



# Eurizon Fund II

A Luxembourg FCP (RCS K349)

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*eurizoncapital.com*

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## Article 1 The FCP

Eurizon Fund II (formerly named "Epsilon Fund" and before that "Eurizon Stars Fund"), (hereinafter referred to as the "FCP") was created on 21 April 2008 as an undertaking for collective investment governed by the laws of the Grand Duchy of Luxembourg. The FCP is organised under Part I of the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended (the "Law of 17 December 2010"), in the form of an open-ended mutual investment fund ("fonds commun de placement"), as an unincorporated co-ownership of transferable securities and other assets permitted by law. The FCP shall consist of different sub-funds (collectively the "Funds" and individually a "Fund") to be created pursuant to Article 4 hereof. The FCP has no legal personality. The FCP is also subject to the provisions of the Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, where applicable. The assets of each Fund are solely and exclusively managed in the interest of the co-owners of the relevant Fund (the "Unitholders") by Eurizon Capital S.A. (the "Management Company"), a company organised in the form of a public limited company ("société anonyme") under chapter 15 of the Law of 17 December 2010 having its registered office in Luxembourg. The FCP and its Sub-Funds constitute a single legal entity. However, in the relationships between the Unitholders each Fund is treated as a separate entity having its own assets, capital gains, capital losses etc. Vis-à-vis third parties, in particular creditors, the assets of a given Sub-Fund only stand surety for the debts, commitments and obligations linked to that Sub-Fund. The assets of the FCP are held in custody by State Street Bank International GmbH, Luxembourg Branch (the "Depositary"). The assets of the FCP are segregated from those of the Management Company. By purchasing units (the "Units") of one or more Funds any Unitholder fully approves and accepts these management regulations (the "Management Regulations") which determine the contractual relationship between the Unitholders, the Management Company and the Depositary. The Management Regulations and any future amendments thereto shall be lodged with the Registry of the District Court and a publication of such deposit will be made in the *Recueil électronique des sociétés et associations* (the "RESA"). Copies are available at the Registry of the District Court.

These Management Regulations do not provide for the Unitholders' meetings to take the form of Unitholders' general meetings, except in the event of the Management Company's proposal to merge the assets of the FCP or of one or several of the FCP's Funds with another UCI governed by non-Luxembourg laws.

## Article 2 The Management Company

The Management Company manages the assets of the FCP in compliance with the Management Regulations in its own name, but for the sole benefit of the Unitholders of the FCP. The Board of Directors of the Management Company shall determine the investment policy of the Funds within the objectives set forth in Article 3 and the restrictions set forth in Article 11 hereafter. The Board of Directors of the Management Company shall have the broadest powers to administer and manage each Fund within the restrictions set forth in Article 11 hereof, including but not limited to the purchase, sale, subscription, exchange and receipt of securities and other assets permitted by law and the exercise of all rights attached directly or indirectly to the assets of the FCP.

## Article 3 Investment Objectives and Policies

The FCP offers the public the possibility of investing in a selection of securities and financial instruments as authorized by the law, with a view to obtaining capital gain on the invested

capital combined with high investment liquidity.

To this end, broad risk spreading is ensured both geographically and monetarily, and with respect to the types of financial instruments used, as defined in the investment policy of each of the FCP's Funds and appearing in the Fund Sheets attached to the Prospectus.

In any event, the FCP's assets are subject to market fluctuations as well as to the risks inherent in any investment in securities, and this means that the FCP cannot guarantee that it will meet its objectives.

**Co-management of assets** To lower costs, the Funds may commingle certain assets with those of other Funds and manage them as a single pool. In such a case, the assets of each Fund will remain segregated as far as accounting and ownership is concerned, and the allocation of income, capital gains and costs is assigned to each fund pro rata. The rights and obligations of Unitholders will remain unchanged, and no material tax impacts are anticipated.

## Article 4 Funds and Classes of Units

For each Fund, a separate portfolio of investments and assets will be maintained. The different portfolios will be separately invested in accordance with the investment objectives and policies referred to in Article 3. Within a Fund, classes of Units may be defined from time to time by the Management Company so as to correspond to (i) a specific distribution policy, such as entitling to distributions or not entitling to distributions and/or (ii) a specific sales and redemption charge structure and/or (iii) a specific management or advisory fee structure and/or (iv) different distribution, Unitholder servicing or other fees, and/or (v) the currency or currency unit in which the class may be quoted (the "Pricing Currency") and based on the rate of exchange of the same day that is a full Business Day for banks in Luxembourg ("Business Day") between such currency or currency unit and the Base Currency of the relevant Fund and/or (vi) the use of different hedging techniques in order to protect in the Base Currency of the relevant Fund the assets and returns quoted in the Pricing Currency of the relevant class of Units against long-term movements of their Pricing Currency and/or (vii) specific jurisdictions where the Units are sold and/or (viii) specific distributions channels and/or (ix) different types of targeted investors and/or (x) specific protection against certain currency fluctuations and/or (xi) such other features as may be determined by the Management Company from time to time in compliance with applicable law. Within a Fund, all Units of the same class have equal rights and privileges.

The Management Company reserves the right to create new Funds or new Classes of Units, as the case may be, at any time, on the basis of a simple decision.

Details regarding the rights and other characteristics attributable to the relevant classes of Units shall be disclosed in the sales documents of the FCP.

## Article 5 The Units

### The Unitholders

Except as set forth in section "Restrictions On Subscription And Ownership" below, any natural or legal person may be a Unitholder and own one or more Units of any class within each Fund on payment of the applicable subscription or acquisition price. Each Unit is indivisible with respect of the rights conferred to it. In their dealings with the Management Company or the Depositary, the co-owners or disputants of Units, as well as the bare owners and the usufruct holders of Units, may either choose (i) that each of them may individually give instructions in relation to their Units provided that no orders will be processed on any Business Day when contradictory instructions are given or (ii) that each of them must jointly give all instructions in relation to the Units provided however that no orders will be processed unless all co-owners, disputants, bare owners and usufruct holders have confirmed

the order (all owners must sign instructions). The Registrar and Transfer Agent will be responsible for ensuring that the exercise of rights attached to the Units is suspended when contradictory individual instructions are given or when all co-owners have not signed instructions.

Neither the Unitholders nor their heirs or successors may request the liquidation or the sharing-out of the FCP and shall have no rights with respect to the representation and management of the FCP and their death, incapacity, failure or insolvency shall have no effect on the existence of the FCP.

## Pricing

Units are priced at the NAV for the relevant unit class. All requests to buy, exchange or sell units are processed at that price, adjusted for any charges. Each NAV is calculated in the Fund's base currency, then converted, at current market rates, into any currencies of unit class denomination. Except for initial offering periods, during which the price is the initial offer price, the unit price for a transaction will be the NAV calculated for the day on which the transaction request is processed.

## Forms in which units are issued

We issue units primarily in registered form. With these units, the owner's name is recorded in the FCP's register of unitholders and the owner receives a confirmation of subscription. Ownership can only be transferred by notifying the transfer agent of a change of ownership. Forms for this purpose are available from the FCP and the transfer agent.

Upon unitholder request, and for a fee of EUR 100 per certificate, we will issue a certificate documenting ownership of units, and send it either to the unitholder or their agent or intermediary. Note, however, that the unitholder assumes all risk of fraud involving certificates and that certificates greatly increase the time required to sell units, since it can take up to 28 days to issue a certificate and the certificate must be physically conveyed to the transfer agent before the units can be sold.

We also can issue bearer units; however, in keeping with current Luxembourg law, these units can no longer be held directly and must instead be held in the FCP's bearer units depository. Owners of bearer units can request a certificate, subject to the fee and conditions above.

## Restrictions On Subscription And Ownership

The Management Company may, at any time and at its discretion, temporarily discontinue, terminate or limit the issue of Units to persons or corporate bodies resident or established in certain countries or territories. The Management Company may also prohibit certain persons or corporate bodies from directly or beneficially acquiring or holding Units if such a measure is necessary for the protection of the FCP or any Fund, the Management Company or the Unitholders of the FCP or of any Fund. In addition, the Management Company may direct the Registrar and Transfer Agent of the FCP to:

- a) Reject any application for Units;
- b) Redeem at any time Units held by Unitholders who are excluded from purchasing or holding such Units.

In the event that the Management Company gives notice of a compulsory redemption for any of the reasons set forth above to a Unitholder, such Unitholder shall cease to be entitled to the Units specified in the redemption notice immediately after the close of business on the date specified therein.

Units may be listed for trading on the Bourse de Luxembourg (Luxembourg Stock Exchange). The Management Company may decide to make an application to list other Units on any recognized stock exchange.

## Article 6 Buying, Exchanging and Selling Units

### Information that applies to all transactions except transfers

**Placing requests** A Unitholder can submit requests to buy, exchange or sell (redeem) units at any time, using the options shown in the Prospectus.

When placing any request, a Unitholder must include all necessary identifying information, including the account number and the name and address of the account holder exactly as they appear on the account. A Unitholder's request must indicate the Fund, unit class, reference currency, and size and type of transaction (buying, exchanging, selling). For purchases, the size of the transaction must be indicated as a currency amount. For exchanges or sales, a Unitholder may indicate either a currency amount or a unit amount. If a Unitholder has unit certificates, he/she/it will need to provide these before his/her/it exchange or sell request can be processed.

Once a Unitholder has placed a request, he/she/it can withdraw it only if there is a suspension of transactions in units of the relevant Fund.

No request will be accepted or processed in any way that is inconsistent with the Management Regulations or the Prospectus.

**Cut-off times and processing schedule** These are indicated for each Fund in "Fund Descriptions" section within the Prospectus. Except during suspensions in unit transactions, requests that have been received and accepted by the transfer agent by the cut-off time on a given business day (T) will usually be processed the following business day (T+1), at the NAV that is calculated as of the cut-off time on the day the order was accepted (T). If one or more following days are not business days, the NAV will be determined on the first following business day, using same market price references as if the NAV had been determined on T+1.

For funds that are mainly investing in securities that are traded in the Asia and Pacific region, requests that have been received and accepted by the transfer agent by the cut-off time on a given business day (T) will usually be processed the following business day (T+1) at the NAV of the following business day that is also a trading day on the fund's main markets (T+1).

The NAV at which any request is processed cannot be known at the time a request is placed.

A confirmation notice will be sent by mail or fax to the registered unitholder or the unitholder's agent within 2 weeks after the request was processed.

**Currencies** Payments are accepted and made only in the base currency of the unit class concerned. The management company may agree to accept requests in currencies that require conversion, and if it does, the conversion will be done at normal banking rates, prior to acceptance of the request.

**Fees** Any purchase, exchange or sale may involve fees. For the maximum fees charged by each base unit class, see the applicable Fund description and the "Base unit class characteristics" table within the Prospectus. To find out the actual fees involved in a transaction, Unitholders can contact their intermediary or the transfer agent. Other parties involved in the transaction, such as a bank, intermediary, or paying agent may charge their own fees. Some transactions may generate tax liabilities. Unitholders are responsible for all costs and taxes associated with each request they place.

