

F&C Fund

a Luxembourg *société d'investissement à capital variable*

PROSPECTUS

relating to Shares in

F&C HVB-Stiftungsfonds

R.C.S. Luxembourg B 82782

December 2018

If you are in any doubt about the contents of this document or if you are considering subscribing for Shares of F&C Fund (the "Fund") you should consult your bank manager, stockbroker, solicitor, accountant or other financial adviser.

No person is authorised to give any information or to make any representation in connection with the issue of Shares of the Fund which is not contained or referred to herein or in the annual report and half yearly report. Neither the delivery of this document nor the offer, issue or sale of Shares shall constitute a representation that the information given in this document is correct as of any time subsequent to the date hereof. No person receiving a copy of this document in any territory may treat the same as constituting an invitation to him to subscribe for Shares unless, in the relevant territory, such an invitation could lawfully be made to him without compliance with any registration or other legal requirement or where such registration or requirement has been complied with. It is the responsibility of any person wishing to acquire Shares to satisfy himself as to full observance of the laws of the relevant territory in connection therewith, including obtaining any governmental or other consents which may be required or observing any other formalities needing to be observed in such territory.

In the United Kingdom this document is issued by F&C Management Limited which is regulated by the Financial Conduct Authority.

The Fund is not a "recognised scheme" for the purpose of section 21 of the United Kingdom Financial Services Act 2000. The promotion of the Fund and the distribution of this document in the United Kingdom are accordingly restricted by law.

The Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or registered or qualified under the securities laws of any state or other political subdivision of the United States. The Fund has not been, and will not be, registered under the United States Investment Company Act of 1940, as amended. The Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or the securities laws of any state or political subdivision of the United States, and may not be offered or sold, directly or indirectly, in the United States of America (including the States and the District of Columbia), its territories and possessions and other areas subject to its jurisdiction (the "United States"), or to, or for the account of, U.S. Persons (as defined in Regulation D under the 1933 Act) except in certain transactions exempt from the registration requirements of the 1933 Act and such other securities laws. **Due to the legal and compliance burdens associated with permitting investments from U.S. residents and U.S. domiciled entities, the Fund does not accept applications for the purchase or subscription of Shares from any U.S. Person and does not accept requests for transfer to any person that is a U.S. Person.**

Investors' Reliance on U.S. Federal Tax Advice in this Prospectus

The discussion contained in this Prospectus as to U.S. federal tax considerations is written to support the promotion or marketing of the transactions or matters addressed in this Prospectus. Each taxpayer should seek U.S. federal tax advice based on the taxpayer's particular circumstances from an independent tax advisor.

Some of the Shares have been registered with the *FMA-Finanzmarktaufsichtsbehörde* in Austria and the *Bundesanstalt für Finanzdienstleistungsaufsicht* in Germany for the purpose of marketing the Shares in Austria and Germany, respectively. The Fund has also been authorised by the *Swiss Financial Market Supervisory Authority* ("FINMA") for public distribution in and from Switzerland. Application may also be made for the Shares to be registered with the appropriate regulators in other European jurisdictions.

Data Protection

The Fund will process the personal information of Shareholders and of prospective investors who contact the Fund. As such, and in accordance with the Fund's obligations under data protection law, the Fund's privacy notice provides details about the collection, use and sharing of personal information in connection with Shareholders' or prospective investors' interest or investment in the Portfolios. Shareholders and prospective investors may obtain further information about how the Fund processes personal information relevant to the

Portfolios by reading the most up to date version of the Fund's privacy notice at www.bmogam.com/corporate/privacy.

It is the responsibility of Shareholders or prospective investors to advise any other person whose personal information is provided by such Shareholders or prospective investors to the Fund about how the Fund processes personal information and to provide them with the link to the Fund's privacy notice.

If investors access the Fund through an intermediary such as a wealth manager or financial advisor (amongst others), those organisations will also process personal information of these investors, but this is done separately from the Fund. As such, if investors have questions about how these intermediaries process the personal information of investors, they should contact them directly.

Reference herein to "Shares" is to a class of Shares in the Fund with no par value offered pursuant to the terms of this Prospectus and, accordingly, "Shareholders" shall mean holders of the Shares; reference to "Euro" is to the common currency of the European Union ("EU"). "Business Days", unless otherwise specified, are defined as any day on which banks are open for business in Luxembourg.

Distribution of this document is not authorised unless it is accompanied by a copy of the latest available annual report and accounts of the Fund and a copy of the latest half yearly report if published after such annual report (if any).



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DESCRIPTION OF THE FUND

F&C Fund is a limited liability company organised as a *société d'investissement à capital variable* ("SICAV") under the laws of the Grand Duchy of Luxembourg. Shares in the Fund may be listed on the Luxembourg Stock Exchange or the Multilateral Trading Facility operated by the Luxembourg Stock Exchange (the "Euro MTF").

The articles of incorporation of the Fund (the "Articles of Incorporation") authorise the board of directors of the Fund (the "Board" or the "Directors") to issue Shares, at any time, in different portfolios (each, a "Portfolio"). Proceeds from the issue of Shares within each Portfolio may be invested in transferable securities and other eligible assets corresponding to a particular geographical area, industrial sector or monetary zone, and/or particular types of equity, equity-related or transferable debt securities as the Board may from time to time determine. Derivative instruments may be used within the limits set forth in section T "Investment Restrictions".

The Fund constitutes a single legal entity. The Portfolios are composed of assets and liabilities, and can only be held liable for the debts and liabilities of the Portfolio concerned. In the event that an asset or a liability of the Fund cannot be attributed to a specific Portfolio, such asset or such liability shall be attributed to all the Portfolios on a pro rata basis.

The Board may further decide to issue within each Portfolio two or more classes of Shares (a "Class" or "Classes"), the assets of which may be commonly invested pursuant to the specific investment policy for the particular Portfolio concerned, although a separate sales and redemption mechanism, fee structure, currency, hedging policy and other such characteristics may be designated to a particular Class of Shares within each such Portfolio.

The Portfolios in issue at the date of this Prospectus and their specific features are more fully described in Appendix I "Portfolios in Issue". Should the Board decide to create additional Portfolios, or issue additional Classes of Shares, Appendix I of this Prospectus will be updated accordingly.

The Fund will issue and redeem its Shares at prices based on their underlying net asset value ("Net Asset Value") and the Fund's capital shall be at any time equal to its net assets. The Board is authorised without limitation to issue further fully paid Shares of no par value in each Portfolio. The Fund reserves the right to reject any application in whole or in part, in which event the application monies or any balance thereof will be returned to the applicant by post as soon as practicable.

BOARD OF DIRECTORS

Chairman:

Patrick Johns	Non-executive adviser to BMO Global Asset Management, Norfolk, United Kingdom
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Directors:

Jacques Elvinger	Partner, Elvinger Hoss Prussen, <i>société anonyme</i> , 2, Place Winston Churchill, L-1340 Luxembourg, Grand Duchy of Luxembourg
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Bernd Kalis	Head of Product Management Securities Business, HypoVereinsbank Retail & Private Banking, UniCredit Bank AG, Arabellastraße 12, 81925 München, Germany
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Hugh Moir	Head of Operations and IT, BMO Asset Management (Holdings) plc, Exchange House, Primrose Street, London EC2A 2NY, United Kingdom
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Enrico Turchi	Deputy CEO and Managing Director, Amundi Luxembourg S.A., 5, Allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg
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Ernst Hagen	Consultant to BMO Asset Management Netherlands BV, Jachthavenweg 109E, 1081 KM Amsterdam, the Netherlands
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MANAGEMENT, ADMINISTRATION AND ADVISERS
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REGISTERED OFFICE

49, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

MANAGEMENT COMPANY

FundRock Management Company S.A.
33, rue de Gasperich
L-5826 Hesperange
Grand Duchy of Luxembourg

INVESTMENT MANAGER

BMO Asset Management Limited
8th Floor, Exchange House
Primrose Street
London EC2A 2NY
United Kingdom
Tel: (+44) (0)20 7628 8000
Fax: (+44) (0)20 7628 8188

DEPOSITARY, REGISTRAR, TRANSFER, DOMICILIARY, PAYING AND ADMINISTRATIVE AGENT IN LUXEMBOURG

State Street Bank Luxembourg S.C.A.
49, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg
Tel: (+352) 46 40 10 7460
Fax: (+352) 2452 9066

LISTING AGENT

Banque et Caisse d'Epargne de l'Etat
1-2, Place de Metz
L-1930 Luxembourg
Grand Duchy of Luxembourg
Tel: (+352) 40 15 1
Fax: (+352) 40 15 20 99

INFORMATION AND PAYING AGENT IN AUSTRIA

UniCredit Bank Austria AG
Schottengasse 6-8
A-1010 Vienna
Austria
Tel: (+431) 33 147 5613
Fax: (+431) 33 147 6933

INFORMATION AND PAYING AGENT IN GERMANY

CACEIS Bank Deutschland GmbH
Lilienthalallee 34-36
D-80939 Munich
Germany

REPRESENTATIVE IN SWITZERLAND

Carnegie Fund Services S.A.

11, rue du General-Dufour

1204 Genève

Switzerland

Tel: (+41) 22 705 11 77

Fax: (+41) 22 705 11 79

PAYING AGENT IN SWITZERLAND

Banque Cantonale de Genève

17, quai de l'Ile

1204 Genève

Switzerland

Tel: (+41) 22 809 35 43

Fax: (+41) 22 809 35 63

AUDITOR

PricewaterhouseCoopers, *société coopérative*

2, rue Gerhard Mercator

L-2182 Luxembourg

Grand Duchy of Luxembourg

LEGAL ADVISERS

Elvinger Hoss Prussen, *société anonyme*

2, Place Winston Churchill

L-1340 Luxembourg

Grand Duchy of Luxembourg



A. PURPOSE AND INVESTMENT POLICY

The Fund offers, within the same investment vehicle, a choice of investments in one or more Portfolios, which are distinguished mainly by their specific investment policy and objective, and, as the case may be, by the currency in which they are denominated or other specific features applicable to each of them.

For investment, efficient portfolio management and hedging purposes, the Fund may use financial derivative instruments and technique and instruments on transferable securities and money market instruments within the limits set forth in section T "Investment Restrictions".

The Portfolios in issue at the date of this Prospectus as well as their specific features are more fully described in Appendix I "Portfolios in Issue".

The Board may, at any time, decide to create additional Portfolios or Classes, in which case Appendix I of this Prospectus will be updated accordingly.

B. REGULATORY ENVIRONMENT

The assets of the Fund will be invested so as to enable the Fund to continue to qualify as a Part I fund for the purposes of the Luxembourg Law of 17th December 2010 relating to undertakings for collective investment, as amended from time to time (the "Law"). The Fund complies with the amended Directive 2009/65/EC of the European Parliament and of the Council of 13th July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS") (the "UCITS Directive"). The investment restrictions of the Fund are set out in section T "Investment Restrictions".

The key investor information documents relating to the relevant Class (as defined hereafter), the latest annual report of the Fund and any subsequent semi-annual reports are available at the registered office of the Fund and copies thereof may be obtained upon request.

The Fund is also registered for marketing purposes in other European Union and EEA countries (as more fully described on page 3 of this Prospectus) and must, in its dealings with investors from those countries, comply with any additional marketing requirements laid down by the regulators in those countries.

C. MANAGEMENT

DIRECTORS OF THE FUND

Patrick Johns (Chairman) is a non-executive adviser to BMO Global Asset Management.

Jacques Elvinger is a partner in the Luxembourg law firm Elvinger Hoss Prussen, *société anonyme*. Mr. Elvinger has been an *Avocat à la Cour*, Luxembourg since 1984.

Bernd Kalis is Head of Product Management Securities Business, HypoVereinsbank Retail & Private Banking, UniCredit Bank AG.

Hugh Moir is Head of Operations and IT, BMO Asset Management (Holdings) plc, the parent of the Investment Manager.

Enrico Turchi is Deputy CEO and Managing Director of Amundi Luxembourg S.A.

Ernst Hagen is consultant to BMO Asset Management Netherlands BV.

Further directors may be appointed in due course. Directors' fees and entitlements will be waived by those members of the Board who are employees of BMO Asset Management (Holdings) plc (parent of BMO Asset Management Limited (the "Investment Manager")) or any of its subsidiaries or connected to UniCredit Bank AG.

MANAGEMENT COMPANY

FundRock Management Company S.A. has been designated by the Board of the Fund as the management company (herein referred to as the "Management Company") to provide investment management, administration and marketing functions to the Fund with the possibility to delegate part of such functions to third parties.

Members of the board of directors of the Management Company:

- Michel Marcel Vareika (Chairman), Independent Non-Executive Director, Luxembourg
- Romain Denis, Executive Director – IT Projects, Data Management and Strategic Projects, FundRock Management Company S.A., Luxembourg
- Eric May, Non-Executive Director, Founding Partner, BlackFin Capital Partners, Paris, France
- Gregory Nicolas, Executive Director, Legal, Compliance & Corporate, FundRock Management Company S.A.
- Serge Ragozin, Executive Director, Chief Operating Officer, FundRock Management Company S.A.
- Ross Thomson, Executive Director – Managing Director Luxembourg, FundRock Management Company S.A., Luxembourg
- Tracey McDermott, Independent Non-Executive Director, Luxembourg

Conducting officers (*dirigeants*) of the Management Company:

- Romain Denis, Executive Director – IT Projects, Data Management and Strategic Projects
- Enda Fahy, Director – Alternative Investments
- Gregory Nicolas, Director – Legal, Compliance and Corporate

The Management Company was incorporated as a "société anonyme" under the laws of the Grand Duchy of Luxembourg on 10th November 2004 under the name RBS (Luxembourg) S.A. and its deed of incorporation was published in the *Mémorial C, Recueil des Sociétés et Associations* (the "*Mémorial*") on 6th December 2004. With effect from 1st January 2016, it changed its name to FundRock Management Company S.A. The Management Company is approved as a management company regulated by chapter 15 of the Law and has also been authorised as alternative investment fund manager under the amended Law of 12th July 2013 on alternative investment fund managers. The Management Company has a subscribed and paid-up capital of 10,000,000 Euro.

The Management Company shall also ensure compliance of the Fund with the investment restrictions and oversee the implementation of the Fund's strategies and investment policy.

The Management Company shall also send reports to the Board on a semi-annual basis and inform each board member without delay of any non-compliance of the Fund with the investment restrictions.

The Management Company will receive periodic reports from the Investment Manager detailing the Fund's performance and analysing its investment portfolio. The Management Company will receive similar reports from the Fund's other services providers in relation to the services which they provide.

The Management Company will monitor on a continued basis the activities of the third parties to which it has delegated functions. The agreements entered into between the Management Company and the relevant third parties provide that the Management Company can give at any time further instruction to such third parties and that it can withdraw their mandate with immediate effect if this is in the interest of the Shareholders. The Management Company's liability towards the Fund is not affected by the fact that it has delegated certain functions to third parties.

The Management Company acts also as management company for other investment funds, the names of which will be kept up to date and be published in the annual and semi-annual financial reports of the Fund.

The Management Company has implemented a conflict of interest policy in accordance with the Law and the relevant CSSF regulations and circulars.

The Management Company has established and applies a remuneration policy in accordance with principles laid out under the Directive 2014/91/EU of the European Parliament and of the Council of 23rd July 2014 amending the UCITS Directive as regards depositary functions, remuneration policies and sanctions (the "UCITS V") and any related legal and regulatory provisions applicable in Luxembourg.

The remuneration policy is aligned with the business strategy, objectives, values and interests of the Management Company and the UCITS that it manages and of the investors in such UCITS, and which includes, *inter alia*, measures to avoid conflicts of interest; and it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS that the Management Company manages.

As an independent management company relying on a full-delegation model (i.e. delegation of the collective portfolio management function), the Management Company ensures that its remuneration policy adequately reflects the predominance of its oversight activity within its core activities. As such, it should be noted that the Management Company's employees who are identified as risk-takers under UCITS V are not remunerated based on the performance of the UCITS under management.

An up-to-date version of the remuneration policy (including, but not limited to, the description of how remuneration and benefits are calculated, as well as the identity of the persons responsible for awarding the remuneration and benefits and the composition of the remuneration committee) is available at: https://www.fundrock.com/pdf/Fundrock_Remuneration_policy.pdf. A paper version of this remuneration policy is made available free of charge to investors at the Management Company's registered office.

The Management Company's remuneration policy, in a multi-year framework, ensures a balanced regime where remuneration both drives and rewards the performance of its employees in a measured, fair and well-thought-out fashion which relies on the following principles*:

- identification of the persons responsible for awarding remuneration and benefits (under the supervision of the remuneration committee and subject to the control of an independent internal audit committee);
- identification of the functions performed within the Management Company which may impact the performance of the entities under management;
- calculation of remuneration and benefits based on the combination of individual and company's performance assessment;
- determination of a balanced remuneration (fixed and variable);
- implementation of an appropriate retention policy with regards to financial instruments used as variable remuneration;
- deferral of variable remuneration over 3-year periods;
- implementation of control procedures/adequate contractual arrangements on the remuneration guidelines set up by the Management Company's respective portfolio management delegates.

*It should be noted that, upon issuance of final guidelines, this remuneration policy may be subject to certain amendments and/or adjustments.

THE INVESTMENT MANAGER

The Management Company has delegated the investment management functions to BMO Asset Management Limited for all the Portfolios.

BMO Asset Management Limited is responsible for managing the business of the Portfolios in issue, subject to the overall control and responsibility of the Management Company. The Investment Manager is a United Kingdom incorporated company authorised and regulated by the Financial Conduct Authority in the United Kingdom. It is a wholly-owned subsidiary of BMO Asset Management (Holdings) plc (formerly F&C Asset Management plc).

The directors of the Investment Manager are Richard Wilson, David Logan, Joan Mohammed and BMO Asset Management (Holdings) plc.

The Investment Manager's primary activity involves the provision of investment management services to various investment trusts, offshore open and closed ended funds and accounts of institutional clients.

On 7th May 2014, F&C Asset Management plc was acquired by Bank of Montreal through its wholly-owned subsidiary, BMO Global Asset Management (Europe) Limited. BMO Global Asset Management is part of BMO Financial Group, a highly diversified financial services provider based in North America with total assets of CDN \$744 billion as of 30th April 2018, and over 45,000 employees. On 31st October 2018, F&C Asset Management plc changed its name to BMO Asset Management (Holdings) plc ("BAMH").

BAMH, the parent company of the Investment Manager, is incorporated in the United Kingdom. The directors of BAMH are Kieran Poynter, Joan Mohammed, Gilles Ouellette, Barry Cooper, William (Bill) Smith, Ruth Sack, Charlie Porter, David Logan and Richard Wilson. BAMH has its offices at 80 George Street, Edinburgh EH2 3BU, Scotland.

D. DEPOSITARY

Depositary's functions

State Street Bank Luxembourg S.C.A. has been appointed as Depositary of the Fund's assets in accordance with the provisions of Luxembourg law. The Depositary has been entrusted with following main functions:

- (a) ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with applicable law and the Articles of Incorporation;
- (b) ensuring that the value of the Shares is calculated in accordance with applicable law and the Articles of Incorporation;
- (c) carrying out the instructions of the Fund or of the Management Company acting on behalf of the Fund unless they conflict with applicable law and the Articles of Incorporation;
- (d) ensuring that in transactions involving the assets of the Fund any consideration is remitted to it within the usual time limits;
- (e) ensuring that the income of the Fund is applied in accordance with applicable law or the Articles of Incorporation;
- (f) monitoring of the Fund's cash and cash flows; and
- (g) safe-keeping of the Fund's assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

Depositary's liability

In the event of a loss of a financial instrument held in custody, determined in accordance with the UCITS Directive, and in particular Article 24 of the UCITS Directive, the Depositary shall return financial instruments of identical type or the corresponding amount to the Fund without undue delay.

The Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary pursuant to the UCITS Directive.

In case of a loss of financial instruments held in custody, the Shareholders may invoke the liability of the Depositary directly or indirectly through the Fund provided that this does not lead to a duplication of redress or to unequal treatment of the Shareholders.

The Depositary will be liable to the Fund for all other losses suffered by the Fund as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Directive.

The Depositary shall not be liable for consequential or indirect or special damages or losses, arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations.

Delegation

The Depositary has full power to delegate the whole or any part of its safe-keeping functions but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary's liability shall not be affected by any delegation of its safe-keeping functions under the depositary agreement.

The Depositary Bank shall exercise care and diligence in choosing and appointing sub-custodians so as to ensure that each sub-custodian has and maintains the required expertise and experience.

The Depositary has delegated those safekeeping duties set out in Article 22(5)(a) of the UCITS Directive to State Street Bank and Trust Company with registered office at Copley Place 100, Huntington Avenue, Boston, Massachusetts 02116, USA, whom it has appointed as its global sub-custodian. State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network.

Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are available at the registered office of the Fund or at the following internet site: <http://www.statestreet.com/about/office-locations/luxembourg/subcustodians.html>.

Conflicts of Interest

The Depositary is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the depositary agreement or under separate contractual or other arrangements. Such activities may include:

- (i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Fund;
- (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Fund either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depositary or its affiliates:

- (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to, the Fund, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
- (ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- (iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Fund;
- (iv) may provide the same or similar services to other clients including competitors of the Fund;

- (v) may be granted creditors' rights by the Fund which it may exercise.

The Fund may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the Fund. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Fund. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Fund. The affiliate shall enter into such transactions on the terms and conditions agreed with the Fund.

Where cash belonging to the Fund is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee.

The Investment Manager and the Management Company may also be a client or counterparty of the Depositary or its affiliates.

Potential conflicts that may arise in the Depositary's use of sub-custodians include four broad categories:

- (i) conflicts from sub-custodian selection and asset allocation among multiple sub-custodians influenced by (a) cost factors, including lowest fees charged, fee rebates or similar incentives and (b) broad two-way commercial relationships in which the Depositary may act based on the economic value of the broader relationship, in addition to objective evaluation criteria;
- (ii) sub-custodians, both affiliated and non-affiliated, act for other clients and in their own proprietary interest, which might conflict with clients' interests;
- (iii) sub-custodians, both affiliated and non-affiliated, have only indirect relationships with clients and look to the Depositary as its counterparty, which might create incentive for the Depositary to act in its self-interest, or other clients' interests to the detriment of clients; and
- (iv) sub-custodians may have market-based creditors' rights against client assets that they have an interest in enforcing if not paid for securities transactions.

In carrying out its duties the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Fund and its Shareholder.

The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the depositary issues to be properly identified, managed and monitored. Additionally, in the context of the Depositary's use of sub-custodians, the Depositary imposes contractual restrictions to address some of the potential conflicts and maintains due diligence and oversight of sub-custodians to ensure a high level of client service by those agents. The Depositary further provides frequent reporting on clients' activity and holdings, with the underlying functions subject to internal and external control audits. Finally, the Depositary internally separates the performance of its custodial tasks from its proprietary activity and follows a standard of conduct that requires employees to act ethically, fairly and transparently with clients.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to Shareholders on request.

E. STRUCTURE

CORPORATE STRUCTURE

The Fund is a limited liability company incorporated in Luxembourg under the provisions of the Law of 10th August 1915 (as amended) relating to commercial companies (the "1915 Law"), and is a SICAV subject to Part I of the Law. It was incorporated by notarial act on 11th July 2001 for an unlimited period. The Articles of Incorporation of the Fund were published in the *Mémorial* in Luxembourg on 17th August 2001. The Articles of Incorporation were fully restated at an extraordinary general meeting of Shareholders held on 16th December 2011. The minutes of this meeting were published in the *Mémorial* of 8th March 2012. The consolidated version of the Articles of Incorporation of the Fund has been filed with the *Register de Commerce et des Sociétés* of Luxembourg as required by Luxembourg law, where it is available for inspection.

SHARE CAPITAL

Shares of each Class in the Fund are freely transferable and, upon issue, are entitled to participate equally in the profits and dividends of the Portfolio to which they relate. Subject thereto, the Shares of each Class in the Fund, which are all of no par value, carry no preferential or pre-emptive rights and each Share is entitled to one vote at all meetings of Shareholders. All Shares in the Fund must be fully paid. The provisions governing the allocation of assets and liabilities of the Fund between the Portfolios are described in section O "Net Asset Value" below.

The Fund will not issue Share certificates. All Shares issued, whether upon subscription or conversion, are issued exclusively in registered form without certificates. Fractioned entitlements will be recognised to three decimal places. The resulting cash fraction remainder (whose value is less than 0,001 of a Share) is retained in the Portfolio for inclusion in subsequent calculations.

Shares are evidenced by entries in the Fund's register and are represented by a book entry only. Investors will be sent a contract note detailing the Shares which have been allotted and a statement confirming that the Shares have been registered.

CLASSES OF SHARES

General features

In order to meet the specific needs of Shareholders, the Board may decide to create within each Portfolio different Classes or sub-classes of Shares (each, a "Sub-Class") whose assets will be commonly invested pursuant to the specific investment policy of the relevant Portfolio, but which may have any combination of the following features:

- Each Portfolio may contain Class A Shares, Class AN Shares, Class I Shares and Class IN Shares, which may differ in the sale or redemption charge structure, fee structure, minimum subscription amount, eligibility requirements, currency of denomination, dividend policy or other specific features applicable to them as listed in Appendix "Portfolios in issue".
- Each Share Class, where available, may be offered in the reference currency of the relevant Portfolio, or may be denominated in any currency, and such currency denomination will be represented as a suffix to the Share Class name.
- Each Share Class may be:
 - unhedged; or
 - currency hedged in which case a reference to "Hedged" is contained in its name.

- Each Share Class, where available, may also have different dividend policies and may be accumulating or distributing as further described under section "J. Dividend Policy" of the general part of this Prospectus and sub-section "Dividends" of the Appendix of the relevant Portfolio. Accumulation Share Classes will contain a reference to "Acc" in the name of the Share Class. Distributing Share Classes will have no specific reference to that effect in their name.

A complete list of available Share Classes may be obtained from www.bmogam.com, the registered office of the Fund or BMO Asset Management Limited.

A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Class or Sub-Class. The Shares and Classes available at the date of this Prospectus and the particular features of each Class or Sub-Class of Shares per Portfolio are disclosed in Appendix "Portfolios in issue".

Specific features

The Investment Manager and any marketing agent with whom the Investment Manager has a relationship in any particular jurisdiction will be entitled to a placing and/or introductory fee of up to 5% of the subscription monies in respect of which Shares are issued (being a maximum of 5% of the Net Asset Value of such Shares) as described in the Appendix relating to each Portfolio. A part of this fee may be paid to stockbrokers or other approved introducing agents by way of introductory commission. See section K "Charges and Fees" and section L "Applications for Shares" below.

The issue of Class I Shares and Class IN Shares is restricted to institutional investors, as this term may be defined by guidelines or recommendations issued by Luxembourg supervisory authorities ("Institutional Investors") and the Fund will not issue or give effect to any transfer of Shares of such Classes to any investor who may not be considered an Institutional Investor. The Fund may, at its discretion, delay the acceptance of any subscription for Class I Shares or Class IN Shares until such date as it has received sufficient evidence of the qualification of the investor as an Institutional Investor. If it appears at any time that a holder of Class I Shares or Class IN Shares is not an Institutional Investor, the Fund will either redeem the relevant Shares in accordance with the provisions under section M "Redemption of Shares" below, or convert such Shares into Shares of a Class which is not restricted to Institutional Investors (provided there exists such a Class with similar characteristics) and notify the relevant Shareholder of such conversion.

MEETINGS AND REPORTS

The Fund's accounting period ends on 30th September each year. The annual general meeting of Shareholders of the Fund is held at the registered office of the Fund in Luxembourg or at such other place as may be indicated in the notice of meeting. The annual general meeting will be held on the first Wednesday in December of each year at 2 p.m. (Luxembourg time), or, if any such day is not a Business Day in Luxembourg, on the next following Business Day. Convening notices of all general meetings will be published in the *Recueil Electronique des Sociétés et Associations* ("RESA") and in Luxembourg newspaper(s), to the extent required by Luxembourg law, and in such other newspapers as the Directors may decide and will be sent to the holders of registered Shares by post at least eight calendar days prior to the meeting at their addresses in the register of Shareholders. Such notices will set forth the agenda and specify the time and place of the meeting and conditions of admission thereto and will refer to the requirements as to attendance, quorum and majorities at all general meetings, which shall be those laid down in Articles 450-1, 450-3 and 450-4 of the 1915 Law and in the Articles of Incorporation of the Fund.

Resolutions of meetings of Shareholders will apply to the Fund as a whole and to all Shareholders in the Fund, provided that any amendment affecting the rights of the holders of the Shares of any Class vis-à-vis those of any other Class shall be subject further to the quorum and majority requirements referred to above in respect of each such relevant Class. Each Share of whatever Class and regardless of the Net Asset Value per Share within the Class is entitled to one vote subject to the limitations imposed by the Articles of Incorporation of the Fund.

Audited reports in respect of the preceding financial year of the Fund will be made available annually at the registered office of the Fund in Luxembourg and at the office of the distribution agent in those countries where the Fund is registered for public distribution and will be posted to the Shareholders upon request. In addition, unaudited semi-annual reports will be made available at the registered office of the Fund in Luxembourg and the office of the distribution agent in those countries where the Fund is registered for public distribution and will be posted to holders of Shares upon request. The audited reports and semi-annual reports will provide information on each Portfolio and, on a consolidated basis, the Fund as a whole.

The aforesaid reports will comprise consolidated accounts of the Fund expressed in Euro as well as individual information on each Portfolio expressed in the reference currency of each Portfolio.

F. BORROWING

The Fund may borrow on a temporary basis up to 10% of its Net Asset Value and these borrowings may be used for the purposes of meeting subscriptions, redemptions and short-term settlement obligations and for any other temporary purpose. Such borrowings, which may not be through the issue of bonds or debentures, will be on terms and conditions to be determined by the Board in accordance with the investment restrictions set forth in section T "Investment Restrictions".

G. FISCAL CONSIDERATIONS

Brief details of the taxation treatment in certain jurisdictions (as at the date of this Prospectus) are set out below but it is entirely for potential investors to inform themselves as to any taxation or exchange control legislation affecting them personally. Investors should consult their professional advisers on the possible tax or other consequences of buying, holding, transferring or selling Shares under the laws of their countries of citizenship, residence or domicile.

LUXEMBOURG

The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of Shares and is not intended as tax advice to any particular investor or potential Investor. Prospective investors should consult their own professional advisers as to the implications of buying, holding or disposing of Shares and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Luxembourg.

1. *Taxation of the Fund*

The Fund is not subject to taxation in Luxembourg on its income, profits or gains.

The Fund is not subject to net wealth tax in Luxembourg.

No stamp duty, capital duty or other tax will be payable in Luxembourg on the issue of Shares in the Fund.

The Portfolios are, nevertheless, in principle, subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.05% per annum based on their net asset value at the end of the relevant quarter, calculated and paid quarterly.

A reduced subscription tax rate of 0.01% *per annum* is however applicable to:

- any Portfolio whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both;
- any Portfolio or Class of Shares provided that their shares are only held by one or more Institutional Investor(s).

A subscription tax exemption applies to:

- the portion of any Portfolio's assets (prorata) invested in a Luxembourg investment fund or any of its portfolio to the extent it is subject to the subscription tax;
- any Portfolio (i) whose securities are only held by Institutional Investor(s), and (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and (iii) whose weighted residual portfolio maturity does not exceed 90 days, and (iv) that have obtained the highest possible rating from a recognised rating agency. If several Classes of Shares are in issue in the relevant Portfolio meeting (ii) to (iv) above, only those Classes of Shares meeting (i) above will benefit from this exemption;
- any Portfolio, whose main objective is the investment in microfinance institutions; and
- any Portfolio, (i) whose securities are listed or traded on a stock exchange and (ii) whose exclusive object is to replicate the performance of one or more indices. If several Classes of Shares are in issue in the relevant Portfolio meeting (ii) above, only those Classes of Shares meeting (i) above will benefit from this exemption.

To the extent that the Fund would only be held by pension funds and assimilated vehicles, the Fund as a whole would benefit from the subscription tax exemption.

Withholding tax

Interest and dividend income received by the Fund may be subject to non-recoverable withholding tax in the source countries. The Fund may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin. The Fund may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from withholding tax or reduction of withholding tax rate.

Distributions made by the Fund as well as liquidation proceeds and capital gains derived therefrom are not subject to withholding tax in Luxembourg.

2. Taxation of the Shareholders

Luxembourg-resident individuals

Capital gains realised on the sale of the Shares by Luxembourg-resident individual investors who hold the Shares in their personal portfolios (and not as business assets) are generally not subject to Luxembourg income tax except if:

- (i) the Shares are sold within 6 months from their subscription or purchase; or
- (ii) if the Shares held in the private portfolio constitute a substantial shareholding. A shareholding is considered as substantial when the seller holds or has held, alone or with his/her spouse and underage children, either directly or indirectly at any time during the five years preceding the date of the disposal of more than 10% of the share capital of the Fund.

Distributions received from the Fund will be subject to Luxembourg personal income tax.

Luxembourg personal income tax is levied following a progressive income tax scale, and increased by the solidarity surcharge (*contribution au fonds pour l'emploi*).

Luxembourg-resident corporate

Luxembourg-resident corporate investors will be subject to corporate taxation at the rate of 26.01 % (in 2018 for entities having their registered office in Luxembourg-City) on the distributions received from the Fund and on the capital gains realised upon disposal of Shares.

Luxembourg-resident corporate investors who benefit from a special tax regime, such as, for example, (i) an undertaking for collective investment ("UCI") subject to the Law, (ii) a specialised investment fund subject to the amended Luxembourg Law of 13th February 2007 on specialised investment funds (the "SIF Law"), (iii) a reserved alternative investment fund subject to the Law of 23 July 2016 on reserved alternative investment funds (to the extent it has not opted to be subject to general corporation taxes), or (iv) a family wealth management company subject to the amended Luxembourg Law of 11th May 2007 on family wealth management companies, are exempt from income tax in Luxembourg, but are instead subject to an annual subscription tax (*taxe d'abonnement*) and thus income derived from the Shares, as well as gains realised thereon, are not subject to Luxembourg income taxes.

The Shares shall be part of the taxable net wealth of the Luxembourg resident corporate investors except if the holder of the Shares is (i) an UCI subject to the Law, (ii) a vehicle governed by the amended Law of 22nd March 2004 on securitisation, (iii) an investment company in risk capital subject to the amended Luxembourg Law of 15th June 2004 on the investment company in risk capital, (iv) a specialised investment fund subject to the SIF Law, (v) a reserved alternative investment fund subject to the Law of 23 July 2016 on reserved alternative investment funds, or (vi) a family wealth management company subject to the amended Law of 11th May 2007 on family wealth management companies. The taxable net wealth is subject to tax on a yearly basis at the rate of 0.5%. A reduced tax rate of 0.05% is due for the portion of the net wealth exceeding EUR 500 million.

Non-Luxembourg residents

Non-resident individuals or collective entities who do not have a permanent establishment in Luxembourg to which the Shares are attributable, are not subject to Luxembourg taxation on capital gains realised upon disposal of the Shares nor on the distribution received from the Fund and the Shares will not be subject to net wealth tax.

H. EU TAX CONSIDERATIONS

AUTOMATIC EXCHANGE OF INFORMATION

The Organisation for Economic Co-operation and Development ("OECD") has developed a common reporting standard ("CRS") to achieve a comprehensive and multilateral automatic exchange of information (AEOI) on a global basis. On 9th December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the "Euro-CRS Directive") was adopted in order to implement the CRS among the Member States. The Euro-CRS Directive was implemented into Luxembourg law by the Law of 18th December 2015 on the automatic exchange of financial account information in the field of taxation ("CRS Law"). The CRS Law requires Luxembourg financial institutions to identify financial asset holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement.

Accordingly, the Fund may require its investors to provide information in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status. Responding to CRS-related questions is mandatory. The personal data obtained will be used for the purpose of the CRS Law or such other purposes indicated by the Fund in the data protection section of this Prospectus in compliance with Luxembourg data protection law. Information regarding an investor and his/her/its account will be reported to the Luxembourg tax authorities (*Administration des Contributions Directes*), which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis, if such an account is deemed a CRS reportable account under the CRS Law.

The Fund is responsible for the treatment of the personal data provided for in the CRS Law. The investors have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) which can be exercised by contacting the Fund at its registered office.

The Fund reserves the right to refuse any application for Shares if the information, whether provided or not, does not satisfy the requirements under the CRS Law.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to exchange information automatically under the CRS. The Multilateral Agreement aims to implement the CRS among non-Member States; it requires agreements on a country-by-country basis.

Investors should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS.

AUSTRIA

The Board has registered the Shares with the Austrian Financial Market Authority.

Investors should consult the German translation of this Prospectus prepared for Austrian investors as well as their professional advisers on the possible tax or other consequences of buying, holding, transferring or selling shares under the laws of their countries of citizenship, residence or domicile.

UNITED STATES

This Prospectus contains no discussion of any United States federal income tax considerations which may be relevant to the purchase, ownership and disposition of Shares by U.S. taxpayers and, before making an investment in the Fund, any U.S. taxpayer or U.S. Person (as defined below) intending to hold any Shares of the Fund, should take their own specific professional taxation advice.

I. UNITED STATES SECURITIES LAW

RESTRICTIONS ON INVESTMENTS BY AND TRANSFERS TO U.S. PERSONS

The Fund has not been, and will not be, registered under the United States Investment Company Act of 1940, as amended. The Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or the securities laws of any state or political subdivision of the United States, and may not be offered or sold, directly or indirectly, in the United States of America (including the States and the District of Columbia), its territories and possessions and other areas subject to its jurisdiction (the "United States"), or to, or for the account of, U.S. Persons (as defined in Regulation D under the 1933 Act) except in certain transactions exempt from the registration requirements of the 1933 Act and such other securities laws. **Due to the legal and compliance burdens associated with permitting investments from U.S. residents and U.S. domiciled entities, the Fund does not accept applications for the purchase or subscription of Shares from any U.S. Person and does not accept requests for transfer to any person that is a U.S. Person.**

Investors must notify the Administrator if they have moved to the United States or have otherwise become U.S. Persons. Upon such notification, or if the Administrator or the Directors determine that there is a reasonable basis for believing that the investor has become a U.S. Person, the investor's account may be frozen and/or compulsorily redeemed and further investments or switches will not be accepted. Other rights attaching to the Shares previously purchased will not be affected.

MANDATORY REDEMPTIONS

The Board may at any time by notice to a Shareholder (i) require the Shareholder to furnish a declaration as to whether he is a U.S. Person or (ii) compulsorily redeem any Shares held by a U.S. Person as the Board believes necessary or appropriate to ensure compliance with United States law. Any such redemption shall have, as the Board may determine, such retroactive effect as may be required for purposes of compliance with the 1940 Act.

DEFINITION OF A U.S. PERSON

Each investor will be required to represent that the investor is not a "U.S. Person" and the Shares are not being acquired for the benefit or account of, directly or indirectly, any U.S. Person. For this purpose, a "U.S. Person" is a person who is in either of the following two categories: (a) a person included in the definition of "U.S. Person" under Rule 902 of Regulation S under the 1933 Act, or (b) a person excluded from the definition of a "Non-United States person" as used in Commodity Futures Trading Commission ("CFTC") Rule 4.7. For the avoidance of doubt, a person is excluded from this definition of U.S. Person only if he or it does not satisfy any of the definitions of "U.S. Person" in Rule 902 and qualifies as a "Non-United States person" under CFTC Rule 4.7.

