



PROSPECTUS

WAVERTON INVESTMENT FUNDS SICAV

Société d'Investissement à capital variable (SICAV)
à compartiments multiples
Luxembourg

Containing the following Sub-Funds:

WAVERTON INVESTMENT FUNDS SICAV – WAVERTON EUROPEAN CAPITAL GROWTH FUND

WAVERTON INVESTMENT FUNDS SICAV – WAVERTON EUROPEAN INCOME FUND

WAVERTON INVESTMENT FUNDS SICAV – WAVERTON SOUTHEAST ASIAN FUND

Subscriptions can only be received on the basis of this prospectus accompanied by the relevant key investor information documents, latest annual report as well as by the latest semi-annual report, if published after the latest annual report.

These reports form part of the present prospectus. No information other than that contained in this prospectus, in the key investor information documents, in the periodic financial reports, as well as in any other documents mentioned in the prospectus and which may be consulted by the public may be given in connection with the offer.

R.C.S. LUXEMBOURG B 179624

14th September 2016

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COMPANY REGISTERED OFFICE	42, Rue de la Vallée L-2661 Luxembourg Grand Duchy of Luxembourg
MANAGEMENT COMPANY	Casa4Funds SA 42, Rue de la Vallée L-2661 Luxembourg Grand Duchy of Luxembourg
DIRECTORS OF THE COMPANY	Charles Glasse Chairman of the Board of Directors Director and Investment Manager Waverton Investment Management Limited United Kingdom Charles Scott Plummer Director and Head of Funds Waverton Investment Management Limited United Kingdom Marc Geduldt Director & Head of Operations Waverton Investment Management Limited United Kingdom Maxime Causin Deputy Head of Fund Services Casa4Funds SA, Luxembourg
DIRECTORS OF THE MANAGEMENT COMPANY	Chairman of the Board of Directors Michele Milani Member of the Management Committee Banor SIM S.p.A. Director Giacomo Mergoni Chief Executive Officer Banor Capital Ltd Director Alberto Cavadini Director ManagementPlus (Luxembourg) S.A.
AUDITOR	Deloitte Audit S.à r.l. 560 rue de Neudorf L-2220 Luxembourg Grand Duchy of Luxembourg
INVESTMENT MANAGER	Waverton Investment Management Limited 16 Babmaes Street London, SW1Y 6AH United Kingdom

DEPOSITARY BANK AND PAYING
AGENT

ING Luxembourg
52, route d'Esch,
L-2965 Luxembourg
Grand Duchy of Luxembourg

CENTRAL ADMINISTRATION, REGIS-
TRAR AND TRANSFER AGENT

European Fund Administration S.A.
2, rue d'Alsace - P.O. Box 1725
L-1017 Luxembourg
Grand Duchy of Luxembourg

DOMICILIARY AGENT

Casa4Funds SA
42, Rue de la Vallée
L-2661 Luxembourg
Grand Duchy of Luxembourg

PART A: GENERAL INFORMATION

The Prospectus is divided into two Parts. Part A "General Information" aims at describing the general features of Waverton Investment Funds SICAV. Part B "The Sub-Funds" aims at describing precisely each sub-fund's specifics.

1. INTRODUCTION

Waverton Investment Funds SICAV, (hereinafter the "**Company**"), described in this prospectus is a company established in Luxembourg with a variable capital, *société d'investissement à capital variable* that may offer a choice of several separate sub-funds investing in transferable securities and/or other liquid financial assets permitted by part I of the law of 17 December 2010 as amended (the "**2010 Law**") related to undertakings for collective investments (in the following referred to as "**Investment Fund Law**") transposing Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("**UCITS**") as amended by the Directive 2014/91/EC of the European Parliament and of the Council of 23 July 2014.

The main objective of the Company is to provide a range of sub-funds (hereinafter referred to individually as "**Sub-Fund**" and collectively as the "**Sub-Funds**") combined with active professional management to diversify investment risk and satisfy the needs of investors seeking income, capital conservation and longer term capital growth. Each Sub-Fund corresponds to a distinct part of the assets and liabilities of the Company.

As in the case of any investment, the Company cannot guarantee future performance and there can be no certainty that the investment objectives of the Company's individual Sub-Funds will be achieved.