**Late or missing payments to unitholders** The payment of a dividend or sale proceeds to any unitholder may be delayed for reasons of fund liquidity, and may be delayed, reduced, or withheld if required by foreign exchange rules, other rules imposed by the unitholder's home jurisdiction, or for other external reasons. In such cases the Management

Company cannot accept responsibility, nor pays interest on amounts withheld.

**Changes to account information** Unitholders must promptly inform us of any changes in their personal or bank information, particularly any information that might affect eligibility for any unit class.

The Management Company will require adequate proof of authenticity for any request to change the bank account associated with fund investments.

**Buying units** *Also see "Information that Applies to All Transactions Except Transfers" above.*

The Management Company is authorized to issue Units at any time and without any limitation.

The Units of each Fund or each Unit Class of the FCPs may be subscribed for via the Registrar and Transfer Agent as well as other establishments authorized by the Management Company for that purpose. The Management Company reserves the right to reject any application for purchase or to accept only a part thereof. In particular, the Management Company does not allow practices associated with Market Timing, and the Management Company reserves the right to reject subscription and conversion requests from an investor whom the Management Company suspects of using such practices, and to take, if appropriate, the necessary measures to protect the other investors in the FCP.

The Management Company also reserves the right, when required to do so under the circumstances of which it shall be the sole judge, to waive possible minimums applying to initial and subsequent subscription, if any, as indicated in the Prospectus.

To make an initial investment, investors need to submit a completed application form and all account opening documentation (such as all required tax and anti-money laundering information) using one of the options described in the Prospectus. Unitholders must be sure to provide all requested identification documents with their application form, and their bank account and wire instructions, to avoid delays in receiving proceeds when they wish to sell units.

Once an account has been opened, a Unitholder can place additional orders. All holdings in an account must be in the same currency (the designated currency of the first units purchased), meaning that maintaining investments in multiple currencies requires multiple accounts. Guard all account numbers well, as they are considered the primary proof of unitholder identity.

All purchase requests must be accompanied either by full payment before the settlement deadline stated in "Fund Descriptions" within the Prospectus, or by a documented, irrevocable guarantee, acceptable to the distributor or the Management Company, that full payment will be received before the deadline. If full payment for the units is not received within the time indicated for settlement, the Management Company may sell (redeem) the units, cancel their issuance and return the payment, less any investment loss and any costs incurred in cancelling these units.

Note that some intermediaries may have their own account opening and purchase payment requirements.

For optimal processing of investments, Unitholder must send money via bank transfer (net of any bank charges) in the currency denomination of the units they want to buy.

The Units may also be issued in exchange for contributions in kind, but respecting the obligation for a valuation report to be submitted by the approved Auditor, who is appointed by the Management Company and on condition that these contributions correspond to the investment policy and restrictions of the Fund of the FCP in question. The securities accepted as payment of a subscription are estimated, for the needs of the transaction, at the latest purchase price on the market at the time of valuation. The Management Company is entitled to reject any contribution

in kind without having to justify its decision. Expenses linked to the issue of Units in exchange for contributions in kind will be charged to the Unitholder from whom these contributions originate.

**Exchanging units** *Also see "Information that Applies to All Transactions Except Transfers" above.*

Unitholders can exchange (switch) units of any Fund into the same class of units in any other Fund in the FCP, or another Eurizon fund.

Unitholders can also exchange into a different unit class, either within the same Fund or as part of an exchange into a different Fund; in this case, they must indicate their desired unit class on their request.

All exchanges are subject to the following conditions:

- Unitholder must meet all eligibility and minimum initial investment requirements for the unit class into which he/she/it is requesting to exchange
- for any money exchanging into units with a higher subscription fee than what he/she/it paid, he/she/it will be charged the difference
- without a currency conversion if possible; otherwise, any necessary currency conversion will be processed on the day the exchange occurs, at that day's applicable rate
- the exchange must not violate any restrictions stated in the Prospectus (including in "Fund Descriptions")

The Unitholder will be informed if any exchange request is not permitted by the Management Regulations or the Prospectus.

All exchanges are processed of units on a value-for-value basis, using the NAVs of the two investments (and, if applicable, any currency exchange rates) that are in effect as at the time of the exchange. If there is a difference in cut-off times, the earlier one applies. Because an exchange can only be processed on a day on which both Funds are processing transactions in units, an exchange request may be held until such a day occurs.

Because an exchange is considered two separate transactions (a simultaneous redemption and subscription) it may create tax or other implications. The purchase and sale components of an exchange are subject to all terms of each respective transaction.

**Selling units** *Also see "Information that Applies to All Transactions Except Transfers" above.*

The Units of each Fund or each Unit Class of the FCP, as the case may be, may be redeemed at any time by sending an irrevocable redemption request to the Registrar and Transfer Agent or to the other authorized banks and establishments, accompanied by confirmations of subscription or by the certificates representing Units, as the case may be.

The FCP shall redeem the Units at any time in accordance with the limitations set forth in the Law of 17 December 2010 on undertakings for collective investments.

Note that any redemption proceeds will only be paid out once all investor documentation has been received, including any requested in the past that was not adequately provided.

Redemption proceeds are paid only to the unitholder(s) identified in the FCP's register of unitholders, by wire to the bank account details on file for the account. If any required information is missing, your request will be held until it arrives and can be properly verified. All payments to the Unitholders are made at their expense and risk.

Sale proceeds are paid in the currency of the Unitholder's account. To have their proceeds converted to a different currency, Unitholders shall contact their intermediary or

the transfer agent before placing their request.

At the request of a Unitholder wishing to redeem his or her Units, the Management Company may grant a distribution in kind, in total or in part, of securities of any Unit Class to this Unitholder, instead of repurchasing them from him or her for cash. The Management Company shall proceed in this way if it considers that such a transaction will not be to the detriment of the interests of remaining Unitholders of the Fund in question. The assets to be transferred to these Unitholders shall be determined by the Management Company and the Investment Manager, taking into account the practical aspect regarding the transfer of the assets, the interests of the Unit Class and the other Unitholders, and the Unitholder him/herself. This Unitholder may have to pay fees, including but not limited to brokerage fees and/or fees for local taxes on any transfer or sale of securities received in this way in exchange for the redemption.

The net proceeds from sale of the above mentioned securities by the Unitholder applying for redemption may be less than or equal to the corresponding redemption price of Units of the class concerned, in the light of market conditions and/or of differences in the prices used for the purpose of such sales or transfers, and for calculating the Net Asset Value of this Unit Class. The choice of valuation and the disposal of the assets shall be the subject of a valuation report by the FCP's auditor. Expenses linked to the redemption of Units in exchange for a distribution in kind will be charged to the Unitholder from whom this request originated.

## Transferring units

As an alternative to exchanging or selling, Unitholders may transfer ownership of their units to another investor. Note, however, that all of the ownership eligibility requirements for their units apply to the new owner (for example, institutional units cannot be transferred to non-institutional investors) and if a transfer to an ineligible owner occurs, the board will either void the transfer, require a new transfer to an eligible owner, or forcibly redeem the units.

## Article 7 Fund Fees and Costs

In general, fee rates are presented in "Fund Descriptions" within the Prospectus. Minor fees, and expenses that are deducted directly from fund assets, are described here, along with further information about the fees and costs presented elsewhere.

**Management fee** This fee is described for each fund in "Fund Descriptions" within the Prospectus and is paid to the management company as the main entity with responsibility for the business management, investment management, marketing and sales of the FCP. This fee does not exceed the rates described for each fund in "Fund Descriptions" within the Prospectus and is accrued and paid each month in arrears.

Out of this fee, the management company pays the investment management fee to investment managers, and the investment advisory fee to the investment advisors.

The management fee is calculated and paid monthly, on the monthly average of the Fund's Net Asset Value.

**Administration fee** This fee is described for each fund in "Fund Descriptions" within the Prospectus and is paid to the management company as the main entity with responsibility for operational, compliance, accounting and legal activities of the FCP.

Out of this fee, the management company also pays the services provided by the administrator, depositary, registrar, transfer agent and paying agent. This fee does not exceed 0.25% per year of the fund's average net asset value. Any change in this fee will be indicated in the financial reports and

in an updated prospectus. This fee is accrued and paid each month in arrears.

The management fee is calculated and paid monthly, on the monthly average of the Fund's Net Asset Value.

**Performance fee** This fee is described for each fund in "Fund Descriptions" and in "Fund Fees and Costs" sections within the Prospectus.

## Expense Breakdown

The FCP pays its management, distribution and administrative expenses out of unitholder assets. Examples of these expenses are shown below.

*Expenses included in the fees described immediately above:*

- management company expenses
- custody, depositary and safekeeping charges
- transfer, registrar and payment agency fees
- compensation to distributors or platforms for their services in connection with marketing and distributing fund units
- administration, domiciliary and fund accounting services
- legal expenses for advice on behalf of the FCP
- audit fees
- ongoing registration fees
- fees related to listing fund units on an exchange (if applicable)
- documentation costs, such as preparing, printing, translating and distributing the prospectus, Key Investor Information, Documents and financial reports
- formation expenses (which can be amortised over as long as 5 years from the formation date of a fund)
- costs associated with the required collection, reporting and publication of data about the FCP, its investments and unitholders
- costs of publishing fund performance data
- financial index licensing fees
- fees for operating hedged unit classes

*Expenses not included in the fees described immediately above:*

- duties, taxes and transaction costs associated with buying and selling fund assets
- brokerage fees and commissions
- interest on borrowing and bank charges incurred in negotiating borrowing
- litigation or tax reclaim expenses
- any extraordinary expenses or other unforeseen charges
- the *taxe d'abonnement* (subscription tax)

All expenses that are paid from unitholder assets are reflected in NAV calculations, and the actual amounts paid are documented in the FCP's annual reports.

Recurring expenses will be charged first against current income, then against realised capital gains, and lastly against capital.

Each fund and class pays all costs it incurs directly and also pays its pro rata share (based on net asset value) of costs not attributable to a specific fund or class. For each unit class whose currency is different from the base currency of the fund, all costs associated with maintaining the separate unit class currency (such as currency hedging and foreign exchange costs) will be charged solely to that unit class to the extent practicable.

## Article 8 Accounting Year; Audit

The accounts of the FCP shall be kept in euro and are closed

each year on December 31. The accounts of the Management Company and of the FCP will be audited annually by an auditor appointed from time to time by the Management Company. An annual report audited by the Auditor and a semi-annual report that does not necessarily have to be audited, are published, respectively, within four months and two months following the end of the period to which they refer. The reports are distributed and are made available to Unitholders and to the public at the registered offices of the Management Company, the Depositary and the designated banks and institutions.

## Article 9 Publications

Audited annual reports and unaudited semi-annual reports will be mailed free of charge by the Management Company to the Unitholders at their request. In addition, such reports will be available at the registered offices of the Management Company/ Distributor or its Agent(s) (if any) and the Depositary as well as at the offices of the information agents of the FCP in any country where the FCP is marketed. Any other financial information concerning the FCP or the Management Company, including the periodic calculation of the Net Asset Value per Unit of each class within each Fund, the issue, redemption and conversion prices will be made available at the registered offices of the Management Company/ Distributor or its Agent(s) (if any) and the Depositary and the local information agents where the FCP is marketed. Any other substantial information concerning the FCP may be published in such media(s) or notified to Unitholders in such manner as may be specified from time to time by the Management Company

## Article 10 Investment Managers and Service Providers

### Investment managers

#### Eurizon Capital S.A.

28, Boulevard de  
Kockelscheuer, L-1821  
Luxembourg

#### Eurizon Capital SGR S.p.A.

Via Melchiorre Gioia, 22,  
I-20124 Milan, Italy

Investment managers handle the day-to-day management of each Fund for which they have been assigned responsibility. This includes determining investment strategies and effecting securities trades for each Fund's portfolio.

