Registered office

60, Avenue John F. Kennedy
L-2085 Luxembourg
Grand Duchy of Luxembourg

External AIFM

Aphilion IM
Kolonienstraat 11
B-1000 Brussels
Belgium

Prime Brokers for TRS and other financial derivative instruments

Société Générale S.A.
29 Boulevard Haussmann
75009 Paris
France

Morgan Stanley Europe SE
Grosse Gallusstrasse 18,
60312 Frankfurt am Main
Germany

Auditor

KPMG Audit
39, avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Board

Nico Goethals, Director, Brussels
Jan Holvoet, Director, Brussels
Yves Jacobé de Naurois, Chairman,
Senningerberg
Christophe Pessault, Director, Luxembourg

Depositary and Administrator

BNP Paribas acting through its Luxembourg
branch
60, avenue John F. Kennedy
L-2085 Luxembourg
Grand Duchy of Luxembourg

Legal adviser

Dechert (Luxembourg) LLP
1, Allée Scheffer
L-2017 Luxembourg
Grand Duchy of Luxembourg

Definitions

1915 Act	Luxembourg act of 10 August 1915 on commercial companies as amended from time to time
1993 Act	Luxembourg act of 5 April 1993 on the financial sector, as amended from time to time
2004 Act	Luxembourg act of 12 November 2004 on the fight against money laundering and terrorist financing, as amended from time to time
2007 Act	Luxembourg act of 13 February 2007 on specialised investment funds, as amended from time to time
2013 Act	Luxembourg act of 12 July 2013 on alternative investment funds, as amended from time to time
2014 Act	Belgian act of 19 April 2014 on alternative investment funds and their managers, as amended from time to time
Accounting Year	Accounting year of the Company which commences on 1 July and terminates on 30 June
Administrator	BNP Paribas acting through its Luxembourg branch in its capacity as the domiciliation, administrator, transfer agent and registrar
Administration Agreement	Administrative agreement between the AIFM, the Administrator and the Company, as it may be amended or restated from time to time between the parties
AIF	Alternative investment fund in the meaning of the AIFMD and in a Luxembourg context in the meaning of article 1(39) of the 2013 Act
AIFM	Aphilion IM in its capacity as external alternative investment fund manager of the Company
AIFM Agreement	AIFM services agreement between the Company and the AIFM
AIFMD	Directive 2011/61/EU of the European Parliament and of the Council on alternative investment fund managers
Annual Report	Annual report of the Company in the meaning of article 52 of the 2007 Act
Articles	Articles of incorporation of the Company, as amended from time to time

Base Net Asset Value	Net Asset Value at which a relevant subscription has initially occurred, modified at crystallization date in order to take equalization credit or deficit into account
Board	Board of directors of the Company
Business Day	Each day on which the banks are open for general business in Luxembourg and Brussels
Clause	Any clause in this Issuing Document
Class	Any class of Shares (<i>catégorie d'actions</i>) as this term is understood under the 1915 Act
Commission Delegated Regulation	Commission Delegated Regulation No 231/2013 of 19 December 2013 supplementing the AIFMD with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
Company	Aphilion SIF, a Luxembourg investment company with variable capital – specialised investment fund (<i>société d'investissement à capital variable – fonds d'investissement spécialisé</i>)
Company's Consent	Written consent (which shall include electronic mail or other electronic communication and may consist of one or more documents (including “pdf” type electronic mail attachments) in similar form each signed by one or more of the Shareholders) of the Shareholders who together exceed 50% of the voting rights of the Company at the relevant time
CRS	Common Reporting Standard
CSSF	<i>Commission de Surveillance du Secteur Financier</i> , the supervisory authority of the financial sector in the Grand Duchy of Luxembourg
Data Protection Legislation	GDPR and any other applicable national laws and regulations on data protection
Dealing Day	Each day as of which subscriptions and redemptions of Shares are processed in accordance with the Articles and the Issuing Document
Depositary	BNP Paribas acting through its Luxembourg branch in its capacity as the depositary of the Company
Depositary Agreement	Depositary agreement between the Company, the Depositary and the AIFM, as it may be amended or restated from time to time between the parties
Director	Any member of the Board (<i>administrateur</i>)

Equalisation Credit	The excess amount to be paid when a relevant subscription occurred at a time when the Net Asset Value exceeds the Peak Net Asset Value and which is equal to the Performance Fee percentage of the difference between the Gross Asset Value and the Peak Asset Value
Equalisation Deficit	The amount with respect to any appreciation from the Base Net Asset Value up to the Peak Net Asset Value which will be taken into account when a relevant subscription occurred at a time when the Net Asset Value is below the Peak Net Asset Value
ETF	Exchanged-traded funds which are units listed on a Regulated Market which represent a diversified and liquid portfolio of stocks or assets
EU	European Union – Iceland, Liechtenstein and Norway as member states of the European Economic Association (EEA) assimilated to the EU member states within the limits of the treaties and agreements between the EU and the EEA
EUR	Euro, the single currency of the participating Member States of the European Economic and Monetary Union
Experienced Investor	Any investor who (i) adheres in writing to the status of Well-Informed Investor and (ii) either (a) commits to invest a minimum of EUR 125,000 in the Company or (b) has been the subject of an assessment made by a credit institution within the meaning of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, by an investment firm within the meaning of MiFID or by a management company within the meaning of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on certain undertakings for collective investment in transferable securities (UCITS) certifying his expertise, his experience and his knowledge in adequately apprising an investment in the Company
FATCA	U.S. Foreign Account Tax Compliance Act which was enacted as part of the U.S. Hiring Incentives to Restore Employment Act of 2010
Financial Instruments	Financial instruments in the meaning of MiFID
FSMA	Financial Services and Markets Authority which is the supervisory authority in Belgium
GAV	Gross asset value, i.e., net asset value including the leverage
General Meeting	General meeting of Shareholders either of the Company or of a relevant Sub-Fund or Class

GDPR	Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC
Initial Subscription Period	Initial period during which Shares are subscribed at the Initial Subscription Price as described for each Sub-Fund in Part B of the Issuing Document
Investor	Any person who contemplates to subscribe for Shares and, where the context requires, shall include that person as a Shareholder
Issuing Document	This issuing document, as it may be amended from time to time
Institutional Investor	Any institutional investor in the meaning of Luxembourg Law
Liquid Asset	Cash or cash equivalents including money market funds, time deposits and money market instruments the remaining maturity of which is less than 397 days, treasury bills and bonds issued by OECD member countries or their local authorities or by supranational institutions and organisations with the EU, regional or worldwide scope as well as bonds admitted to official listing on a stock exchange or dealt on a regulated market, issued by first-class issuers and highly liquid
Luxembourg Law	Applicable laws and regulations (including circulars of the CSSF) in the Grand Duchy of Luxembourg
Management Fee	Management fee calculated and payable by a relevant Sub-Fund to the AIFM and which is described in Part B
MiFID	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, the Markets in Financial Instruments Regulation (EU) No 600/2014 (MiFIR) and related legislation
Net Asset Value	Net asset value of the Company, a Sub-Fund, Class or Share as determined in accordance with the Articles and this Issuing Document
OECD	Organization for Economic Cooperation and Development
Part A	General part of the Issuing Document which describes the common characteristics and rules applicable for all Sub-Fund
Part B	Specific part of the Issuing Document which describes the particular characteristics and the particular rules for a relevant Sub-Fund
Peak Net Asset Value	Net Asset Value which is the highest among at each crystallization date (i.e., the date when the Performance Fee is paid)

Performance Fee	Performance fee calculated and payable by a relevant Sub-Fund to the AIFM and which is described in Part B
Prime Brokers	Prime brokers appointed by the Company and by the Depositary as described in Clause 6 of Part A
Prime Brokerage Agreements	Contractual arrangements in place between the Company and any Prime Broker
PRIIPs	Regulation (EU) N°1286/2014 of 26 November 2014 on key information documents for packaged retail and insurance-based investment products
Professional Investor	Investor who qualifies as a professional client within MiFID
RCSL	<i>Registre du Commerce et des Sociétés Luxembourg</i> , the trade and companies' register of Luxembourg
Redemption Fee	Redemption fee which may be charged on the redemption of Shares as further determined for the relevant Sub-Fund in its Section of Part B
Redemption Price	Price to be received when redeeming a Share decreased, as the case may be, by any charges, costs, expenses, taxes and Redemption Fee as further described for the relevant Sub-Fund in its Section of Part B
Reference Currency	Reference currency of the Company, a Sub-Fund or Class
Regulated Market	Any market which operates regularly and which is open to the public
Regulation 648/2012	Regulation (EU) n°648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories
Regulation 2015/2365	Regulation (EU) n° 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities transactions and of reuse and amending Regulation 648/2012
RESA	<i>Recueil Electronique des Sociétés et Associations</i> , the official gazette of Luxembourg
Restricted Person	Restricted person in the meaning of article 11 of the Articles
Section	Any section of Part B dedicated to a relevant Sub-Fund
SFDR	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended

SFT	Repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transaction or sell-buy back transaction or a margin lending transaction in accordance with Regulation 2015/2365
Share	Any share with no par value issued by the Company, a relevant Sub-Fund or Class
Shareholder	Any holder of Share(s)
Sub-Fund	Separate portfolio of assets established for one or more Classes of Shares which is invested in accordance with a specific investment objective as described in Part B of the Issuing Document; a Sub-Fund has no legal existence distinct of the Company; however each Sub-Fund is liable only for the debts, liabilities and obligations attributable to it
Sub-Fund's Consent	Written consent (which shall include electronic mail or other electronic communication and may consist of one or more documents (including "pdf" type electronic mail attachments) in similar form each signed by one or more of the Shareholders) of the Shareholders who together exceed 50% of the Shares issued by the relevant Sub-Fund at the relevant time
Subscription Fee	Subscription fee which may be charged on the issuance of Shares as further determined for the relevant Sub-Fund in its Section of Part B
Subscription Price	Price to pay when subscribing a Share increased, as the case may be, by a Subscription Fee as further described for the relevant Sub-Fund in its Section of Part B
Sustainability Risk	An environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment
Taxonomy Regulation	Regulation (EU) 202/852 on the establishment of a framework to facilitate sustainability investment and amending SFDR;
TRS	Total return swap as defined in point (7) of article 2 of Regulation 648/2012 in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty
UCI	any type of undertakings for collective investment either under Luxembourg Law or under any other law
U.S.	United States of America, its territories and possessions, any state of the United States, and the District of Columbia

USD	United States Dollars, the currency of the United States of America
Valuation Day	Each day as of which the Net Asset Value is determined in accordance with the Articles and this Issuing Document
Well-Informed Investor	Well-informed investor as defined in article 2 of the 2007 Act. There exist three categories of well-informed investors, Institutional Investors, Professional Investors and Experienced Investors. For the avoidance of doubt, Directors are regarded as Well-Informed Investors for the purpose of article 2 of the 2007 Act.

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PART A – GENERAL INFORMATION

1. INVESTMENT OBJECTIVES, RESTRICTIONS AND POLICIES

Investment Objective

- 1.1. The objective of the Company is to achieve for the Shareholder an optimum return from investments in eligible assets under the 2007 Act, while reducing investment risk through diversification. The Company has as investment objective to achieve, within the investment policy specified for each Sub-Fund, an attractive return on invested assets and to generate returns through active management of the assets.
- 1.2. Each Sub-Fund is authorised to make use of financial derivative instruments including, amongst others, options, futures, contracts for difference and forward contracts and options on such contracts as well as swap contracts by private agreement on any type of instruments including credit default swaps. Financial derivative instruments must be dealt on a Regulated Market or contracted by private agreement with first class professionals specialised in this type of transactions.

Investment Restrictions

Introduction

- 1.3. Each Sub-Fund has to comply with the investment restrictions within a period of time determined for each Sub-Fund in the relevant Section of Part B.
- 1.4. A Sub-Fund may be subject to additional investment restrictions set out in the relevant Section of Part B.

Risk spreading

- 1.5. Each Sub-Fund is subject to the following risk spreading requirements:
 - (a) A Sub-Fund will not invest more than 30% of its GAV in security of the same nature issued by the same entity.
 - (b) The restriction set forth in Clause (a) is not applicable to securities:
 - (i) issued or guaranteed by a member state of the OECD or by one of its local authorities or by supranational institutions and organisations with European, regional or worldwide scope;
 - (ii) issued by a UCI or AIF if the latter is subject to diversification requirements similar than those required under the 2007 Act.

Rules for uncovered sales of securities

- 1.6. Short sales may not result in a Sub-Fund holding:
 - (a) Uncovered position on securities which do not qualify as transferable securities. However, each Sub-Fund may hold uncovered positions on securities which do not qualify as transferable securities if such securities are highly liquid and do not represent more than 10% of the Sub-Fund's assets; and

- (b) Uncovered position on transferable securities which represents more than 30% of the transferable securities of the same nature issued by the same issuer; however, if such transferable securities adopts the form of a shares issued by an exchange-traded fund (ETF) whose underlying portfolio is diversified in the meaning of the 2007 Act and which is highly liquid, this restriction is not applicable.
- 1.7. The commitments arising from uncovered sales on transferable securities at a given time correspond to the cumulative non-realised losses resulting, at that time, from the uncovered sales made by a Sub-Fund. The non-realised loss resulting from an uncovered sale is the positive amount equal to the market price at which the uncovered position can be covered less the price at which the relevant transferable security has been sold uncovered.
- 1.8. The aggregate commitments of each Sub-Fund resulting from uncovered sales will not exceed 50% of the net assets of the relevant Sub-Fund. If a Sub-Fund enters into uncovered sales, it must hold sufficient assets enabling it at any time to close the open positions resulting from such uncovered sales.
- 1.9. The uncovered positions of transferable securities for which a Sub-Fund holds adequate coverage are not considered for the purpose of calculating the total commitments referred to above. It is to be noted that the fact that a Sub-Fund has granted a security, of whatever nature, on its assets to third parties to guarantee its obligations towards such third parties, is not to be considered as adequate coverage for the Sub-Fund's commitments, from the point of view of that Sub-Fund.