For the moment, the Company contains the following Sub-Funds:

- **Waverton Investment Funds SICAV – Waverton European Capital Growth Fund**
- **Waverton Investment Funds SICAV – Waverton European Income Fund**
- **Waverton Investment Funds SICAV – Waverton SouthEast Asian Fund**

The reference currency (the "**Reference Currency**") of the Sub-Funds is indicated in each Sub-Fund specifics (section "**Investment Objectives and Policy**") in Part B of this Prospectus.

The board of directors of the Company (hereinafter the "**Board of Directors**" or the "**Directors**") may decide at any time to create new Sub-Funds. At the opening of such additional Sub-Funds, the current prospectus (hereinafter called the "**Prospectus**") shall be adapted accordingly.

As it is provided for in the articles of incorporation (the "**Articles**") of the Company, the Board of Directors may:

- (i) restrict or prevent the ownership of shares in the Company by any physical person or legal entity;
- (ii) restrict the holding of shares in the Company by any physical or corporate person in order to avoid breach of laws and regulations of a country and/or official regulations or to avoid that shareholding induces tax liabilities or other financial disadvantages, which it would otherwise not have incurred or would not incur.

The Company is not registered in the United States of America under the Investment Company Act of 1940 (as amended) and shares have not been registered under the Securities Act of 1933 (as amended).

Shares shall not be offered or sold by the Company to

a) US Person and for this purpose, the term “**US Person**” shall include:

- (i) a citizen of the United States of America irrespective of his place of residence or a resident of the United States of America irrespective of his citizenship identified by the following criteria:
 - a. unambiguous indication of a U.S. place of birth;
 - b. current U.S. mailing or residence address (including the U.S. post office box);
 - c. current U.S. telephone number;
 - d. standing instructions to transfer funds to an account maintained in the United States;
 - e. currently effective power of attorney or signatory authority granted to a person with an a U.S. address;
- (ii) a US Passport holder;
- (iii) a person born in the US unless renounced citizenship;
- (iv) a dual citizen of the US and another country;
- (v) a person who is a lawful permanent resident of the US, i.e. holder of “Green Card”
- (vi) a person who has a substantial presence in the US, i.e. a none-US citizen (i) that is not a diplomat, teacher, student or an athlete and (ii) that is present in the US for at least 183 days by counting:
 - a. all the days (at least 31) in the current year,
 - b. 1/3 the days in the immediately preceding year, and
 - c. 1/6 the days in the second preceding year;
- (vii) a partnership organised or existing in laws of any state, territory or possession of the United States of America;
- (viii) a corporation organised under the laws of the United States of America or of any state, territory or possession thereof or
- (ix) any estate or trust which are subject to United States tax regulations.

As the above-mentioned definition of “US Person” differs from Regulation S of the US Securities Act of 1933, the Board of Directors of the Company, notwithstanding the fact that such person or entity may come within any of the categories referred to above, is empowered to determine, on a case by case basis, whether ownership of shares or solicitation for ownership of shares shall or shall not be in breach with any securities law of the United States of America or any state or other jurisdiction thereof.

The above-mentioned definition of “US Person” shall furthermore be broadened to include the criteria defined by the Foreign Account Tax Compliance Act (FATCA) and the model I Intergovernmental Agreement entered into between Luxembourg and the US.

Shareholders, and intermediaries acting for shareholders, should take particular note that – as further outlined in “Taxation” section below – it is the current policy of the Company that shares are not directly or indirectly offered or sold to (i) a “Specified U.S. Person”, (ii) a “Non-Participating Foreign Financial Institution” or (iii) a “Passive Non-Financial Foreign Entity” with one or more substantial U.S. owner(s), unless they are sold and held by a “Participating Foreign Financial institution” (as defined under FATCA) acting as nominee.

Moreover, the shares will not be offered to any person that is (i) an employee benefit plan as described in Section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended (ERISA), that is subject to title 1 of ERISA, (ii) a plan subject to Section 4975 of the United States Internal Revenue Code 1986, as amended (the Code), or (iii) an entity whose assets are treated as assets of any such plan or employee benefit plan (each of (i), (ii) or (iii) being a Benefit Plan). If a holder of shares is found to be a benefit plan by the Company, the Company may compulsorily redeem all shares owned by the Benefit Plan.