### Depositary, administrator, registrar, transfer agent, main paying agent

#### State Street Bank International GmbH, Luxembourg Branch

49, Avenue J.F. Kennedy  
L-1855 Luxembourg

*Global sub-custodian*

#### State Street Bank and Trust Company

One Lincoln Street, Boston,  
Massachusetts 02111, USA

The depositary provides such services as:

- providing safekeeping of the assets of the FCP (custody of assets that can be held in custody and ownership verification and recordkeeping of other assets)
- ensuring that the activities defined in the depositary bank and principal paying agent agreement are carried out in accordance with the board's instructions and, above all, with the 2010 Law and the Management Regulations; these activities include the calculation of NAV, the processing of Fund units and the receipt and allocation of income and revenues to each Fund and unit class, among others
- cash flow monitoring

The depositary must use reasonable care in exercising its

functions and is liable to the FCP and investors for any losses that result from failing to properly perform its duties, as defined in the depositary bank and principal paying agent agreement. It may entrust assets to third party banks, financial institutions or clearinghouses, but this will not affect its liability.

Where the law of a third country requires that certain investments be held in custody by a local entity but no local entities satisfy the delegation requirement, the depositary may nevertheless delegate to a local entity so long as the FCP has informed investors and has given the depositary appropriate instructions, and only for as long as no other local entity exists that meets the delegation requirements.

The depositary has no influence or control over the Funds' investment decisions, and is not allowed to carry out activities with regard to the FCP that may create conflicts of interest between the FCP, the unitholders and the depositary itself (including its delegates), unless it has properly identified any such potential conflicts of interest, has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks, and the potential conflicts of interest are properly identified, managed, monitored and disclosed to the FCP and its unitholders. In particular, the fact that the depositary also performs other functions for the FCP does not affect its liabilities as depositary (or the Management Company's liabilities with respect to ensuring the performance of all service providers).

The depositary has delegated certain safekeeping duties to one of its affiliates, the global sub-custodian, who in turn has appointed other entities as local sub-custodians.

Up-to-date information on the depositary, its duties, any conflicts that may arise, the safe-keeping functions it has delegated, the list of delegates and sub-delegates, and any conflicts of interest that may arise from such a delegation is available at <http://www.statestreet.com/about/office-locations/luxembourg/subcustodians.html>.

The administrator handles the administrative work required by law, as detailed in an administration agreement, such as calculating NAVs, sending notices to unitholders and keeping the books and records of the FCP.

The registrar and transfer agent provides such services as maintaining the FCP's register of unitholders, opening and closing accounts, processing requests for transactions in Fund units, and providing documentation of these transactions to unitholders.

The paying agent is in charge of payment of the FCP's dividends and of proceeds from the redemption of units.

Fees for the services of the registrar and transfer agent are paid out of the all-in fee.

State Street Bank International GmbH, Luxembourg Branch also performs the client communication function according to Circular CSSF 22/811 (at the exclusion of the dispatch of the FCP's offering documents and financial reports which is performed by the Management Company).

### Distributors and agents

The Management Company may engage local distributors, platforms or other agents in certain countries or markets. In some countries, use of an agent is mandatory, and the agent may not merely facilitate transactions but may hold units in its own name on behalf of investors. Fees of distributors and agents are paid out of the all-in fee.

Distributors can act as nominees, which may affect your rights as an investor.

## Article 11 General Investment Powers and Restrictions

Each fund, and the FCP itself, must comply with all applicable EU and Luxembourg laws and regulations, as well as certain circulars, guidelines and other requirements. This section presents, in tabular form, the fund management requirements of the 2010 law (the main law governing the operation of a UCITS) as well as the requirements set by the European Securities and Markets Authority (ESMA) for money market funds and for risk monitoring and management. In case of any discrepancy, law itself, in the original French, would prevail over either the Management Regulations or the prospectus (with the Management Regulations taking precedence over the prospectus).

If any violation of the 2010 law or the money market fund regulation by a fund is detected, the investment manager must make compliance with the relevant policies a priority in its securities trades and investment management decisions, while also taking due account of the interests of unitholders. Any violation that arises incidentally must be resolved as soon as possible, consistent with the normal course of fund operations.

Except where noted, all percentages and restrictions apply to each fund individually, and all asset percentages are measured as a percentage of total net assets (including cash).

### Permitted assets, techniques and transactions

The table on the following page describes what is allowable to any UCITS. The funds may set limits that are more restrictive in one way or another, based on their investment objectives and policies. A fund's usage of any asset, technique or transaction must be consistent with its investment policies and restrictions.

No fund can acquire assets that come with unlimited liability attached, underwrite securities of other issuers (other than if it may be considered to do so in the course of disposing of fund securities), or issue warrants or other rights to subscribe for their units.

### Terms used in this section

The terms below are used mainly or exclusively in this "Investment Powers and Restrictions" section and have the following meanings.

**ABCP** Asset-backed commercial paper.

**amortised cost** A valuation method in which acquisition cost is adjusted for amortisation of premiums or discounts up through maturity.

**CNAV** A public debt constant net asset value money market fund.

**LVNAV** A low volatility net asset value money market fund.

**mark-to-market** A valuation method based on independent, readily available liquidation prices, such as prices from exchanges, screen prices, or quotes from multiple reputable independent brokers.

**mark-to-model** A valuation method that is benchmarked, extrapolated or otherwise calculated from one or more market inputs.

**MMF** A money market fund.

**money market instruments** Transferable instruments normally dealt in on the money market, such as treasury and local authority bills, certificates of deposits, commercial paper, bankers' acceptances, and medium- or short-term notes.

**eligible state** Any state that the board considers to be consistent with a given portfolio's investment objective.

**EU-level issuers** The EU, a central authority or central bank of a European state, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility.

**EU and international issuers** All EU-level issuers, plus any regional or local authority of a European state, any sovereign nation or member state of a federation, and any relevant international body to which a European state belongs, such as the International Monetary Fund, International Bank for Reconstruction and Development, Council of Europe Development Bank, European Bank for Reconstruction and Development, or Bank for International Settlements.

**member state** A member state of the EU or of the European Economic Area.

**regulated market** A regulated market within the meaning of Directive 2004/39/EC of the European Parliament, or any other market in an eligible state, country, or territory that the directors of the management company consider to be regulated, regularly operating, recognised, and open to the public.

**short-term MMF** An MMF that invests in eligible money market instruments referred to in Article 10(1) and is subject to the portfolio rules set out in Article 24

**standard MMF** An MMF that invests in eligible money market instruments referred to in Article 10(1) and (2) and is subject to the portfolio rules set out in Article 25; (16)

**VNAV** A variable net asset value money market fund.

**weighted average life (WAL)** The average asset-weighted time to legal maturity of an MMF's total asset exposures; a measure of credit and liquidity risk.

**weighted average maturity (WAM)** The average asset-weighted time to legal maturity or the next interest rate reset, whichever is shorter, of an MMF's total asset exposures; a measure of sensitivity to interest rate risk.



Non-money market funds	Money market funds	Usage by funds
<b>1. Transferable securities and money market instruments</b>		
<p>Must be listed or traded on an official stock exchange in an eligible state, or on a regulated market in an eligible state (a market that operates regularly, is recognised and is open to the public).</p> <p>Recently issued securities must include in their terms of issue a commitment to apply for official listing on a regulated market and such admission must be received within 12 months of issue.</p>	<p>Must be listed or traded on a money market in an eligible state. For eligible states outside the EU, the money market must be approved by the competent authorities, provided for in law, or identified in the fund's rules or instruments of incorporation.</p>	<p>Widely used. Material usage is described in "Fund Descriptions".</p>
<b>2. Money market instruments that do not meet the requirements in row 1</b>		
<p>Must be subject (at the securities or issuer level) to regulation aimed at protecting investors and savings and must meet one of the following:</p> <ul style="list-style-type: none"> <li>• be issued or guaranteed by a central, regional or local authority, or a central bank of an EU member state, the European Central Bank, the European Investment Bank, the EU, a public international body to which at least one EU member state belongs, a sovereign nation, or a member state of a federation</li> <li>• be issued by an undertaking of any securities that qualify under row 1 (with exception of recently issued securities)</li> <li>• be issued or guaranteed by an institution that is subject to, and complies with, EU prudential supervision rules or other rules the CSSF considers to be at least as stringent</li> </ul> <p>Can also qualify if the issuer belongs to a category approved by the CSSF, is subject to investor protections that are equivalent to those described directly at left, and meets one of the following criteria:</p> <ul style="list-style-type: none"> <li>• is issued by a company with at least EUR 10 million in capital and reserves that publishes annual accounts consistent with Directive 2013/34/EU</li> <li>• is issued by an entity dedicated to financing a group of companies at least one of which is publicly listed</li> <li>• is issued by an entity dedicated to financing securitisation vehicles that benefit from a banking liquidity line</li> </ul>	<p>Must have a remaining or effective maturity or reset date of 397 days or less (with floating- or fixed-rate instruments hedged by swaps that reset to a money market rate or index) and must also meet all of the following that apply:</p> <ul style="list-style-type: none"> <li>• be issued or guaranteed by one or more EU-level issuers</li> <li>• be issued or guaranteed by one or more EU and international issuers, with both issuer and issuer receiving favourable internal credit assessments</li> <li>• if it is a securitisation or ABCP, it must be sufficiently liquid, have a favourable internal credit assessment, have a legal maturity of 2 years or less, and meet one of the following: <ul style="list-style-type: none"> <li>- It is a securitisation referred to in Article 13 of Commission Delegated Regulation (EU) 2015/61; <i>Short-Term MMF</i>: also must be an amortising instrument with a WAL of 2 years or less</li> <li>- It is not (and does not include, even on a look-through basis) a re-securitisation or synthetic securitisation, and it is fully supported by the issuing regulated credit institution as to liquidity and credit risks, material dilution risks, ongoing transaction and programme costs, and any necessary investor guarantees of full payment; <i>Short-Term MMF</i>: legal maturity at issuance must be 397 days or less</li> <li>- It is a simple, transparent, standardised (STS) securitisation or ABCP; <i>Short-Term MMF</i>: must be amortising instruments, have a WAL of 2 years or less, and have had a legal maturity at issuance of 397 days or less</li> </ul> </li> </ul>	<p>Widely used. Material usage is described in "Fund Descriptions".</p>
<b>3. Transferable securities and money market instruments that do not meet the requirements in rows 1 and 2</b>		
<ul style="list-style-type: none"> <li>• Limited to 10% of fund assets.</li> </ul>	<p>Permitted as to money market instruments.</p>	<p>Any usage likely to create material risk is described in "Fund Descriptions".</p>
<b>4. Units of UCITS or other UCIs that are not linked to the FCP*</b>		
<p>Must be limited by constitutional documents to investing no more than 10% of assets in other UCITS or other UCIs. If the target investment is an "other UCI", it must do all of the following:</p> <ul style="list-style-type: none"> <li>• Invest in UCITS-allowable investments</li> <li>• be authorised by an EU member state or by a state the CSSF considers to have equivalent laws on supervision, with adequate cooperation between authorities sufficiently ensured</li> <li>• Issue annual and semi-annual reports that enable an assessment of assets, liabilities, income and operations over the reporting period</li> <li>• offer investor protections that are equivalent to those of a UCITS, in particular as to the rules on asset segregation, borrowing, lending and uncovered sales</li> </ul>	<p>The target MMF must be limited to investing no more than 10% of assets in other MMFs, and those MMFs must be authorised under these same rules.</p> <p>An acquiring MMF must invest no more than 17.5% of assets in other MMFs and no more than 5% of assets in any one MMF (does not apply to eligible MMFs that are marketed solely through an employee savings scheme, have only natural persons as investors, are governed by national law, and under that law can permit redemptions only in non-market-related circumstances).</p> <p>An MMF that invests 10% or more of assets in other MMFs must disclose in its prospectus the maximum allowable management fees payable by both the target and acquiring MMFs, and in its annual report the amounts actually paid.</p> <p>The target fund cannot invest, in turn, in the acquiring fund (reciprocal ownership).</p> <p>A short-term MMF can only invest in other short-term MMFs.</p>	<p>Any usage that is over 10% of fund assets, or likely to create material risk, is disclosed in "Fund Descriptions". Total annual management fees of funds and underlying UCITS/ other UCIs may be up to 2.5%. Any rebates received from any underlying UCITS/ other UCIs are fully refunded to the fund.</p>
<b>5. Units of UCITS or other UCIs that are linked to the FCP*</b>		
<p>Must meet all non-money market fund requirements in row 4. The FCP's annual report must state the total annual management and advisory fees charged both to the fund and to the UCITS/other UCIs in which the fund has invested during the relevant period. The UCITS/other UCI cannot charge a fund any fees for subscribing for or redeeming shares.</p>	<p>Same as row 4.</p>	<p>Non-MMF usage same as row 4, plus funds pay no annual management or advisory fees to any linked UCITS/other UCI.</p>