Use of short term credit facilities

- 1.10. The Company is allowed to use for each Sub-Fund credit facilities on a short term basis to cover a temporary shortage of liquidity.
- 1.11. The use of these credit facilities should not exceed 25% of the Net Asset Value and is included in the calculation of the leverage under Clause 1.18.

SFT and TRS

- 1.12. The AIFM does not contemplate to use SFT.
- 1.13. The AIFM may use TRS for each Sub-Fund including contracts of difference. A general description of TRS used for a relevant Sub-Fund including the rationale for their use, their return, their risk management and safe-keeping, the criteria for the counterparty selection, a description and evaluation of the collateral accepted are available for Investors at the registered office of the AIFM.

Restrictions on financial derivative instruments and TRS

- 1.14. Margin deposits in relation to financial derivative instruments dealt on a Regulated Market and commitments arising from financial derivative instruments contracted by private agreement (other than TRS) will not exceed 50% of the assets of any Sub-Fund.

- 1.15. When dealing with TRS, no regular margining in the meaning of Clause 1.14 is required but a brokerage fee is paid when entering into the TRS. There is no exchange of nominal amounts – only the difference between the price of the underlying asset at the beginning of the TRS and its price at the end of the TRS is paid. The exposure with TRS is measured by the market value of the underlying asset which contributes to the leverage of the relevant Sub-Fund which cannot exceed the limits set in Clause 1.18.

Restriction on total leverage

- 1.16. In accordance with Commission Delegated Regulation, leverage of each Sub-Fund is expressed as the ratio between the exposure of that Sub-Fund and its Net Asset Value.
- 1.17. The leverage is determined under the gross method in accordance with article 7 of the Commission Delegated Regulation and under the commitment method in accordance with article 8 of the Commission Delegated Regulation.
- 1.18. Under the gross calculation method, the leverage of any Sub-Fund shall not exceed 600% of the Net Asset Value of that Sub-Fund. Under the commitment calculation method, the leverage of any Sub-Fund shall not exceed 700% of the Net Asset Value of that Sub-Fund.

Investment Policy

- 1.19. The investment policy of each Sub-Fund is set out in the relevant Section of Part B.

Reference Currency

- 1.20. The Reference Currency of the Company is EUR.

2. GENERAL RISK CONSIDERATIONS

Introduction

- 2.1. An investment in a Sub-Fund involves certain risks relating to the particular Sub-Fund's structure and investment objectives which Investors should evaluate before making a decision to invest in such Sub-Fund.
- 2.2. The following is a brief description of certain factors which should be considered along with other matters discussed elsewhere in this Issuing Document. The following however, does not purport to be a comprehensive summary of all the risks associated with any Sub-Fund.

Structural risks

Persons carrying out a key function at the AIFM

- 2.3. The success of the Company will largely depend on the experience, relationships and expertise of the persons at the AIFM who are carrying out a key function such as portfolio management or risk management. The performance of the Company may be negatively affected if any of these persons would resign or otherwise no longer be available for the AIFM without being adequately replaced.

Risk of early termination of a Sub-Fund

- 2.4. In the event of the early termination of a relevant Sub-Fund, the latter would have to distribute to the Shareholders their pro-rata interest in the assets of the Company. The Sub-Fund's investments would have to be sold by the Company or distributed to the Shareholders. It is possible that at the time of such sale or redemption certain investments held by the Sub-Fund may be worth less than the initial cost of the investment, resulting in a loss to the Sub-Fund and to its Shareholders. Moreover, in the event the Sub-Fund terminates prior to the complete amortisation of organisational expenses, any unamortised portion of such expenses will be accelerated and will be debited (and thereby reduce) amounts otherwise available for distribution to Shareholders.

Risks involved by performance incentives

- 2.5. The payment of a fee calculated on the basis of performance could encourage the beneficiary to take the necessary steps that more risky and volatile investments are made than if such fees were not applicable.

Investment risks

Risks linked to the proprietary quantitative (statistical) model

- 2.6. Investment decisions depend to a large extent on the proprietary quantitative (statistical) model used by the Board. Performance of a portfolio can be influenced by factors which have not been captured by the model or which have insufficiently been taken into account by the model.

FX risks

- 2.7. A relevant Sub-Fund may invest in assets denominated in a wide range of currencies. The Net Asset Value of each Class expressed in its respective currency will fluctuate in accordance with the changes in foreign exchange rate between its currency, the Reference Currency of the Sub-Fund and the currencies in which the Sub-Fund's investments are denominated.

Sustainability Risks

- 2.8. Many economic segments and industries in which the Company may invest or be otherwise exposed to are embedding Sustainability Risks. Factors driving Sustainability Risks include changes in law, regulations, industry standards, consumer preference and influence from media, social groups and non-governmental organisations. Sustainability Risks may have a material impact on the operations, the financial and the business model of the issuers of securities acquired by the Company or where the Company may otherwise be exposed to. The performance of any Sub-Fund may be adversely impacted if a Sustainability Risk occurs at the level of such an issuer which may negatively impact the value of the securities of this issuer and consequently decrease the performance of the Sub-Fund.

Risks linked to structured financial instruments

- 2.9. Structured financial instruments are subject to the risks associated with the underlying market or security, and may be subject to greater volatility than direct investments in the underlying market or security. Structured financial instruments may entail the risk of loss of principal and/or interest payments as a result of movements in the underlying market or security.
- 2.10. In particular, investments in instruments linked to the performance of certain securities, indices, interest rates or currency exchange rates indirectly provide an exposure to those securities, indices, interest rates or currency exchange. The terms of such instruments may provide that their principal amounts or just their coupon interest rates are adjusted upwards or downwards at maturity or on established coupon payment dates to reflect movements in various measures of underlying market or security while the obligation is outstanding.
- 2.11. Use of credit-linked notes can overcome problems and mitigate certain risks associated with direct investment in the underlying assets. Credit linked notes referenced to underlying securities, instruments, baskets or indices, which the relevant Sub-Fund may hold, are subject to both counterparty risk and the risk inherent in the underlying investment.

Risks linked to special investment techniques

- 2.12. The general use of currency hedging techniques and instruments, compared to traditional forms of investment may involve greater risks.

Risks related to lending and borrowing of securities

- 2.13. The Company may borrow and lend securities as part of its investment strategy. In case of borrowing, the Company may have access to “hard-to-borrow” securities whose costs have to be borne by the relevant Sub-Fund and which may have an impact on the performance of that Sub-Fund. Securities lending may have a positive impact on the performance of a relevant Sub-Fund in terms of yield enhancement. However, third parties that borrow securities from a relevant Sub-Fund may not be able to return these securities on first demand which may cause the Sub-Fund to default on its obligation to other counterparties.

Risks due to short sales

- 2.14. A Sub-Fund may be allowed to take short positions on securities. In such a case the Sub-Fund may be exposed to price movements in an opposite way as the expected one which may involved that the Fund is not able to cover the short position. As a result, the Sub-Fund may theoretically face an unlimited loss. The availability in the market of the borrowed securities cannot be ensured when necessary to cover such short position.

Risks linked to use of leverage

- 2.15. A relevant Sub-Fund may use leverage, i.e. a borrowing facility for purchasing securities and assets in excess of the equity value which is available for the Sub-Fund. If the cost of borrowing is lower than the net return earned on the purchased asset, the Sub-Fund may increase its performance. However, if the use of leverage exposes the Sub-Fund to additional risks such as but not limited to:
- (a) Greater potential losses on the investment purchase by using the leverage;
 - (b) Greater interest costs and lower debt coverage in case of increasing interest rates; and/or
 - (c) Premature margin calls which may force the liquidation of some Investments (which may occur at a moment where the investments have been under pressure by the markets involving the liquidation at prices below the acquisition prices).

Risks linked to use of financial derivatives

- 2.16. *Options*: Both the purchasing and selling of call and put options entail risks. Although an option buyer's risk is limited to the amount of the purchase price of the option, an investment in an option may be subject to greater fluctuation than an investment in the underlying securities. In theory, an uncovered call writer's loss is potentially unlimited, but in practice the loss is limited by the term of existence of the call. The risk for a writer of a put option is that the price of the underlying security may fall below the exercise price.
- 2.17. *Futures*: Futures markets are highly volatile markets. The profitability of any Sub-Fund will partially depend on the ability of the Board to make a correct analysis of the market trends, influenced by governmental policies and plans, international political and economical events, changing supply and demand relationships, acts of governments and changes in interest rates. In addition, governments may from time to time intervene on certain markets, particularly currency markets. Such interventions may directly or indirectly influence the market. Given that only a small amount of margin is required to trade on futures markets, the operations of the managed futures portion of the Company for the account of any Sub-Fund will be characterised by a high degree of leverage. As a consequence, a relatively small variation of the price of a futures contract may result in substantial losses for the relevant Sub-Fund and a correlated reduction of the Net Asset Value of the Shares.

Most futures markets limit fluctuation in futures contracts prices during a single day. When the price of a futures contract has increased or decreased by an amount equal to the daily limit, positions can be neither taken nor liquidated unless the Company is willing to trade at or within the limit. In the past futures contracts prices have exceeded the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the Company from promptly liquidating unfavourable positions and thus subject the Company to substantial losses. In addition, even if the prices do not get close to such limits, the Company may be in a position not to obtain satisfying prices if the volumes traded on the market are insufficient to meet liquidation requests. It is also possible that a stock exchange, the Commodity Futures Trading Commission in the

United States or another similar institution in another country suspends the listing of a particular contract, instructs the immediate liquidation of the contract or limits transactions on a contract to the sole transactions against delivery.

- 2.18. *Options on futures*: The Company may engage in the management of options, in particular options on futures contracts. Such management carries risks similar to the risks inherent to the uncovered management of futures contracts on commodities as far as such options are volatile and imply a high degree of leverage. The specific movements of the commodities and futures contracts markets, which represent the underlying assets of the option, may not be predicted with precision. The buyer of an option may lose the entire purchase price of the option. The seller of an option may lose the difference between the premium received for the option and the price of the commodity or of the futures contract underlying the option that the seller must buy or deliver, upon the exercise of the option.
- 2.19. *Swaps*: The Company may enter into one or more swaps in connection with a currency hedge or as a part of a strategy. Swap agreements are not traded on exchanges but rather banks and dealers act as principals by entering into an agreement to pay and receive certain cash flow over a certain time period, as specified in the swap agreement. Consequently, the Company is subject to the risk of a swap counterparty's inability or refusal to perform according to the terms of the swap agreement. The swap market is generally unregulated by any governmental authority. To mitigate the counterparty risk resulting from swap transactions, the Company will enter into such transactions only with highly rated, first class financial institutions with which it has established ISDA agreements.
- 2.20. *Credit default swaps*: Credit default swaps can be subject to higher risk than direct investment in Transferable Securities. The market for credit default swaps may from time to time be less liquid than transferable securities markets. However, the Company only intends to invest in credit default swaps which are liquid. The Company will therefore always seek to be in a position enabling it to liquidate its exposure to credit default swaps in order to meet redemption requests. In relation to credit default swaps where the Company sells protection, the Company is subject to the risk of a credit event occurring in relation to the reference issuer. In relation to credit default swaps where the Company buys protection, the Company is subject to the risk of the counterparty of the credit default swaps defaulting. To mitigate counterparty risk resulting from credit default swap transactions, the Company will only enter into credit default swaps with highly rated financial institutions specialised in this type of transaction and in accordance with the standard terms laid down by the ISDA.

Risks linked to commodities

- 2.21. The Company may invest indirectly in commodities. Investors should be aware that investments in commodities involve significant risks. Prices of commodities are influenced by, among other things, various macro economic factors such as changing supply and demand relationships, weather conditions and other natural phenomena, agricultural, trade, fiscal, monetary and exchange control programmes and policies of governments (including government intervention in certain markets) and other unforeseeable events.

- 2.22. Investment in commodities is countercyclical: the value of investments in commodities is moving in the opposite direction than the overall economic cycle. Most assets do not benefit from rising inflation, but commodities usually do. As demand for goods and services increases, the price of those goods and services usually rises as well, as does the price of the commodities used to produce those goods and services. By contrast, stocks and bonds tend to perform better when the rate of inflation is stable or growing.

Risks linked to emerging markets

- 2.23. The Company may invest in emerging markets. Certain issues are more prevalent in emerging markets than in other markets, such as high inflation making valuations problematic, macroeconomic volatility, capital restrictions and controls, and political risks. The political system of those countries is vulnerable to the population's dissatisfaction and exposed to internal pressure exercised by groups of influence with reforms, social unrest and changes in governmental policies, any of which could indirectly have a material adverse effect on the performance of the Company.