Under Rule 902 of Regulation S under the 1933 Act, the definition of a "U.S. Person" includes:

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organised or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a U.S. Person;
- (d) any trust of which any trustee is a U.S. Person;
- (e) any agency or branch of a non-U.S. entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or, if an individual, resident in the United States; or
- (h) any partnership or corporation if (i) organised or incorporated under the laws of any non-U.S. jurisdiction and (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts.

Notwithstanding the foregoing "U.S. Person" does not include: (a) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organised, incorporated, or, if an individual, resident in the United States; (b) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if (i) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate and (ii) the estate is governed by non-U.S. law; (c) any trust of which any professional fiduciary acting as trustee is a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settler if the trust is revocable) is a U.S. Person; (d) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (e) any agency or branch of a U.S. Person located outside the United States if (i) the agency or branch operates for valid business reasons and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (f) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans.

CFTC Rule 4.7 currently provides in relevant part that the following persons are considered "Non-United States persons":

- (a) a natural person who is not a resident of the United States or an enclave of the U.S. government, its agencies or instrumentalities;
- (b) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction;
- (c) an estate or trust, the income of which is not subject to U.S. income tax regardless of source;
- (d) an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons (as defined in CFTC Rule 4.7(a)(2) or (3)) represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being Non-United States persons; and
- (e) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

ERISA CONSIDERATIONS

This Prospectus contains no discussion of any considerations which may be applicable to or relate to the purchase of Shares by employee benefit plans ("ERISA Plans") subject to Title 1 of the Employee Retirement Income Security Act of 1974 as amended ("ERISA"), or retirement plans covering only self-employed individuals and individual retirement accounts or otherwise defined as a "plan" in section 4975(e)(1) of the Code.

Before making an investment in the Fund, any U.S. taxpayer or U.S. Person intending to hold any Shares of the Fund should take their own specific legal and taxation advice.

J. DIVIDEND POLICY

For each Portfolio the Board may decide to issue dividend Shares or accumulation Shares. The types of Shares available at the date of the current Prospectus are described in Appendix I "Portfolios in Issue".

In relation to dividend Shares, the Board may decide to make dividend payments to Shareholders once a year or more frequently provided that no payment will be made as a result of which the total net assets of the Fund would become less than EUR 1,250,000. Unless otherwise provided for in Appendix I "Portfolios in Issue", dividends are payable annually.

Payment of dividends to Shareholders shall be made directly to the Shareholder's bank account.

Payment of dividends will be made in the currency in which each Portfolio is denominated and which is set out in relation to each respective Portfolio in Appendix I "Portfolios in Issue".

Dividend announcements are normally published in the *Luxemburger Wort* and such other newspaper(s) as the Board may from time to time determine.

However if a dividend less than Euro 100 is generated by a Shareholder's investment in a Class of a Portfolio it will be automatically reinvested in the subscription of further Shares of the Class to which such dividends relate.

Dividends not collected within 5 years will lapse and accrue in accordance with Luxembourg law for the benefit of the relevant Class of Shares of the Fund.

Dividends may be reinvested, at the prior written request of a Shareholder, in the subscription of further Shares of the Class to which such dividends relate. Such Shares will be issued on the Business Day on which the relevant dividend is paid at a price which will be calculated in the same way as for other issues of Shares of that Class on that date. Shareholders wishing to use this reinvestment facility should notify the Fund 14 days prior to the payment of the relevant dividend. Shares issued through this dividend facility are calculated to three decimal places and the resulting cash fraction remainder (whose value is less than 0,001 of a Share) is retained in the Portfolio for inclusion in subsequent calculations. Fractions of Shares up to 3 decimal places will be issued on reinvestment of dividends; any balance of a dividend entitlement remaining after reinvestment will be paid to the Shareholders unless the cost of the transfer of funds exceeds the amount to be paid. Any amount not paid as aforesaid will be retained for the benefit of the relevant Portfolio. Where Shareholders make use of this reinvestment facility, each dividend due to the Shareholder will be paid by the Fund to State Street Bank Luxembourg S.C.A., for the account of the relevant Shareholders. State Street Bank Luxembourg S.C.A. will, as agent for the Shareholders, credit such monies to the Fund in subscription for further Shares of the Class to which such dividends relate. Shareholders are advised that the election to have their dividends reinvested does not alter the character of the dividend which remains income to the Shareholder. The taxation consequences of this will depend on the circumstances of each Shareholder.

Where accumulation Shares are issued in a specific Share Class, the net investment income attributable to the Shares will not be paid to the investor or reinvested to subscribe additional Shares as described above, but will be retained in the Share Class, thus increasing the Net Asset Value of the Shares of the relevant Class.

State Street Bank Luxembourg S.C.A. will arrange currency conversion, on the same terms as for redemption of Shares (section M "Redemption of Shares" below), for Shareholders wishing for dividend payments to be made to them in a major currency other than the currency in which the relevant Class of Shares is denominated.

The Fund, on behalf of each Portfolio, will maintain an equalisation account with a view to ensuring that the level of dividends payable on Shares issued in a Portfolio is not affected by the issue and redemption of Shares in such Portfolio during an accounting period. The subscription price of such Shares will therefore be deemed to include an equalisation payment calculated by reference to the accrued income of the relevant Portfolio, and the first distribution in respect of Shares in the relevant Portfolio will include a payment of capital usually equal to the amount of such equalisation payment. The redemption price of each Share will also include an equalisation payment in respect of the accrued income of the relevant Portfolio up to the date of redemption.

K. CHARGES AND FEES

MANAGEMENT COMPANY FEE

The Fund pays to the Management Company an annual Management Company fee payable out of the assets of the Fund and not exceeding 0.0325% of the net assets of the relevant Portfolio with an annual minimum of EUR 25,000.

INVESTMENT MANAGEMENT FEE

The Investment Manager is entitled to a management fee, accrued daily, not exceeding 2% per annum of the average value of the net assets of each Class of Shares calculated on each Valuation Date. The maximum management fee that may be charged to a Portfolio or Class is disclosed in Appendix I "Portfolios in Issue". The management fee applicable to each Portfolio or Class will be disclosed in the financial reports of the Fund. The management fee will be paid monthly in arrears to the Investment Manager. The Investment Manager may pay a portion of its fee to its introducing agents who distribute the Shares.

PERFORMANCE FEE

The Investment Manager may, in addition to the management fee, be entitled to a performance fee. Details of such performance fee (if applicable) are set out in Appendix I "Portfolios in Issue".

PLACING COMMISSION

In addition, the Investment Manager may be entitled to a placing and/or introductory fee ("Front End Fee") of up to 5% of the subscription monies in respect of which Shares are issued (being a maximum of 5% of the Net Asset Value of such Shares). Stockbrokers or other approved introducing agents may be paid a proportion of this fee. The applicable fee rate (if any) is set out in Appendix I "Portfolios in Issue".

The Investment Manager may also pass on to the Fund certain expenses, as approved by the Board incurred in the marketing of the Fund. Such costs will include marketing literature (of various forms), direct mailings, advertising and documents or initiatives that can be directly linked to a given Portfolio or a set of given Portfolios. The maximum chargeable during any accounting period is 0.025% of the Net Asset Value of the Fund or the respective Portfolio(s).

DISTRIBUTION FEE

The Investment Manager may also pass on to the Fund the costs incurred in the distribution of the Fund in the various jurisdictions in which it is registered. The maximum chargeable during any accounting period is 0.20% of the Net Asset Value of the Fund or the respective Portfolio(s).

CUSTODY AND ADMINISTRATION FEES

State Street Bank Luxembourg S.C.A. will be entitled to fees payable by the Fund, accruing daily and payable monthly in arrears in accordance with normal banking practice in Luxembourg for acting as Registrar, Transfer, Domiciliary, Administrative and Paying Agent and Depositary to the Fund. The actual level of the fees and transaction charges payable for the custody services vary, depending on the different countries.

OTHER COMMISSIONS AND PERMITTED SERVICES

The Investment Manager executes transactions on behalf of clients with a number of selected brokers. In the normal course of business, the Investment Manager has entered or may enter into arrangements ("Commission Sharing Arrangements") whereby the broker agrees to set aside a proportion of the commission earned on transactions and to use this to discharge the cost of certain permitted services related to the execution of transactions on behalf of clients and the provision of investment research received by the Investment Manager. The services received under such arrangements are directly relevant to and assist in the cost-effective provision of management services generally by the Investment Manager to its clients and are consistent with practices in the markets in which the Investment Manager does business.

In accordance with Financial Conduct Authority rules, the Investment Manager will not enter into such Commission Arrangements unless the types of goods and services provided to it are related to the execution of trades on behalf of clients or comprise the provision of research and do not constitute goods or services which the Financial Conduct Authority has specified do not satisfy the requirements of the rules in respect of such arrangements and will reasonably assist the Investment Manager in the provision of its services to clients on whose behalf orders are being executed.

The Investment Manager is entitled to a service fee not exceeding EUR 50,000 per annum for its Responsible Engagement Overlay service as described in section S "General Information" under (20).

DIRECTORS

Each of the directors of the Fund is entitled to remuneration for his services at the rate determined by the Fund in general meeting from time to time. In addition, each director may be paid reasonable travelling, hotel and other incidental expenses of attending and returning from meetings of the Board or general meetings of the Fund

or otherwise properly incurred in connection with the business of the Fund.

Directors' fees and entitlements will be waived by those members of the Board who are employees of BMO Asset Management (Holdings) plc (the parent of the Investment Manager) or any of its subsidiaries, the legal advisers to the Fund or are, or were previously, connected to UniCredit Bank AG.

GENERAL

The amounts of fees stated in this document are exclusive of any value added tax which is payable in addition thereto.

Certain operating expenses are borne by the Fund. These are specified in section S "General Information" below.

L. APPLICATIONS FOR SHARES

The Fund will retain the right to reject any application in whole or in part. If an application is rejected or an allotment is cancelled, the Fund, at the risk of the applicant, will return application monies or the balance thereof, at the cost of the applicant, by telegraphic transfer. No Share of any Class may be issued during any period in which the calculation of Net Asset Value of the Portfolio relating to that Class has been suspended by the Fund.

A placing and/or introductory fee may be charged by the Fund on behalf of the relevant Portfolio and will be payable to the Investment Manager. Out of this fee distributing and other approved agents may be paid an introductory commission. The applicable fee rate (if any) is set out in Appendix I "Portfolios in Issue".

If not otherwise provided for in Appendix I "Portfolios in Issue", confirmations of shareholding will be sent to successful applicants within 21 Luxembourg Business Days of the date of issue. No Share certificates will be issued. Application monies should be received by not later than 2 Luxembourg Business Days following the relevant Valuation Date. If not otherwise provided for in Appendix I for the relevant Portfolio, payment of the subscription monies must be made in the reference currency of the Portfolio concerned. Details may be included in Appendix I "Portfolios in Issue" for a minimum subscription amount (inclusive of the placing and/or introductory fee). All remittances, documents of title or other documents despatched to or from the Fund (or its agent) will be despatched at the Shareholder's risk.

If not otherwise provided for in Appendix I "Portfolios in Issue", an application form and signed anti-money laundering form must be received before 12:00 (Luxembourg time) on the relevant Valuation Date (as defined in section O "Net Asset Value" below). If so received, Shares will be issued at a price based on the Net Asset Value calculated on the relevant Valuation Date. Any application received after 12:00 (Luxembourg time) will be treated as having been received on the following Business Day in Luxembourg.

The Fund will issue fractions of Shares, rounded to 3 decimal places. Where fractional entitlements arise for example on subscriptions or reinvestment of dividends, such fractions will, on a pro rata basis, entitle Shareholders to dividends and to proceeds of liquidation, but shall not confer any voting rights.

The Board may decide, on a discretionary basis, to issue Shares in a Portfolio or a Class against contribution in kind of securities in compliance with the conditions set forth by Luxembourg law, in particular the obligation to obtain a valuation report from the auditor of the Fund. The securities so contributed must be in compliance with the investment restrictions of the Fund and the investment policy of the Portfolio or Class concerned (as the case may be). Any cost incurred in connection with a subscription in kind shall be borne by the relevant Shareholder or by a third party.

Prevention of Money Laundering and Terrorist Financing

In the case of all initial applications, along with an application form and anti-money-laundering form Shareholders must provide documentation in a set format which verifies their identity. This is in order to comply

with international rules and Luxembourg laws and regulations (comprising, but not limited to, the amended law of 12th November 2004 on the fight against money laundering and financing of terrorism, the Grand Ducal Regulation dated 1st February 2010, CSSF Regulation 12-02 of 14th December 2012 and any applicable CSSF Circulars concerning the fight against money laundering and terrorist financing, and any respective amendments or replacements). As result of such provisions, the register and transfer agent of a Luxembourg undertaking for collective investment must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The register and transfer agent may require subscribers to provide any document it deems necessary to effect such identification. In addition, the register and transfer agent, as delegate of the Fund, may require any other information that the Fund may require in order to comply with its legal and regulatory obligations, including but not limited to the CRS Law (as defined below). The documents required and their format are included in the anti-money laundering form.

The Fund and/or the distributor reserves the right to reject an application or withhold any proceeds of sale without paying interest, as it sees fit, at its discretion in whole or in part, where it has not received sufficient information on the Shareholder or if it cannot determine, without any doubt, whether or not the subscription monies are the proceeds of offences covered by the EU regulations combating money laundering.

M. REDEMPTION OF SHARES

If not otherwise provided for in Appendix I "Portfolios in Issue", any request by a Shareholder for the redemption of his Shares must be made in writing to the Fund, c/o State Street Bank Luxembourg S.C.A., 49, avenue J.F. Kennedy, L-1855 Luxembourg, giving payment instructions and requesting irrevocable redemption. The Fund will redeem Shares so tendered for redemption at the Net Asset Value of the relevant Class on the appropriate Valuation Date as specified below, less any applicable redemption charge, as more fully described in Appendix I "Portfolios in Issue".

If not otherwise provided for in Appendix I "Portfolios in Issue", Shares may be tendered for redemption on any Valuation Date. Redemption in respect of a written redemption request received prior to 12:00 (Luxembourg time) will be effected on the Valuation Date in Luxembourg (as defined in section O "Net Asset Value" below) on which the notice of redemption is received. Redemption requests received after 12:00 (Luxembourg time) will be dealt with on the following Valuation Date. The redemption price will be equal to the Net Asset Value per Share of the relevant Class (normally calculated by reference to the latest available prices of the assets of the relevant Portfolio) determined on the applicable Valuation Date less redemption charges, if any.

Payment in respect of redemptions will normally be made within 2 Luxembourg Business Days of the Valuation Date on which the Shares were redeemed.

The Fund is not bound to redeem in any 5 consecutive Business Days more than 10% in aggregate of the Shares of any one Class and for this purpose conversions from one Class of Share into another shall be treated as redemptions of the first Class. If the number of requests received in any 5 consecutive Business Days exceeds the limit, requests may be carried forward to the next Business Day (but subject always to the foregoing limit). Any request so carried forward will be complied with in priority to any requests received thereafter.

The Board may accept redemptions of Shares subject to the conditions of the Portfolio which (if applicable) are more fully described in Appendix I "Portfolios in Issue".

A Shareholder may require the Fund to redeem or convert part of a shareholding provided that the balance of any holding of a particular Class would not have a Net Asset Value of less than the minimum amount (if any) provided for in Appendix I "Portfolios in Issue". If as a result of sales of Shares, a Shareholder would be registered with Shares of a particular Class having a Net Asset Value of less than the minimum (if any) provided for in Appendix I "Portfolios in Issue", the Fund may require that such Shares be redeemed.

Payment will be at the expense of the Shareholder, by transfer of funds to a EU, UK, Swiss or US bank account specified by the Shareholder.

The Board may decide to satisfy payment of the redemption price to any Shareholder who agrees, in whole or in part, by an in-kind allocation of securities in compliance with the conditions set forth by Luxembourg law. A valuation report will be obtained from the auditor of the Fund and any cost incurred in connection with a redemption in kind shall be borne by the relevant Shareholder or a third party.

The Fund issues fractions of Shares of up to 3 decimal places where fractions arise on redemptions of Shares. The resulting cash fraction (whose value is less than 0.001 of a Share) is retained in the Portfolio for inclusion in subsequent calculations.

In accordance with the relevant money laundering regulations, the Fund or its agents may be required to verify the identity of any person redeeming Shares before realising the proceeds. In certain circumstances this may result in a substantial delay before payment is made.

Unless provided to the contrary herein, requests for redemption should provide the following information:

- the full name(s) and address(es) of the Shareholder(s) making the request;
- the number of Shares of each Class to be redeemed; and
- details as to whom payment should be made if different from the Shareholder(s) and the currency in which the Shareholder wishes to be repaid.

If on redemption a Shareholder wishes to be paid in a currency other than that in which the relevant Class of Share is denominated, the necessary foreign exchange transaction will be arranged by State Street Bank Luxembourg S.C.A., on behalf of, and at the expense of, the Shareholder without responsibility as regards the Fund.

The redemption price paid upon redemption may be more or less than the price paid by the Shareholder for his Shares, depending upon the Net Asset Value of the relevant Portfolio's net assets at the relevant Valuation Date.

A Shareholder may not withdraw his request for redemption except in the event of suspension of the valuation of the assets of the Fund and/or relevant Portfolio and in such event a withdrawal will be effective if written notification is received by the Fund before the termination of the period of suspension. If the request is not so withdrawn, the redemption will be made, subject to the prior notice requirements set out above, on the next Valuation Date following the end of the suspension.

The Board may compulsorily redeem any Shares held by a U.S. Person as the Board believe necessary or appropriate to ensure compliance with United States law. For additional information, see section I "United States Securities Law – Mandatory Redemptions" above. In addition thereto, the Board may compulsorily redeem any Class I Shares or any Class IN Shares held by a Shareholder which does not qualify as an Institutional Investor.

Subject to the foregoing, the Fund may redeem its Shares without limitation.

N. CONVERSION OF SHARES

If not otherwise provided for in Appendix I "Portfolios in Issue", Shareholders will be able, on any Valuation Date in Luxembourg (as defined hereafter) to convert all or part of their holding of Shares of any Portfolio into Shares of another Portfolio which are being offered at that time. In addition, Shareholders may convert their Shares in one Class of a Portfolio into shares of a different Class of the same Portfolio, subject to satisfying the eligibility requirements for investment in the new Class.

Shareholders wishing to convert Shares will be entitled to do so on any day which is a Valuation Date by means of an irrevocable written request or by facsimile or electronic request confirmed in writing. Such request should be addressed to the Fund, c/o State Street Bank Luxembourg S.C.A., 49, avenue J.F. Kennedy, L-1855

Luxembourg.

If not otherwise provided for in Appendix I "Portfolios in Issue", conversions in respect of an application received prior to 12:00 (Luxembourg time) will be effected on the Valuation Date (as defined in section O "Net Asset Value" below) on which the request for conversion is received. Conversion requests received after 12:00 (Luxembourg time) will be dealt with on the next following Valuation Date.

The general provisions and procedures relating to redemptions described above will apply equally to conversions.

The number of Shares of the new Portfolio or Class to be issued will be calculated in accordance with the following formula:

$$N = \frac{P(R \times CF)}{S}$$

where:

N is the number of Shares of the new Portfolio or Class to be allotted.

P is the number of Shares of the original Portfolio or Class to be converted.

R is the Net Asset Value per Share of the original Portfolio or Class applicable to redemption requests received on the relevant Business Day.