\* May include ETFs. A UCITS or other UCI is considered to be linked to the FCP if both are managed or controlled by the same management company or another affiliated management company.

Non-money market funds	Money market funds	Usage by funds
<b>6. Units of other funds of the FCP</b>		
<p>Must meet all non-money market fund requirements in rows 4 and 5.</p> <p>The target fund cannot invest, in turn, in the acquiring fund (reciprocal ownership).</p> <p>The acquiring fund surrenders all voting rights in shares of the target fund it acquires.</p> <p>When measuring whether a fund meets the minimum required asset level, the value of investment in target funds is not included.</p>	Same as row 4.	Non-MMF usage same as row 4, plus funds pay no annual management or advisory fees to any other funds.
<b>7. Real estate and commodities, including precious metals</b>		
<p>Direct ownership of commodities, or certificates representing them, is prohibited. Investment exposure is allowed only indirectly, through assets, techniques and transactions allowed under the 2010 Law.</p> <p>Direct ownership of real estate or other tangible property is prohibited. Direct ownership of real estate or other tangible property is prohibited. Investment exposure is allowed indirectly, through investments in other funds such as real estate investment trusts (REITs), complying with art. 2 of the Grand Ducal Regulation of 8 February 2008 and not containing embedded derivatives components as referred to in art. 10 of this regulation.</p>	Exposure not permitted in any form.	Usage likely to create material risk is described in "Fund Descriptions". Direct purchases of real or tangible property are unlikely.
<b>8. Deposits with credit institutions</b>		
<p>Limited to a maximum of 20% of assets in usual market conditions. Deposits must be repayable or withdrawable on demand, and any maturity date must be no more than 12 months in the future.</p> <p>The credit institutions either must have a registered office in an EU member state or, if not, be subject to prudential supervision rules the CSSF considers to be at least as stringent as EU rules.</p>	Same as for non-money market funds.	Commonly used by all funds and may be used extensively for temporary defensive purposes in exceptional market conditions.
<b>9. Liquid assets</b>		
<p>Limited to a maximum of 20% in usual market conditions and to deposits on sight. This limit can be breached in exceptionally unfavourable market conditions and where such breach is justified having regard to the interests of the investors.</p>	Same as for non-money market funds.	Commonly used by all funds, and may be used extensively for temporary defensive purposes.
<b>10. Derivatives and equivalent cash-settled instruments</b> <i>See also "How the Funds Use Instruments and Techniques"</i>		
<p>Underlying assets must be those described in rows 1, 2, 4, 5, 6 and 8 or must be financial indices (compliant with article 9 of the Grand-Ducal Regulation of 8 February 2008), interest rates, foreign exchange rates or currencies consistent with fund investment objectives and policies.</p> <p>All usage must be adequately captured by the risk management process described in "Management and Monitoring of Derivatives Risk" below.</p> <p>OTC derivatives must meet all of the following criteria:</p> <ul style="list-style-type: none"> <li>• be subject to reliable and verifiable independent daily valuations</li> <li>• be able to be sold, liquidated or closed by an offsetting transaction at their fair value at any time at the FCP's initiative</li> <li>• be with counterparties that are institutions subject to prudential supervision and that belong to categories approved by the CSSF</li> </ul>	<p>Limited to 10% of portfolio assets.</p> <p>Underlying assets are limited to interest rates, foreign exchange rates and currencies, or to indices representing any of these.</p> <p>Usage is limited to hedging interest rate or foreign exchange risks, and cannot form a central part of fund strategy.</p>	Material usage is described in "Fund Descriptions".

Non-money market funds	Money market funds	Usage by funds
<b>11. Securities lending, repurchase/reverse repurchase agreements</b> See also "How the Funds Use Instruments and Techniques"		
<p>Must be used for efficient portfolio management only.</p> <p>The volume of transactions must not interfere with a fund's pursuit of its investment policy or its ability to meet redemptions. With loans of securities and with repurchase transactions, the fund must ensure that it has sufficient assets to settle the transaction.</p> <p>All counterparties must be subject to EU prudential supervision rules or to rules the CSSF considers to be at least as stringent.</p> <p>For each transaction, the fund must receive and hold collateral that is at least equivalent, at all times during the lifetime of the transactions, to the full current value of the securities lent.</p> <p>During the life of a repurchase contract, the fund cannot sell the securities that are the object of the contract, either before the right to repurchase these securities has been exercised by the counterparty, or the repurchase term has expired.</p> <p>A fund may lend securities:</p> <ul style="list-style-type: none"> <li>• directly to a counterparty</li> <li>• through a lending system organised by a financial Institution that specialises in this type of transaction</li> <li>• through a standardised lending system organised by a recognised clearing institution</li> </ul> <p>The FCP cannot grant or guarantee any other type of loan to a third party.</p> <p>The fund must have the right to terminate any securities lending, repurchase or reverse repurchase transaction and to recall the securities that have been lent or are subject to the repurchase agreement.</p>	<p>Securities lending is not permitted.</p> <p>The MMF must have the right to terminate a repurchase or reverse repurchase agreement with no more than two working days' notice; for reverse repurchase agreements, the MMF must receive back the full amount of cash (on either an accrued or mark-to-market basis; if the latter, that value must be used in calculating NAV).</p> <p>Repurchase agreements must meet all of the following criteria:</p> <ul style="list-style-type: none"> <li>• be no longer than 7 working days</li> <li>• be used only to manage temporary liquidity</li> <li>• the counterparty cannot sell, invest, pledge or otherwise transfer assets provided as collateral without the fund's prior consent</li> <li>• the cash received must not exceed 10% of MMF assets and must be placed in deposits or invested in assets that are issued or guaranteed by one or more EU-level issuers or a central authority or central bank of a third country and that have received, for both issuer and issue, favourable internal credit assessments</li> </ul> <p>Assets received through reverse repurchase agreements must meet all of the following:</p> <ul style="list-style-type: none"> <li>• market value must at all times at least equal cash paid out</li> <li>• they are money market instruments as described in row 2 above</li> <li>• they are issued by an entity that is independent from the counterparty and not expected display high correlation with it</li> <li>• the MMF cannot sell, invest, pledge or otherwise transfer assets provided as collateral without the counterparty's prior consent</li> <li>• they do not create more than 15% exposure to any one issuer except an EU and international issuer</li> </ul> <p>Assets received through reverse repurchase agreements in accordance with the exceptions column of row A in the "Diversification requirements" table below.</p>	<p>Material usage is described in "Fund Descriptions". For securities lending, the funds require higher collateral than regulations specify</p>
<b>12. Borrowing</b>		
<p>The FCP is not allowed to borrow in principle except if it on a temporary and represents no more than 10% of fund assets. The FCP may however acquire foreign currency via back-to-back loans.</p>	<p>Not permitted in any form.</p>	<p>No funds currently intend to borrow from banks.</p>
<b>13. Short exposure</b>		
<p>Direct short sales are prohibited. Short positions may be acquired only indirectly, through derivatives.</p>	<p>Exposure not permitted in any form.</p>	<p>Any usage likely to create material risk is described in "Fund Descriptions".</p>

### Limits on concentration of ownership

These limits are intended to prevent the FCP or a fund from the risks that could arise (for itself or an issuer) if it were to own a significant percentage of a given security or issuer. For purposes of this table and the diversification table below, companies that share consolidated accounts (whether in accordance with Directive 83/349/EEC or with recognised international rules) are considered to be a single issuer. A fund does not need to comply with the investment limits described below when exercising subscription rights attaching to transferable securities or money market instruments that form part of its assets, so long as any resulting violations of the investment restrictions are corrected as described in the introduction to "General Investment Powers and Restrictions".

Category of securities	Maximum ownership, as a % of the total value of the securities issued	
<b>NON-MONEY MARKET FUNDS</b>		
Securities carrying voting rights	Less than would enable the FCP to exercise significant influence over the management of an issuer	<p>These rules do not apply to:</p> <ul style="list-style-type: none"> <li>• securities described in row 1 of the table above</li> <li>• shares of a non-EU company that invests mainly in its home country and represents the only way for a portfolio to invest in that country in accordance with the 2010 Law</li> <li>• purchases or repurchases of shares of subsidiaries that provide only management, advice or marketing in their country, when done as a way of effecting transactions for FCP unitholders in accordance with the 2010 law</li> </ul>
Non-voting securities of any one issuer	10%	
Debt securities of any one issuer	10%	
Money market securities of any one issuer	10%	
Units of any sub-fund of an umbrella UCITS or UCI	25%	
<b>MONEY MARKET FUNDS</b>		
Money market instruments, securitisations and ABCPs of any one issuer	10%	Does not apply to money market instruments issued or guaranteed by EU and international issuers.

## Diversification requirements

To ensure diversification, a fund cannot invest more than a certain amount of its assets in one issuer, as defined below. These diversification rules do not apply during the first 6 months of a fund's operation, but the fund must observe the principle of risk spreading.