Risks related to service providers and counterparties

Risks related to the Depositary and the Prime Brokers

- 2.24. The default of the Depositary or of one of the Prime Brokers may cause substantial losses for Company and its Shareholders.
- 2.25. Although it is not the intention of the Board as of the date of this Issuing Document, Financial Instruments may be provided as collateral which may then be in custody with the Prime Brokers or any of their agents or a third party. The Company may agree that the Depositary will be discharged from its liability to the Prime Brokers, their agent of the relevant third party resulting that the Company has to directly make a claim against the Prime Brokers, their agent or the relevant third party in respect of a loss of Financial Instruments. The Company may become an unsecured creditor in case of default of one of the Prime Brokers, its agent or the relevant third party.
- 2.26. The Sub-Fund's cash is not segregated from the cash held at the Depositary, the Prime Brokers or any other broker. Cash may be used in its ordinary course of business. It results that the Company may become an unsecured creditor of the Depositary, the Prime Brokers or any other broker in case of default of the latter.
- 2.27. The obligations of the Company for the account of a relevant Sub-Fund towards the Depositary, the Prime Brokers respectively a third party on securities lending or borrowing transactions is typically guaranteed by the transfer to the Depositary respectively to the Prime Brokers or the relevant third party of collateral in the form of Financial Instruments, cash or other assets owned by the relevant Sub-Fund. The counterparty risk results from the difference between (a) the values of these assets transferred to the Depositary, the Prime Brokers or any other party as security in the context of securities lending or borrowing transactions and (b) the debt of the Company owed to the Depositary, the Prime Brokers or that other party. These counterparties may sell, lend or use in any other way the collateral for its own needs.

Counterparty risk when entering into OTC transactions

- 2.28. Furthermore the Company may engage on behalf of a relevant Sub-Fund in OTC transactions with banks and/or brokers (including, in particular, the Prime Brokers) acting as counterparties. Participants to such markets are not protected against defaulting counterparties in their transactions because such contracts are not guaranteed by a clearinghouse.
- 2.29. The Company may also have credit exposure to one or more counterparties by virtue of its investment positions including via the use of TRS. To the extent that a counterparty defaults on its obligation and the Company is delayed or prevented from exercising its rights with respect to the investments in the portfolio of a relevant Sub-Fund, the latter may experience a decline in the value of its position, loose income and incur costs associated with asserting its rights. Such risks will increase where the Company uses only a limited number of counterparties for a relevant Sub-Fund.

Market participant risk

- 2.30. The institutions, including brokerage firms and banks, with which the Company executes trades, may encounter financial difficulties that impair the operational capabilities or the capital position of such counterpart. The Company will have no control whatsoever over these institutions.

Cyber Crime and security breaches

- 2.31. With the increasing use of the internet and technology in connection with the Compartment's operations, the AIFM or any service provider of the Company are susceptible to greater operational and information security risks through breaches in cyber security. Cyber security breaches include, without limitation, infection by computer viruses and gaining unauthorised access to the systems through "hacking" or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operations to be disrupted. Cyber security breaches may also occur in a manner that does not require gaining unauthorised access, such as denial-of-service attacks or situations where authorised individuals intentionally or unintentionally release confidential information stored on the systems. A cyber security breach may cause disruptions and impact the business operations, which could potentially result in financial losses, inability to determine the Net Asset Value, violation of applicable law, regulatory penalties and/or fines, compliance and other costs. The Company and its Investors could be negatively impacted as a result. In addition, because the Company, the AIFM or any service provider of the Company work closely with other providers, indirect cyber security breaches at such third-party service providers may submit the Company to the same risks associated with direct cyber security breaches.

Legal and tax risks

Prevention on money laundering and terrorist financing

- 2.32. The Company or any service provider may be required by law, regulation or government authority to suspend the account of an Investor or take other anti-money

laundering steps. Where the Company or any service provider is required to take such an action, the relevant Investor must indemnify the Company or the relevant service provider against any loss suffered by it.

Change of laws and regulations

- 2.33. Laws and regulations including in tax may also be subject to changes which may impact adversely on the accuracy of statements contained in this Issuing Document which are given only as at the date specified in the Issuing Document and in the way in which the Company is operated.

Litigation risks

- 2.34. The Company, the AIFM and other service providers may be parties to litigation or other adversarial proceedings. Any such litigation or proceeding, even if without merit, could prove detrimental to the Company.

EU Anti-Avoidance Directives

- 2.35. As part of its anti-tax avoidance package the EU commission has issued two anti-tax avoidance directives, Council Directives EU 2016/1164 and EU 2017/952 (**ATAD 1** and **ATAD 2** respectively). Luxembourg has implemented both Directives into its domestic law.
- 2.36. ATAD 1 was implemented with effect from 1 January 2019. This includes rules to limit tax deductions in respect of interest payments as well as other anti-avoidance measures such as intra-EU anti-hybrid rules. ATAD 2 was implemented largely with effect from 1 January 2020 and extends the anti-hybrid rules to cover hybrid mismatches involving non-EU countries. In addition, ATAD 2 includes specific provisions which could have adverse tax implications for “reverse hybrid entities” which will take effect from 1 January 2022. A reverse hybrid entity is an entity treated as tax transparent in its country of incorporation but considered to be non-transparent in the country of residence of its partners. However, various exemptions exist to exclude certain types of collective investment schemes from the definition of a reverse hybrid entity.
- 2.37. While ATAD 1 and ATAD 2 have been implemented into Luxembourg domestic law, guidance is awaited from the Luxembourg tax authorities in relation to certain aspects of the law and its interpretation. The extent to which these rules could have application to the Company is therefore currently uncertain and so could affect the returns.

Other risk factors

Brexit

- 2.38. The United Kingdom voted on 23 June 2016 to leave the EU. The process of withdrawal from the EU was triggered on 29 March 2017, pursuant to Article 50 of the Treaty on European Union (TEU), by the United Kingdom’s formal notification to the European Council of its intention to withdraw from the EU. In October 2019, the EU and United Kingdom agreed the terms of a withdrawal agreement for the United Kingdom’s withdrawal from the EU. For the withdrawal agreement to take effect, it must be ratified

by the EU and United Kingdom parliaments. On 23 January 2020, the European Union (Withdrawal Agreement) Bill 2019-20 (WAB) received Royal Assent and was enacted as the European Union (Withdrawal Agreement) Act 2020 (WAA) for which the EU gave its consent on 29 January 2020. The UK has formally left the EU at 11 p.m. GMT on 31 January 2020 under the terms of the WAA. Following its departure from the EU, the UK will enter into a transition period (which is due to expire at 11 p.m. GMT on 31 December 2020) during which EU law and the rulings of the European Court of Justice will continue to apply within and to the UK although the UK will no longer be an EU member state. During that transition period, EU law will continue to apply to the UK, and the future EU - United Kingdom trade relationship will be formally negotiated. The United Kingdom government has indicated that it will not seek any extension to the transition period beyond 31 December 2020. The terms of the United Kingdom's future relationship with the EU are separate and not subject to any formal time restriction.

- 2.39. During the withdrawal negotiation period and any transition period, and following the withdrawal of the United Kingdom from the EU, there is likely to be considerable uncertainty as to the United Kingdom's post-withdrawal and post-transition framework, and in particular as to the arrangements which will apply to its relationship with the EU and with other countries. As at today's date, there is no harmonised approach across the EU with regards to transition periods or temporary permissions regimes nor to their duration. This process and/or the uncertainty associated with it may, at any stage, adversely affect the return on the Company and its Investments. There may be detrimental implications for the value of the certain Investments and/or its ability to implement its investment programme. This may be due to, among other things: (i) increased uncertainty and volatility in United Kingdom, EU and other financial markets; (ii) fluctuations in asset values; (iii) fluctuations in exchange rates; (iv) increased illiquidity of investments located, listed or traded within the United Kingdom, the EU or elsewhere; (v) changes in the willingness or ability of financial and other counterparties to enter into transactions, or the price at which and terms on which they are prepared to transact; and/or (vi) changes in legal and regulatory regimes to which the Company, its Investments and some of its service providers are or become subject to.

Health epidemic/pandemic and natural disasters

- 2.40. Any occurrence of force majeure events, natural disasters, or outbreak of epidemics or pandemics, such as the 2019 novel coronavirus (COVID-19), SARS, H5N1 and H7N9 avian flu, H1N1 swine flu, Ebola, depending on their scale, may cause material disruptions to business operations of the Company and its service providers, which may in turn cause delays in distributions to the Investors. These events could also have a material effect on general economic conditions and market liquidity, which may in turn adversely affect the financial performance of the Company and its Investments and, therefore, its Investors.

3. COMPANY

Legal information of the Company

- 3.1. The Company was incorporated on 23 May 2008 for an unlimited period of time and is governed by the 1915 Act and by the 2007 Act.

- 3.2. Since 29 July 2021, the registered office is established at 60, avenue John F. Kennedy, L-2085 Luxembourg, Grand Duchy of Luxembourg.
- 3.3. The Company is registered at the RCSL under the number B138962.
- 3.4. The Articles have been filed with the RCSL and were published for the first time in the Memorial of 18 June 2008. Through the extraordinary General Meeting of 8 March 2012, the Articles have been amended to set the registered office in Hesperange. The minutes of this extraordinary General Meeting have been published in the Mémorial of 30 March 2012. Through the extraordinary General Meeting of 17 April 2015, the Articles have been amended, amongst others, to set the registered office of the Company in Senningerberg and through the extraordinary General Meeting of 29 July 2021, the Articles have been amended to empower the Board to change the registered office within the Grand Duchy of Luxembourg.

Sub-Funds and Classes

- 3.5. In accordance with article 71 of the 2007 Act, the Company is constituted under the form of an investment company with different Sub-Funds. A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective applicable to the relevant Sub-Fund as disclosed in Part B. As a result, the Company is an “umbrella fund” enabling Investors to choose between one or more investment objectives by investing in one or more Sub-Funds.
- 3.6. Furthermore, the Board may issue Shares of different Classes within each Sub-Fund.
- 3.7. The Board may from time to time decide to create further Sub-Funds. In that event, the Issuing Document will be updated and amended so as to include detailed information on the new Sub-Funds. The Board may also decide to create further Classes. In that event the Issuing Document will be updated and amended as to include detailed information on such new Classes.
- 3.8. The share capital of the Company will be equal, at any time, to the total value of the net assets of all Sub-Funds.

Board

- 3.9. As of the date of this Memorandum, the following persons have been nominated as Directors:
 - (a) Nico Goethals, Chairman, Brussels;
 - (b) Jan Holvoet, Director, Brussels;
 - (c) Yves Jacobé de Naurois, Director, Senningerberg;
 - (d) Christophe Pessault, Director, Luxembourg

4. AIFM

Appointment – Legal information

- 4.1. The Company has appointed Aphilion IM (the **AIFM**) as its alternative investment fund manager further to the AIFM Agreement. The relationship between the Company and the AIFM is subject to the terms of the AIFM Agreement. The Company and the AIFM may terminate the AIFM Agreement upon 90 days' prior written notice given by one party to the other.
- 4.2. The AIFM is authorised and regulated by the FSMA in accordance with the 2014 Act.

Capital – Own funds – Professional insurance coverage

- 4.3. Information on the AIFM on capital, own funds and professional insurance coverage are available free of charge at the registered office of the AIFM during normal opening hours at any Business Day.

Functions

- 4.4. The AIFM fulfils the following tasks:
 - (a) Portfolio management;
 - (b) Risk management;
 - (c) Valuation and pricing; and
 - (d) Marketing.

Remuneration

- 4.5. The AIFM will receive a Management Fee and a Performance Fee paid out of the assets of each Sub-Fund in accordance with the AIFM Agreement.
- 4.6. The AIFM adopted a remuneration policy which is consistent with and promotes sound and effective risk management with respect to Sustainability Risks. The AIFM did not establish a remuneration committee. The details of the remuneration policy are available on www.aphilion.com/SIF.

5. DEPOSITARY

Appointment and legal information

- 5.1. BNP Paribas acting through its Luxembourg branch is appointed as the Company's depositary pursuant to the Depositary Agreement.
- 5.2. The Company, the Depositary and the AIFM may terminate the Depositary Agreement upon ninety (90) days prior written notice.
- 5.3. The Depositary is a credit institution in the meaning of 1993 Act.