CF is the currency conversion factor determined by the Board as representing the effective rate of exchange on the relevant Business Day between the currencies of the original Portfolio or Class and the new Portfolio or Class (where they are denominated in different currencies).

S is the Net Asset Value per Share of the new Portfolio or Class applicable to subscription applications received on the relevant Business Day.

Conversions shall be made free of charge.

Upon conversion, fractions of Shares up to 3 decimal places will be issued and the resulting cash fraction remainder (whose value is less than 0.001 of a Share) is retained in the original Portfolio or Class for inclusion in subsequent calculations.

A shareholder will bear any differences in Front End Fees between Portfolios or Classes, if applicable.

It is recommended that Shareholders promptly verify the confirmation statement that is mailed after each conversion or exchange transaction in order to ensure that it has been accurately recorded in their account.

O. NET ASSET VALUE

The Net Asset Value of the Fund is determined in Euros in accordance with the Articles of Incorporation of the Fund and on each day which is a full bank Business Day in Luxembourg (a "Valuation Date").

The Net Asset Value of Shares of each Class in the Fund shall be expressed in such currency as the Board shall from time to time determine in respect of each Class as a per Share figure and shall be determined in respect of any Valuation Date by dividing the net assets of the Fund corresponding to each Class of Share (being the latest available value of the assets of the Fund corresponding to such Class less the liabilities attributable to such Class in the relevant markets) by the number of Shares of the relevant Class then outstanding.

The valuation of the net assets of the different Classes of Shares shall be made in the following manner:

- (i) the assets of the Fund shall be deemed to include:
- (a) all cash on hand or on deposit, including any interest accrued thereon;
 - (b) all bills and demand notes and accounts receivable (including proceeds of securities sold but not delivered);
 - (c) all bonds, money market instruments, time notes, shares, stock, debenture stocks, subscription rights, warrants, swaps, options and other financial derivative instruments, units/shares in undertakings for collective investment and other investments and securities owned or contracted for by the Fund;
 - (d) all stock, stock dividends, cash dividends and cash distributions receivable by the Fund (provided that the Fund may make adjustments with regard to fluctuations in the market value of securities caused by trading ex-dividends, ex-rights or by similar practices);
 - (e) all interest accrued on any interest bearing securities owned by the Fund except to the extent that the same is included or reflected in the principal amount of such security;
 - (f) the preliminary expenses of the Fund insofar as the same have not been written off, provided that such preliminary expenses may be written off directly from the capital of the Fund; and
 - (g) all other assets of every kind and nature, including prepaid expenses.

The value of such assets shall be determined as follows:

- (1) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Board may consider appropriate in such case to reflect the true value thereof;
- (2) the value of securities and/or other financial derivative instruments which are quoted or dealt in on any stock exchange is based on the last available price;
- (3) the value of securities and/or financial derivative instruments dealt in on the over-the-counter markets or on any other regulated market is based on the last available price;
- (4) in the event that any of the securities held by the Fund on the relevant day are not quoted or dealt in on any stock exchange, over-the-counter market or other regulated market or if, with respect to securities quoted or dealt in on any stock exchange or dealt in on any over-the-counter market or other regulated market, the price as determined pursuant to sub-paragraph (2) or (3) is not representative of the fair market value of the relevant securities, the value of such securities will be determined based on the reasonably foreseeable sales price determined prudently and in good faith;
- (5) the financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in a reliable and verifiable manner on a daily basis and in accordance with market practice;
- (6) swaps are valued at their fair value based on the underlying securities (at close of business or intraday), as well as on the characteristics of the underlying commitments;
- (7) units or shares in open-ended undertakings for collective investments shall be valued on the basis of their last net asset value, as reported by such undertakings;

- (8) liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis. All other assets, where practice allows, may be valued in the same manner;
 - (9) if any of the aforesaid valuation principles do not reflect the valuation method commonly used in specific markets or if any such valuation principles do not seem accurate for the purpose of determining the value of the Fund's assets, the Board may fix different valuation principles in accordance with generally accepted accounting and valuation principles; and
 - (10) in circumstances where the interests of the Fund or its Shareholders so justify (avoidance of market timing practices, for example), the Board may take any appropriate measures, such as applying a fair value pricing methodology to adjust the value of the Fund's assets, as further described in the sales documents of the Fund.
- (ii) The liabilities of the Fund shall be deemed to include:
- (a) all loans, bills and accounts payable;
 - (b) all accrued or payable administrative expenses (including investment management fees/management company fees (if any), custodian fees and agency fees);
 - (c) all known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid dividends declared by the Fund where the Valuation Date falls on the record date for determination of the person entitled thereto or is subsequent thereto;
 - (d) an appropriate provision for future taxes based on net assets to the Valuation Date, as determined from time to time by the Fund, and contingent liabilities, if any, authorised and approved by the Board; and
 - (e) all other liabilities of the Fund of whatsoever kind and nature except liabilities represented by Shares in the Fund. In determining the amount of such liabilities the Fund shall take into account all expenses payable by the Fund which shall comprise formation expenses, fees and expenses payable to its directors, general managers (if any), management company (if so designated by the directors), investment managers, accountants, custodian, domiciliary, registrar and transfer agents, any paying agents and subscription and redemption agents and permanent representatives in places of registration, any other agent employed by the Fund, fees for legal and auditing services, promotional, printing, reporting and publishing expenses, including the cost of advertising or preparing and printing of prospectuses, key investor information documents, explanatory memoranda or registration statements, annual and semi-annual reports, stock exchange listing costs and the costs of obtaining or maintaining any registration with or authorisation from governmental or other competent authorities, taxes or governmental charges, and all other operating expenses, including the cost of buying and selling assets, the costs of holding Shareholder and Board meetings, interest, bank charges and brokerage, postage, telephone, fax and telex. The Fund may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period.
- (iii) The Board shall establish a pool of assets for each Class of Share in the following manner:
- (a) the proceeds from the issue of Shares of each Class shall be applied in the books of the Fund to the pool of assets established for that Class of Share, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such pool subject to the provisions of the Articles of Incorporation;
 - (b) where any asset is derived from another asset, such derivative asset shall be applied in the books

of the Fund to the same pool as the asset from which it was derived and on each revaluation of an asset, the increase or diminution in value shall be applied to the relevant pool;

- (c) where the Fund incurs a liability which relates to any asset of a particular pool or to any action taken in connection with an asset of a particular pool, such liability shall be allocated to the relevant pool;
 - (d) in the case where any asset or liability of the Fund cannot be considered as being attributable to a particular pool, such asset or liability shall be equally divided between all the pools or, insofar as justified by the amounts, shall be allocated to the pools pro rata to their respective Net Asset Values; and
 - (e) upon the payment of dividends to the Shareholders in any Class of Share, the Net Asset Value of such Class of Share shall be reduced by the amount of such dividends.
- (iv) For the purpose of paragraphs (ii) and (iii) and this paragraph (iv): (a) Shares in respect of which subscriptions have been accepted but payment has not yet been received shall be deemed to be existing; (b) Shares to be redeemed shall be treated as existing and taken into account until immediately after the close of business on the relevant Valuation Date, and from such time and until paid the price shall be deemed to be a liability of the Fund; (c) all investments, cash balances and other assets of the Fund not expressed in the currency in which the Net Asset Value of the relevant Class is denominated shall be valued after taking into account the market rate or rates of exchange in force at the date and time for determination of the Net Asset Value of such Shares.

Information regarding the Net Asset Value per Share, the issue price and the redemption price will be available at the registered offices of the Fund, at the office of the distribution agent in those countries where the Fund is registered for public sale and the Investment Manager and will be published regularly as more fully described in Appendix I "Portfolios in Issue".

P. TEMPORARY SUSPENSION OF ISSUES REDEMPTIONS AND CONVERSIONS

The Fund may suspend the calculation of the Net Asset Value and the right of any Shareholder to request the issue, redemption and conversion of any Share in any Portfolio of the Fund during (a) any period when any of the principal stock exchanges or regulated markets on which any substantial portion of the investments of the Fund attributable to the relevant Portfolio from time to time are quoted or dealt on is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or (b) the existence of any state of affairs which constitutes an emergency as a result of which disposals or valuation of assets owned by the Fund attributable to such Class of Shares would be impracticable; or (c) any period when there is a breakdown or restriction in the means of communication or computation normally employed in determining the price or value of any of the investments or the current price or values on any stock exchange or regulated market; or (d) any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot in the opinion of the Board be effected at normal rates of exchange; or (e) in the event of the publication (i) of the convening notice to a general meeting of Shareholders at which a resolution to wind up the Fund or a Portfolio is to be proposed, or of the decision of the Board to wind up one or more Portfolios, or (ii) to the extent that such a suspension is justified for the protection of the Shareholders, of the notice of the general meeting of Shareholders at which the merger of the Fund or a Portfolio is to be proposed, or of the decision of the Board to merge one or more Portfolios; or (f) where the Master UCITS of a Portfolio qualifying as Feeder UCITS or a Target Portfolio of an Investing Portfolio temporarily suspends the repurchase, redemption or subscription of its units, whether at its own initiative or at the request of its competent authorities; and (g) any other circumstance or circumstances where a failure to do so might result in the Fund or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment to which the Fund or its Shareholders might not otherwise have suffered. Notice of any such suspension will be given to any Shareholder applying for subscription or tendering his Shares for redemption or conversion and may, in the event of such suspension exceeding or expected by the Board to exceed 14 Business Days, be published on

www.bmogam.com, in the *Luxemburger Wort*, and such other newspapers as the Board may consider appropriate to inform Shareholders. Shareholders will be promptly notified upon the termination of such suspension.

Q. MISCELLANEOUS

A United Kingdom investor who enters into an investment agreement to acquire Shares in the Fund in response to this Prospectus will not have the right to cancel the agreement under the cancellation rules made by the Financial Conduct Authority in the United Kingdom. The agreement will be binding upon acceptance of the order by, or on behalf of, the Fund.

Most or all of the protection afforded by the United Kingdom regulatory structure will not apply. The rights of Shareholders in the Fund may not be protected by the investors' compensation scheme established in the United Kingdom.

Any investor wishing to obtain additional information or make a complaint regarding any aspect of the Fund or its operations may do so directly to the Fund c/o State Street Bank Luxembourg S.C.A., 49, avenue J.F. Kennedy, L-1855 Luxembourg or to the Investment Manager, BMO Asset Management Limited at 8th Floor, Exchange House, Primrose Street, London EC2A 2NY, for onward transmission to the Fund.

Pursuant to the Luxembourg laws and regulations and according to the circulars issued from time to time by the Luxembourg supervisory authority, professional obligations have been outlined to prevent the use of undertakings for collective investment for money laundering purposes. As a result, the identity of subscribers (a certified copy of the passport or identification card in the case of an individual, and, for subscribers who are corporate or legal entities, an extract from the register of companies or other official documentation) and/or the status of financial intermediaries (a recent original extract of the trade register and, where applicable or if requested, a certified copy of the business authorisation delivered by the competent local authorities) shall be disclosed to State Street Bank Luxembourg S.C.A. Such information shall be collected for compliance reasons only and shall be covered by professional secrecy incumbent on State Street Bank Luxembourg S.C.A. and its appointed agents in Luxembourg and banking secrecy. In accordance with the relevant regulations, the Fund is required to verify potential Shareholders' identity before the processing of the application for Shares can be completed. The absence of suitable information may result in the delayed repurchase or the forced sale of Shares and/or the withholding of sales proceeds. If additional information is needed the potential Shareholder will be contacted in writing as soon as possible after the receipt of the application for Shares.

R. RISK FACTORS

The investments of each Portfolio are subject to normal market fluctuations and other risks inherent in investing in securities and there can be no assurance that capital appreciation or distribution payments will occur.

The value of investments and income from them, and therefore the value of the Shares of each Portfolio, can and do go down as well as up and an investor may not get back the amount he invests. Changes in exchange rates between currencies may also cause the value of the investment to diminish or increase. An investor who realises his investment in the Fund after a short period may not realise the amount originally invested in view of the initial charges made on the issue of Shares. With respect to investments made (if any) in warrants on transferable securities, investors should be aware of the greater volatility of warrant prices and that this can lead to greater volatility of the Net Asset Value of the Shares.

The Fund may use derivative instruments for the purpose of hedging or with the aim of meeting the investment goals of the individual Portfolios. Risks arising from the use of such instruments are notably the following:

Volatility

Because of the low margin deposits normally required in trading derivative instruments, an extremely high degree of leverage is typical for trading in derivatives instruments. As a result, a relatively small price movement in a derivative contract may result in substantial losses to the investor. Investment in derivative transactions may result in losses in excess of the amount invested.

Risk of Trading Credit Default Swaps

Credit default swaps may trade differently from the funded securities of the reference entity. In adverse market conditions, the basis (difference between the spread on bonds and the spread on credit default swaps) can be significantly more volatile.

Particular Risks of Exchange Traded Derivative Transactions

Suspensions of Trading: each securities exchange or commodities contract market typically has the right to suspend or limit trading in all securities or commodities which it lists. Such a suspension would render it impossible for the Portfolios, to liquidate positions and, accordingly, expose the Fund to losses and delays in its ability to redeem Shares.

Risks of OTC Transactions

Instruments traded in OTC markets may trade in smaller volumes, and their prices may be more volatile than instruments principally traded on exchanges. Such instruments may be less liquid than more widely traded instruments. In addition, the prices of such instruments may include an undisclosed dealer mark-up which a Portfolio may pay as part of the purchase price.

In general, there is less governmental regulation and supervision of transactions in the OTC markets (in which currencies, forward, spot and option contracts, credit default swaps, total return swaps and certain options on currencies are generally traded) than of transactions entered into on organised exchanges. OTC derivatives are executed directly with the counterparty rather than through a recognised exchange and clearing house. Counterparties to OTC derivatives are not afforded the same protections as may apply to those trading on recognised exchanges, such as the performance guarantee of an exchange or clearinghouse.

The principal risk when engaging in OTC derivatives (such as non-exchange traded options, forwards, swaps, total return swaps or contracts for difference) is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations as required by the terms of the instrument. OTC derivatives may expose a Portfolio to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Portfolio. The value of the collateral may fluctuate, however, and it may be difficult to sell, so there are no assurances that the value of collateral held will be sufficient to cover the amount owed to the Portfolio.

A Portfolio may enter into OTC derivatives cleared through a clearinghouse that serves as a central counterparty. Central clearing is designed to reduce counterparty risk and increase liquidity compared to bilaterally-cleared OTC derivatives, but it does not eliminate those risks completely. The central counterparty will require margin from the clearing broker which will in turn require margin from the Portfolio. There is a risk of loss by a Portfolio of its initial and variation margin deposits in the event of default of the clearing broker with which the Portfolio has an open position or if margin is not identified and correctly reported to the particular Portfolio, in particular where margin is held in an omnibus account maintained by the clearing broker with the central counterparty. In the event that the clearing broker becomes insolvent, the Portfolio may not be able to transfer or "port" its positions to another clearing broker.

Investments in OTC derivatives may be subject to the risk of differing valuations arising out of different permitted valuation methods. Although the Fund has implemented appropriate valuation procedures to determine and verify the value of OTC derivatives, certain transactions are complex and valuation may only be provided by

a limited number of market participants who may also be acting as the counterparty to the transactions. Inaccurate valuation can result in inaccurate recognition of gains or losses and counterparty exposure.

Unlike exchange-traded derivatives, which are standardised with respect to their terms and conditions, OTC derivatives are generally established through negotiation with the other party to the instrument. While this type of arrangement allows greater flexibility to tailor the instrument to the needs of the parties, OTC derivatives may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if the agreement is deemed not to be legally enforceable or not documented correctly. There also may be a legal or documentation risk that the parties may disagree as to the proper interpretation of the terms of the agreement. However, these risks are generally mitigated, to a certain extent, by the use of industry-standard agreements such as those published by the International Swaps and Derivatives Association (ISDA).

Collateral Risk

Although collateral may be taken to mitigate the risk of a counterparty default, there is a risk that the collateral taken, especially where it is in the form of securities, when realised will not raise sufficient cash to settle the counterparty's liability. This may be due to factors including inaccurate pricing of collateral, failures in valuing the collateral on a regular basis, adverse market movements in the value of collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded.

Where a Portfolio is in turn required to post collateral with a counterparty, there is a risk that the value of the collateral the Portfolio places with the counterparty is higher than the cash or investments received by the Portfolio.

In either case, where there are delays or difficulties in recovering assets or cash, collateral posted with counterparties, or realising collateral received from counterparties, the Portfolios may encounter difficulties in meeting redemption or purchase requests or in meeting delivery or purchase obligations under other contracts.

As a Portfolio may reinvest cash collateral it receives, there is a risk that the value on return of the reinvested cash collateral may not be sufficient to cover the amount required to be repaid to the counterparty. In this circumstance, the Portfolio would be required to cover the shortfall. In case of cash collateral reinvestment, all risks associated with a normal investment will apply.

As collateral will take the form of cash or certain financial instruments, the market risk is relevant. Collateral received by a Portfolio may be held either by the Depositary or by a third party custodian. In either case, there may be a risk of loss where such assets are held in custody, resulting from events such as the insolvency or negligence of a custodian or sub-custodian.

Liquidity Risk

Most of the securities and instruments owned by the Fund can usually be sold promptly at a fair price. But, the Fund may invest in securities and instruments that can be relatively illiquid, meaning they may not be sold quickly, easily or at an advantageous price. Some securities or instruments are illiquid because of legal restrictions, the nature of such securities or instruments, or lack of buyers. Therefore, the Fund may lose money or incur extra costs when selling those securities, however, the Fund will only enter into OTC derivative transactions if it is allowed to liquidate such transactions at any time at a fair value.

Legal and Regulatory Risk

Each Portfolio must comply with regulatory constraints or changes in the laws affecting it or its investment restrictions, which might require a change in the investment policy and objectives followed by a Portfolio. Furthermore, such changes in the laws may have an impact on the market sentiment which may in turn affect the performance of a Portfolio. It is impossible to predict whether such an impact caused by any change of law will be positive or negative for any Portfolio. In the worst case scenario, a Shareholder may lose all its investments in the Portfolio.

Liquidity requirement to perform

From time to time, the counterparties with which the Fund effects transactions might cease making markets or quoting prices in certain of the instruments. In such instances, the Fund might be unable to enter into a desired transaction in currencies, credit default swaps or total return swaps or to enter into an offsetting transaction with respect to an open position, which might adversely affect its performance. Further, in contrast to exchange-traded instruments, forward, spot and option contracts on currencies do not provide the Investment Manager with the possibility to offset the Fund's obligations through an equal and opposite transaction. For this reason, in entering into forward, spot or options contracts, the Fund may be required, and must be able, to perform its obligations under the contracts.

Necessity for counterparty trading relationships

As noted above, participants in the OTC market typically enter into transactions only with those counterparties which they believe to be sufficiently creditworthy, unless the counterparty provides margin, collateral, letters of credit or other credit enhancements. While the Fund and the Investment Manager believe that the Fund will be able to establish multiple counterparty business relationships to permit the Fund to effect transactions in the OTC market and other counterparty markets (including credit default swaps, total return swaps and other swaps market as applicable), there can be no assurance that it will be able to do so. An inability to establish or maintain such relationships would potentially increase the Fund's counterparty credit risk, limit its operations and could require the Fund to cease investment operations or conduct a substantial portion of such operations in the futures markets. Moreover, the counterparties with which the Fund expects to establish such relationships will not be obligated to maintain the credit lines extended to the Fund, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

Reverse Repurchase Agreements and sale with right of repurchase transactions in which the Fund acts as purchaser

In the event of the failure of the counterparty with which cash has been placed, there is the risk that the value of the collateral received may be less than the cash placed out which may be due to factors including inaccurate pricing of the collateral, adverse market movements in the value of the collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded. Locking cash in transactions of significant size or duration, delays in recovering cash placed out, or difficulty in realising collateral may restrict the ability of the Portfolio to meet redemption requests or fund security purchases. As a Portfolio may reinvest any cash collateral received from sellers, there is a risk that the value on return of the reinvested cash collateral may decline below the amount owed to those sellers.