For purposes of this table, companies that share consolidated accounts (whether in accordance with Directive 83/349/EEC or with recognised international rules) are considered to be a single issuer. The percentage limits indicated by the vertical brackets in the center of the table indicate the maximum aggregate investment in any single issuer for all bracketed rows.

Maximum investment/exposure, as a % of fund assets				
Category of securities	In any one issuer	In aggregate	Other	Exceptions
<b>NON-MONEY MARKET FUNDS</b>				
A. Transferable securities and money market instruments issued or guaranteed by a sovereign nation, any EU public local authority, or any public international body to which one or more EU member states belongs.	35%	35%		A fund may invest up to 100% of its assets in a single issuer, if it is investing in accordance with the principle of risk spreading and meets all of the following criteria: <ul style="list-style-type: none"> <li>• it invests in at least 6 different issues</li> <li>• it invests no more than 30% in any one issue</li> <li>• the securities are issued by an EU member state, its local authorities or agencies, a member state of the OECD or of the G20, Singapore or by a public international bodies of which one or more EU member state belongs</li> </ul> The exception described for Row C applies to this row as well.
B. Bonds issued by a credit institution whose registered office is in an EU member state and which is subject by law to special public supervision designed to protect bondholders*.	25%			
C. Any transferable securities and money market instruments other than those described in rows A and B above.	10%	20%	20% in transferable securities and money market instruments within the same group. 40% in aggregate in all issuers in which a fund has invested more than 5% of its assets (does not include deposits and OTC derivative contracts with financial institutions subject to prudential supervision and securities indicated in rows A and B).	For index-tracking funds, the 10% increases to 20% in the case of a published, sufficiently diversified index that is adequate as a benchmark for its market and is recognised by the CSSF. This 20% increases to 35% (but for one issuer only) in exceptional market conditions, such as when the security is highly dominant in the regulated market in which it trades.
D. Deposits with credit institutions.	20%			
E. OTC derivatives with a counterparty that is a credit institution as defined in row B above (first table in section).	10% max risk exposure (OTC derivatives and efficient portfolio management techniques combined)			
F. OTC derivatives with any other counterparty.	5% max risk exposure			
G. Units of UCITS or UCIs as defined in rows 4 and 5 above (first table in section).	With no specific statement in the fund's objective and policies, 10% in one or more UCITS or other UCIs. With a specific statement: <ul style="list-style-type: none"> <li>• 20% in anyone UCITS or UCI</li> <li>• 30% in aggregate in all UCIs other than UCITS</li> <li>• 100% in aggregate in all UCITS</li> </ul>		Target funds of an umbrella structure whose assets and liabilities are segregated are considered as a separate UCITS or other UCI. Assets held by the UCITS or other UCIs do not count for purposes of complying with rows A-F of this table.	

\* These bonds also must invest all sums deriving from their issuance in assets that, for the life of the bonds, are capable of covering all claims attaching to the bonds and in case of issuer bankruptcy would be used, on a priority basis, to reimburse principal and accrued interest.

Maximum investment/exposure, as a % of fund assets

Category of securities	In any one issuer	In aggregate	Other	Exceptions
<b>MOONEY MARKET FUNDS</b>				
H. Money market instruments.	5%	5%		With regulator approval, and with disclosure in constitutional and marketing documents that includes a list of issuers in which 5% or more of assets may be invested, a fund may invest in as few as six issues that are issued by an EU member state, its local authorities or agencies, a member state of the OECD or of the G20, Singapore or by a public international bodies of which one or more EU member state belongs, up to 100% net exposure, if it is investing in accordance with the principle of risk spreading and invests no more than 30% in any one issue.
I. Securitizations and ABCPs.	5%			
J. Bonds issued by a credit institution whose registered office is in an European state and which is subject by law to special public supervision designed to protect bondholders*.	10%	15%	40% In aggregate in all issuers in whose bonds a fund has invested more than 5% of assets.	A VNAV may invest up to 10% of assets in a single issuer's Row H and I investments so long as it does not invest more than 40% of assets in all issuers in whose bonds it invests more than 5% of assets.
K. Deposits with credit institutions.	10%			
L. Reverse repurchase agreements.	15% in cash to any one counterparty			Increases to 15% (and the aggregate limit of 15% on Row H through L exposures increases to 20%) if there are not enough viable credit institutions in the MMF's jurisdiction to allow it to meet the diversification requirement and it is not economically feasible to make deposits in another member state. With local regulator approval, increases to 100% for instruments issued or guaranteed by EU and international issuers.
M. OTC derivatives.	5% exposure to any one counterparty			

\* These bonds also must invest all sums deriving from their issuance in assets that, for the life of the bonds, are capable of covering all claims attaching to the bonds and in case of issuer bankruptcy would be used, on a priority basis, to reimburse principal and accrued interest.

### Management and monitoring of global risk

The Management Company uses a risk management process, approved and supervised by its board, to monitor and measure at any time the overall risk profile of each Fund from direct investment, derivatives, techniques, collateral and all other sources. Global exposure assessments are calculated every trading day (whether or not the Fund calculates a NAV for that day), and encompass numerous factors, including coverage for contingent liabilities created by derivative positions, counterparty risk, foreseeable market movements and the time available to liquidate positions.

Any derivatives embedded in transferable securities or money market instruments count as derivatives held by the Fund, and any exposure to transferable securities or money market instruments gained through derivatives (except certain index-based derivatives) counts as investment in those securities or instruments.

**Risk monitoring approaches** There are 3 main risk measurement approaches: the commitment approach and the 2 forms of value at risk (VaR), absolute VaR and relative VaR. These approaches are described below, and the approach each Fund uses is identified in "Fund Descriptions" within the Prospectus. The Management Company chooses the approach a Fund will use based on its investment policy and strategy.

Approach	Description
<b>Absolute Value-at-Risk (Absolute VaR)</b>	The fund seeks to estimate the maximum potential loss due to market risk it could experience in a month (20 trading days) under normal market conditions. The estimate is based on the previous 12 months (250 Business Days) of the fund's performance, and requires that 99% of the time, the fund's worst outcome is no worse than a 20% decline in net asset value.
<b>Relative Value-at-Risk (Relative VaR)</b>	The same as absolute VaR, except that the worst-outcome estimate is an estimate of how much the fund could underperform a stated benchmark. The VaR of the fund cannot exceed 200% of the VaR of the benchmark.

**Commitment**

The fund calculates its global exposure by taking into account either the market value of an equivalent position in the underlying asset or the derivative's notional value, as appropriate. This allows the fund to reduce its global exposure by taking into account the effects of any hedging or offsetting positions. Certain types of risk-free transactions, leverage-free transactions and non-leveraged swaps are therefore not included in the calculation. A fund using this approach must ensure that its overall market exposure does not exceed 210% of total assets (100% from direct investment, 100% from derivatives and 10% from borrowings).

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**Gross leverage** Any fund that uses a VaR approach must also calculate its expected level of gross leverage, which is stated in "Fund Descriptions". A fund's expected leverage is a general indication, not a regulatory limit; the actual leverage may exceed the expected level from time to time. However, a fund's use of derivatives will remain consistent with its investment objective, investment policies and risk profile, and will comply with its VaR limit.

Gross leverage is a measure of the leverage created by total derivative usage and by any instruments or techniques used for efficient portfolio management. It is calculated as the "sum of the notionals" (the exposure of all derivatives, without treating opposing positions as canceling each other out) and includes the fund's portfolio. Since this calculation considers neither sensitivity to market movements nor whether a derivative is increasing or decreasing a fund's overall risk, it may not be representative of a fund's actual level of investment risk.

## Article 12 How the Funds Use Instruments and Techniques

### Legal and regulatory framework

A Fund may use the following instruments and techniques for the purposes of efficient fund management (as described below) consistent with the 2010 Law, the UCITS Directive, Grand Ducal regulation of 8 February 2008, CSSF Circulars 08/356 and 14/592, ESMA guidelines 14/937, the Securities Financing Transactions (SFT) regulation (EU) 2015/2365 and any other applicable law and regulation. Each Fund's usage must not increase its risk profile beyond what it otherwise would have been.

The risks associated with instruments and techniques are described in "Risk Descriptions" within the Prospectus. The main risks are derivatives risk (with respect to derivatives only), counterparty risk (which incorporates custody and collateral risk), leverage risk, liquidity risk, operational risk, and the bullet on conflicts of interest found in the description of investment fund risk.

### Derivatives the Funds can use

A derivative is a financial contract whose value depends on the performance of one or more reference assets (such as a security or basket of securities, an index or an interest rate).

The following are the most common derivatives (though not necessarily all derivatives) used by the Funds:

*Core Derivatives – may be used by any Fund, consistent with its investment policy*

- financial futures, such as futures on interest rates, indices or currencies
- options, such as options on equities, interest rates, indices (including commodity indices), bonds or currencies, and on futures
- rights and warrants
- forwards, such as foreign exchange contracts
- swaps (contracts where two parties exchange the returns from two different reference assets, such as foreign exchange or interest rate swaps and swaps on baskets of equities but NOT including total return, credit default, commodity index, volatility or variance swaps)
- credit derivatives, such as credit default swaps, or CDSs (contracts where one party receives a fee from the counterparty in exchange for agreeing that, in the event of a bankruptcy, default or other "credit event", it will make payments to the counterparty designed to cover the latter's losses)

*Additional Derivatives – any intent to use will be disclosed in "Fund Descriptions" within the Prospectus*

- structured financial derivatives, such as credit-linked and equity-linked securities
- total return swaps, or TRSs (transaction in which one counterparty makes payments based on a fixed or variable rate to the other counterparty, who transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation, such as an equity, bond or index); this category includes contracts for difference (CFDs)

Futures are generally exchange-traded. All other types of derivatives are generally OTC (over the counter, meaning they are in effect private contracts between a Fund and a counterparty).

TRSs can be funded or unfunded (with or without a required upfront payment). Assets, to which exposure will be gained, may include equities and equity-related securities, debt and debt-related instruments and financial indices and their components, according to investment policy of the Fund.

A fund authorized to TRSs does it on a temporary basis, and

irrespective of the specific market conditions that could occur. TRSs are used mainly for implementing components of the investment strategy to enhance returns that can only be achieved through derivatives such as gaining short exposure to companies. TRSs may also be used for implementing elements of the investment strategy for efficient portfolio management such as gaining cost efficient long exposure.

The percentage of TRS used should remain close to the related expected level indicated in "Fund Descriptions" of the Prospectus.

For any index-linked derivatives, the index provider determines the rebalancing frequency and there is no cost to the relevant Fund when the index itself rebalances.

### What the Funds can use derivatives for

A Fund may use derivatives for any of the following purposes, consistent with its objective and policies as described in "Fund Descriptions".

**Hedging** Hedging is taking a market position that is in the opposite direction from – and is no greater than – the position created by other Fund investments, for the purpose of reducing or canceling out exposure to price fluctuations or certain factors that contribute to them.