Services provided by the Depositary

- 5.4. The Depositary provides its service in accordance with article 19 of the 2013 Act and chapter IV of Commission Delegated Regulation.
- 5.5. The Depositary will for each Sub-Fund:
- (a) Ensure that cash flows are properly monitored, and in particular that all payments made by or on behalf of Shareholders when subscribing Shares have been received and that all cash of the Sub-Fund has been booked in cash accounts as permitted under article 19 (7) of the 2013 Act;
 - (b) Safe-keep Investments which are Financial Instruments that can be held in custody in accordance with article 19 (8) a) of the 2013 Act;
 - (c) Verify the ownership of Investments which cannot be held in custody and maintain a record of those Investments for which it is satisfied that the Company for the account of the relevant Sub-Fund holds the ownership of those Investments as further determined in article 19 (8) b) of the 2013 Act;
- 5.6. Furthermore, the Depositary will for each Sub-Fund:
- (a) Ensure that the sale, issue, re-purchase, redemption and cancellation of Shares are carried out in accordance with Luxembourg Law and the Articles;
 - (b) Ensure that the value of the Shares is calculated in accordance with Luxembourg Law, the Articles and with this Issuing Document;
 - (c) Carry out the instructions of the Management Company, unless they conflict with Luxembourg Law, the Articles and this Issuing Document;
 - (d) Ensure that in transactions involving Investments any consideration is remitted to the Company for the account of the relevant Compartment within the usual time limits; and
 - (e) Ensure that a Sub-Fund's income is applied in accordance with the Luxembourg Law, the Articles and this Issuing Document.
- 5.7. The Depositary will use the services of correspondents which are selected in good faith and duly authorised to provide the required services.
- 5.8. Where the law of a third country requires that certain Financial Instruments are held in custody by a local entity and there are no local entities that satisfy the delegation requirements under article 19(11)(d)(ii) of the 2013 Act, the Depositary can discharge itself of its liability provided that
- (a) The Company instructed the Depositary to delegate the custody of these Financial Instruments to the relevant local entity;
 - (b) There is a written contract between the Depositary and the Company which expressly allows this discharge; and

- (c) There is a written contract between the Depositary and the third party that expressly transfers the liability of the Depositary to that local entity and makes it possible for the Company to make a claim against that local entity in respect of the loss of financial instruments or for the Depositary to make such a claim on their behalf.

Paying agency

- 5.9. As principal paying agent, the Depositary will have as its principal function the operation of procedures in connection with the payment of distributions and, as the case may be, redemption proceeds on the Shares.

Remuneration

- 5.10. The remuneration of the Depositary is met by the Company out of the net assets of the relevant Sub-Fund in accordance with the Depositary Agreement.
- 5.11. The remuneration of the Depositary is disclosed in the Annual Report.

6. PRIME BROKERS

Legal information

- 6.1. The Company appointed Société Générale S.A., 29 Boulevard Haussmann, 75009 Paris, France and Morgan Stanley Europe SE, Grosse Gallusstrasse 18, 60312 Frankfurt am Main, (the **Prime Brokers**) as its prime brokers in connection with dealing and clearing of TRS and other financial derivative instruments.
- 6.2. Société Générale S.A. is a public limited liability company (*société anonyme*) under French law with registered address at 52/60 avenue des Champs-Élysées, 75008 Paris, France and registered under number 353 020 936 RCS Paris. Société Générale is subject to the supervision of the *Autorité des Marchés Financiers*.
- 6.3. Morgan Stanley Europe SE, is authorised by and regulated by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* “Bafin”).
- 6.4. The Prime Brokers fulfil the conditions set under CSSF circular 08/372:
 - (a) The Prime Brokers are investment firms under the prudential supervision of a supervisory authority in the EU;
 - (b) The Prime Brokers are widely recognized and specialized for this type of services;
 - (c) The Prime Brokers’ appointment by the Company does not have any objection of the Depositary who disposes, where necessary, of all information from the Prime Brokers to fulfil its safe-keeping obligations.

Services – Margin accounts

- 6.5. The Prime Brokers provide dealing and clearance services of TRS and other financial derivative instruments. The Prime Brokers do not provide custody services.
- 6.6. The Company will fund margin accounts with the Prime Brokers by cash.
- 6.7. It is not the intention of the Company to fund margin accounts with Financial Instruments. Collateral under the form of Financial Instruments will remain in custody with the Depositary.

Remuneration

- 6.8. The remuneration of the Prime Brokers is met by the Company out of the net assets of the relevant Sub-Fund in accordance with the Prime Brokerage Agreements.
- 6.9. The remuneration of the Prime Brokers is disclosed in the Annual Report.

7. ADMINISTRATION OF THE COMPANY

Appointment of the Administrator and legal information

- 7.1. BNP Paribas acting through its Luxembourg Branch has been appointed as the Company's domiciliation agent, administrator, registrar and transfer agent (the **Administrator**) further to Administration Agreement.
- 7.2. The Company and the Administrator may terminate the Administration Agreement upon ninety (90) days prior written notice.

Services provided by the Administrator

- 7.3. The Administrator provides the following services:
 - (a) Providing the registered office and related corporate agency services ;
 - (b) Accounting services;
 - (c) Valuation and pricing including tax returns;
 - (d) Calculation of the Net Asset Value;
 - (e) Maintenance of Register including identification of Investors;
 - (f) Distribution of income;
 - (g) Issuance, redemption, conversion and transfer of Shares;
 - (h) Contract settlement including certificate dispatch, where required;
 - (i) Record keeping;
 - (j) Reporting on behalf of the Company to the CSSF;
 - (k) Preparation of the Annual Report.

- 7.4. In connection with the calculation of the Net Asset Value, the Administrator is entitled to rely on information supplied by public sources and recognised third parties with the consent and under the supervision of the Company and the AIFM. In the absence of manifest error, the Administrator will not be liable for the accuracy of the relevant information received or for any errors in the Net Asset Value calculation resulting from the inaccuracy of the relevant information received by the Administrator. The collection of information from public sources and recognized third parties is not considered as an external valuation in the meaning of article 19(4)(b) of the AIFMD. Where an Investment has to be specifically valued, the AIFM will undertake the valuation in accordance with article 19(4)(a) of the AIFMD.

8. PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING

General

- 8.1. Measures aimed towards the prevention of money laundering and terrorism financing require a detailed verification of an Investor's identity in accordance with the applicable laws and regulations in Luxembourg including the 2004 Act, the Grand Ducal Regulation of 1 February 2010, the Luxembourg act of 27 October 2010 enhancing the anti-money laundering and counter terrorist financing legal framework, the Grand Ducal Regulation of 29 October 2010 implementing the latter, the CSSF Regulation n°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing, as amended from time to time (including the amendments through CSSF Regulation n°20-05 of 14 August 2020) as well as other regulations and circulars released by the CSSF (including CSSF circular 19/730 and CSSF circular 19/732) and by the FSMA and other applicable laws and regulations in this context.
- 8.2. Where the AIFM appoints an intermediary for the marketing of Shares, an enhanced due-diligence will be applied on the intermediary in accordance with article 3-2 (3) of the 2004 Act and articles 3 and 28 of CSSF Regulation n°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing.
- 8.3. No marketing of Shares is contemplated in high risk jurisdictions.

Investors' identification process

- 8.4. The Company delegated the identification of investors with the consent of the AIFM to the Administrator which verifies the identity of any Investor in accordance with CSSF 19/732 which provides guidance in relation to the legal requirements applicable to the identification and verification of the identity of the Investors and, inter alia, which is referring to the FATF Egmont group report of July 2018.
- 8.5. By way of example, an individual will be required to provide a copy of his/her passport or identification card duly certified by a competent authority (e.g., embassy, consulate, notary, police officer, financial institution domiciled in a country imposing equivalent identification requirements or any other competent authority) and a corporate applicant will be required inter alia to provide a certified copy of the certificate of incorporation (and any change of name), the Investor's memorandum (if any) and its articles of association (or equivalent), a recent list of its shareholders showing a recent stake in its capital, printed on the letterhead of the Investor duly dated and signed, an authorised

signature list, an excerpt of the trade register as well as a certified true copy for any natural person who qualifies as its beneficial owner or legal representative. It should be noted that the above list is not exhaustive and that the Investors may be required to provide further information to the Company or the Management Company to ensure the identification of the final beneficial owner of the Shares. Documents on Investors will be reviewed and safe-kept by the Management Company. Each Investor will be granted access to his/her documents upon request to the Company.

- 8.6. Until satisfactory proof of identity is provided by an Investor or transferee as determined by the Company, it will withhold issue or approval of registration of transfers of Shares. Similarly, redemption proceeds will not be paid unless compliance with these requirements has been made in full. In any such event, neither the Company, nor any Service Provider will be liable for any interest, costs or compensation.
- 8.7. In case of a delay or failure to provide satisfactory proof of identity, the Company, the AIFM and the Administrator will take such action as thought fit.
- 8.8. The Company, the AIFM and the Administrator will request such information as is necessary to verify the identity of an Investor in conformity with the before mentioned laws and regulations
- 8.9. The identification process is an on-going process and the documents of Investors will have to be updated regularly.
- 8.10. The measures in connection with the prevention of money laundering and of terrorism financing under Luxembourg Law will include not only the verification of the identity of Investors and their beneficial owners, but will also be applied on the assets invested by the Company and the counterparties used for buying and selling the assets. A risk based approach will be applied in this context.

Register of beneficial owners (RBE)

- 8.11. Luxembourg has implemented the transparency register required by the Directive (EU) 2015/849 of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering and terrorist financing with the Luxembourg act dated 13 January 2019 establishing a transparency register named "register of beneficial owners" (RBE) (the **RBE Act**). The Company falls in the scope of the RBE Act and must report some details of its beneficial owners where they qualify as beneficial owners. Beneficial owners refer to the legal definition used under the 2004 Act, whereby a direct or indirect shareholding of 25% plus one share or an ownership interest of more than 25% held by individual shall be an indication of ownership. The RBE may be accessed not only by certain national authorities (including the public prosecutor, Financial Intelligence Unit, tax authorities and the CSSF) but also by the public. While the relevant Luxembourg national authorities will have full access to all the information filed regarding beneficial owners, the address and national identification number of the beneficial owners will not be available to the public.

9. PREVENTION OF MARKET TIMING AND LATE TRADING

- 9.1. Market Timing is to be understood as an arbitrage method through which an Investor systematically subscribes and redeems or converts units or shares of the same fund within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value of the fund.
- 9.2. The Board does not permit practices related to Market Timing. Both the Board and the Administrator will reject subscription and conversion orders from an Investor who the Board or the Administrator suspects of using such practices. The Board further will take, if appropriate, the necessary measures to protect the other Shareholders.
- 9.3. Late Trading is to be understood as the acceptance of a subscription, conversion or redemption application after the time limit fixed for accepting application (cut-off time) on the relevant Valuation Day and the execution of such order at the price based on the Net Asset Value per Share of the relevant Sub-Fund applicable to such same day.
- 9.4. Subscriptions, redemptions and conversions are dealt with at an unknown Net Asset Value per Share of the relevant Sub-Fund on the relevant Valuation Day. The cut-off time is disclosed for each Sub-Fund in the relevant Section of Part B.

10. SHARES

General information

- 10.1. Shares are issued in registered form only (*actions nominatives*).
- 10.2. The inscription of the Shareholder's name in the register of shareholders evidences its right of ownership of such registered Shares. A holder of registered Shares will receive a written confirmation of its shareholding.
- 10.3. All Shares must be fully paid-up.
- 10.4. Shares are of no par value and carry no preferential or pre-emptive rights.
- 10.5. Each Share of any Class to whatever Sub-Fund it belongs is entitled to one vote at any General Meeting in accordance with the Articles.
- 10.6. Fractional Shares may be issued to the nearest thousandth of a Share, and such fractional Shares will not be entitled to vote but will be entitled to a participation in the net results and in the proceeds of liquidation attributable to the relevant Class in the relevant Sub-Fund on a pro rata basis.

Important legal information when subscribing for Shares

- 10.7. Investors are legally bound by the terms of their Subscription Agreement, the Articles and this Issuing Document.
- 10.8. The relationship between the Investors and the Company shall be governed and construed in all respects in accordance with Luxembourg Law.
- 10.9. Any dispute or controversy between an Investor and the Company shall be submitted to the exclusive jurisdiction of the Courts of Luxembourg City. In as far as applicable,

the recognition and enforcement of a judgment given by the courts of an EU Member State within the scope of Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast) (the **Regulation 1215/2012**) will be refused by the Luxembourg courts if on the application of (i) any interested party (in case of recognition) or (ii) the person against whom enforcement is sought (in case of enforcement), the Luxembourg courts find that any of the circumstances set out in articles 45 or 46 of Regulation 1215/2012 exist. No re-examination of the merits of any claim resulting in such foreign judgment would be made, save for the examination of the compliance of such judgment with Luxembourg public order (*ordre public*).

Subscription of Shares

- 10.10. The conditions for an Investor to subscribe Shares are determined for the relevant Sub-Fund in its Section of Part B.
- 10.11. In particular, Part B determines for each Sub-Fund the Initial Subscription Period or the initial subscription date.
- 10.12. After the Initial Subscription Period or the initial subscription date, Shares are issued at the Subscription Price which is the total of the Net Asset Value per Share increased, as the case may be, by the Subscription Fee.
- 10.13. The Subscription Price is available for inspection at the registered office of the Company.
- 10.14. Investors whose applications are accepted by the Board (or by the entity duly mandated by the Company) will be allotted Shares issued on the basis of the Net Asset Value per Share determined as of the Valuation Day (as defined in the relevant Section of Part B) following receipt of the application order provided that such application is received at the registered office of the Company at a time as defined in the relevant Section of Part B.
- 10.15. Payments for Shares will be required to be made in the currency as determined in the relevant Section of Part B or in any major freely convertible currency (in which case any currency conversion costs will be borne by the Investor).
- 10.16. The Company reserves the right to reject any application in whole or in part, in which case subscription monies paid, or the balance thereof, as appropriate, will be returned to the applicant within ten (10) Business Days thereafter or to suspend at any time and without prior notice the issue of Shares in one, several or all of the Sub-Funds.
- 10.17. The Company may agree to issue Shares as consideration for a contribution in kind of assets, provided that such assets comply with the investment objectives, restrictions and policy of the relevant Sub-Fund and in compliance with the conditions set forth by Luxembourg Law, in particular the obligation to deliver a valuation report from the auditor of the Company (*réviseur d'entreprises agréé*) which will be available for inspection. Any costs incurred in connection with a contribution in kind of assets will be borne by the relevant Shareholders.