Repurchase Agreements and sale with right of repurchase transactions in which the Fund acts as seller

In the event of the failure of the counterparty with which collateral has been placed, there is the risk that the value of the collateral placed with the counterparty is higher than the cash originally received, which may be due to factors including that the value of the collateral placed usually exceeds the cash received, market appreciation of the value of the collateral, or an improvement in the credit rating of the issuer of the collateral. Locking investment positions in transactions of excessive size or duration, or delays in recovering collateral placed out, may restrict the ability of the Portfolio to meet delivery obligations under security sales or payment obligations arising from redemptions requests. As a Portfolio may reinvest the cash received from purchasers, there is a risk that the value on return of the reinvested cash may decline below the amount owed to those purchasers.

Securities Lending

Securities lending involves counterparty risk, including the risk that the loaned securities may not be returned or returned in a timely manner if the borrower defaults, and that the rights to the collateral are lost if the lending agent defaults. Should the borrower of securities fail to return securities lent by a Portfolio, there is a risk that the collateral received may be realised at a value lower than the value of the securities lent out, whether due to inaccurate pricing of the collateral, adverse market movements in the value of the collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded. As a Portfolio may reinvest the cash collateral received from borrowers, there is a risk that the value on return of the

reinvested cash collateral may decline below the amount owed to those borrowers. Delays in the return of securities on loan may restrict the ability of the Portfolio to meet delivery obligations under security sales or payment obligations arising from redemption requests.

Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act ("FATCA"), a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the US ("foreign financial institutions" or "FFI"s) to pass information about "Financial Accounts" held by "Specified US Persons", directly or indirectly, to the US tax authorities, the Internal Revenue Service ("IRS") on an annual basis.

Under FATCA, the Fund (or each Portfolio) will be subject to U.S. federal withholding taxes (at a 30% rate) on payments of certain amounts made to such entity after 30th June 2014 ("Withholdable Payments"), unless it complies (or is deemed compliant) with extensive reporting and withholding requirements. Withholdable Payments generally will include interest (including original issue discount), dividends, rents, annuities, and other fixed or determinable annual or periodical gains, profits or income, if such payments are derived from U.S. sources, as well as gross proceeds from dispositions of securities that could produce U.S. source interest or dividends. Income which is effectively connected with the conduct of a U.S. trade or business is not, however, included in this definition.

On 28th March 2014, the Grand Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("IGA") with the United States of America and a memorandum of understanding in respect thereof. The Fund (or each Portfolio) would hence have to comply with such Luxembourg IGA as implemented into Luxembourg law by the Law of 24th July 2015 relating to FATCA (the "FATCA Law") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Fund (or each Portfolio) may be required to collect information aiming to identify its direct and indirect shareholders that are Specified US Persons for FATCA purposes ("FATCA reportable accounts"). Any such information on FATCA reportable accounts provided to the Fund (or each Portfolio) will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3rd April 1996.

Although the Fund (or each Portfolio) will attempt to satisfy any obligations as necessary to avoid any FATCA withholding tax, there can be no assurance that the Fund (or each Portfolio) will be able to satisfy these obligations. If the Fund (or a Portfolio) becomes subject to withholding tax as a result of the FATCA regime, the value of the Shares held by its Shareholders may suffer material losses.

The Fund (or each Portfolio) intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Fund. The Fund will continually assess the extent of the requirements that FATCA, and notably the FATCA Law, place upon it.

To ensure the Fund's (or Portfolio's) compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Fund may:

- (a) request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such a shareholder's FATCA status;
- (b) report information concerning a Shareholder and his account holding in the Fund (or a Portfolio) to the Luxembourg tax authorities if such an account is deemed a FATCA reportable account under the FATCA Law and the Luxembourg IGA;
- (c) report information to the Luxembourg tax authorities (Administration des Contributions Directes) concerning payments to investors with FATCA status of a non-participating foreign financial

institution;

- (d) deduct applicable US withholding taxes from certain payments made to a Shareholder by or on behalf of the Fund (or a Portfolio) in accordance with FATCA, the FATCA Law and the Luxembourg IGA; and
- (e) divulge any such personal information to any immediate payor of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

The Fund is responsible for the treatment of the personal data provided for in the FATCA Law. The personal data obtained will be used for the purposes of the FATCA Law and such other purposes indicated by the Fund in the Prospectus in accordance with applicable data protection legislation, and may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*). Responding to FATCA-related questions is mandatory. The investors have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and may contact the Fund at its registered office to exercise their right.

The Fund reserves the right to refuse any application for shares if the information provided by a potential investor does not satisfy the requirements under FATCA, the FATCA Law and the IGA.

Prospective Shareholders should consult their own advisers regarding the possible implications of FATCA on an investment in Shares.

To each Portfolio may be linked additional specific risk factors, which are more fully described in Appendix I "Portfolios in Issue".

S. GENERAL INFORMATION

- (1) The capital of the Fund is at all times equal to its total net assets. The minimum capital required by Luxembourg law is EUR 1,250,000.
- (2) The duration of the Fund is unlimited and dissolution of the Fund is normally decided upon by an extraordinary Shareholders' meeting. If the capital of the Fund falls below two thirds of the minimum capital, the Board must submit the question of the dissolution of the Fund to a general meeting for which no quorum shall be prescribed and at which decisions shall be taken by a simple majority of the Shares represented at the meeting. If the capital of the Fund falls below one quarter of the minimum capital, the Board must submit the question of the dissolution of the Fund to a general meeting for which no quorum shall be prescribed and the dissolution may be resolved by Shareholders holding one quarter of the Shares represented at the meeting.
- (3) In the event of a dissolution of the Fund, liquidation shall be carried out by one or several liquidators appointed by the meeting of Shareholders effecting such dissolution and which shall determine their powers and their remuneration. The net proceeds of liquidation corresponding to each Class of Share shall be distributed by the liquidators to the holders of Shares of each Class in proportion to their holding of Shares of such Class.

If the Fund should be voluntarily liquidated, its liquidation will be carried out in accordance with the provisions of the Law which specifies the steps to be taken to enable Shareholders to participate in the liquidation distribution(s) and in that connection provides for deposit in escrow at the *Caisse de Consignation* of any such amounts which have not promptly been claimed by any Shareholders upon the close of the liquidation. Amounts not claimed from escrow within the prescription period would be liable to be forfeited in accordance with the provisions of Luxembourg law.

- (4) Confirmations of shareholding will be issued. Confirmations of shareholding will be given to Shareholders by registered book entry.

- (5) The Fund will bear all its expenses which shall comprise fees and expenses payable to its directors, general managers (if any), management company (if so determined by the directors), investment managers, accountants, custodian, registrar, transfer, domiciliary, paying or administrative agents, subscription and redemption agents and permanent representatives in places of registration, any other agent employed by the Fund, fees for legal and auditing services, reasonable promotional, printing, reporting and publishing expenses, including the cost of advertising or preparing and printing of the prospectuses, key investor information documents, explanatory memoranda, registration statements or annual and semi-annual reports, stock exchange listing costs and the costs of obtaining or maintaining any registration with or authorisation from governmental or other competent authorities, taxes or governmental charges and all other operating expenses, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex. The Fund may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period.
- (6) If further Portfolios are created in the future, these Portfolios will bear, in principle, their own formation expenses. The Board may decide for newly created Portfolios to participate in the payment of the initial formation expenses of the Fund in circumstances where this would appear to be more fair to the Portfolios concerned and their respective Shareholders. Any such decision of the Board will be reflected in an updated Prospectus.
- (7) No Shares or loan capital of the Fund have been or are agreed to be issued fully or partly paid up otherwise than in cash. No Shares in the Fund are under option or agreed conditionally or unconditionally to be put under option. Save as disclosed herein, no commissions have been or are proposed to be granted in connection with the issue of any Shares or loan capital of the Fund.
- (8) The principal object of the Fund is to carry on business as a collective investment company.
- (9) *Patrick Johns* (Chairman) is non-executive adviser to BMO Global Asset Management.

Jacques Elvinger is a partner in the Luxembourg law firm which provides legal services to the Fund for which it receives fees.

Bernd Kalis is Head of Product Management Securities Business, HypoVereinsbank Retail & Private Banking, UniCredit Bank AG.

Hugh Moir is Head of Operations and IT, BMO Asset Management (Holdings) plc, the parent of the Investment Manager.

Enrico Turchi is Deputy CEO and Managing Director of Amundi Luxembourg S.A.

Ernst Hagen is consultant to BMO Asset Management Netherlands BV.

- (10) The Fund has not established a place of business in Great Britain and has no subsidiaries.
- (11) The following contracts (not being contracts in the ordinary course of business) have been entered into and are, or may be, material:
 - (a) an agreement dated 29th November 2006, effective on 9th January 2007 between the Management Company and the Fund under which the Fund has designated FundRock Management Company S.A. (formerly RBS (Luxembourg) S.A.) as Management Company of the Fund;
 - (b) an agreement between the Management Company, the Fund and the Investment Manager dated 7th June 2010, which was amended and restated by an amendment and restatement agreement dated 18th November 2015, under which the Investment Manager was appointed to manage the business of the Fund including the co-ordination of promotional activities. This agreement may be terminated by either party on 3 months' written notice;

- (c) an agreement between the Fund and State Street Bank Luxembourg S.C.A. effective 18th March 2016, whereby State Street Bank Luxembourg S.C.A. was appointed as the Depositary of the securities and other assets of the Fund. The agreement may be terminated by the Fund or by State Street Bank Luxembourg S.C.A. on giving 90 days' notice;
- (d) an agreement between the Management Company, the Fund and State Street Bank Luxembourg S.C.A. dated 2nd April 2012 whereby State Street Bank Luxembourg S.C.A. was appointed as the Fund's registrar and transfer agent, administrative and domiciliary agent and paying agent. The agreement may be terminated upon 90 days prior written notice by either party;
- (e) a listing agreement between the Fund and Banque et Caisse d'Epargne de l'Etat ("BCEE") dated 7th January 2002, pursuant to which BCEE acts as the Fund's listing sponsor for the Luxembourg Stock Exchange. This agreement may be terminated upon 90 days' prior written notice by either party.

Any such contract may be amended by mutual consent of the parties thereto, the decision on behalf of the Fund being made by its Board.

- (12) Copies of the following documents may be obtained free of charge during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Fund, at 49, avenue J.F. Kennedy, L-1855 Luxembourg, at the office of the distribution agent in those countries where the Fund is registered for public sale and at the offices of BMO Asset Management Limited at 8th Floor, Exchange House, Primrose Street, London EC2A 2NY:
 - (a) the Articles of Incorporation of the Fund;
 - (b) the material contracts referred to above;
 - (c) the latest prospectus of the Fund;
 - (d) the latest key investor information documents relating to the relevant Class;
 - (e) the latest annual and semi-annual reports of the Fund;
 - (f) copies of shareholder notices; and
 - (g) the risk management process of the Fund.
- (13) Investors are informed that the key investor information document for each Class is available on www.bmogam.com/kiids/. Before subscribing to any Class and to the extent required by local laws and regulations each investor shall receive the key investor information document of the relevant Class. The key investor information document provides information in particular on historical performance, the synthetic risk and reward indicator and charges. Investors may download the key investor information document on the website mentioned above or obtain it in paper form or on any other durable medium agreed between BMO Asset Management Limited or the intermediary and the investor.
- (14) The general meeting of Shareholders, deciding without quorum and with a simple majority of the votes cast, may reduce the capital of the Fund by cancellation of the Shares of such Portfolio or Class and refund to the holders of Shares cancelled in such a Portfolio or Class the full Net Asset Value of the Shares of such Portfolio or Class as at the date of cancellation.

Notwithstanding anything to the contrary in this Prospectus, any merger of a Portfolio with another Portfolio of the Fund or with another UCITS (whether subject to Luxembourg law or not) shall be decided by the Board unless the Board decides to submit the decision for the merger to the general meeting of Shareholders of the Portfolio concerned. In the latter case, no quorum is required for this general meeting and the decision for the merger is taken by a simple majority of the votes cast. In the case of a merger of a Portfolio where, as a result, the Fund ceases to exist, the merger shall, notwithstanding the foregoing, be decided by a general meeting of Shareholders resolving in accordance with the quorum and majority requirements for the amendment of the Articles of Incorporation.

In addition to the above, the Board may decide upon the cancellation of a Portfolio or Class, if at any time the Board determines upon reasonable grounds that:

- (i) the continued existence of any Portfolio or Class would contravene the securities or investment or similar laws or requirements or any governmental or regulatory authority in Luxembourg or any other country in or from which the Fund is established and managed or the Shares are marketed; or
 - (ii) the continued existence of any Portfolio or Class would result in the Fund incurring any liability to taxation or suffering any other pecuniary disadvantage which it might not otherwise have incurred or suffered; or
 - (iii) the continued existence of any Portfolio or Class would prevent or restrict the sale of the Shares in any such country as aforesaid; or
 - (iv) in the event that a change in the economic or political situation relating to a Portfolio so justifies; or
 - (v) in the event that the total Net Asset Value of any Portfolio or Class is less than EUR 10 million (or its equivalent).
- (15) Pursuant to the powers given to the Board to impose restrictions for the purpose of ensuring that Shares are not acquired or held by certain persons as referred to under section I "United States Securities Law", the Fund may, where it appears to it that a person, who is precluded, is holding Shares, compulsorily redeem from that person all Shares held by him by serving a notice upon him in accordance with the provisions of the Articles of Incorporation.

The Articles of Incorporation also provide that if the Net Asset Value attributable to all Shares of any one Class is less than EUR 10 million (or its equivalent) the Board may require and effect a redemption of all the Shares of that Class. In such a case, the registered Shareholders of the relevant Class will be informed of the Board's decision by giving appropriate prior notice sent to them at their registered address.

- (16) (i) No contract or other transaction between the Fund and any other corporation or firm shall be affected or invalidated by the fact that any one or more of the directors or officers of the Fund is interested in, or is a director, associate, officer or employee of, such other corporation or firm. Any director or officer of the Fund who serves as a director, officer or employee of any corporation or firm with which the Fund shall contract or otherwise engage in business shall not, by reason of such affiliation, be prevented from considering and voting or acting upon any matters with respect to such contract or other business.
- (ii) In the event that any director or officer of the Fund may have any personal interest in any transaction of the Fund, that director or officer shall make known to the Board such personal interest and shall not consider or vote on any such transaction, and the director's or officer's interest therein shall be reported to the next succeeding meeting of Shareholders.
- (iii) The term "personal interest", as used in the preceding sub-paragraph (ii), shall not include any relationship with or interest in any matter, position or transaction involving BMO Management Limited or any subsidiary thereof or such other corporation or entity as may from time to time be determined by the Board at its discretion.
- (iv) The Fund may indemnify any director or officer, and his heirs, executors and administrators, against any expenses reasonably incurred by him in connection with any action, suit or proceedings to which he may be a party by reason of his being or having been a director or officer of the Fund or, at its request, of any other corporation of which the Fund is a shareholder or creditor and from which he is not entitled to be indemnified, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceedings to be liable for gross negligence or misconduct; in the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Fund is advised by counsel that the person to be indemnified did not commit such a breach of duty. The foregoing right of indemnification shall not exclude other rights to which

he may be entitled.

- (17) The latest price for each Class of Share can be ascertained at the registered office of the Fund and at the office of BMO Asset Management Limited, 8th Floor, Exchange House, Primrose Street, London EC2A 2NY (Telephone +44(0)20 7628 8000).
- (18) Trading in Shares on the Luxembourg Stock Exchange or the Euro MTF will be made in accordance with the Rules and Regulations of the Luxembourg Stock Exchange and subject to the payment of normal brokerage fees. The fractional entitlements to Shares cannot be traded on the Luxembourg Stock Exchange or the Euro MTF.
- (19) Past performance information on each Portfolio is detailed in the key investor information documents relating to the relevant Class that is available at the registered office of the Fund.
- (20) The Investment Manager is convinced that institutional investors, such as pension funds and charities, but also private investors, increasingly care about environmental, social and corporate governance issues. The Investment Manager therefore developed a unique approach in the area of socially responsible investment, through its Responsible Engagement Overlay service known as *reo*®.

reo® aims to encourage companies to behave more responsibly with regard to social, environmental and corporate issues, in ways that are consistent with shareholder values. The objective of *reo*® is to encourage investee companies to enhance their business performance by adopting better corporate governance, social and environmental practices. *reo*® does not entail taking a view of acceptability of what investee companies do nor does it lead to exercising a significant influence over the management of such companies.

reo® is about using the Investment Manager's ability, as manager of the Fund's equity portfolio, to encourage investee companies, through a constructive dialogue, to behave more responsibly with regard to corporate governance, social and environmental practices. In the Investment Manager's view, *reo*® may contribute towards business success and therefore increase the value of the investee companies' shares and consequently the value of the Fund's investments.

The Board has authorised the Investment Manager to carry out **non-voting *reo*®** in the context of the Fund's equity investments. Non-voting *reo*®, will not permit the Investment Manager and the Fund to exercise a significant influence over the management of the investee companies.

- (21) The Investment Manager exercises the votes attached to the Fund's equity investments based on its Corporate Governance Operational Guidelines which are available from BMO Asset Management Limited on request.
- (22) The Fund draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund, notably the right to participate in general meetings of Shareholders, if the investor is registered himself and in his own name in the Fund's register of Shareholders. In cases where an investor invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain Shareholder rights directly against the Fund. Investors are advised to take advice on their rights.

T. INVESTMENT RESTRICTIONS

The assets of the Fund will be invested so as to enable the Fund to qualify as a Part I fund for the purposes of the Law. Accordingly, the Fund will comply with Directive 2009/65/EC of 13th July 2009 as referred to in section B "Regulatory Environment".

The Board shall, based upon the principle of spreading of risks, have power to determine the investment policy for the investments of the Fund in respect of each Portfolio subject to the following restrictions:

- I. (1) The Fund, for each Portfolio, may invest in:
- a) transferable securities and money market instruments admitted to or dealt in on a regulated market; being a market within the meaning of the Directive 2004/39/EC of the European Parliament and of the Council of 21st April 2004 on markets in financial instruments; transferable securities and money market instruments dealt in on any other market which is regulated, operates regularly and is recognised and open to the public and being located in any Member State of the EU or any other state in Eastern and Western Europe, Asia, Africa, Australia, North and South America and Oceania (hereafter referred to as an "Eligible Market");
 - b) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on an Eligible Market and such admission is secured within one year of the issue;
 - c) units of UCITS authorised according to Directive 2009/65/EC and/or other undertakings for collective investment ("UCIs") within the meaning of article 1, paragraph (2), points a) and b) of Directive 2009/65/EC, whether or not established in an EU Member State or not, provided that:
 - such other UCIs have been authorised under the laws of any Member State of the EU or under the laws of countries which provide that they are subject to supervision considered by the Luxembourg supervisory authority to be equivalent to that laid down in EU law and that cooperation between authorities is sufficiently ensured,
 - the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC,
 - the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,
 - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;
 - d) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a country which is an EU Member State or if the registered office of the credit institution is situated in a non-EU Member State provided that it is subject to prudential rules considered by the Luxembourg regulator as equivalent to those laid down in EU law;

e) financial derivative instruments, including equivalent cash-settled instruments, dealt in on an Eligible Market and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

- the underlying consists of instruments covered by this section (I) (1), financial indices, interest rates, foreign exchange rates or currencies, in which the Portfolio may invest according to its investment objective,
- the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in restriction III. A) (i), (ii) and (iii), B), c) and d); provided however that when a Portfolio invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in restriction III). When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this restriction,
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority,
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative;

and/or

f) money market instruments other than those dealt in on an Eligible Market and referred to under article 41. h) of the Law, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:

- issued or guaranteed by a central, regional or local authority or by a central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more EU Member States belong, or
- issued by an undertaking any securities of which are dealt in on Eligible Markets, or
- issued or guaranteed by a credit institution subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg regulator to be at least as stringent as those laid down by EU law, or
- issued by other bodies belonging to the categories approved by the Luxembourg supervisory authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least EUR 10 million and which presents and publishes its annual accounts in accordance with Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

(2) In addition, the Fund may invest a maximum of 10% of the net assets of any Portfolio in

transferable securities or money market instruments other than those referred to under (1) above.