For further information on restricted or prohibited share ownership please consult the Company.

2. THE COMPANY

The Company was incorporated in the Grand Duchy of Luxembourg on 12 August 2013 as a *société anonyme* under the law of August 10, 1915 relating to commercial companies (the "**Company Law**") and is organized as a variable capital company (*société d'investissement à capital variable* "**SICAV**") under Part I of the Investment Fund Law. As such the Company is registered on the official list of collective investment undertakings maintained by the Luxembourg regulator. It is established for an undetermined duration from the date of the incorporation.

The registered office of the Company is at
42, Rue de la Vallée
L-2661 Luxembourg
Grand Duchy of Luxembourg

The Articles of the Company has been published in the Mémorial, Recueil des Sociétés et Associations, on 27 August 2013 under register number B 179.624. The Articles and amendments thereto, together with the mandatory legal notice have been deposited with the Register of the Tribunal d'Arrondissement of Luxembourg where they are available for inspection and where copies thereof can be obtained.

The financial year of the Company starts on 1 January and ends on 31 December of each year. The first financial year will start at the launch of the Company and end on 31 December 2014.

Shareholders' meetings are to be held annually in Luxembourg at the Company's registered office or at such other place as is specified in the notice of meeting. The annual general meeting ("**Annual General Meeting**") will be held on the second Thursday of April of each year at 10.30 am Luxembourg time. If such day is a legal bank holiday in Luxembourg, the Annual General Meeting shall be held on the next following full bank business day ("**Bank Business Day**") which is, unless otherwise indicated in the relevant Sub-Fund specifics in Part B of this Prospectus, each day which is a full banking day in Luxembourg. The first general annual meeting will be held on 9 April 2015, at 10.30 am Luxembourg time. Other meetings of shareholders may be held at such place and time as may be specified in the respective notices of meetings that will be published in compliance with the provisions of the Company Law. Resolutions concerning the interests of the shareholders of the Company shall be taken in a general meeting and resolutions concerning the particular rights of the shareholders of one specific Sub-Fund shall in addition be taken by this Sub-Fund's general meeting.

The Directors of the Company are described below:

Charles Glasse

Charles joined Waverton in May 2016 as Director and lead manager of the European Income Fund, a fund which he brought with him from 2CG Senhouse following the acquisition made by Waverton. Charles had been managing the Fund since its inception, when he co-founded 2CG Limited in 2000. Prior to 2CG Senhouse he was at M&G (1988-2000) where he ultimately headed the Continental Europe Team and, for over a decade, managed the £400 million M&G European Dividend Fund. Charles graduated from Queen's College, Oxford with a degree in Chemistry.

Charles Scott Plummer

Charles joined Waverton in June 2016 as Director and Head of Funds following the acquisition of 2CG Senhouse where he was a Director having co-founded Senhouse Capital in 2008. Prior to this, he was Head of Sales at Bedlam Asset Management. He started his career on the sell side for Salomon Brothers (1995-1996), ABN AMRO (1996-1999) and CLSA Emerging Markets (1999-2002) based variously in Southeast Asia, South America and London. Charles graduated from the University of Newcastle with a degree in History.

Marc Geduldt

Marc joined the Investment Manager in August 2001 and has held various management roles within Operations before moving to his current position as Director & Head of Operations in May 2009. Marc is a member of the Operations Executive Committee and Risk Committee. Marc is the Company's CF10a and Chairman of the CASS Committee. Marc previously worked for Standard Bank Commercial Division for five years where he completed his CAIB (SA). Overall Marc has over 20 years' experience in the industry. Marc studied in his home country of South Africa before coming to the UK in 2000 where he graduated from London Guildhall University in 2004 with an Honours degree in Financial Services. Marc was appointed Director of the Waverton Funds Board in 2015 and brings with him comprehensive knowledge of the Waverton Funds suite since inception.