- **Credit hedging** Typically done using credit default swaps. The goal is to hedge against credit risk. This includes purchasing or selling protection against the risks of specific assets or issuers as well as proxy hedging (taking an opposite position in a different investment that is likely to behave similarly to the position being hedged).
- **Currency hedging** Typically done using currency forwards. The goal is to hedge against currency risk. This can be done at the Fund level and, with H units, at the unit class level. All currency hedging must involve currencies that are within the applicable Fund's benchmark or are consistent with its objectives and policies. When a Fund holds assets denominated in multiple currencies, it might not hedge against currencies that represent small portions of assets or for which a hedge is uneconomical or unavailable. A Fund may engage in:
  - direct hedging (same currency, opposite position)
  - cross-hedging (reducing exposure to one currency while increasing exposure to another, the net exposure to the base currency being left unchanged), when it provides an efficient way of gaining the desired exposures
  - proxy hedging (taking an opposite position in a different currency that is considered likely to behave similarly to the base currency)
  - anticipatory hedging (taking a hedge position in anticipation of an exposure that is anticipated to arise as the result of a planned investment or other event)
- **Duration hedging** Typically done using interest rate swaps, swaptions and futures. The goal is to seek to reduce the exposure to rate shifts for longer-maturity bonds. Duration hedging can be done only at the Fund level.
- **Price hedging** Typically done using options on indices (specifically, by selling a call or buying a put). Usage is generally limited to situations where there is sufficient correlation between the composition or performance of the index and that of the Fund. The goal is to hedge against fluctuations in the market value of a position.
- **Interest rate hedging** Typically done using interest rate futures, interest rate swaps, writing call options on interest rates or buying put options on interest rates. The goal is to manage interest rate risk.

**Investment exposure** A Fund can use any allowable derivative to gain exposure to permissible assets, in particular when direct investment is economically inefficient or impracticable.

**Leverage** A Fund can use any allowable derivative to increase its total investment exposure beyond what would be possible through direct investment. Leverage typically increases Fund volatility.

**Efficient portfolio management** Reducing risks or costs or generating additional capital or income.



## Instruments and techniques the Funds can use

A Fund can use the following instruments and techniques with respect to any and all securities it holds, but only for efficient Fund management (as described above).

**Securities lending** Under these transactions, the Fund lends assets (such as bonds and shares) to qualified borrowers, either for a set period or returnable on demand. In exchange, the borrower pays a loan fee plus any income from the securities, and furnishes collateral that meets the standards described in this prospectus.

The Fund limits securities lending to 90% of any given asset, and lends only when it receives the guarantee of a highly rated financial institution or the pledge of cash or securities issued by OECD governments and the loan is for more than 30 days.

**Repurchase and reverse repurchase agreement transactions** Under these transactions, the Fund respectively buys or sells securities to a counterparty, against payment, and has either the right or the obligation to sell back or buy back (respectively) the securities at a later date and a specific (and typically higher) price.

A fund authorised to use repurchase and reverse repurchase transactions does it on a continued basis, and irrespective of the specific market conditions that could occur, with the goal to generate additional income.

Only the following assets may be used for repurchase and reverse repurchase agreements:

- short-term bank certificates or money market instruments
- shares or units of investment-grade money market UCIs
- adequately liquid bonds of non-governmental issuers
- bonds issued or guaranteed by an OECD country (including the country's local public authorities) or by a supranational institution or undertaking with regional (including EU) or world-wide scope
- units included in a main index and traded on an EU regulated market or a stock exchange of an OECD country

## Where usage and fees are disclosed

**Current use** The following are disclosed in "Fund Descriptions" within the Prospectus for any Fund that currently uses them:

- for total return swaps, contracts for difference and similar derivatives: the maximum and expected exposure, calculated using the commitment approach and expressed as a percentage of net asset value
- for repurchase and reverse repurchase agreement transactions: the maximum and expected limits expressed as a percentage of net asset value
- for securities lending: the maximum and expected limits expressed as a percentage of net asset value

The following are disclosed in financial reports:

- the usage of all instruments and techniques used for efficient fund management
- in connection with this usage, the revenues received, and the direct and indirect operational costs and fees incurred by each Fund
- who received payment for the above costs and fees and any relationship a recipient might have with any affiliates of Intesa Sanpaolo Group or the depositary
- information on the nature, use, reuse and safekeeping of collateral
- the counterparties the FCP has used during the period covered by the report, including the major counterparties for collateral

**Future use** For any derivative or technique for which expected and maximum usage is specifically provided in "Fund Descriptions" within the Prospectus, a Fund may at any time

increase its usage up to the stated maximum.

If no provision for use currently appears in "Fund Descriptions" or here in "How the Funds Use Instruments and Techniques" within the Prospectus:

- for total return swaps, contracts for difference and similar derivatives, and for repurchase and reverse repurchase transactions: the Fund description in the prospectus must be updated to comply with "Current use" above before the Fund can start using these derivatives
- for securities lending: the fund description in the prospectus must be updated to comply with "Current use" above before the fund can start lending securities

## Counterparties to derivatives and techniques

The Management Company must approve counterparties before they can serve as such for the FCP. In addition to the requirements stated in Rows 10 and 11 in "General Investment Powers and Restrictions" table, a counterparty will be assessed on the following criteria:

- regulatory status
- protection provided by local legislation
- operational processes
- creditworthiness analysis including review of available credit spreads or external credit ratings; for CDSs and variance swaps, the counterparty must be a first-rate financial institution
- degree of experience and specialisation in the particular type of derivative or technique concerned

Legal status and country of origin or domicile are not in themselves directly considered as selection criteria.

Unless otherwise stated in this prospectus, no counterparty to a Fund derivative can serve as an investment manager of a Fund or otherwise have any control or approval over the composition or management of a Fund's investments or transactions or over the assets underlying a derivative. Affiliated counterparties are allowed provided that the transactions are conducted at arm's length.

The lending agent will continuously assess the ability and willingness of each securities borrower to meet its obligations, and the FCP retains the right to rule out any borrower or to terminate any loan at any time. The generally low levels of counterparty risk and market risk associated with securities lending are further mitigated by counterparty default protection from the lending agent and the receipt of collateral.

## Collateral policies

These policies apply to assets received from counterparties in connection with transactions in securities lending, reverse repurchase transactions and OTC derivatives.

**Acceptable collateral** All securities accepted as collateral must be high quality.

Non-cash collateral must be traded on a regulated market or multilateral trading facility with transparent pricing and must be able to be sold quickly for close to its pre-sale valuation. To ensure that collateral is suitably independent from the counterparty as far as both credit risk and investment correlation risk, collateral issued by the counterparty or its group is not accepted. The collateral is not expected to display a high correlation with the performance of the counterparty.

Counterparty credit exposure is monitored against credit limits. All collateral should be capable of being fully enforced by the Fund at any time without reference to, or approval from, the counterparty.

Collateral received from a counterparty in any transaction may be used to offset the overall exposure to that counterparty.

To avoid having to handle small collateral amounts, the FCP may set a minimum collateral amount (amount below which it will not require collateral) or a threshold (incremental amount above which it will not require additional collateral).



For Funds that receive collateral for at least 30% of their assets, the associated liquidity risk is assessed through regular stress tests that assume normal and exceptional liquidity conditions.

**Diversification** All collateral held by the FCP must be diversified by country, market and issuer, with exposure to any issuer no greater than 20% of a Fund's net assets. If stated in the Fund description, a Fund could be fully collateralised by different transferable securities and money market instruments issued or guaranteed by a member state, one or more of its local authorities, a third country, or a public international body to which one or more member states belong. In this case, the Fund should receive collateral from at least 6 different issues, with no issue exceeding 30% of the Fund's total net assets.

**Reuse and reinvestment of collateral (currently not done by any Fund)** Cash collateral will either be placed on deposit or invested in high-quality government bonds, reverse repurchase transactions or short-term money market funds (as defined in the Guidelines on a Common Definition of European Money Market Funds) that calculate a daily net asset value and are rated AAA or equivalent. All investments must meet diversification requirements disclosed above.

If a Fund invests collateral from securities lending in reverse repurchase transactions, the limits that apply to securities lending will extend to reverse repurchase transactions.

Non-cash collateral will not be sold, reinvested or pledged.

**Custody of collateral** Collateral (as well as other securities that can be held in custody) transferred by title to a Fund will be held by the depositary or a sub-custodian. With other types of collateral arrangements, such as a pledge agreement, collateral can be held by a third party custodian that is subject to prudential supervision and is unrelated to the collateral provider.

**Valuation and haircuts** All collateral is marked to market (valued daily using available market prices), taking into account any applicable haircut (a discount to the value of collateral intended to protect against any decline in collateral value or liquidity). A Fund may demand additional collateral (variation margin) from the counterparty to ensure that the collateral value at least equals the corresponding counterparty exposure.

The haircut rates currently applied by the funds are shown below. The rates take account of the factors likely to affect volatility and risk of loss (such as credit quality, maturity and liquidity), as well as the results of any stress tests which may be performed from time to time. The Management Company may adjust these rates at any time, without advance notice, but incorporating any changes into an updated version of the prospectus.

The value of collateral received should, during the duration of the contract, be at least equal to 102% of the global valuation of the securities concerned by such transactions or techniques.

Cash haircuts vary depending on the currency. No haircut is typically applied when the currency is the same as the base currency of the Fund. Bond haircuts vary depending on maturity. Equity haircuts vary depending on type of securities lent.

### Revenues paid to the Funds

In general, any net revenues from the use of derivatives and techniques will be paid to the applicable Fund, in particular:

- from repurchase and reverse repurchase transactions and total return swaps: all gross revenues (the costs of collateral management being included in the annual operating and administration fee)
- from securities lending: funds lending securities will pay a reasonable fee to the lending agent for its services and the guaranty it provides equivalent to maximum 15% of the gross revenues generated from any lending of their securities and retain at least 85% of these revenues

## Article 13 Money Market Fund Regulation

**Legal and regulatory framework** The money market fund regulation (officially Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds) applies to all money market funds domiciled or offered in the EU. The regulation seeks to make money market funds more resilient and to ensure that they are able to maintain liquidity during times of market stress or high redemption, stressed market situations and substantial and sudden redemptions.

**Types of money market funds** The regulation permits funds in the following categories:

Type of fund	Short-term	Standard
Public debt constant NAV	●	—
Low volatility NAV	●	—
Variable NAV	●	●

**Credit and stress testing procedures** Each fund that is an MMF has prudent, fund-specific internal procedures for

determining credit quality of intended investments (partly to avoid over-reliance on agency ratings), with new assessments required whenever there is a material change, in particular a downgrade below the two highest short-term credit ratings. These credit procedures follow a clear and documented set of rules that can be monitored and the methodologies employed are communicated, upon request, to investors and regulatory authorities.

At least twice a year, the funds that are MMFs conduct stress testing and take steps to address any vulnerabilities revealed.

**Prohibition on external support** No fund that is an MMF receives any direct or indirect support from a third party, including the sponsor of the MMF. This extends to cash injections, the purchase of portfolio assets at an inflated price, the issuing of a guarantee, or any other action whose intention or effect would be to guarantee the liquidity of the MMF or the stability of its NAV.