II. The Fund may hold ancillary liquid assets.

- III. a) (i) The Fund will invest no more than 10% of the net assets of any Portfolio in transferable securities or money market instruments issued by the same issuing body.
- (ii) The Fund may not invest more than 20% of the net assets of any Portfolio in deposits made with the same body.
- (iii) The risk exposure of a Portfolio to a counterparty in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in I. d) above or 5% of its net assets in other cases.
- b) Moreover, where the Fund holds on behalf of a Portfolio investments in transferable securities and money market instruments of issuing bodies which individually exceed 5% of the net assets of such Portfolio, the total of all such investments must not account for more than 40% of the total net assets of such Portfolio.

This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph a), the Fund may not combine for each Portfolio, where this would lead to investing more than 20% of its net assets in a single body, any of the following:

- investments in transferable securities or money market instruments issued by that body,
 - deposits made with that body, or
 - exposures arising from OTC derivative transactions undertaken with that body.
- c) The limit of 10% laid down in sub-paragraph a) (i) above is increased to a maximum of 35% in respect of transferable securities or money market instruments which are issued or guaranteed by an EU Member State, its local authorities, or by another Eligible State (as defined hereinafter) or by public international bodies of which one or more EU Member States are members.
- d) The limit of 10% laid down in sub-paragraph a) (i) is increased to 25% for certain bonds when they are issued by a credit institution which has its registered office in an EU Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.
- If a Portfolio invests more than 5% of its net assets in the bonds referred to in this sub-paragraph and issued by one issuer, the total value of such investments may not exceed 80% of the net assets of the Portfolio.
- e) The transferable securities and money market instruments referred to in paragraphs c) and d) shall not be included in the calculation of the limit of 40% in paragraph b).

The limits set out in paragraphs a), b), c) and d) may not be aggregated and, accordingly, investments in transferable securities or money market instruments issued by the same

issuing body, in deposits or in derivative instruments effected with the same issuing body may not, in any event, exceed a total of 35% of any Portfolio's net assets.

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

The Fund may cumulatively invest up to 20% of the net assets of a Portfolio in transferable securities and money market instruments within the same group.

- f) **Notwithstanding the above provisions, the Fund is authorised to invest up to 100% of the net assets of any Portfolio, in accordance with the principle of risk spreading, in transferable securities and money market instruments issued or guaranteed by a Member State of the EU, by its local authorities or agencies, or by another state accepted by the Luxembourg supervisory authority (being at the date of this Prospectus OECD member states, Brazil, Singapore, Russia, Indonesia, South Africa) or by public international bodies of which one or more Member States of the EU are members, provided that the Portfolio holds securities from at least six different issues and securities from one issue do not account for more than 30% of the net assets of such Portfolio.**

- IV. a) Without prejudice to the limits laid down in paragraph V., the limits provided in paragraph III. are raised to a maximum of 20% for investments in shares and/or bonds issued by the same issuing body if the aim of the investment policy of a Portfolio is to replicate the composition of a certain stock or bond index which is sufficiently diversified, represents an adequate benchmark for the market to which it refers, is published in an appropriate manner and disclosed in the relevant Portfolio's investment policy.
- b) The limit laid down in paragraph a) is raised to 35% where this proves to be justified by exceptional market conditions, in particular on Regulated Markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.
- V. a) The Fund may not acquire shares carrying voting rights which should enable it to exercise significant influence over the management of an issuing body.
- b) A Portfolio may acquire no more than:
- 10% of the non-voting shares of the same issuer;
 - 10% of the debt securities of the same issuer;
 - 25% of the units of the same UCITS or other UCI within the meaning of Article 2(2) of the Law;
 - 10% of the money market instruments of the same issuer.

The limits under the second, third and fourth indents may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of the money market instruments or the net amount of the instruments in issue cannot be calculated.

- c) The provisions of paragraph V. shall not be applicable to transferable securities and money market instruments issued or guaranteed by a Member State of the EU or its local authorities or by a non-member state of the EU (hereinafter referred to as an "Eligible State"), or issued by public international bodies of which one or more Member States of the EU are members.

The provisions of this paragraph V. are also waived as regards shares held by the Fund in the capital of a company incorporated in a non-Member State of the EU which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State provided that the investment policy of the company from the non-Member State of the EU complies with the limits laid down in paragraph III., V. and VI.

- VI.
- a) Except if otherwise provided for in the investment policy of a Portfolio, the Fund may not invest more than 10% of the net assets of a Portfolio in units or shares of UCITS and/or other UCIs referred to in paragraph I. (1) c) above.
 - b) When a Portfolio is authorised to invest more than 10% of its net assets in units or shares of UCITS and/or other UCIs, the relevant Portfolio shall in addition to restrictions c), d) and e) hereafter, comply with the following investment restrictions:
 - investments in other UCIs may not exceed in aggregate, 30% of the net assets of a Portfolio;
 - the Portfolio may not invest more than 20% of its net assets in shares or units of the same UCITS or other UCI. To the extent that a UCITS or other UCI is composed of several compartments and provided that the principle of segregation of commitments of the different compartments is ensured in relation to third parties, each compartment shall be considered as a separate entity for the application of this 20% limit.
 - c) The underlying investments held by the UCITS or other UCIs in which the Fund invests do not have to be considered for the purpose of the investment restrictions set forth under III. above.
 - d) When the Fund invests in the units of UCITS and/or other UCIs linked to the Fund by common management or control, no subscription or redemption fees may be charged to the Fund on account of its investment in the units of such other UCITS and/or UCIs.

If the Fund's Management Company or Investment Manager acquires for the Fund units or shares of other securities funds or other investment funds that are managed directly or indirectly by the Fund's Management Company or Investment Manager, itself or a company with which it is linked by way of common management or control or by way of a direct or indirect stake of more than 10% of the capital or votes (a "Related Fund"), no management fee or only a reduced all-in management fee of 0.25% may be charged to the Fund's assets in respect of such investments. Moreover, the Fund's Management Company and the Investment Manager may not charge to the Fund any issuing or redemption commissions that may be otherwise due to such a Related Fund.

If the Fund's Management Company or Investment Manager invests in units of a Related Fund pursuant to the above paragraph which has a lower actual (all-in) management fee as mentioned before, the fund management company may – instead of charging the aforementioned reduced all-in management fee on the assets invested in this target fund – charge the difference between the actual all-in management fee of the investing fund and the actual (all-in) management fee of the Related Fund.

In respect of a Portfolio's investments in Related Funds UCITS and other UCIs linked to the Fund as described in the preceding paragraph, the total management fee (excluding any performance fee, if any) charged to such Portfolio and each of the UCITS or other UCIs concerned shall not exceed 3.5% of the relevant net assets under management. The Fund will indicate in its annual report the total management fees charged both to the relevant Portfolio and to the UCITS and other UCIs in which that Portfolio has invested during the

relevant period.

- e) The Fund may acquire no more than 25% of the units of the same UCITS or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or other UCI with multiple compartments, this restriction is applicable by reference to all units issued by the UCITS or other UCI concerned, all compartments combined.

- VII. a) The Fund may not borrow for the account of any Portfolio amounts in excess of 10% of the net assets of that Portfolio, any such borrowings to be from banks and to be effected only on a temporary basis, provided that the Fund may acquire foreign currencies by means of back to back loans.

- b) The Fund may not grant loans to or act as guarantor on behalf of third parties.

This restriction shall not prevent the Fund from acquiring transferable securities, money market instruments or other financial instruments referred to in I. (1) c), e) and f) which are not fully paid.

- c) The Fund may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments.
- d) The Fund may only acquire movable or immovable property which is essential for the direct pursuit of its business.
- e) The Fund may not acquire either precious metals or certificates representing them.

- VIII. a) The Fund needs not comply with the limits laid down in this chapter when exercising subscription rights attaching to transferable securities or money market instruments which form part of its assets. While ensuring observance of the principle of risk spreading, recently created Portfolios may derogate from paragraphs III., IV. and VI. a), b) and c) for a period of six months following the date of their creation.

- b) If the limits referred to in paragraph a) are exceeded for reasons beyond the control of the Fund or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interest of its Shareholders.

- c) To the extent that an issuer is a legal entity with multiple compartments where the assets of the compartment are exclusively reserved to the investors in that compartment and to those creditors whose claim has arisen in connection with the creation, operation or liquidation of that compartment, each compartment is to be considered as a separate issuer for the purpose of the application of the risk spreading rules set out in paragraphs III., IV. and VI.

- IX. Under the conditions and within the limits laid down by the Law, the Fund may, to the widest extent permitted by the Luxembourg laws and regulations (i) create any Portfolio qualifying either as a feeder UCITS (a "Feeder UCITS") or as a master UCITS (a "Master UCITS"), (ii) convert any existing Portfolio into a Feeder UCITS, or (iii) change the Master UCITS of any of its Feeder UCITS.

A Feeder UCITS shall invest at least 85% of its assets in the units of another Master UCITS. A Feeder UCITS may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets in accordance with in section T "Investment Restrictions" point II.;
- financial derivative instruments, which may be used only for hedging purposes;

For the purposes of compliance with Article 42 (3) of the Law, the Feeder UCITS shall calculate

its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent under b) with either:

- a) the Master UCITS actual exposure to financial derivative instruments in proportion to the Feeder UCITS investment into the Master UCITS; or
- b) the Master UCITS potential maximum global exposure to financial derivative instruments provided for in the Master UCITS management regulations or instruments of incorporation in proportion to the Feeder UCITS investment into the Master UCITS.

Unless otherwise provided in the Appendix relating to a Portfolio, option a) is used to calculate the global exposure of a Portfolio qualifying as a Feeder UCITS.

If a Master UCITS is liquidated, the Feeder UCITS should also be liquidated, unless the CSSF approves (i) a new Master UCITS or (ii) a change of investment policy of the Feeder UCITS.

If a Master UCITS merges with another UCITS or is divided into two or more UCITS, the Feeder UCITS should be liquidated, unless the CSSF approves (i) that the Feeder UCITS may continue to be a feeder UCITS of a Master UCITS resulting from such a merger or division, (ii) that the Feeder UCITS may become a feeder UCITS of a new Master UCITS or (iii) that the investment policy of the Feeder UCITS may be amended.

X. A Portfolio (the "Investing Portfolio") may subscribe, acquire and/or hold securities to be issued or issued by one or more other Portfolios of the Fund (each, a "Target Portfolio") provided that:

- the Target Portfolio does not, in turn, invest in the Investing Portfolio invested in the Target Portfolio; and
- no more than 10% of the assets of the Target Portfolio whose acquisition is contemplated may, according to its investment policy, be invested in units of other UCITS or other UCIs; and
- the Investing Portfolio may not invest more than 20% of its net assets in Shares of a single Target Portfolio; and
- voting rights, if any, attaching to the Shares of the Target Portfolio are suspended for as long as they are held by the Investing Portfolio concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- for as long as the Shares are held by the Investing Portfolio, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purpose of verifying the minimum threshold of the net assets imposed by the Law.

XI. Financial Derivative Instruments

The Fund may in respect of each Portfolio employ a number of strategies that use financial derivative instruments. Such financial derivative instruments include but are not limited to financial futures contracts, options (both writing and purchasing, forward contracts (including foreign exchange contracts), swaps (including total return swaps, foreign exchange swaps, commodity index swaps, interest rate swaps, credit default swaps and swaps on baskets of equities) and contracts for difference. The assets or indices underlying such instruments shall always be in line with the Law and may consist of any one or more of the following: transferable securities, money market instruments, other collective investment schemes, financial indices, interest and foreign exchange rates and currencies. Unless otherwise specified in the investment policy of a Portfolio, each Portfolio may use the following financial derivative instruments, only for the purpose of efficient portfolio management and for hedging purposes. If a Portfolio intends to make use of financial derivative instruments on a regular basis to meet investment goals, the investment

policy of the relevant Portfolio will comprise detailed information on the use of these financial derivative instruments.

Further detail on the types of strategies that may be used is set out below.

The use of derivatives and other financial techniques and instruments may not cause the Fund to stray away from the investment objectives set out in the Appendix "Portfolios in issue".

The exposure to financial derivatives is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following sub-paragraphs.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this paragraph XI.

When a Portfolio invests in a total return swap or other financial derivative instrument with similar characteristics, information on the underlying assets and investment strategies to which exposure will be gained as well as on the relevant counterparties are described in the relevant Portfolio's investment objective and policy set out in the Appendix "Portfolios in issue".

When a Portfolio invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in restrictions III. a) to e) above. The rebalancing frequency of the underlying index of such financial derivative instruments is determined by the index provider and there is no cost to the Portfolio when the index itself rebalances.

Both basic forms of derivatives and exotic derivatives may be used, as described in more detail below, provided the underlying securities are permitted as investments under section T "Investment Restrictions". The derivative transactions may be concluded either on a stock exchange or another regulated market open to the public, or in OTC (over-the-counter) trading. In addition to market risks, derivatives are also subject to counterparty risk, i.e. the risk that the party to the contract may not be able to meet its obligations and may thus cause a financial loss.

OTC Counterparties

In the case of OTC transactions, the counterparty or its guarantor shall have at least the following current credit rating from a rating agency recognised by the supervisory authority: for commitments of up to one year, the highest short term rating ("P1" or equivalent); for commitments of more than one year, a long-term rating of at least "A-", "A3" or equivalent. If the rating of a counterparty or guarantor falls below the required minimum rating, the positions that are still open are to be closed out within a reasonable period in such a way as to ensure that the interests of the investors are safeguarded.

All OTC trades are implemented with counterparties who are (i) approved by the Investment Manager's counterparty selection process and (ii) with whom the relevant Portfolio has entered into an ISDA master agreement. No counterparty has discretion over the composition or management of a Portfolio's investment portfolio.

Subject to the foregoing provisions, the investment restrictions set-forth hereafter and relating to the use of financial derivative instruments will not apply to those Portfolios applying a Value-at-Risk (VaR) approach to calculate their global exposure to financial derivative instruments. With the VaR process, the risks are measured daily with a 99th percentile confidence interval and a holding period of 20 trading days. The VaR is deemed to be the maximum amount that would be lost with a probability of 99% assuming a holding period for the portfolio of one month. According to this model, the amount is exceeded in 1% of cases. The Fund or its duly appointed agent shall conduct regular stress tests.

Portfolios calculating their global exposure to financial derivative instruments on a commitment basis, must comply with the limits and restrictions specified hereafter when using financial derivative instruments.

(a) Options on securities

The Fund may write put options on securities provided it maintains during the lifetime of such options adequate liquid reserves in order to cover the full exercise prices payable in respect of the securities to be purchased upon exercise of such options.

The Fund may write call options on securities provided such options are covered by assets of the Portfolio concerned. In such an event the corresponding assets are to be maintained within that Portfolio until the exercise date of the options concerned, except if a sale thereof appears advisable in the context of decreasing markets, and provided the liquidity of the market is sufficient to ensure immediate cover of any open position. In this case the aggregate exercise price of all uncovered options shall not exceed 25% of the net assets of the relevant Portfolio.

The Fund may acquire call and put options on securities provided that the aggregate acquisition prices (in terms of premiums paid) of all options on securities, and such options that are acquired for purposes other than hedging, shall not exceed 15% of the net assets of the relevant Portfolio.

(b) Futures and options on indices, interest rates and other financial instruments

The Fund may enter into index futures or interest rate futures contracts or purchase or write options thereon, including:

(i) the acquisition of put options or the writing of call options and the entering into futures sales contracts all for hedging purposes, provided the value of the underlying securities included in such futures sales contracts does not exceed, together with the underlying securities comprised in options on stock indices or on other financial instruments purchased and/or sold for the same purpose, the market value of the assets to be hedged; and

(ii) the purchase and writing of options on stock indices and other financial instruments (including interest rate swaps with first class financial institutions) and the entering into futures sales and/ or purchase contracts for purposes other than hedging, provided the value of the underlying securities of such futures and options contracts do not exceed, together with the value of the underlying securities of all options on securities and on stock indices or on other financial instruments acquired for purposes other than hedging, the net assets of the Portfolio concerned.

The Fund may enter into the transactions referred to under (a) and (b) above only if these transactions concern contracts which are traded on a regulated market operating regularly, being recognised and open to the public. With respect to options referred to in the foregoing restrictions, the Fund may enter into OTC option transactions with first class financial institutions participating in this type of transaction.

(c) Credit Default Swaps (CDS)

The Investment Manager may use CDS which are credit derivative instruments, to manage the credit risks linked to the bond portfolio and or, money market portfolio. It can on the one hand use exposure-reducing credit derivatives for hedging purposes (transfer of credit risks to a counterparty). On the other hand, it can also take on additional credit exposure by concluding transactions with the use of credit default swaps. If the Investment Manager uses credit derivatives, the reference borrower must have outstanding equity or debt securities or rights that are traded on an exchange or a regulated market open to the public "Regulated Market".

(d) Credit-Linked Notes (CLN)

The Fund may invest in CLNs for the purpose of managing credit risk, provided such CLNs are issued by highly rated financial institutions and correspond at all times to the investment restrictions I.(1). CLNs must allow the transfer of the credit risk of an asset independently from the other risks associated and may not provide for physical delivery or transfer. In addition, the diversification rules set forth in these investment restrictions shall be met at the level of the issuer of the notes and at the level of the final debtor.

(e) Currency hedging transactions

The Fund may deal in forward exchange contracts and other financial derivative instruments described above to hedge against risks and provided that the transactions made in one currency in respect of one Portfolio may in principle not exceed the valuation of the aggregate assets of such Portfolio denominated in that currency (or currencies which are likely to fluctuate in the same manner) nor exceed the period during which such assets are held; and

In order to hedge foreign exchange risks the Fund may have outstanding commitments in currency futures and/or hold currency options provided such futures and options are dealt in on a regulated market, or enter into currency forward contracts or currency swaps with highly rated financial institutions.

In addition, the Fund may engage in the following currency hedging techniques:

- (i) Hedging by proxy, i.e. a technique whereby a Portfolio effects a hedge of the reference currency of the Portfolio (or benchmark or currency exposure of the assets of the Portfolio) against exposure in one currency by instead selling (or purchasing) another currency closely related to it, provided however that these currencies are indeed likely to fluctuate in the same manner.
- (ii) Cross-hedging, i.e. a technique whereby a Portfolio sells a currency to which it is exposed and purchases more of another currency to which the Portfolio may also be exposed, the level of the base currency being left unchanged, provided however that all such currencies are currencies of the countries which are at that time within the Portfolio's benchmark or investment policy and the technique is used as an efficient method to gain the desired currency and asset exposures.
- (iii) Anticipatory hedging, i.e. a technique whereby the decision to take a position on a given currency and the decision to have some securities held in a Portfolio's portfolio denominated in that currency are separate, provided however that the currency which is bought in anticipation of a later purchase of underlying portfolio securities is a currency associated with those countries which are within the Portfolio's benchmark or investment policy.

Share Class Hedging

Given that there is no segregation of liabilities between Share Classes, there may be a remote risk that, under certain circumstances, currency hedging transactions in relation to one Share Class could result in liabilities which might affect the Net Asset Value of the other Share Classes of the same Portfolio.