- 10.18. No Shares of any Sub-Fund will be issued during any period when the calculation of the Net Asset Value per Share in such Sub-Fund is suspended by the Company, pursuant to the powers reserved to it by article 13 of the Articles.
- 10.19. In the case of suspension of dealings in Shares the application will be dealt with on the first Valuation Day following the end of such suspension period.

Redemption of Shares

- 10.20. The conditions for an Investor to redeem Shares are determined for each Sub-Fund in its Section of Part B which in particular determines for each Sub-Fund if a specific lock-up period during which no redemption of Shares is admitted by the Board has been established.
- 10.21. Shareholders desiring to have all or any of their Shares redeemed should apply in writing to the registered office of the Company and the Administrator to request the redemption of their Shares.
- 10.22. Redemption requests should contain the following information (if applicable): the identity and address of the Shareholder requesting the redemption, the number of Shares to be redeemed, the relevant Class (if any), the relevant Sub-Fund and details as to whom payment should be made. Share certificates in proper form (if any) and all necessary documents to complete the redemption should be enclosed with such application.
- 10.23. Shareholders whose applications for redemption are accepted will have their Shares redeemed on any Valuation Day provided that the applications have been received in Luxembourg at a time defined in Part B.
- 10.24. Shares will be redeemed at the Redemption Price which is equal to the Net Asset Value per Share of the relevant Sub-Fund or Class less, as the case may be, a Redemption Fee the rate of which is indicated in the relevant Section of Part B.
- 10.25. Payment of the Redemption Price will be made:
- (a) For each Sub-Fund or Class within a period as defined in the relevant Section of Part B;
 - (b) By wire to an account indicated by the Shareholder, at such Shareholder's expense and at the Shareholder's risk; and
 - (c) In the currency of the relevant Sub-Fund or Class as indicated in the relevant Section of Part B or in any other freely convertible currency specified by the Shareholder – in this case, any currency conversion costs will be borne by the Shareholder.
- 10.26. Redemption Price may be higher or lower than the Subscription Price.

- 10.27. Shares will not be redeemed if the calculation of the Net Asset Value is suspended by the Board in accordance with article 13 of the Articles.
- 10.28. If, as a result of any request for redemption, the aggregate Net Asset Value of the Shares held by a Shareholder would fall below EUR 125,000, the Board may treat this request as a request to redeem the entire shareholding of that Shareholder.
- 10.29. Furthermore, if on any Valuation Day redemption requests pursuant to article 8 of the Articles relate to more than 10% of the Shares in issue in a specific Sub-Fund, the Board may decide that part or all of such requests for redemption will be deferred proportionally for such period as the Board considers to be in the best interests of the Sub-Fund, but normally not exceeding one Valuation Day. On the next Valuation Day following such period, these redemption requests will be met on a pro-rata basis in priority to later requests and in compliance with the principle of equal treatment of Shareholders.
- 10.30. The Articles contain in article 11 provisions enabling the Company to compulsorily redeem Shares held by Restricted Persons.
- 10.31. The Company will have the right, if the Board so determines, to satisfy payment of the Redemption Price to any Shareholder who agrees, in specie by allocating to the holder investments from the portfolio of assets set up in connection with such Sub-Fund equal in value (calculated in the manner described in article 12 of the Articles) as of the Valuation Day, on which the redemption price is calculated, to the value of the Shares to be redeemed. The nature and type of assets to be transferred in such case will be determined on a fair and reasonable basis and without prejudicing the interests of the other holders of Shares and the valuation used will be confirmed by a special report of the auditor of the Company. The costs of any such transfers will be borne by the transferee.

Conversion of Shares

- 10.32. Shareholders have the right, subject to the provisions hereinafter specified and subject to any limitations set out in the relevant Section of Part B, to convert as of a relevant Valuation Day Shares of one Class of the Sub-Fund into Shares of another Class of the same Sub-Fund or of another Sub-Fund.
- 10.33. The rate at which Shares will be converted will be determined by reference to the respective Net Asset Values of the relevant Shares calculated as of the same specific Valuation Day following receipt of the documents required by the Board for this purpose.
- 10.34. A conversion fee may be charged, the rate of which fee may be indicated in the relevant Section of Part B or in the Subscription Form. Where no conversion fee has been determined, the Company is entitled to charge the Redemption Fee (if any) and the Subscription Fee (if any).
- 10.35. Conversion of Shares will be treated as redemption of Shares and a simultaneous subscription of Shares. A converting Shareholder may, therefore, realise a taxable gain

or loss in connection with the conversion under the laws of the country of the shareholder's citizenship, residence or domicile.

- 10.36. All terms and notices regarding the redemption of Shares will equally apply to the conversion of Shares.
- 10.37. No conversion of Shares will be effected until the following documents have been received at the registered office of the Company and/or the Administrator:
- (a) A duly completed conversion request form or other written notification acceptable to the Company and/or the Administrator;
 - (b) The conversion form duly completed together with any other documentation that may be requested by the Company and/or the Administrator from time to time.
- 10.38. Shares of any Class, if any, in any Sub-Fund will not be converted in circumstances where the calculation of the Net Asset Value per Share of such Sub-Fund is suspended by the Company pursuant to article 13 of the Articles.

Transfer of Shares

- 10.39. No sale, assignment, transfer, grant of a participation in, pledge, hypothecation, encumbrance or other disposal (each a **Transfer**) of all or any portion of any Shareholder's Shares, whether voluntary or involuntary, shall be valid or effective if:
- (a) The Transfer would result in a violation of any Luxembourg Law or the laws and regulations of any other jurisdiction or expose the Company to any other adverse tax, legal or regulatory consequences as determined by the Board;
 - (b) The Transfer would result in a violation of any term or condition of the Articles or of this Issuing Document; and
 - (c) The transferee is a Restricted Person.
- 10.40. Any Transfer must be approved by the Board and the transferee must enter into a Subscription Form in respect of the relevant Shares so transferred.
- 10.41. The transferor shall be responsible for and pay all costs and expenses (including any taxation) arising in connection with any such permitted Transfer, including reasonable legal fees arising in relation thereto incurred by the Company and stamp duty or stamp duty reserve tax (if any) payable. The transferor and the transferee must indemnify the Indemnified Persons, in a manner satisfactory to the Company against any claims and expenses to which the Indemnified Persons may become subject arising out of or based upon any false representation or warranty made by, or breach or failure to comply with any covenant or agreement of, such transferor or transferee in connection with such Transfer.

11. DATA PROTECTION

- 11.1. The personal data or information given in an application form or otherwise collected, provided to or obtained by the Company, acting as data controller (the **Data Controller**), in connection with an application to subscribe for, or for the holding of, one or more Shares, or at any other time, as well as details of the investor's holding of Shares (the **Personal Data**), will be stored in digital form or otherwise and collected, used, stored, retained, transferred and/or otherwise processed for the purposes described below (the **Processing**), in compliance with the provisions of GDPR together with any applicable national laws, the **Data Protection Law**).
- 11.2. The Data Controller will collect, use, store, retain, transfer and/or otherwise process the Personal Data: (i) on the basis of the investor's consent; (ii) where necessary to perform any services resulting from the application form, including the holding of one or more Shares in general; (iii) where necessary to comply with a legal or regulatory obligation of the Data Controller; (iv) where necessary for the purposes of the legitimate interests pursued by the Data Controller, the AIFM, the Administrator, the Depositary, other service providers to the Company (including without limitation its auditors and information technology providers), any lender to the Data Controller or related entities (including without limitation their respective general partner or management company/investment manager and service providers) in or through which the Data Controller intend to invest, and any of the foregoing respective agents, delegates, affiliates, subcontractors and/or their successors and assigns generally (together the **Data Processors** and each a **Data Processor**), which mainly consist in the provision of the services in connection with the Subscription Agreement to the investor or compliance with foreign laws and regulations and/or any order of a foreign court, government, regulatory or tax authority, including when providing such services in connection with the Subscription Agreement to the investor, and to any beneficial owner(s) and any person holding a direct or indirect interest in the investor and/or any beneficial owner who has not directly entered into the Subscription Agreement (the **Relevant Persons**), except where such legitimate interests are overridden by the interest or fundamental rights and freedoms of the investor or any Relevant Persons. Should the investor refuse to communicate its Personal Data or the collection, use, storage, retention, transfer and/or any other processing of its Personal Data as described herein, the Administrator will refuse the subscription of Shares.
- 11.3. The Processing includes, without limitation, the collection, use, storage, retention, transfer and/or any other processing of Personal Data for any of the following purposes:
- (a) To process, manage and administer the Shares and any related accounts on an on-going basis;
 - (b) For any specific purpose(s) to which the investor has consented in addition to its consent in the Subscription Agreement in compliance with the Data Protection Law;
 - (c) To comply with legal or regulatory requirements applicable to the Data Controller, a Data Processor and/or the Investor;
 - (d) Where necessary for the purposes of tax reporting to one or more relevant authorities; and

- (e) To fulfil the terms and conditions of, and any services required by, the investor in relation to the Subscription Agreement and the holding of the Shares and to execute all tasks that are carried out under the Subscription Agreement and in relation to the Investor's Shares.
- 11.4. The Personal Data that will be collected, used, retained, stored, transferred and/or otherwise processed includes without limitation: (i) the name, address, email address, telephone numbers, business contact information, current employment, career history, current investments, historic investments, investment preferences, and credit history of the investor and of related individuals of the investor (including without limitation the investor's directors, officers, individual representatives, legal representatives, trustees, settlors, signatories, shareholders, unitholders, investors, nominees, employees and/or any Relevant Persons); (ii) any other data required by the Data Controller to perform services in connection with or resulting from the Subscription Agreement, the Investor's Shares, and/or any contract with any Data Processor; and (iii) any data required by the Data Controller to comply with any legal and/or regulatory obligations. The Personal Data will be directly collected from the investor or, as the case may be, through public sources, social media, subscription services, other third party data sources or, through the investor's authorised intermediaries, directors, officers, individual representatives (including, without limitation, legal representatives), trustees, settlors, signatories, shareholders, unitholders, investors, nominees or employees.
- 11.5. Each Investor is required to:
- (a) Have duly and completely informed all natural persons (including, without limitation, the subscriber's directors, officers, individual representatives, legal representatives, trustees, settlors, signatories, shareholders, unitholders, investors, nominees, employees, any Relevant Persons and representatives of legal persons) and other data subjects whose Personal Data will be processed in the context of the investor holding of Shares about the collection, use, storage and/or transfer and/or any other processing of their Personal Data and their rights as described in this section in accordance with the information requirements under the Data Protection Law; and
 - (b) Where necessary and appropriate, have obtained any consent that may be required for the Processing of said Personal Data in accordance with the requirements of the Data Protection Law.
- 11.6. The Data Controller shall be entitled to assume that those persons have, where necessary, given any such consent and have been informed of all information relating to the collection, use, storage and/or transfer and/or processing of their Personal Data and of their rights as described in this Clause 11.
- 11.7. Each Investor acknowledges, understands and, to the extent necessary, consents that for purposes of and in connection with the Processing:
- (a) The Data Processors may collect, use, retain, store transfer and/or otherwise process Personal Data on behalf of the Data Controller in accordance with Data Protection Law; and

- (b) Personal Data may also be shared, transferred and disclosed, out of the context of any delegation, to any Data Processors and to third parties, acting as data controllers, including the investor's professional and financial advisers, any Data Processor's auditors, technology providers, board of managers or directors, delegates, duly appointed agents and related, associated or affiliated companies, in each case which may be located in a jurisdiction that does not have equivalent data protection laws to those of the EU, including the Data Protection Law and the 1993 Act which provides for a professional secrecy obligation, or that are not subject to an adequacy decision of the European Commission, for their own purposes, including, without limitation, developing and processing the business relationship with any Shareholders and/or any Relevant Persons.

11.8. Furthermore each Investor acknowledges, understands and, to the extent necessary, will be asked to consent:

- (a) To the collection, use, processing, storage and retention of Personal Data by a service provider, acting as a Data Processor, for the provision of the services to be provided under the applicable agreement and for other related purposes for which it acts as a data controller and also acknowledges and consents: (i) to the transfer of such Personal Data to other companies or entities within the service provider's group, including its offices outside Luxembourg and the EU; and (ii) to the transfer of such Personal Data to third party companies or entities including their offices outside the EU where the transfer is necessary for the maintenance of records, for administration or other services which may leverage operational and technological capabilities located outside Luxembourg and the EU. Personal Data including the identity of the Investor and the values of its Shares will therefore be accessible to other companies or entities within the service provider's group. Personal Data may be transferred to a jurisdiction which does not maintain a legal and regulatory framework to protect confidentiality of personal data (including, without limitation, Personal Data) equivalent to that of Luxembourg and the EU.
- (b) To the collection, use, storage, retention and/or other processing of Personal Data by the concerned Data Processors, for the provision of services under the relevant distribution or sub-distribution agreements including the promotion and marketing of Shares, the transfer of information requested by any Data Processors to comply with any law, regulation or recommendation from supervisory or tax authorities applicable to it or them (including without limitation anti-money laundering rules and regulations), process complaints and assist in relation to facilitating the subscription process and preparation and contents of the investor's due diligence questionnaires. In particular, each investor (i) will be asked to consent to the transfer of such Personal Data to any Data Processor, which may be established in a jurisdiction which does not ensure an adequate protection of personal data, and/or in other countries which may or not maintain a legal and regulatory framework to protect confidentiality of Personal Data equivalent to that of Luxembourg and the EU and (ii) will be asked to acknowledge and consent to the fact that the transfer of such Personal

Data is necessary for the purposes described hereinabove and more generally, the admittance of the Investor as a shareholder of the relevant Sub-Fund.