**Other requirements** Other requirements of the money market fund regulation are described in the section "General Investment Powers and Restrictions"

## Article 14 Valuation of the assets

The FCP's consolidated financial statements are expressed in euros. Each Fund's financial statements are expressed in their respective currency ("Reference Currency")

The Net Asset Value will be determined on each day according to the calendar of processing days available at eurizoncapital.lu and upon request at the management company.

The Net Asset Value for each Fund and FCP Unit Class will be calculated as follows:

For a Fund that has issued only a single Class of Unit, the Net Asset Value per Unit is determined by dividing the Fund's net assets, which are equal to (i) the value of the assets attributable to the Fund and the revenue produced thereby, less (ii) the liabilities attributable to this Fund and any provision considered as prudent or necessary, by the total number of outstanding Units of the Fund in question on the Business Day in question.

If a Fund has issued two or more Classes of Units, the Net Asset Value per Unit for each Unit Class shall be computed by dividing the net assets, as defined above, included this Class by the total number of outstanding Units of the same Class in circulation in the Fund on the Business Day in question.

Each Fund's assets and liabilities are valued in its Reference Currency.

Insofar as it is possible income from the investments, the interest due, expenses and other fees (including administrative costs and management expenses due to the Management Company) are valued on each Business Day, and the FCP's commitments, if any, are taken into account on the basis of the valuation made thereof.

The net assets of each of the FCP's Funds shall consist of the following:

- (i.) Cash on hand or on deposit, including interest;
- (ii.) All bills and promises to pay on first demand as well as receivables (including proceeds from securities sold but not delivered);
- (iii.) All shares, bonds, subscription rights, guarantees, options and other securities, units or shares of other UCITS and/or UCI, financial instruments and similar assets held or contracted for and by the FCP (it being understood that the FCP may make adjustments without departing from section (iv.) below with respect to fluctuation in the market value of the securities caused by transfer of ex-dividends, ex-rights or by similar practices);
- (iv.) All dividends and cash payouts that may be received by the FCP insofar as the information concerning them is reasonably available to the FCP;
- (v.) Any accrued interest relative to fixed-income securities held on an ownership basis by the FCP, except insofar as this interest is included or reflected in the principal amount of the security in question;
- (vi.) The cash-in value of futures contracts and buy or sell options contracts in which the FCP has an open interest;
- (vii.) The FCP's expenditures, including the cost of issue and of distribution of FCP Units, insofar as they must be reversed;
- (viii.) All other assets of all types and all kinds, including prepaid expenses.

The value of these assets shall be determined as follows:

- (i.) The value of cash on hand or on deposit, bills of exchange and bills payable at sight and accounts receivable, of prepaid expenditures, dividends in cash and interest accrued but not yet received shall consist of the amount thereof, unless it is unlikely that such amount can be collected. In this case, the value shall be determined by deducting a certain amount, as seems appropriate in the view of the Management Company, so as to reflect the real value of these assets.
- (ii.) The valuation of each security listed or traded on a stock exchange is based on the most recent closing price, and if the security is traded on several markets, on the basis of the most recent closing price of the security on its principal market. If the last known price is not representative, valuation shall be based on its likely market value, estimated prudently and in good faith.
- (iii.) The value of each security traded on a regulated market shall be based on the most recent closing price on the Business Day.
- (iv.) The value of each participation in another UCITS and/or open-ended UCI shall be based on the last Net Asset Value known on the Business Day.
- (v.) In the event that the securities held in the Fund's portfolio on the day in question are not listed or traded on a stock exchange or regulated market or if, with respect to the securities listed and traded on a stock exchange or regulated market, the price as determined pursuant to the procedures set forth in Subsections (ii.) or (iii.) is not representative of the securities, the value of these securities shall be fixed in a reasonable way on the basis

of the sale prices anticipated cautiously and in good faith.

- (vi.) The cash-in value of futures contracts or options not traded on stock exchanges or other organised markets shall be their net cash-in value, determined in accordance with the policies set forth by the Management Company, on a basis that is constantly applied for each type of contract. Procedures used by the Management Company provide for the use of internal models based on such settings as the value of the underlying security, interest rates, dividend yields and estimated volatility.
- (vii.) The cash-in value of futures contracts or options traded on stock exchanges or organised markets shall be based on the last closing settlement price of these contracts appearing on the stock exchanges or organised markets where the aforementioned contracts are traded in the FCP's name, provided that, if a contract on futures, forwards or options contracts cannot be settled on that day, the basis used to determine the cash-in value of such contract shall be the value the Management Company considers fair and reasonable.
- (viii.) Swap contracts and all other securities and assets shall be valued at their market value as determined in good faith, pursuant to procedures established by the Management Company. The market value of swap contracts will in particular be calculated according to the usual methods in practice, i.e. using the difference between the updated values of forecasted flows the counterparty is to pay to the Fund and those owed by the Fund to its counterparties.
- (ix.) The CDS will be valued at their market value as determined in good faith, pursuant to procedures established by the Management Company. The market value of CDS contracts will in particular be calculated according to the usual methods in practice, i.e. based on the market premium curve of reference CDS, with the aim of extracting default probabilities of underlying issuers, and the average rate of debt collection. This value is usually provided by an independent specialized vendor.
- (x.) Liquid asset, money market instruments or any other short-term debt or debt-related instruments may be valued at nominal value plus any accrued interest or on an amortized cost basis, provided a regular review of the portfolio holdings is performed to detect any material deviation between the net assets calculated using these methods and those calculated using market quotations. If a deviation exists which may result in a material dilution or unfair result to Unitholders, appropriate corrective actions will be taken including, if necessary, the calculation of the net assets value by using available market quotations.
- (xi.) In particular, as regards the valuation of the assets of the FCP's Funds authorised as money market funds in accordance with Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, such assets are valued by using mark-to-market method (means the valuation of positions at readily available close out prices that are sourced independently, including exchange prices, screen prices, or quotes from several independent reputable brokers) whenever possible. When using mark-to-market method:
  - (i.) such assets are valued at the more prudent side of bid and offer unless the asset can be closed out at mid-market;
  - (ii.) only good quality market data are used; such data are assessed on the basis of all of the following factors:
    - the number and quality of the counterparties;

- the volume and turnover in the market of the asset of the money market fund;
- the issue size and the portion of the issue that the money market fund plans to buy or sell.

Where use of mark-to-market method is not possible or the market data is not of sufficient quality, an such an asset of a FCP's Fund authorised as money market fund is valued conservatively by using mark-to-model method (means any valuation which is benchmarked, extrapolated or otherwise calculated from one or more market input). The model accurately estimates the intrinsic value of the asset of the Fund, based on all of the following up-to-date key factors:

- (i.) the volume and turnover in the market of that asset;
- (ii.) the issue size and the portion of the issue that the money market fund plans to buy or sell;
- (iii.) market risk, interest rate risk, credit risk attached to the asset.

The Net Asset Value of any Unit Class in Funds authorised as money market funds shall be calculated at least daily and rounded to the nearest basis point or its equivalent when the Net Asset Value is published in a currency unit.

In any case the adopted calculation criteria, applied on a regular basis, are to be such as to allow for auditing by the auditor of the FCP.

The liabilities of each of the FCP's Funds shall consist of the following:

- (i.) all borrowings, bills and debts payable;
- (ii.) all capitalized interest on the FCP's borrowings (including cumulative expenses for commitments in these borrowings);
- (iii.) all expenditures incurred or payable (including but not limited to administrative expenditures and management costs, including, as the case may be, performance and deposit fees);
- (iv.) all known commitments, present and future, including liquid and certain contractual obligations to be paid in cash or in kind, including the amount of unpaid dividends declared by the FCP;
- (v.) the appropriate provisions for future taxes based on income or capital on Business Day, as determined from time to time by the FCP, and other reserves, if any, authorized and approved by the Management Company, as well as any amount, if any, the Management Company may consider as being an appropriate allocation in light of the FCP's debts;
- (vi.) any other FCP commitment of any kind or nature whatsoever in accordance with generally accepted accounting principles. In determining the amount of these commitments the FCP shall take into account all expenditures due from the FCP by virtue of Article 7 . The FCP may make an advance calculation of administrative and other expenses of a regular or recurrent nature on the basis of an amount estimated for annual periods or for other periods, and it may cover these amounts by provisions in equal amounts for the entire period.

The value of all assets and liabilities not expressed in the Fund's Reference Currency shall be converted into the Fund's Reference Currency at the relevant exchange rate applied in Luxembourg, i.e. the official exchange rate available. If these rates are unavailable, the exchange rate shall be determined in good faith pursuant to procedures set forth by the Management Company's Board of Directors.

The Management Company's Board of Directors may at its

discretion allow the use of other valuation methods if it considers that such a method produces a value more representative of the FCP's assets.

If valuation in accordance with the procedures set forth above becomes impossible or inadequate owing to extraordinary circumstances, the Management Company may, in appropriate cases, use other criteria cautiously and in good faith for the purpose of obtaining what it believes to be a fair valuation under such circumstances.

### Allocation of the FCP's Assets

The Management Company's Board of Directors shall create Unit Class per Fund, and shall be entitled to create two or more Classes of Units under each Fund as follows:

- (i.) If two or more Classes of Units are created under one Fund, the assets attributable to these Classes shall be invested jointly in accordance with the particular investment policy of the Fund in question;
- (ii.) The income receivable from the issue of Units of a Class shall be allocated, on the FCP's books, to the Fund under which this Unit Class, was created. If several Classes of Units are created under one Fund, the net assets attributed to each Unit Class will be in proportion to the income received from the issue of Units in that Unit Class;
- (iii.) The assets, liabilities, income and expenditures applied to a Fund shall be attributed to the Class or the Classes of Units to which such assets, liabilities, income and expenditures relate;
- (iv.) When the FCP has a debt related to an asset of a particular Fund or to all actions carried out in relation to an asset of a particular Fund, such a debt must be allocated to the Fund in question;
- (v.) If any asset or debt of the FCP cannot be considered as attributable to a particular Fund, such assets or debts shall be allocated to all Funds in proportion to the Net Asset Value of the Classes of Units in question, or in any other way determined by the Management Company acting in good faith;
- (vi.) After payment of dividends to the Holders of any Unit Class, the Net Asset Value of any Unit Class shall be reduced by the amount of these distributions.

### Swing pricing procedures

On business days when the net number of a fund's units purchased or redeemed exceeds 2% of the fund's total net assets, the management company may value that fund's assets at offer price or bid price, respectively. This adjustment reflects an assessment of the overall costs incurred in buying and selling investments to satisfy purchases or sales of units (understanding that a fund generally maintains adequate daily liquidity to handle ordinary cash flows with little or no impact on ordinary investment operations).

Swing pricing is intended to reduce the impact of these costs on unitholders who are not trading their units at that time. Swing pricing can have the effect of somewhat amplifying volatility.