A Portfolio may not sell forward more currency exposure than there is in underlying assets exposure on either an individual currency (unless hedging by proxy) or a total currency basis.

(f) Tactical asset allocation

Futures, forwards, options, swaps (including credit default swaps) and contracts for difference may be used to gain or reduce a Portfolio's exposure to credit spreads or a particular security or market on a short or medium term basis, either in advance of a longer term allocation or reappraisal of the Portfolio's commitment to the asset or market in

question, or purely on a temporary basis where it is more efficient to use derivatives for this purpose.

Beta and interest rate duration management

The Investment Manager may use futures, forwards, options, swaps (including credit default swaps) and contracts for difference to increase or reduce the beta, interest rate duration or spread duration of all or a part of a Portfolio's investment portfolio to take account of changing levels of volatility in the market while at the same time maintaining exposure to the market.

By using derivatives in this way, the value of the Portfolio's investment portfolio may be made more or less responsive to general changes in market values than a corresponding portfolio that does not include derivatives. The Investment Manager may use this ability to effectively leverage a Portfolio, subject to the requirements under section T "Investment Restrictions" to take advantage of conditions in relation to particular markets or securities which the Investment Manager believes offer especially favourable prospects.

Alternatively, the Investment Manager may de-leverage a Portfolio by taking short positions to protect the Portfolio against potentially adverse market conditions or to reduce exposure to securities or markets which the Investment Manager's analysis suggests are overvalued and prone to being sold off, without having to resort to holding cash.

Taking views on the pricing or likely direction of markets

Each Portfolio benefits from unhedged positive movements in market prices and upwards revaluations of assets through the securities positions and long exposures in its portfolio. The Investment Manager may also use futures, forwards, options, swaps and contracts for difference to increase a Portfolio's ability to benefit from long positions by employing leverage or to position a Portfolio to benefit from anticipated corrections in the overpricing of securities or of market risks or downwards movements in market prices by taking short or negative positions in relation to particular securities, markets or market factors.

Cash management and efficient investing

The Investment Manager may also use futures, forwards, options, swaps (including credit default swaps) and contracts for difference as an alternative to acquiring the underlying or the related securities, alone or in conjunction with the securities, in any case where such investment may be accomplished in a more efficient or less costly way through the use of derivatives. Such instruments may also be used to maintain or reduce exposure to the market while managing the cashflows from subscriptions and redemptions into and out of each Fund more efficiently than by buying and selling transferable securities.

Market concentrations

Certain markets within the investment universe of the Portfolios may be highly concentrated due to the presence of a number of disproportionately highly capitalised issuers in those markets, with the result that a Portfolio may have difficulty in maintaining adequate exposure to that market by purchasing transferable securities without breaching its investment limits. The Investment Manager may use index futures to maintain a desired level of exposure to such markets.

XII. RISK MANAGEMENT PROCEDURES

The Fund will employ a risk-management process which enables it to monitor and measure at any time the risk of the financial derivative instrument positions and their contribution to the overall risk profile of each Portfolio. The Fund will employ, if applicable, a process for accurate and independent assessment of the value of any OTC financial derivative instruments which is communicated to the Luxembourg regulator on a regular basis in accordance with the Law. The risk measurement and monitoring of the Portfolio will be carried out using a value at risk (VaR) or a commitment approach.

The Fund makes sure that for each Portfolio, the overall risk exposure does not exceed 210% of the total net value of the relevant Portfolio, as further described below in section XVI., Financial Instrument Leverage Limit.

Unless otherwise provided in Appendix "Portfolios of the Fund" for specific Portfolios, commitment approach is used to monitor and measure the global exposure of the Portfolios.

This approach measures the global exposure related solely to positions on financial derivative instruments under consideration of netting or hedging.

Each Portfolio's total commitment to financial derivative instruments, limited to 100% of the Portfolio's total net value, is quantified as the sum, as an absolute value, of the individual commitments, after consideration of the possible effects of netting and coverage.

Under the VaR approach, VaR limits are set using an absolute or relative approach as more fully described below.

Portfolios using the VaR approach are required to disclose their expected level of leverage which is stated in Appendix I "Portfolios in Issue". The expected level of leverage disclosed for each Portfolio is an indicative level and is not a regulatory limit. The Portfolio's actual level of leverage might significantly exceed the expected level from time to time. However, the use of financial derivatives instruments will remain consistent with the Portfolio's investment objective and risk profile and comply with its VaR limit. In this context, leverage is a measure of the aggregate derivative usage and is calculated as the sum of the notional exposure of the financial derivative instruments used, without the use of netting arrangements. As the calculation neither takes into account whether a particular financial derivative instrument increases or decreases investment risk, nor takes into account the varying sensitivities of the notional exposure of the financial derivative instruments to market movements, this may not be representative of the level of investment risk within a Portfolio.

Absolute VaR approach

The absolute VaR approach is generally appropriate in the absence of an identifiable reference portfolio or benchmark. Under the absolute VaR approach a limit is set as a percentage of the Net Asset Value of the Portfolio. The absolute VaR limit of a Portfolio has to be set at or below 20% of its Net Asset Value. This limit is based upon a 1 month holding period and a 99% unilateral confidence interval.

Relative VaR approach

The relative VaR approach is used for Portfolios where a VaR benchmark reflecting the investment strategy which the relevant Portfolio is pursuing is defined. Under the relative VaR approach a limit is set as a multiple of the VaR of a benchmark or reference portfolio. The relative VaR limit of a Portfolio has to be set at or below twice the VaR of the Portfolio's VaR benchmark. Information on the specific VaR benchmark used are disclosed in Appendix I "Portfolios in Issue".

Upon request of investors, the Board will provide supplementary information relating to the risk management procedures.

XIII. Techniques and instruments relating to transferable securities and money market instruments

To the maximum extent allowed by, and within the limits set forth in the laws and regulations applicable to the Fund, in particular the provisions of (i) Article 11 of the Grand-Ducal Regulation of 8th February 2008 relating to certain definitions of the law of 20th December 2002 on undertakings

for collective investment¹ (the "Grand Ducal Regulation of 8th February 2008"); (ii) CSSF Circular 08/356 relating to the rules applicable to undertakings for collective investments when they use certain techniques and instruments relating to transferable securities and money market instruments ("CSSF Circular 08/356") and; (iii) CSSF Circular 14/592 relating to the ESMA Guidelines on ETFs and other UCITS issues ("CSSF Circular 14/592") (as these pieces of regulations may be amended or replaced from time to time), the Fund may for the purpose of generating additional capital or income or for reducing costs or risks (a) enter, either as purchaser or seller, into optional as well as non-optional repurchase and reverse repurchase agreements and (b) engage in securities lending transactions.

Repurchase and reverse repurchase agreements

A repurchase transaction is a transaction governed by an agreement by which a counterparty sells securities to a Portfolio, and simultaneously agrees to repurchase them or substituted securities of the same description, at a specified price on a future date specified by the counterparty.

A reverse repurchase transaction is a transaction governed by an agreement by which a Portfolio sells securities to a counterparty, and simultaneously agrees to repurchase them or substituted securities of the same description, at a specified price on a future date specified by the Portfolio.

The Fund may purchase or sell securities pursuant to repurchase or reverse repurchase agreements provided that the counterparty is a first class corporation or financial institution or a broker/dealer experienced in such transactions and is subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law. During the term of a reverse repurchase agreement under which the Fund has bought securities and except where the counterparty is in default under its repurchase obligation, the Fund may not sell the securities which are the subject of the agreement either before the repurchase of the securities by the counterparty has been carried out or before the repurchase period has expired. The Fund will monitor its holdings of securities purchased under repurchase agreements to ensure that it is at all times able to meet its obligation to redeem Shares.

No specific fees apply to repurchase or reverse repurchase transactions and transaction charges are applied at commercial market rates. As a result, the Fund receives 100% of the gross revenue generated from repurchase or reverse repurchase agreements and the Investment Manager and the Management Company will not take any fees or costs out of those revenues additional to the investment management fee or the management company fee applicable to the relevant Portfolio. The Fund will ensure that it is at any time able to recall the full amount of cash / any cash securities subject to a repurchase agreement or to terminate the reverse repurchase agreement / the repurchase agreement. The Fund's audited report shall provide further information in accordance with Luxembourg laws and regulations.

Where a Portfolio enters into repurchase or reverse repurchase agreements as of the date of this Prospectus, the maximum and the expected proportion of the relevant Portfolio's net assets that could be subject to such transactions is set out in Appendix "Portfolios of the Fund".

The following types of assets can be subject to repurchase transactions:

- short-term bank certificates or money market instruments such as defined within the Grand-Ducal Regulation of 8th February 2008;
- bonds issued or guaranteed by a member state of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope;
- shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;

¹ The law of 20th December 2002 on undertakings for collective investment has been repealed and replaced by the Law.

- bonds issued by non-governmental issuers offering an adequate liquidity;
- shares quoted or negotiated on a regulated market of a Member State or on a stock exchange of a member state of the OECD, on the condition that these shares are included within a main index.

The assets subject to repurchase and reverse repurchase agreements will be held in custody by the Depositary (or a sub-custodian on the behalf of the Depositary) in a registered account opened in the Depositary's books for safekeeping.

Investors' attention is drawn to section R "Risk Factors" of this Prospectus for more information about the risks involved by the investments into repurchase and reverse repurchase agreements.

Securities lending

Securities lending transactions are transactions by which a Portfolio transfers securities subject to a commitment that a borrower will return equivalent securities on a future date or when requested to do so by the Portfolio.

The Fund has adopted an agency programme to mitigate the risks associated with securities lending. The Administrative Agent and tri-party collateral agents work in partnership together and the securities lending agent will immediately make the Administrative Agent aware of any failure of a borrower in providing a mark to market.

State Street Bank GmbH, London Branch as the securities lending agent receives a 15% fee for their services. The Investment Manager as the Fund's securities lending co-ordinator receives an administration fee of 10% to cover operational costs. There is no hidden revenue. As a result, the Fund receives 75% of the gross revenue generated from securities lending. It is the Investment Manager's policy to return all revenue to the Fund less direct and indirect operational costs. The Investment Manager is not related to the Fund's Management Company or the Depositary. The securities lending agent belongs to the same group of companies as the Depositary.

The Fund may lend its portfolio securities to specialised banks and credit institutions and other financial institutions of high standing and highly qualified registered brokers/dealers or through recognised clearing institutions such as Clearstream or Euroclear subject to complying with the provisions set forth in the CSSF Circular 08/356.

Loans will be secured continuously by eligible collateral authorised from time to time by the CSSF and described in section XIII. below. During the whole period of lending, collateral must be at least equal to the value of the global valuation of the securities lent. Each counterparty will possess an industry standard credit rating that is acceptable to the Investment Manager with reference to the market conditions prevailing at the relevant time. Furthermore, it will be ensured that the Fund is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

However, the Fund may not lend securities which serve as underlying instruments linked to derivative financial instruments or which have been accepted within the framework of reverse repos. Securities used to provide cover in respect of derivatives on an exchange rate or currency are not regarded as being linked to the said derivative.

Where a Portfolio enters into securities lending transactions as of the date of this Prospectus, the maximum and the expected proportion of the relevant Portfolio's net assets that could be subject to such transactions is set out in the Appendix relating to the relevant Portfolio.

The following types of assets can be subject to securities lending transactions: equity and bonds compliant with the relevant provisions of CSSF Circular 08/356 and held by the relevant Portfolio in accordance with its investment policy when the Portfolio is acting as borrower.

Securities held by a Portfolio that are lent will be held in custody by the Depositary (or a sub-custodian on the behalf of the Depositary) in a registered account opened in the Depositary's books for safekeeping.

Investors' attention is drawn to section R "Risk Factors" of this Prospectus for more information about the risks involved by the use of securities lending.

Total return swaps

In order to achieve their investment objective, Portfolios may enter into total return swaps which are derivative contracts in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty.

Where a Portfolio enters into total return swaps (including total return index swaps) as of the date of this Prospectus, the maximum and the expected proportion of the relevant Portfolio's net assets that could be subject to such transactions is set out in the Appendix relating to the relevant Portfolio. If and when a Portfolio enters into total return swaps, it is for the purpose of achieving its investment objective.

The following types of assets can be subject to total return swaps: equity, currency and/or commodity indices (such as, but not limited to Bloomberg Commodities Index), volatility variance swaps as well as fixed income, most notably high yield corporate and bank loan related exposures.

All revenues arising from total return swaps will be returned to the relevant Portfolio, and the Investment Manager and the Management Company will not take any fees or costs out of those revenues additional to the investment management fee or the management company fee applicable to the relevant Portfolio.

Investors' attention is drawn to section R "Risk Factors" of this Prospectus for more information about the risks involved by the investments into total return swaps.

The reference to "Portfolio" may also include reference to "Share Classes" if the context so requires, i.e. in relation to currency hedging transactions entered into for a specific Share Class.

XIV. Collateral received in respect of Financial Derivative Instruments and Financial Techniques and Instruments

Assets received from counterparties in securities lending activities, reverse repurchase agreements, total return swaps and OTC derivative transactions other than currency forwards constitute collateral.

The Fund will only enter into transactions with counterparties which the Investment Manager as the Fund's securities lending co-ordinator believes to be creditworthy. Approved counterparties will typically have a minimum long term credit rating of A (Standard & Poor's) or A2 (Moody's). Counterparties will comply with prudential rules considered by the CSSF as equivalent to EU prudential rules and will be entities with any legal personality typically located in OECD jurisdictions. Counterparties will comply with Article 3 of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25th November 2015 on transparency of securities financing transactions and of reuse (the "SFT Regulation"). The counterparty does not have discretion over the composition or management of a Portfolio's investment portfolio or over the underlying of financial derivative instruments used by a Portfolio. Counterparty approval is not required in relation to any investment decisions made by a Portfolio.

Collateral may be offset against gross counterparty exposure provided it complies with the criteria set out in applicable laws, regulations, circulars and CSSF positions, including those for liquidity, valuation, issuer credit quality, correlation and diversification.

In particular, collateral should meet the following criteria:

- (i) Any collateral received other than cash shall be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation.
- (ii) Collateral received shall be valued on at least a daily basis using available market prices and taking into account appropriate haircut which is determined for each asset class based on the haircut policy adopted by the Management Company (see table below). The collateral will be marked to market daily and may be subject to daily variation margin requirements. Assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place.
- (iii) Collateral received shall be of high quality.
- (iv) Collateral received shall be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- (v) Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of a Portfolio's Net Asset Value. When a Portfolio is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. To the extent permitted by the applicable regulation and by way of derogation, a Portfolio may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by any EU Member State, any of its local authorities, any OECD country, Singapore or any member of the G20, or a public international body to which one or more Member States belong. In that case, the relevant Portfolio will receive securities from at least six different issues, but securities from any single issue shall not account for more than 30% of the Net Asset Value of that Portfolio.
- (vi) Where there is a title transfer, the collateral received shall be held by the Depositary in a registered account opened in the Depositary books for safekeeping or one of its correspondents to which the Depositary has delegated the custody of such collateral. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- (vii) Collateral received shall be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

The collateral received in connection with such transactions must meet the criteria set out in the CSSF Circular 08/356 (as may be amended or replaced from time to time) which includes the following collateral:

- (i) liquid assets (i.e., cash, short term bank certificates or money market instruments as defined in Council Directive 2007/16/EC of 19th March 2007) and their equivalent (including letters of credit and a guarantee at first-demand given by a first class credit institution not affiliated to the counterparty);
- (ii) bonds issued or guaranteed by an OECD member state or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope;
- (iii) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
- (iv) shares or units issued by UCITS investing mainly in bonds/shares mentioned in (v) and (vi) below;
- (v) bonds issued or guaranteed by first class issuers offering an adequate liquidity; or

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

In offsetting collateral its value is reduced by a percentage (a "haircut") which provides, *inter alia*, for short term fluctuations in the value of the exposure and of the collateral. Collateral levels are maintained to ensure that net counterparty exposure does not exceed the limits per counterparty as set out in and in the relevant Portfolio's investment objective and policy set out in the Appendix "Portfolios of the Fund".

At the date of this Prospectus, the following types of collateral are accepted and the following haircuts for collateral are generally applied by the Fund (the Fund reserves the right to vary this policy at any time):

Eligible Collateral	OTC Derivative Transactions	Securities Lending	Repurchase Transactions
	Haircut / Expected Level of Collateral	Haircut / Expected Level of Collateral	Haircut / Expected Level of Collateral
Government bonds			
Negotiable debt obligations issued by the government of UK, Canada, Belgium, Switzerland, Sweden, USA, France, Netherlands and Germany having remaining maturity of less than one year and a minimum credit rating of BBB- by S&P or Baa3 by Moody's (whichever is the lower)	0%-4% / 96%-100%	>5% / ≥ 105	7%-13% / 87%-93%
Negotiable debt obligations issued by the government of UK, Canada, Belgium, Switzerland, Sweden, USA, France, Netherlands and Germany having remaining maturity of more than one year but not more than 5 years and a minimum credit rating of BBB- by S&P or Baa3 by Moody's (whichever is the lower)	0%-6% / 94%-100%	>5% / ≥ 105	7%-13% / 87%-93%
Negotiable debt obligations issued by the government of UK, Canada, Belgium, Switzerland, Sweden, USA, France, Netherlands and Germany having remaining maturity of more than 5 years but not more than 10 years and a minimum credit rating of BBB- by S&P or Baa3 by Moody's (whichever is the lower)	2%-8% / 92%-98%	>5% / ≥ 105	7%-13% / 87%-93%
Negotiable debt obligations issued by the government of UK, Canada, Belgium, Switzerland, Sweden, USA,	5%-11% / 89%-95%	>5% / ≥ 105	7%-13% / 87%-93%

France, Netherlands and Germany having remaining maturity of more than 10 years and a minimum credit rating of BBB- by S&P or Baa3 by Moody's (whichever is the lower)			
Corporate Bonds rated at least investment grade having remaining maturity of 20 years	Not applicable	>2% / ≥102%	Not applicable
Equities	Not applicable	>5% / ≥105%	Not applicable
Cash	0% / 100%	Not applicable	0% / 100%

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

Cash collateral received by a Portfolio in relation to any of the above transactions may be reinvested in a manner consistent with the investment objectives of such Portfolio in:

- deposits with credit institutions having their registered office in an EU Member State or if the credit institution has its registered office in a third country, it must be subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;
- high-quality government bonds;
- reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and to the extent that the Fund is able to recall at any time the full amount of cash on an accrued basis;
- shares or units issued by short-term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

Re-invested cash collateral shall be diversified in accordance with the diversification requirements applicable to non-cash collateral. There is a risk that the value on return of the reinvested cash may decline below the amount owed.

In case of cash collateral reinvestment, all risks associated with a normal investment will apply.

XV. Excess of ceilings

The Fund need not comply with the investment limit percentages laid down above when exercising subscription rights attached to securities which form part of its assets. If such percentages are exceeded for reasons beyond the control of the Fund or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

XVI. Financial Instrument Leverage Limit

The global exposure relating to the use of all derivative instruments must never be greater than then 100% of the net value of the total net assets of an individual Portfolio. The overall risk exposure of an individual Portfolio must never exceed 200% of the net assets of the Portfolio in question. As mentioned under point VII. a), above, a Portfolio may borrow up to an amount not greater than 10% of its net assets, on a temporary basis. The overall risk exposure of a Portfolio may not exceed 210% of the net value of the Portfolio's net assets.

XVII. Transactions with Connected Persons

Any cash forming part of the property of the Fund may be placed as deposits with the Depositary, the Management Company, the Investment Manager or with any Connected Persons of these companies (being an institution licensed to accept deposits) so long as that institution pays interest thereon at a rate that is, in accordance with normal banking practice, no lower than the commercial rate for deposits of the size of the deposit in question negotiated at arm's length.