- (c) To the fact that Personal Data the Investor is supplying or that is collected will enable the Company and any of the Data Processors to process, manage and administer the Shares and any related accounts on an on-going basis, and to provide appropriate services to the Investor as a shareholder of the Company. Any of the Data Processors may collect, use, store, retain or otherwise process the Personal Data for the purposes described in the Subscription Agreement, this Issuing Document, the relevant Services Agreements and for the purposes of the Investor's (and any Relevant Person's) anti-money laundering identification and tax identification in this context, and in order to comply with their applicable legal obligations including without limitation the prevention of terrorism financing, the prevention and detection of crime, tax reporting obligations including compliance with FATCA and CRS.
 - (d) To the fact that the Data Controller and the Data Processors may be required by applicable laws and regulations to transfer, disclose and/or provide Personal Data in compliance with applicable laws and regulations, in particular article 48 of the GDPR, to supervisory, tax or other authorities in various jurisdictions.
- 11.9. By investing, each Investor acknowledges, understands, and to the extent necessary, will be asked to consent to the fact that the transfer of the investor's data, including Personal Data, may be transferred to a country that does not have equivalent data protection laws to those of the EU, as described above, or that are not subject to an adequacy decision of the European Commission, including the Data Protection Law and the 1993 Act which provides for a professional secrecy obligation. The Data Controller will transfer the Personal Data (i) on the basis of any adequacy decision of the European Commission with respect to the protection of personal data; (ii) on the basis of appropriate safeguards listed by and subject to the provisions of article 46 of the GDPR, such as standard contractual clauses, binding corporate rules, an approved code of conduct, or an approved certification mechanism; (iii) on the basis of the consent; (iv) where necessary for the performance of the services resulting from the application form; (v) where necessary for the performance of services by the Data Processors provided in connection with the application form; (vi) where necessary for important reasons of public interest; (vii) where necessary for the establishment, exercise or defence of legal claims; (viii) where the transfer is made from a register which is legally intended to provide information to the public and which is open to consultation, in accordance with applicable laws and regulations, provided that the transfer does not involve the entirety of the personal data or entire categories of the personal data contained in the Register; or (ix) subject to the provisions of article 49.1 of the GDPR, where the transfer is necessary for the purposes of compelling legitimate interests pursued by the Data Controller which are not overridden by the interests or rights and freedoms of the relevant data subjects.
- 11.10. Each Investor has the right to request a copy of Personal Data held in relation to it, and to request that they be amended, updated, completed or deleted as appropriate, if incorrect, and to request a limitation to a processing of its Personal Data and the

portability of any Personal Data processed by the Data Controller in the manner and subject to the limitations prescribed in the Data Protection Law.

- 11.11. Each Investor is entitled to address any claim relating to the processing of its Personal Data to a data protection supervisory authority; in Luxembourg, the *Commission Nationale pour la Protection des Données*.
- 11.12. The Personal Data will be held until the Investor ceases to be invested in the Company and a period of 10 years thereafter where necessary to comply with applicable laws and regulation or to establish, exercise or defend actual or potential legal claims, subject to the applicable statutes of limitation, unless a longer period is required by applicable laws and regulations.
- 11.13. The Data Controller and the Data Processors processing the Personal Data on its behalf will accept no liability with respect to an unauthorised third party receiving knowledge of, or having access to, its Personal Data, except in the case of proven negligence or serious misconduct by the Data Controller and/or any Data Processor that processes the Personal Data on its behalf or by any of their respective employees, officers, affiliates, agents and sub-contractors. In any event, the liability of the Data Controller with respect to the processing of Personal Data remains strictly limited to what is imposed by the Data Protection Law.

12. DETERMINATION OF THE NET ASSET VALUE

General

- 12.1. The Net Asset Value per Share of each Class within the relevant Sub-Fund will be expressed in the currency of such Class or in the Reference Currency of the Sub-Fund and will be determined as of any Valuation Day by dividing the net assets of the Company attributable to the relevant Sub-Fund, being the value of the portion of assets less the portion of liabilities attributable to such Class within such Sub-Fund, on any such Valuation Day, by the number of Shares then outstanding, in accordance with the valuation rules set forth below. The Net Asset Value per Share may be rounded up or down to the nearest unit of the relevant currency as the Company will determine. If since the time of determination of the Net Asset Value there has been a material change in the quotations in the markets on which a substantial portion of the investments attributable to the relevant Sub-Fund are dealt in or quoted, the Company may, in order to safeguard the interests of the shareholders and the Sub-Fund, cancel the first valuation and carry out a second valuation for all applications received on the relevant Valuation Day.
- 12.2. The frequency of the Net Asset Value calculation is detailed for each Sub-Fund in the relevant Section of Part B.

Determination of the value of assets and liabilities

12.3. The Administrator will value the assets using the following guidelines and policies adopted by the AIFM in accordance with the Articles:

- (a) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is 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 is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- (b) The value of securities listed or dealt in on a Regulated Market will be valued at the last available price on these Regulated Markets. If a security is listed or traded on several Regulated Markets, the closing price at the Regulated Market, which constitutes the main market for such securities, will be determining.
- (c) In the event that any assets are not listed or dealt in on a Regulated Market, or if, with respect to assets listed or dealt in on a Regulated Market as aforesaid, the price as determined pursuant to Clause 12.4 is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith by the Board or the AIFM.
- (d) Units and shares issued by open-ended UCIs shall be valued at their last available net asset value or, if such price is not representative of the fair market value of such assets, then the price will be determined by the Board or the AIFM on a fair and equitable basis and in good faith
- (e) The liquidating value of futures, forward or options contracts not dealt in on Regulated Markets, stock exchange or other regulated markets shall mean their net liquidating value determined, pursuant to the policies established by the AIFM, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts dealt in on Regulated Markets, stock exchange or other regulated markets shall be based upon the last available settlement prices of these contracts on Regulated Markets, stock exchange or other regulated markets on which the particular futures, forward or options contracts are dealt in by the Company; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board or the AIFM may deem fair and reasonable.
- (f) Interest rate swaps will be valued at their market value established by reference to the applicable interest rates curve. Index and financial instruments related swaps will be valued at their market value established by reference to the applicable index or financial instrument. The valuation of the index or financial instrument related swap agreement shall be based upon the market value of such swap transaction established in good faith pursuant to procedures established by the Board or the AIFM.

- (g) Credit default swaps will be valued at their present value of future cash flows by reference to standard market conventions, where the cash flows are adjusted for default probability or such other method determined in good faith by the Board or the AIFM if it considers that such valuation better reflects the fair value of the relevant credit default swaps. Interest rate swaps will be valued at their market value established by reference to the applicable interest rates' curve. Other swaps will be valued at fair market value as determined in good faith pursuant to the procedures established by the Board or the AIFM and recognised by the Auditor.
 - (h) All other securities and other assets will be valued at fair market value as determined in good faith pursuant to the procedures established by the AIFM.
- 12.4. The value of all assets and liabilities not expressed in the Reference Currency of a Sub-Fund or a Class will be converted into the Reference Currency of that Sub-Fund or Class at rates last quoted by any major bank. If such quotations are not available, the rate of exchange will be determined in good faith by or under procedures established by the AIFM.
- 12.5. In accordance with the requirements set under the AIFMD and, in particular, the 2014 Act, the AIFM, in its discretion, may permit some other method of valuation to be used on a consistent basis if it considers that such valuation better reflects the fair value of any asset of the Company.
- 12.6. The Net Asset Value per Share of any Sub-Fund or Class may be obtained during business hours at the registered office of the Company and of the AIFM.

Temporary suspension of the calculation of the Net Asset Value

- 12.7. Upon the proposal of the AIFM, the Board may temporarily suspend the determination of the Net Asset Value per Share of any Sub-Fund or Class and the issue, redemption or conversion of Shares:
- (a) During any period when any of the principal stock exchanges or other markets on which any substantial portion of the investments of the Company attributable to such Sub-Fund from time to time is quoted or dealt in is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended, provided that such restriction or suspension affects the valuation on the investments of the Company attributable to a Sub-Fund quoted thereon;
 - (b) During the existence of any state of affairs which constitutes an emergency in the opinion of the Board as a result of which disposals or valuation of assets owned by the Company attributable to such Sub-Fund would be impracticable;
 - (c) During any breakdown in the means of communication normally employed in determining the price or value of any of the investments of such Sub-Fund or the current price or values on any stock exchange or other market in respect of the assets attributable to such Sub-Fund;

- (d) When for any other reason beyond the control of the AIFM the prices of any investments owned by the Company attributable to any Sub-Fund cannot promptly or accurately be ascertained;
 - (e) During any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of the Shares of such Sub-Fund or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot in the opinion of the Board be effected at normal rates of exchange; or
 - (f) Where the Board so decides, provided all Shareholders are treated fairly in accordance with all relevant laws and regulations (i) as soon as a General Meeting of the Company or of a Sub-Fund has been convened for the purpose of deciding on the winding-up, the merger or absorption of the Company or of the Sub-Fund or where the Board is empowered to decide on such a matter in accordance with this Issuing Document.
- 12.8. Any such suspension will be notified to an Investor who has made an application for subscription, redemption or conversion of Shares for which the calculation of the Net Asset Value has been suspended.
- 12.9. A suspension for a relevant Sub-Fund or Class will have no effect on the calculation of the Net Asset Value or the issue and redemption of Shares of any other Sub-Fund or Class.
- 12.10. Any request for subscription or redemption will be irrevocable except in the event of a suspension of the calculation of the Net Asset Value, in which case Investors may give notice that they wish to withdraw their application. If no such notice is received by the Company or by the Administrator, such application will be dealt with on the first Valuation Day, as determined for each relevant Sub-Fund, following the end of the period of suspension.

13. DISTRIBUTION POLICY

- 13.1. Each Sub-Fund's principal investment objective is to achieve long term capital growth. The generation of income will not be an overriding consideration in determining investment policy.
- 13.2. The Board reserves however the right to propose a distribution at any time.
- 13.3. Distributions not claimed within five years of their due date will lapse and revert to the relevant Class within the relevant Sub-Fund.
- 13.4. No interest will be paid on a distribution declared by the Company and kept by it at the disposal of its beneficiary.

14. CHARGES AND EXPENSES

General

- 14.1. The Company pays out of the assets of the relevant Sub-Fund all expenses payable by the Company which will include but not be limited to formation expenses, fees and expenses payable to the Depositary and the Administrator, any advisers, to its auditors and accountants, the Prime Brokers, correspondents of the Depositary, listing agent (if any), pricing agencies, lawyers, any permanent representatives in places of registration, as well as any other service provider appointed or agent employed by the Company, the remuneration of the Directors, agents and officers and their reasonable out-of-pocket expenses, insurance coverage, and reasonable travelling costs in connection with meetings of the Board, any fees and expenses involved in the registration and maintaining the registration of the Company with any governmental agencies or stock exchanges in the Grand Duchy of Luxembourg and in any other country, reporting and publishing expenses, including the costs of preparing, printing, advertising and distributing the Issuing Document, explanatory memoranda, periodical reports or registration statements and the costs of any reports to Shareholders, all taxes, duties, governmental and similar charges, and all other operating expenses, the costs for the communication, publication of the Net Asset Value, the Subscription Price or the Redemption Price, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex.
- 14.2. The Company may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.

Launching expenses of additional Sub-Fund

- 14.3. Expenses incurred in connection with the creation of any additional Sub-Fund will be borne by that Sub-Fund and may be written off over a period of five years. Hence, the additional Sub-Funds will not bear a pro rata of the costs and expenses incurred in connection with the incorporation of the Company and the initial issue of Shares, which have not already been written off at the time of the creation of the additional Sub-Fund.
- 14.4. Information on fees, charges and expenses as well as the estimated maximum amounts of these fees, charges and expenses are made available to Investors upon their request at the registered office of the Company.

15. TAXATION

Important disclaimer

- 15.1. The following is based on the Company's understanding of, and advice received on, certain aspects of the law and practice currently in force in Luxembourg. There can be no guarantee that the tax position at the date of this Issuing Document or at the time of an investment will endure indefinitely.
- 15.2. Investors should consult their professional advisers on the possible tax and other consequences of their subscribing for, purchasing, holding, selling or redeeming Shares

under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

Taxation of the Company in Luxembourg

- 15.3. Under current law and practice, the Company is exempt from any Luxembourg corporation taxes and net wealth tax. However, interest, dividend and capital gains received by the Company may be subject to irrecoverable withholding taxes or other taxes in the country where such interest, dividends or gains originate.
- 15.4. The Company should be liable to an annual subscription tax (*taxe d'abonnement*) which is presently set at 0.01% of the value of the Company's net assets. This subscription tax is payable quarterly based on the Company's Net Asset Value calculated at the end of each quarter.
- 15.5. No ad valorem duty or tax is payable in Luxembourg in connection with the issuance of Shares by the Company.