### Suspension of the Net Asset Value Calculation and Suspension of the Issue, Conversion and Redemption of Units

By agreement with the Depositary, the Management Company is authorized to temporarily suspend, the calculation of the Net Asset Value or the Issue, conversion or redemption of Units of one or of several Funds, in the following cases:

- (i.) When transactions on one or several stock markets providing the basis for valuation of a substantial part of the assets of one or several of the FCP's Funds, or on one or several foreign exchange markets in the currencies in which a substantial part of the assets is expressed, are suspended, subject to restrictions or are subject in the short term to substantial fluctuations;
- (ii.) During the existence of any situation constituting a state of emergency, such as a political, economic, military, monetary or social situation or strike, or any event of force majeure (significant national crisis) for which the Management Company is not responsible or which is beyond its control, and that makes it impossible to use the assets of one or of several Funds of the FCP by way of reasonable and normal procedures, without causing serious prejudice to the Unitholders;
- (iii.) When, for any reason whatsoever and beyond the control and responsibility of the Management Company, the value of an asset cannot be known fast enough or accurately enough;
- (iv.) When exchange restrictions or capital movements prevent carrying out transactions on behalf of one or several of the FCP's Funds, or when the purchase or sale of the assets of one or several Funds of the FCP cannot be carried out on the basis of normal exchange rate;
- (v.) In all other cases of *force majeure* or beyond the control of the Management Company which the latter, by agreement with the Depositary, considers necessary and in the best interest of Unitholders.

During the period of suspension or of delay, any request for redemption, subscription, or conversion not carried out may be withdrawn via a written notification. Otherwise the request will be handled on the first Business Day following the end of the suspension or delay of calculation of the Net Asset Value.

Such a suspension, relative to any Unit Class in any Fund, shall have no consequences with respect to the calculation of the Net Asset Value per Unit, or to the issue, redemption or conversion of Units in any other Fund of the FCP.

The Management Company must indicate without delay its decision to suspend calculation of the Net Asset Value, or the issue, conversion and redemption of the Units, to the supervisory authority in Luxembourg and to the authorities of other States in which the Units are traded or marketed.

The suspension shall be published pursuant to the provisions indicated in Article 9 .

## Article 15 Income Allocation Policies

The Management Company may issue distributing Units and non-distributing Units in certain classes of Units within the Funds of the FCP. Non-distributing Units capitalise their entire earnings whereas distributing Units pay dividends. The Management Company shall determine how the income of the relevant classes of Units of the relevant Funds shall be distributed and the Management Company may declare from time to time, at such time and in relation to such periods as the Board of Directors of the Management Company may determine, as disclosed in the sales documents of the FCP, distributions in the form of cash or Units as set forth hereinafter. All distributions will in principle be paid out of the net investment income available for distribution at such frequency as shall be determined by the Management Company. The Management Company may, in compliance with the principle of equal treatment between Unitholders, also decide that for some classes of Units, distributions will be paid out of the

gross assets (i.e. before deducting the fees to be paid by such class of Units) depending on the countries where such classes of Units are sold and as more fully described in the relevant country specific information. For certain classes of Units, the Management Company may decide from time to time to distribute capital or capital gains. Interim dividends may be declared and distributed from time to time at a frequency decided by the Management Company with the conditions set forth by law. Unless otherwise specifically requested, dividends will be reinvested in further Units within the same class of the same Fund and investors will be advised of the details by dividend statement. No sales charge will be imposed on reinvestments of dividends or other distributions. No distribution may however be made if, as a result, the Net Asset Value of the FCP would fall below euro 1,250,000. Dividends not claimed within five years of their due date will lapse and revert to the relevant class. No interest shall be paid on a distribution declared by the FCP and kept by it at the disposal of its beneficiary.

## Article 16 Amendments to the Management Regulations

These Management Regulations as well as any amendments thereto shall enter into force on the date of signature thereof unless otherwise specified. The Management Company may at any time amend wholly or in part the Management Regulations in the interests of the Unitholders. The first valid version of the Management Regulations and amendments thereto shall be deposited with the commercial register in Luxembourg. Reference to respective depositing shall be published in the RESA.

## Article 17 Liquidation of the FCP, its Funds, and the Classes of Units

The FCP and each Fund or Unit Class have been created for an indefinite period. However, the FCP or any Fund or, as the case may be, Unit Class, may be liquidated in the cases provided for by law, or at any time after the Management Company has informed the Depositary.

Liquidation and split of the FCP may not be requested by a Unitholder or his/her designated heirs or assignees.

In particular, the Management Company is authorized to decide on liquidation of the FCP in the cases provided for by law or if:

- The Management Company is dissolved or ceases its activities without, in the latter case, being replaced.
- The FCP's net assets have for a period of six months fallen below the legal minimum set forth in Article 23 of the Law of on Collective Investment Undertakings.

It may also decide to liquidate the FCP, any Fund or any Unit Class when the value of the net assets of the FCP, any Fund or a Unit Class of a Fund has fallen below, respectively, the levels of 50,000,000, 5,000,000 or 1,000,000 euros, determined by the Management Company as being the minimum level for the FCP, the Fund or the Unit Class to operate in an economically effective way – or in case of a significant change in the political and economic situation.

In the event of liquidation of the FCP, the decision or the event leading to liquidation must be published, under the conditions set forth in the Law of 17 December 2010 on Collective Investment Undertakings, on the official electronic platform *Récueil Electronique des Sociétés et Associations* and in two newspapers with sufficient circulation, including one Luxembourg newspaper. Issues, redemptions and conversions of Units shall cease at the time of the decision or the event leading to liquidation.

In the event of liquidation the Management Company shall realize the assets of the FCP or of the Fund in question in the best interests of its Unitholders, and, on the basis of instructions issued

by the Management Company, the Depositary shall distribute the net proceeds from the liquidation, after deduction of the expenses related thereto, among the Unitholders of the liquidated Fund in proportion to the number of Units they hold in the Fund in question.

In case of liquidation of a Unit Class the net proceeds from the liquidation shall be distributed among the Unitholders of the Class concerned in proportion to the Units held by them in this Unit Class.

If the Unitholders agree, and if the principle of equal treatment of the Unitholders is respected, the Management Company may distribute the assets of the FCP or the Fund or, as the case may be, of the Unit Class, in total or in part, in kind, pursuant to conditions set forth by the Management Company (including but not limited to presentation of an independent valuation report).

Pursuant to Luxembourg law, at the close of the liquidation of the FCP, the receipts corresponding to the Units not presented for redemption shall be kept on deposit at the Caisse de Consignation in Luxembourg until the end of the term of limitation related thereto.

In the event of a liquidation of a Fund or of a Unit Class, the Management Company may authorize the redemption or conversion of all or part of the Units of the Unitholders, at their request, at the Net Asset Value per Unit (taking into account the market prices of the investments as well as expenditure incurred in connection with the liquidation), from the date on which the decision to liquidate was made and until its effective date.

These redemptions and conversions are exempt from the applicable commissions.

At the end of the liquidation of any Fund or Unit Class the proceeds from the liquidation corresponding to Units not presented for redemption may be kept on deposit at the Depositary for a period not exceeding six months, starting with the end date of the liquidation. After that term these receipts shall be kept on deposit at the Caisse de Consignation.

### **Article 18 Closing of Funds or Units Classes via Merger with another Fund or Units Class of the FCP or via Merger with another Luxembourg or Foreign UCI**

The Management Company may cancel Units issued in a Fund and, after deduction of all relevant expenditures, may allocate Units to be issued in another Fund of the FCP, or in another collective investment undertaking ("UCITS") organized pursuant to Part I of the Law of 17 December 2010 on Collective Investment Undertakings, as long as the investment policies and objectives of the other Fund or UCITS are compatible with the investment policies and objectives of the FCP or the Fund in question.

The decision may be made when the value of assets of a Fund or of a Unit Class of a Fund affected by the proposed cancellation of its Units has fallen below, respectively, an amount of 5,000,000 or of 1,000,000 euros, determined by the Management Company as being the minimum level enabling the Fund or the Unit Class to act in an economically effective way – or in case of a change in the economic or political situation or in any other case, for protection of the general interest of the FCP and the Unitholders.

In such a case a notification shall be published in a Luxembourg daily newspaper and in any other recognized and legally binding media decided by the Management Company. This notification must be published at least one month before the date on which the Management Company's decision is effective. In all cases it must mention the reasons and procedures of the transaction and,

in case of differences between the operating structures and investment policies of the merging Fund or Unit Class and the Fund, the Unit Class or the UCITS benefiting therefrom, must mention the grounds for these differences.

Such merger shall be subject to the (i) prior authorization of the CSSF in case the FCP or its Funds is /are the merging UCITS and (ii) the conditions and procedures imposed by the Law of 17 December 2010 in particular concerning the merger project and the information on the proposed merger to be provided to the unitholders at least one month before the last date for requesting repurchase or redemption or as the case may be conversion as explained under the paragraph below.

The Unitholders shall then be entitled to request, during a period of one month starting from the date of the abovementioned publication, the redemption or conversion of all or part of their Units, at the Net Asset Value per Unit, as determined in the Prospectus, without paying any expenses, taxes or fees whatsoever.

Any cost associated with the preparation and the completion of the merger shall not be charged neither to the FCP nor to its unitholders.

In case the Management Company decides to merge one or several Funds or Unit Classes of the FCP, in the interest of the Unitholders, with another foreign UCITS as provided for in these Management Regulations, this merger is possible only with the unanimous approval of all of the Unitholders of the Fund in question, or on condition of transferring only those Unitholders who agreed on the transaction.

### **Article 19 Funds or Unit Classes Splits**

In case of a change in the economic or political situation having an influence on a Fund or a Unit Class or if the interest of the Unitholders of a Fund or a Unit Class so requires, the Management Company shall be entitled to reorganise the Fund or Unit Class concerned by dividing or regrouping this Fund or Class into two or several new Funds or Classes of Units. The decision shall be published in the manner described above. Its publication shall contain information on the new Funds or Classes of Units created in this way. Publication shall occur at least one month before the decision becomes effective, in order to enable the Unitholders to sell their Units at no expense before the split into two or several Funds or Classes of Units becomes effective.

## Article 20 Applicable Law; Jurisdiction; Language

Any claim arising between the Unitholders, the Management Company and the Depositary shall be settled according to the laws of the Grand Duchy of Luxembourg and subject to the jurisdiction of the District Court of Luxembourg, provided, however, that the Management Company and the Depositary

may subject themselves and the FCP to the jurisdiction of courts of the countries in which the Units are offered or sold, with respect to claims by investors resident in such countries and, with respect to matters relating to subscriptions, redemptions and conversions by Unitholders resident in such countries, to the laws of such countries. Claims made by Unitholders against the Management Company or the Depositary Bank lapse five years after the date of the event that gave rise to the invoking of rights through the claims. English shall be the governing language of these Management Regulations.

Executed in two original copies.

Luxembourg, on 1<sup>st</sup> August 2025

The Management Company



Mr. Gianluca Rossi  
Conducting Officer

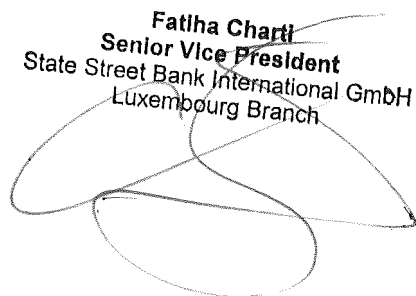


Mr. Jérôme Québertolis  
Co-General manager and Conducting Officer

The Depositary Bank



**Massimo Brocca**  
Managing Director



**Fatima Charti**  
Senior Vice President  
State Street Bank International GmbH  
Luxembourg Branch