Money can be borrowed from the Depositary, the Management Company, the Investment Manager or any of their Connected Persons (being a bank) so long as that bank charges interest at no higher rate, and any fee for arranging or terminating the loan is of no greater amount than is in accordance with normal banking practice, the commercial rate for a loan of the size and nature of the loan in question negotiated at arm's length.

Any transactions between the Fund and the Management Company, the Investment Manager, directors of the Fund or any of their Connected Persons as principal may only be made with the prior written consent of the Depositary.

All transactions carried out on behalf of the Fund will be entered into on an arm's length basis and executed on the best available terms. Transactions with persons connected to the Management Company, the Investment Manager or directors of the Fund may not account for more than 50% of the Fund's transactions in value in any one financial year of the Fund.

"Connected Person" of any company means:

- (a) any person or company beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of that entity or able to exercise directly or indirectly 20% or more of the total votes in that entity;
- (b) any person or company controlled by a person who meets one or both of the requirements set out in (a) above;
- (c) any member of the group of which that company forms part; and
- (d) any director or officer of that company or of any Connected Person of that entity as defined in (a), (b) or (c) above.

U. PROHIBITION OF LATE TRADING AND MARKET TIMING

Late Trading is understood to be the acceptance of a subscription (or conversion or redemption) order after the applicable cut-off time on the relevant Valuation Date and the execution of that order at a price based on the Net Asset Value applicable for that same day. Late Trading is strictly forbidden.

Market Timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts Shares of the Fund within a short time period, by taking advantage of time differences and/or imperfections of deficiencies in the method of determination of the Net Asset Value of a given Portfolio. Excessive, short-term (market-timing) trading practices may disrupt portfolio management strategies and harm fund performance.

To minimise harm to the Fund and the Shareholders, the Board retains the right to reject any subscription or conversion order, or levy a fee of up to 2% of the value of the order for the benefit of the Fund from any investor who is engaging in excessive trading or has a history of excessive trading or if an investor's trading, in the opinion of the Board, has been or may be disruptive to the Fund or any of the Portfolios. In making this judgment, the Board may consider trading done in multiple accounts under common ownership or control. The Board also has the power to redeem all Shares held by a Shareholder who is or has been engaged in excessive trading. Neither the Board nor the Fund will be held liable for any loss resulting from rejected orders.

In order to avoid such practices, Shares are issued, redeemed and converted at an unknown price based on the Net Asset Value and the Fund will not accept orders received after the relevant cut-off time.

The Fund reserves the right to refuse dealing orders with respect to a Portfolio by any person who is suspected of Market Timing activities and to take appropriate measures to protect other investors of the Fund.

V. ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

Domestic Paying and Information Agent

CACEIS Bank Deutschland GmbH
CBB20
Lilienthalallee 34-36
80939 München

has undertaken the function of Paying and Information Agent in the Federal Republic of Germany (the “German Paying and Information Agent”).

Investors in the Federal Republic of Germany may submit redemption and conversion applications for shares of the Portfolios, which may be marketed in the Federal Republic of Germany to the German Paying and Information Agent for onward transmission to the Administrative Agent of the Company.

All payments to investors in the Federal Republic of Germany (redemption proceeds, any disbursements or other payments) may be remitted via the German Paying Agent.

The sales prospectus, the Key Investor Information (KII), the Articles of Incorporation of the Company as well as the annual and semi-annual reports are available free of charge and in hardcopy at the German Paying and Information Agent during normal business hours.

Likewise, the issue, redemption and conversion prices of the shares of the Portfolios as well as any notices to the investors in the Federal Republic of Germany are available free of charge as are the agreements concluded between the Custodian Bank and the Company for reference purposes.

Publications

The Issue and redemption prices will be published on www.vwd.com.

Any notices to the investors in the Federal Republic of Germany are published in the Federal Gazette (www.bundesanzeiger.de).

APPENDIX I – "PORTFOLIOS IN ISSUE"

1. F&C FUND – F&C HVB-Stiftungsfonds

1. Name of the Portfolio

F&C HVB-Stiftungsfonds

2. Investment Objectives and Policy

The objective of *F&C HVB-Stiftungsfonds* is to make available to investors participation in a broadly diversified global portfolio of debt and equity securities as well as derivatives which enable an annual distribution to be made, whilst maintaining the long term value of the property of the Portfolio.

It is expected that the majority of the Portfolio's assets will be invested in equities, debt securities and derivatives within the limits set out in the investment restrictions. Debt securities may include both investment grade and below investment grade debt securities. Derivatives will be used to enhance portfolio performance by gaining exposure to a number of alternative sources of return and controlling risk. Such derivative instruments may be traded through recognised exchanges or over-the-counter ("**OTC**") and may include but are not limited to, options, futures, swaps (including, but not limited to, total return swaps on strategies, equity baskets and equity indices), contracts for difference and forward contracts. The Portfolio will invest a minimum of 26% in equity securities in the sense of sec. 2 para. 8 the German Investment Tax Reform Act dated 8 July 2016.

The expected proportion of the net assets of the Portfolio that could be subject to total return swaps is 1%, subject to a maximum of 50%.

Subject always to the investment restrictions contained in section T "Investment Restrictions", exposure to each of the asset classes referred to above can be generated either directly through the purchase or sale of the relevant securities and derivative instruments or indirectly through investments in listed certificate instruments issued by investment banks, shares or units of exchange traded funds (ETFs), UCITS or other UCIs.

Subject to the provisions contained in section T "Investment Restrictions", *F&C HVB-Stiftungsfonds* may lend its portfolio securities and enter into repurchase agreements with first class financial institutions.

The expected proportion of the net assets of the Portfolio that could be subject to securities lending is 5%, subject to a maximum of 100%.

The expected proportion of the net assets of the Portfolio that could be subject to repurchase transactions is 0%, subject to a maximum of 20%.

As the Portfolio may invest more than 10% of its net assets in UCITS or other UCIs in accordance with investment restriction I. (1) c), it will not qualify as an eligible investment for other UCITS.

The Portfolio may also hold interest rate and currency options, futures, swaps, contracts for difference and forward contracts for hedging and investment purposes subject to the investment restrictions.

The Portfolio may hold, on an ancillary basis, cash and cash equivalent securities should this be considered to be appropriate at any particular time.

The Portfolio seeks to employ a number of strategies that use derivative instruments.

Overview of strategies

Please note that the following overview of strategies which the Portfolio may use in the context of its investment policy is for information purposes only and is not intended to be exhaustive or complete.

Tactical Asset Allocation – allocating risk capital across broad asset classes (equity, rates, credit, commodities, currencies). This is primarily implemented at the level of an appropriate market index, whereas exposure to commodities will always be gained through an eligible index. Instruments utilised are typically exchange traded futures and options or other exchange traded derivatives (ETD), but also over-the-counter (OTC) derivatives including but not limited to index swaps, options and credit default swaps.

Alternative Beta – a portion of the Portfolio's risk budget may be applied to so called risk factors within the main asset classes.

Typically this is implemented using an OTC swap on a customised index. This index is defined at the outset of the trade in the form of an Index Definition Document. The index definition is agreed between the two parties to the OTC transaction in conjunction with a calculation agent. Any index definition will include index rules concerning any index rebalancing that is deemed necessary as well as any notional fees and costs. The index must be an eligible underlying for the Portfolio.

Some such strategies involve the trading of a combination of plain-vanilla derivative instruments. These instruments may be both OTC and ETD contracts. From time to time the Portfolio will use more bespoke (exotic) derivative contracts that provide similar economic exposure to such combinations of derivatives. An example would be when seeking to gain exposure to an implied volatility risk premium. Here a dynamic combination of plain-vanilla contracts can be substituted with a single exotic OTC contract (Variance Swap or Option On Variance).

At all times the manager seeks to use the derivative instrument which provides the greatest efficiency and liquidity. Such instruments are typically exchange traded contracts.

Alpha Strategies – The Portfolio employs a number of active strategies that are based primarily on fund manager skill rather than on a perceived premium in the market. Such strategies are implemented using ETD futures and options and include options/futures on volatility, the most common contracts being those based on the VIX index.

OTC Counterparties – The Portfolio has entered into ISDA/CSAs with a number of banks including, but not limited to, JP Morgan, Société Générale, Credit Suisse, Deutsche Bank.

All OTC trades are implemented with counterparties who are (i) approved by the Investment Manager's counterparty selection process and (ii) with whom the Portfolio has an ISDA/CSA in place. All trades are therefore subject to two way collateralisation. As a result the risk of loss to the investor, although not fully eradicated, is significantly reduced.

The counterparty to ETD trades is the relevant exchange itself and as a result all positions enjoy the standard exchange margining process.

No counterparty has discretion over the composition or management of the Portfolio's investment portfolios.

The underlying of any OTC financial derivative instrument is determined by the parties to the contract at the outset of the transaction. Typically this is an index calculated by a third party, e.g. Standard & Poors, FTSE, Stoxx.

However, it may be a customised index which is then implemented in line with the index definition, again established at the outset of the trade. Any index definition will include index rules concerning any index rebalancing that is deemed necessary as well as any notional fees and costs. The index must be an eligible underlying for the Portfolio.

No counterparty approval is required in relation to any investment portfolio transaction. The Portfolio will only enter into derivative transactions with approved counterparties.

3. Global Exposure to financial derivative instruments

By virtue of its extensive use of financial derivative instruments, the investment restrictions on "Financial

Derivative Instruments" disclosed in the prospectus will not apply to *F&C HVB-Stiftungsfonds*. *F&C HVB-Stiftungsfonds* shall employ the absolute Value-at-Risk (VaR) approach for calculating its global exposure to financial derivative instruments.

VaR reports will be produced and monitored on a daily basis based on the following criteria:

- 1 month holding period
- 99 per cent confidence levels
- stress testing will also be applied on an ad hoc basis

The Portfolio's expected level of leverage is between 0% and 400% of the Net Asset Value of the Portfolio, although it is possible that the leverage might exceed this level from time to time. The expected level of leverage is calculated as the sum of notionals of the derivatives held in the Portfolio.

4. Risk Factors

Potential investors should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser before investing. These risk factors are not intended to be exhaustive and there may be other risk factors which a potential investor should consider prior to investing in Shares in *F&C HVB-Stiftungsfonds*. However, the investments of *F&C HVB-Stiftungsfonds* will be subject to market fluctuations and other risks normally associated with any investment and there can be no assurance that *F&C HVB-Stiftungsfonds*' investment objectives will be achieved.

Receipt of income from the debt securities is subject to the credit risk of the issuer.

Investments in ETFs, UCITS and other UCIs

The Portfolio may invest part or all of its assets in units or shares of ETFs, UCITS or other UCIs in accordance with the investment restrictions contained in section T of this Prospectus. Such investments are subject to market fluctuations and to the risks inherent in all investments; accordingly, no assurance can be given that their investment objective will be achieved.

In respect of the Portfolio's investment in ETFs, UCITS and other UCIs, there may be duplication of certain other fees and expenses such as management and advisory charges, custodian fees, administration fees, auditors and legal fees and certain other administrative expenses. In relation to investments in UCITS or other UCIs which are not Related Funds of BMO Asset Management Limited, there may in addition be a duplication of entrance and redemption fees. The specifics of Related Funds are exposed in section T "Investment Restrictions" under VI.

Derivative risks

As described above, the Portfolio may also invest in derivatives. Investors should be aware of the greater volatility of derivative values and the correspondent increased volatility of the Portfolio's Shares that may arise therefrom. Risk spreading is achieved through *F&C HVB-Stiftungsfonds* holding a balanced portfolio of securities. The value of Shares and the level of distributions may go down as well as up.

Because of the low margin deposits required in trading derivative instruments, an extremely high degree of leverage is typical for trading in derivatives instruments. As a result small price movement in the underlying of a derivative contract may result in substantial losses to the Portfolio's assets. Investment in derivative transactions may result in losses in excess of the amount invested in the Portfolio.

The levels and bases of taxation set out in section G "Fiscal Considerations" above, and reliefs from such taxation, are subject to change and their value, in certain circumstances, depends on an investor's individual circumstances.

F&C HVB-Stiftungsfonds may invest in warrants, which often involve a high degree of gearing so that a relatively small movement in the price of the security to which the warrant relates may result in a disproportionately large movement, unfavourable as well as favourable, in the price of the derivative.

As certain of the Portfolio's assets and income may be held in currencies other than the Euro, the Portfolio will be subject to currency movements. The fluctuation of the Euro exchange rate relative to other currencies may affect the asset value of the Shares of the Portfolio.

F&C HVB-Stiftungsfonds' investments may be adversely affected by changes in local laws, taxes and exchange controls. The value of such stock may also be affected by legal action brought by third parties, governments or global authorities, or by changes to legislation or the actions of regulatory authorities.

5. Investment Manager

The Board has appointed BMO Asset Management Limited as Investment Manager, to manage *F&C HVB-Stiftungsfonds'* assets on a discretionary basis.

6. Application for Shares

Applications for Shares must be forwarded to the Fund c/o State Street Bank Luxembourg S.C.A. in writing. Application forms are available from the Investment Manager and State Street Bank Luxembourg S.C.A. and at the office of the distribution agent in those countries where the Fund is registered for public sale and provide further details on how to subscribe and the settlement procedures. Confirmation of shareholding will be sent to successful applicants within 21 days of the date of allotment. No Share certificates will be issued.

7. Redemption of Shares

A Shareholder wishing to redeem his Shares must deliver a redemption request in writing to the Fund on the Valuation Date on which he wishes such redemption to occur, provided that a redemption request must be received by no later than 12:00 (Luxembourg time) on the Valuation Date on which such redemption is intended to occur. In such circumstances, Shares will be redeemed at their Net Asset Value on the Valuation Date on which the redemption request is received. Shares for which redemption requests are received after 12:00 (Luxembourg time) will be redeemed at their Net Asset Value calculated on the following Valuation Date. Payment for Shares redeemed will ordinarily be made in Euros within 2 Luxembourg Business Days after the relevant Valuation Date.

8. Reference Currency

The reference currency is the Euro.

9. Share Classes

At the date of this Prospectus, *F&C HVB-Stiftungsfonds* issues the following Classes of Shares:

Available Currencies:	EUR
Types:	Income and Accumulation
Management Company Fee:	Up to 0.0325% of the applicable NAV (with an annual minimum of EUR 25,000)
Depositary Fee:	Up to 0.50% of the assets under custody plus a transaction charge
Administration Fee:	Up to 0.0455% of the applicable NAV plus a transaction charge

Share Class	Investors Restriction	Initial Minimum Investment and Holding	Front End Fee (max)	Investment Management Fee (max)
Class A Shares	no restriction on issue	EUR 2,500, exclusive of the initial charge*	up to 5% of the applicable NAV	up to 2% of the applicable NAV
Class AN Shares	Tax-Exempt Investors only**	EUR 2,500, exclusive of the initial charge*	up to 5% of the applicable NAV	up to 2% of the applicable NAV
Class I Shares	Institutional	EUR 10 million, exclusive of the initial charge*	up to 1% of the applicable NAV	up to 0.6% of the applicable NAV
Class IN Shares	Tax-Exempt Investors only**	EUR 10 million, exclusive of the initial charge*	up to 1% of the applicable NAV	up to 0.6% of the applicable NAV

* The Board of Directors, in its discretion, may reduce or waive the minimum investment requirement.

** These are investors that qualify as tax-exempt investors under Chapter 2, Section 1 of the Bill of the German Federal Government on the Reform of Investment Taxation.

10. Frequency of Calculation of the Net Asset Value

Each Valuation Date

11. Publication of the Net Asset Value

The Net Asset Value, the issue price and the redemption price, is available at the registered office of the Fund and will be published regularly in or on:

- *Bloomberg*
- *Reuters*
- www.bmogam.com

12. Dividends

Dividend payments in relation to Class A, Class AN, Class I and Class IN Shares will normally be payable twice a year on the 15th day of December and on the 15th day of June (or if such day is not a Business Day in Luxembourg, on the next following Business Day) in respect of Shares held on the relevant record day. Payments are normally made by bank mandate.

In relation to accumulation Shares in Class A Acc, Class AN Acc, Class I Acc and Class IN Acc, the net investment income attributable to the relevant Shares will not be paid to the investor or reinvested to subscribe additional Shares, but will be retained in the Share Class, thus increasing the net asset value of the Shares of the relevant Class.

13. Profile of typical investor

F&C HVB-Stiftungsfonds is intended for investors who are investing for an enhanced annual income or the equivalent amount represented as a capital gain and the potential for long term capital growth through investment in a broadly diversified global portfolio of debt and equity securities as well as derivatives.

14. Listing

Class A Shares are listed on the Euro MTF.

IMPORTANT INFORMATION FOR INVESTORS IN SWITZERLAND

The Representative in Switzerland

CARNEGIE FUND SERVICES SA, 11, rue du Général-Dufour, 1204 Genève, Switzerland, tel: + 41 22 7051177, fax: + 41 22 7051179.

Paying Agent in Switzerland

BANQUE CANTONALE DE GENEVE, 17 Quai de l'Ile, 1204 Genève, tel: + 41 22 3172727, fax: + 41 22 3172737.

Location where the relevant documents may be obtained

The Prospectus, the Key Investor Information Documents relating to the relevant Class, the annual and semi-annual Report and the Articles of Incorporation of the Fund (each in their latest version approved by FINMA, in German), and further information can be obtained free of charge from the Swiss Representative.

Publications

All the publications of the Fund in Switzerland, whether mandatory or not, will be made on www.fundinfo.com.

Publication of prices

Each time shares are issued or redeemed, the issue and redemption prices or the net asset value together with a reference stating "excluding commissions" must be published for all share classes on www.fundinfo.com. The prices are published daily. The published prices will be exclusive of commissions.

Currency of investment undertaken in a portfolio and base currency of a portfolio

Investors are advised that the currency of investments in a portfolio may be different from the base currency (or the currency of reference for accounting purposes) of the same portfolio.

Retrocessions

The Investment Manager and its affiliates may pay retrocessions as remuneration for distribution activity in respect of fund Shares in and from Switzerland. Retrocessions are deemed to be payments and other soft commissions paid by the Investment Manager and its affiliates out of its investment management fee to eligible third parties for distribution activities in respect of Shares in the portfolios in and from Switzerland. With such payments, the Investment Manager compensates the respective third parties for all activities whose object is, whether directly or indirectly, the purchase of Shares in the portfolios by an investor. This remuneration may be deemed payment for the following services in particular:

- Introduction to potential investors in the portfolios,
- Organisation of road shows and/or fund fairs at which the Investment Manager is invited,
- Assistance to investors in making applications for Shares,
- Forwarding of subscription, conversion and redemption orders to the Fund's Administrator,
- Providing investors with the Fund's documents,
- Verification of identification documents and the performance of due diligence tasks as well as keeping documentary records of their clients who may invest in the portfolios,
- Distribution and publication of information and other client communications to their clients, etc.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for distribution.

On request, the recipients of retrocessions must disclose the amounts they actually receive for the distribution of the collective investment schemes held by the investors concerned.

Where fund Shares are distributed in other countries, the law in the country of domicile of the Investment Manager Grand Duchy of Luxembourg does not set out rules on retrocessions (as defined above) to third parties as remuneration for distributing fund Shares that are stricter than those under Swiss law.

Rebates

In respect of distribution in and from Switzerland the Fund and its affiliates do not pay any rebates, defined as payments by the Fund and its affiliates, directly to investors to reduce the fees or costs incurred by the investor and charges to the fund.

Place of performance and the place of jurisdiction

In respect of the Shares distributed in and from Switzerland, the place of performance and the place of jurisdiction is at the registered office of the Swiss Representative.