Taxation of Shareholders in Luxembourg

- 15.6. The information provided in this Clause 15.6 is limited to certain aspects of the taxation of Shareholders in Luxembourg in respect of their holding of Shares and does neither include a complete analysis of all possible situations existing from a Luxembourg tax perspective, nor an analysis of their taxation resulting from the underlying investments of the Company.

Income taxation

(a) Resident Shareholders

Under the 2007 Act, dividends, liquidation proceeds and capital gains derived by Luxembourg resident Shareholders from their Shares should not be subject to any withholding taxes in Luxembourg.

Dividends derived by Luxembourg resident individual Shareholders (acting in the course of either the management of their private wealth or the management of a professional or business undertaking) from the Shares should be subject to income tax at ordinary rates.

For Luxembourg resident individual Shareholders acting in the course of the management of their private wealth, capital gains realized on the redemption or sale of the Shares should only be subject to income tax in Luxembourg (i) if such Shares are redeemed or sold within a period of six (6) months since their acquisition or (ii) if the Shareholder holds or has held (either solely or together with his spouse or partner and minor children) directly or indirectly more than 10% of the issued share capital of the Company at any time during a period of five years before the realization of the capital gain.

Capital gains realized on the disposal of the shares by Luxembourg resident individual Shareholders who act in the course of the management of a

professional or business undertaking should be subject to income tax at ordinary rates.

Dividends and capital gains realized by Luxembourg resident corporate Shareholders should be fully subject to Luxembourg corporation taxes at ordinary rates. However, a Shareholder which is a Luxembourg resident entity governed by the 2010 Act, by the 2007 Act or by the act of 11 May 2007 on the family estate management company should not be subject to any corporation taxes in respect of dividends and capital gains derived from the Shares.

(b) Non-resident Shareholders

Under current legislation, non-resident Shareholders should not be subject to any capital gains or income taxes in Luxembourg with respect to their Shares, except if they have a permanent establishment or a permanent representative in Luxembourg through which/whom such Shares are held. Non-resident Shareholders which/who have neither a permanent establishment nor a permanent representative in Luxembourg are not required to make any tax filing in Luxembourg in respect of the acquisition, holding or disposal of Shares. Non-resident Shareholders which/who have a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable, should include income received, as well as any gain realized on the sale, disposal or redemption of Shares, in their taxable income for Luxembourg tax assessment purposes.

CRS

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the CRS to address the issue of offshore tax evasion on a global basis. Aimed at maximizing efficiency and reducing cost for financial institutions, the CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures.

The Grand Duchy of Luxembourg has implemented the CRS. As a result the Company is required to comply with the CRS due diligence and reporting requirements, as adopted by the Grand Duchy of Luxembourg. Investors may be required to provide additional information to the Company to enable the Company to satisfy its obligations under the CRS. Failure to provide requested information may subject an investor to liability for any resulting penalties or other charges and/or mandatory termination of its interest in the Company.

The Company will take such action as it considers necessary in accordance with applicable law in relation to an investor's holding to ensure that any withholding tax payable by the Company, and any related costs, interest, penalties and other losses and liabilities suffered by the Company, the Administrator, the AIFM or any other investor, or any agent, delegate, employee, director, officer or affiliate of any of the foregoing

persons, arising from such investor's failure to provide the requested information to the Company, is economically borne by such investor.

Net Wealth Tax

An individual Shareholder, whether he/she is a tax resident of Luxembourg or not, should not be subject to net wealth tax in Luxembourg.

A resident corporate Shareholder should be subject to net wealth tax on the net value of its Shares, except if such corporate Shareholder is governed by the 2010 Act, 2007 Act, the act of 22 March 2004 on securitization, as amended, the act of 15 June 2004 on investment companies in risk capital, as amended, or the act of 11 May 2007 on family estate management companies.

Non-resident corporate Shareholders should only be subject to net wealth tax in Luxembourg with respect to their Shares if and to the extent that such shares are held through a permanent establishment or a permanent representative in Luxembourg.

Other taxes

Under current Luxembourg tax laws, no registration tax or similar tax is payable by the Shareholder upon the acquisition, holding or disposal of the Shares.

However, a fixed registration duty of EUR 12 may be due upon registration of the Shares in Luxembourg in the case of legal proceedings before Luxembourg courts, in case the Shares must be produced before an official Luxembourg authority, or in the case of a registration of the Shares on a voluntary basis.

When the Shareholder is a Luxembourg resident for inheritance tax assessment purposes at the time of his/her death, the Shares are included in his/her taxable estate for Luxembourg inheritance tax assessment purposes.

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

FATCA

- 15.7. The Foreign Account Tax Compliance Act are provisions of the US Hiring Incentives to Restore Employment Act of 2010 (the **Hire Act**) representing an expansive information reporting regime enacted by the US which aims at ensuring that US Investors holding financial assets outside the US will be reported by financial institutions to the US Internal Revenue Service (the **IRS**), as a safeguard against US tax evasion. As a result of the Hire Act, and to discourage non-US financial institutions from staying outside this regime, all U.S. securities held by a financial institution that does not enter and comply with the regime will be subject to a US tax withholding of 30% on gross sales proceeds as well as income (the **FATCA Withholding**).

- 15.8. The Company is a Luxembourg-domiciled financial institution that has to comply with the requirements of the 2015 Luxembourg FATCA Act and, as a result of such compliance the Company should not be subject to FATCA Withholding.
- 15.9. Under the 2015 Luxembourg FATCA Act, the Company will be required to report to the Luxembourg tax authorities the value held by, and related payments made to
- (a) Certain U.S. Investors;
 - (b) Certain U.S. controlled (as defined by the 2015 Luxembourg FATCA Act) foreign entity investors; and
 - (c) Non-U.S. financial institution investors that do not comply with the terms of the 2015 Luxembourg FATCA Act.
- 15.10. Under to the 2015 Luxembourg FATCA Act, such information will be onward reported by the Luxembourg tax authorities to the IRS.
- 15.11. Additional intergovernmental agreements similar to the IGA have been entered into or are under discussion by other jurisdictions with the US. Investors holding investments via distributors that are not in Luxembourg or in another IGA country should check with such distributor as to the distributor's intention to comply with FATCA. Additional information may be required by the AIFM or distributors from certain investors in order to comply with their obligations under FATCA or under an applicable IGA.
- 15.12. The scope and application of FATCA Withholding and information reporting pursuant to the terms of FATCA and the IGAs is subject to review by the US, Luxembourg and other IGA governments, and the rules may change. Investors should contact their own tax advisors regarding the application of FATCA to their particular circumstances.

16. ACCOUNTING YEAR – ANNUAL REPORT – GENERAL MEETING – DOCUMENTS AVAILABLE

Annual Report

- 16.1. The Company publishes an Annual Report. The Annual Report will include, inter alia, the combined accounts relating to all the Sub-Funds, a detailed description of the assets and liabilities of each Sub-Fund and a report from the Auditor.

General Meeting

- 16.2. The annual General Meeting takes place at the place specified in the convening notice within six months after the end of the Accounting Year.
- 16.3. Notice of any General Meeting including those considering amendments to the Articles will be mailed to each registered Shareholder at least eight days prior to the General Meeting.
- 16.4. If the Articles are amended, such amendments will be filed with the RCSL and published in RESA.

- 16.5. Shareholders of any Sub-Fund or Class may hold, at any time, a General Meeting to decide on matters which relate exclusively to that Sub-Fund or Class.

Documents available for inspection by Shareholders

- 16.6. The following documents are available for inspection during usual business hours on any Business Day at the registered office of the Company:
- (a) Articles;
 - (b) AIFM Agreement;
 - (c) Depositary Agreement;
 - (d) Prime Brokerage Agreements;
 - (e) Administration Agreement; and
 - (f) Risk management process for each Sub-Fund.
- 16.7. Furthermore, copies of the latest version of the Issuing Document and of the Annual Report may be obtained upon request at the registered office of the Company.

Disclosure to Investors under article 23 of the AIFMD

- 16.8. The AIFM ensures that all disclosures under article 23 of the AIFMD including any material changes thereof are complied with.
- 16.9. The AIFM is making the disclosures under article 23 of the AIFMD available to the Investors as follows:

Article 23.1 (a)	Section 1 and Section 19
Article 23.1 (b)	Section 18 and Section 28
Article 23.1 (c)	Sections 10.7 to 10.9
Article 23.1 (d)	Page 4 and Sections 4 to 7
Article 23.1 (e)	Section 4.3
Article 23.1 (f)	Section 7
Article 23.1 (g)	Sections 12, 25 and 26
Article 23.1 (h)	Section 16.6 (f)
Article 23.1 (i)	Sections 14, 16.6 (b) to (e) and 27
Article 23.1 (j)	It is not contemplated to grant any preferential treatment to certain investors
Article 23.1 (k)	Section 16.7
Article 23.1 (l)	Sections 10 and 21

Article 23.1 (m)	Upon request to the AIFM
Article 23.1 (n)	Upon request to the AIFM
Article 23.1 (o)	Section 6
Article 23.3	Not applicable
Article 23.4	Not applicable
Article 23.4	Annual Report

Disclosure under SFDR and Taxonomy Regulation

- 16.10. The AIFM considers certain Sustainability Risks in accordance with article 6.1 of SFDR without promoting sustainability-related factors in the meaning of article 8 of SFDR or having sustainability as an investment objective in the meaning of article 9 of SFDR.
- 16.11. For this purpose, the specific issuer component is filtered out of stock price movement and the remaining part of the movement provides information on the market perception of the relevant stock including Sustainability Risks which are then considered in the investment selection process. Further information on how Sustainability Risks are considered by the AIFM can be obtained upon request from the AIFM.
- 16.12. Article 7 of Taxonomy Regulation applies to the Company: The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

17. DISSOLUTION AND LIQUIDATION

- 17.1. The Company has been established for an unlimited period of time.
- 17.2. The Company may at any time be dissolved by a resolution of the General Meeting subject to the quorum and majority requirements applicable for amendments to the Articles.
- 17.3. Whenever the share capital falls below two-thirds of the minimum capital indicated in article 5 of the Articles, the question of the dissolution of the Company will be referred to a General Meeting by the Board. The General Meeting, for which no quorum will be required, will decide by the simple majority of the Shares represented at the General Meeting.
- 17.4. The question of the dissolution of the Company will also be referred to the General Meeting whenever the share capital falls below one-fourth of the minimum capital set by article 5 of the Articles; in such event, the General Meeting will be held without any quorum requirement and the dissolution may be decided by Shareholders holding one-fourth of the Shares represented at the General Meeting.
- 17.5. The General Meeting must be convened so that it is held within a period of 40 days as from ascertainment that the net assets have fallen below two-thirds or one-fourth of the legal minimum, as the case may be.

- 17.6. Liquidation will be carried out by one or several liquidators, who may be physical persons or legal entities, duly approved by the regulatory authority and appointed by the General Meeting which will determine their powers and their compensation.
- 17.7. The net proceeds of liquidation corresponding to the relevant Sub-Fund or Class will be distributed by the liquidators to the holders of Shares of that Sub-Fund or Class in proportion to their holding of Shares in that Sub-Fund or Class.
- 17.8. Should the Company be voluntarily or compulsorily liquidated, its liquidation will be carried out in accordance with the provisions of the 2007 Act. The 2007 Act specifies the steps to be taken to enable Shareholders to participate in the distribution(s) of the liquidation proceeds and provides for a deposit in escrow at the *Caisse de Consignations* at the time of the close of liquidation. Amounts not claimed from escrow within the statute of limitation period will be liable to be forfeited in accordance with the provisions of Luxembourg Law.

18. AMENDMENTS OF PART A

- 18.1. Subject to the approval of the CSSF, the Board may amend Part A as follows:
 - (a) Where the change is determined by the Board not to be material, upon decision of the Board; or
 - (b) Where the change is determined by the Board to be material, only upon the Company's Consent.
- 18.2. Amendment of any investment objective, restriction or policy is a material change.
- 18.3. Shareholders will be notified by the Company of all amendments that are adopted without their consent in accordance with Clause 18.1(a) above. Shareholders will be notified in advance of any proposed material change to the Issuing Document to ensure that they are able to make an informed judgment in respect of the expected amendments further to Clause 18.1(b) above.
- 18.4. No variation may be made to this Clause 18 without unanimous consent of all Shareholders.
- 18.5. Any amendment to Part A that would result in a discrepancy between the terms and provisions of the Articles and those of this Issuing Document shall be subject to the prior amendment of the Articles, in accordance with the provisions of the 1915 Act and the Articles.

PART B: SPECIFIC INFORMATION

19. INVESTMENT POLICY

Investment Objectives

- 19.1. The main objective of Aphilion SIF - LS (the **Sub-Fund**) is to achieve long-term and optimal return from the active management of a portfolio composed of long and short positions in Financial Instruments. The Sub-Fund will mainly take long and short positions on transferable securities listed on a Regulated Market in an OECD country.
- 19.2. The Sub-Fund will invest in equity issued by companies active in various economical sectors such as but not limited to manufacture, financial services, logistic and transportation, tourism and leisure, pharmaceutical and chemical industry or construction and IT.
- 19.3. The cornerstone of the Sub-Fund's investment strategy is a proprietary quantitative (statistical) model used by the AIFM. The results obtained by this model will be taken into account in the investment process. Based on these results, the Board may decide to go long if the relevant stock is considered as undervalued or to go short if the stock is considered overvalued. For the avoidance of doubt, decision to buy or sell a stock is solely taken by the Board.
- 19.4. The Sub-Fund is entitled to enter into derivative transactions such as options, futures, forwards and contracts for difference or swaps on Financial Instruments, interest rates, currencies or financial indices. The Sub-Fund may follow an active hedge strategy in the context of an efficient portfolio management or hedge away unintended risks. Efficient portfolio management means that the relevant transaction is economically appropriate implying that it is cost-effective as well as that it has been made with the aim to reduce risks or costs or to generate additional capital or income by taking into account the investment policy and the risk profile of the Sub-Fund.

Investment Restrictions

- 19.5. The Sub-Fund is subject to the investment restrictions under Clause 1.5 of Part A.
- 19.6. The Sub-Fund is allowed to invest in any other type of assets than Financial Instruments and Liquid Assets to the extent of 10% of its Net Asset Value.

Use of a proprietary quantitative (statistical) model

- 19.7. The AIFM manages the Sub-Fund with a proprietary quantitative (statistical) model which tracks over 4,000 stocks worldwide. For each stock both the underlying fundamental data of the issuer and the valuation given by the financial markets are taken into account by the quantitative model. As a result each movement of a relevant stock price involved by changes in either fundamental data of the issuer or in the valuation of the relevant stock by the financial market is tracked by the model.
- 19.8. The main fundamental criteria in relation to the underlying profitability of a relevant issuer are the consensus earnings estimate. The model examines how each stock reacts

to changes in earning estimates for the relevant issuer. When the specific issuer component has been filtered out of stock price movement, the remaining part of the movement provides information on the market perception of the relevant stock (e.g. risk premium, sensitivities to evolution of interest rates, sector rotations). The combination of both provides indications in relation to the appropriate valuation of a relevant stock. The quantitative model ensures a daily real-time follow-up.

- 19.9. The results issued by this model will be taken into account by the AIFM in the management of the Sub-Fund's portfolio. For the avoidance of doubt, the decision to buy or sell assets for the account of the Sub-Fund is solely taken by the AIFM.

20. CLASSES OF SHARES

- 20.1. At the date of this Issuing Document, the Board has decided to issue the following two types of Classes within the Sub-Fund.

Shares of Class A

- 20.2. Shares of Class A are reserved to Well-Informed Investors who/which are not Restricted Investors.
- 20.3. Shares of Class A are subject to the Management Fee and the Performance.

Shares of Class B

- 20.4. Shares of Class B are reserved, subject to the control and the approval of the Board, to Directors and members of the AIFM.
- 20.5. Shares of Class B are neither subject to the Management Fee nor to the Performance Fee.

21. SUBSCRIPTION OF SHARES

- 21.1. The minimum initial subscription amount for Shares of Class A is EUR 250,000 unless otherwise decided by the Board. There is no minimum initial subscription amount of Shares of Class B.
- 21.2. Application for a subscription of Shares must be placed at the registered office with the Administrator not later than three Business Days preceding the relevant Dealing Day (as defined in Clause 25.2) at 12h00 (Luxembourg time). Applications received after that time will be processed on the next Dealing Day.
- 21.3. The subscription price for Shares of Class A or Class B will be equal to the Net Asset Value per Share as of the relevant Dealing Day increased by a Subscription Fee for Class A of 2.00% of the subscription amount. The Board can decide to reduce or to waive the Subscription Fee.
- 21.4. Payment for subscription must be received within five (5) Business Days after the Net Asset Value has been calculated and communicated.

22. REDEMPTION OF SHARES

- 22.1. Application for redemption of Shares must be placed at the registered office of the Company or the Administrator not later than three Business Days prior to the relevant Dealing Day (as defined in Clause 25.2) at 12h00 (Luxembourg time). Applications received after that time will be processed as of the next Dealing Day.
- 22.2. The redemption price will be equal to the Net Asset Value as of the relevant Dealing Day. No Redemption Fee will be charged.
- 22.3. Payment for redemptions will be made within five (5) Business Days as from the relevant Dealing Day.
- 22.4. If redemption requests relate to more than 10% of the Shares in issue of the Sub-Fund, the Board may decide that part or all of such requests for redemption will be deferred proportionally for such period as the Board considers be in the best interests of the Sub-Fund, but normally not exceeding one Dealing Day. Under exceptional circumstances, at the discretion of the Board, a partial payment in kind is possible.

23. CONVERSION OF SHARES

Shares issued within one Class cannot be converted into Shares of another Class.

24. REFERENCE CURRENCY

The Reference Currency of the Sub-Fund is EUR.

25. VALUATION DAY – DEALING DAY

- 25.1. The Administrator calculates under the overall responsibility of the Board the Net Asset Value per Share of Class A and Class B as of each Friday and as of each last weekday of the month (each a **Valuation Day**).
- 25.2. The dealing day (the **Dealing Day**) is the last weekday of each month.
- 25.3. The Net Asset Value will be available at the registered office of the Company and the Administrator.

26. EQUALISATION

- 26.1. The system of equalisation as described below will be applied to the Shares issued within the A Class.
- 26.2. The equalisation shall ensure that the performance is effectively calculated on a share-by-share basis so that each Share receives the performance that equates with that Share's performance. This method of calculation ensures that (i) the performance paid to the holder of Shares is only charged to those Shares that have appreciated in value, (ii) all Shareholders have the same amount per Share at risk, and (iii) all Shares have the same Net Asset Value per Share. The equalisation method adopted is usually referred to as the "Equalisation Share Adjustment Approach" according to which Investors subscribe against the gross asset value (the **Gross Asset Value**) per Share and

redeem against the Net Asset Value per Share. If an Investor subscribes for Shares at a time when the Net Asset Value per Share is other than the peak net asset value (the **Peak Net Asset Value**), certain adjustments will be made to reduce inequities that could otherwise result to the subscriber, the existing or exiting Shareholders. This can be explained as follows.

- 26.3. If Shares are subscribed for at a time when the Net Asset Value per Share is less than the Peak Net Asset Value per Share (such Net Asset Value per Share at which such Shares are subscribed for being the initial **Base Net Asset Value** per Share for such Shares), the Investor shall be required to pay a Performance Fee with respect to any subsequent appreciation in the value of those Shares.
- 26.4. At the end of each performance fee period (the **Performance Fee Period**) the Base Net Asset Value per Share will be updated to the greater of (i) the existing Base Net Asset Value per Share, and (ii) the minimum of (x) the then current Net Asset Value per Share, and (y) the Peak Net Asset Value per Share. The Base Net Asset Value per Share will be updated and taken into account until the Net Asset Value per Share as at the end of a period of calculation of the Performance Fee has reached the Peak Net Asset Value per Share
- 26.5. With respect to any appreciation in the value of those Shares from the Base Net Asset Value per Share up to the Peak Net Asset Value per Share, an equalisation deficit (the **Equalisation Deficit**) will be taken into account. The Equalisation Deficit is calculated as the relevant Performance Fee percentage of any such appreciation, and will be applied at the end of each Performance Fee Period by redeeming at the then current Net Asset Value per Share such number of the Shareholder's Shares as have an aggregate value equal to the relevant Performance Fee percentage of the difference between (i) the minimum of (x) the then current Net Asset Value per Share, and (y) the Peak Net Asset Value per Share, and (ii) the Base Net Asset Value per Share of the relevant subscription, multiplied by the number of the relevant Shareholder's Shares which are subject to the Equalisation Deficit (such redemption being a performance fee redemption). The Shareholder's Shares will continue to be so redeemed at the end of each Performance Fee Period until the Base Net Asset Value per Share of the relevant subscription reaches the Peak Net Asset Value per Share. The aggregate Net Asset Value of the Shares so redeemed will be paid to the AIFM as a Performance Fee. Performance fee redemptions are employed to ensure that the Company maintains a uniform Net Asset Value per Share within the A Class. As regards the Shareholder's remaining Shares, any appreciation in the Gross Asset Value per Share of those Shares above the Peak Net Asset Value per Share will be charged a Performance Fee in the normal manner.
- 26.6. If a Shareholder redeems his Shares at a time when the Base Net Asset Value per Share of such Shares is under the Peak Net Asset Value per Share, the Shareholder will be charged, with respect to his or her Shares subject to an Equalisation Deficit, an amount equal to the relevant Performance Fee percentage of the difference between (i) the minimum of (x) the then current Net Asset Value per Share, and (y) the Peak Net Asset Value per Share, and (ii) the Base Net Asset Value per Share of the relevant subscription, multiplied by the number of Shares so redeemed.

- 26.7. If Shares are subscribed for at a time when the Net Asset Value per Share is greater than the Peak Net Asset Value per Share of the relevant Class, the Investor shall be required to pay an amount in excess of the then current Net Asset Value per Share of that Class equal to the relevant Performance Fee percentage of the difference between the then current Gross Asset Value per Share of that Class and the Peak Net Asset Value per Share of that Class (such excess amount, an **Equalisation Credit**). At the date of subscription, the Equalisation Credit will equal the Performance Fee per Share accrued with respect to the outstanding Shares of the A Class (the maximum Equalisation Credit). The Equalisation Credit is payable to account for the fact that the Net Asset Value per Share of that Class has been reduced to reflect an accrued Performance Fee to be borne by existing Shareholders and serves as a credit against Performance Fee that might otherwise be payable by the A Class, but that should not, in equity, be charged against the Shareholder making the subscription because, as to such Shares, no favourable performance has yet occurred. The Equalisation Credit ensures that all holders of Shares of the A Class have the same amount of capital at risk per Share.
- 26.8. After the Initial Subscription Period, Shares will be issued at the Net Asset Value. The additional amount invested as the Equalisation Credit will be at risk in the Company and will therefore appreciate or depreciate based on the performance of the relevant Class after the issue of the relevant Shares but will never exceed the maximum Equalisation Credit and will never become negative. In the event of a decline as at any Valuation Day in the Net Asset Value per Share of the Shares, the Equalisation Credit will also be reduced by an amount equal to the relevant Performance Fee percentage of the difference between the Gross Asset Value per Share at the date of issue and as at that Valuation Day. Any subsequent appreciation in the Net Asset Value per Share of the A Class will result in the recapture of any reduction in the Equalisation Credit, but only to the extent of the previously reduced Equalisation Credit up to the maximum Equalisation Credit.
- 26.9. At the end of each Performance Fee Period, if the Gross Asset Value per Share exceeds the Peak Net Asset Value per Share, the Equalisation Credit applicable at that time, multiplied by the number of Shares subscribed for by the Shareholder, shall be applied to subscribe for additional Shares for the Shareholder. Additional Shares shall continue to be so subscribed for at the end of each Performance Fee Period until the Maximum Equalisation Credit has been fully applied.
- 26.10. If the Shareholder redeems his or her Shares before the Equalisation Credit has been fully applied, as it may have appreciated or depreciated after the original subscription for Shares was made, the Shareholder will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Shares being redeemed and the denominator of which is the number of Shares of that Class held by the Shareholder immediately prior to the redemption in respect of which an Equalisation Credit was paid on subscription,
- 26.11. In case of a partial redemption from a shareholding consisting of multiple subscriptions, the application of the “first-in-first-out” method might result in the definitive loss of a potential Equalisation Credit related to the Shares redeemed, while the remaining Shares of the shareholding might not (to the same extent) carry such potential of an Equalisation Credit appreciation.

26.12. A Shareholder's Performance Fee deficit or credit resulting from equalisation is referred to as an equalisation adjustment.

26.13. The Performance Fee will be paid on an annual basis and will crystallise as to 30 June of each year.

27. REMUNERATION OF THE AIFM

Management Fee

27.1. The AIFM will receive out of A Class a Management Fee of 2.00% p.a. based on the Net Asset Value of Class A calculated and accrued as of each Valuation Day. The Management Fee will be paid quarterly.

Performance Fee

27.2. In addition to the Management Fee, the AIFM will receive a Performance Fee of 20% of the total net return calculated and accrued as of each Valuation Day on the Net Asset Value of Class A. The Performance Fee will be paid annually. The Performance Fee is subject to a high-watermark and to the equalisation mechanism as described under Clause 26.

28. AMENDMENT OF THIS SECTION

28.1. Subject to the approval of the CSSF, the Board may amend this Section of Part B as follows:

(a) Where the change is determined by the Board not to be material, upon decision of the Board; or

(b) Where the change is determined by the Board to be material, only upon the Sub-Fund's Consent.

28.2. Amendment of any investment objective, restriction or policy is a material change.

28.3. Shareholders will be notified by the Company of all amendments that are adopted without their consent in accordance with Clause 28.1(a) above. Shareholders will be notified in advance of any proposed material change to the Issuing Document to ensure that they are able to make an informed judgment in respect of the expected amendments further to Clause 28.1(b) above.

28.4. No variation may be made to this Clause 28 without unanimous consent of all Shareholders of this Sub-Fund.