Maxime Causin

Maxime Causin is a French national. 2006-2011 he worked for the Luxembourg subsidiaries of Intesa San Paolo Group (respectively Société Européenne de Banque and San Paolo Bank) as Transfer Agent in the fund administration field. In 2011, he joined Casa4Funds SA as Fund Services officer, responsible for the commission process, the operational fund setup and monitoring, and the central administrations oversight. Maxime Causin is currently Deputy Head of Fund Services at Casa4Funds SA being additionally in charge of the management of clients and new projects.

3. THE MANAGEMENT COMPANY

The Board of Directors of the Company has appointed Casa4Funds SA as management company (the "**Management Company**"). The Management Company has been appointed under a Fund Management Agreement signed on 12 August 2013. The Agreement is for an indefinite period of time and may be terminated by either party with three (3) months' written notice. The Management Company is registered with the Luxembourg Trade and Companies Register under number B-110.132. The Management Company is authorised to act as a fund management company in accordance with Chapter 15 of the 2010 Law. The Management Company is established for an undetermined period of time.

The Management Company will provide investment management services, administrative services and distribution services in accordance with the Investment Fund Law and as specified in the Fund Management Agreement.

Subject to the conditions set forth by the Investment Fund Law, the Management Company is authorized to delegate under its responsibility and control, and with consent and under supervision of the Company and its Board of Directors, part or all of its functions and duties to third parties.

For the investment management of the Sub-Funds, the Management Company may, under its control and supervision, appoint one or more investment managers (the “**Investment Manager**”) for providing day-to-day management of the assets of certain Sub-Funds. The Management Company may further, under the same conditions, appoint advisors (the “**Investment Advisor**”) to provide investment information, recommendations and research concerning prospective and existing investments.

In consideration of its investment management, administration and distribution services, the Management Company is entitled to receive management, distribution, central administration and performance fee as indicated in each Sub-Fund specifics (section “**Expenses**”) in Part B of this Prospectus. These fees shall be calculated based on the Net Asset Value of the Sub-Funds and shall be paid quarterly in arrears.

Third parties to whom such functions have been delegated by the Management Company may receive their remunerations directly from the Company (out of the assets of the relevant Sub-Fund), such remunerations being in that case not included in the management fee payable to the Management Company. These remunerations shall be calculated based on the Net Asset Value of the Sub-Funds and shall be paid on a monthly or quarterly basis in arrears, depending on the terms and conditions of the relevant agreements.

The Management Company has in place a remuneration policy compliant with the Directive and, among others, with the following principles:

- (i) the remuneration policy 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;
- (ii) the remuneration policy is in line 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 includes measures to avoid conflicts of interest;
- (iii) the remuneration policy is adopted by the Board of Directors of the Management Company who adopts, and reviews at least annually, the general principles of the remuneration policy and is responsible for, and oversees, their implementation;
- (iv) staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas that they control;
- (v) the remuneration of the senior officers in the risk management and compliance functions is overseen directly by the remuneration committee, where such a committee exists;
- (vi) where remuneration is performance-related, the total amount of remuneration is based on a combination of the assessment as to the performance of the individual and of the business unit or UCITS concerned and as to their risks and of the overall results of the management company when assessing individual performance, taking into account financial and non-financial criteria;
- (vii) the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the UCITS managed by the Management Company in order to ensure that the assessment process is based on the longer-term performance of the UCITS and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;

- (viii) guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year of engagement;
- (ix) fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

Details of this up-to-date remuneration policy of the Management Company are available on the website: <http://www.casa4funds.com/information-about-the-remuneration.html>

A paper copy of such document is available free of charge from the Management Company upon request.

4. CAPITAL STOCK

The capital of the Company shall at all times be equal to the value of the assets of all the Sub-Funds of the Company.

The minimum capital of the Company must be at least EUR 1,250,000 (one million two hundred fifty thousand Euro) and must be reached within a period of 6 months following the authorisation of the Company. For the purpose of determining the capital of the Company, the assets attributable to each Sub-Fund, if not expressed in Euro, will be converted into Euro at the then prevailing exchange rate in Luxembourg. If the capital of the Company becomes less than two-thirds of the legal minimum, the Directors must submit the question of the dissolution of the Company to the general meeting of shareholders. The meeting is held without a quorum, and decisions are taken by simple majority. If the capital becomes less than one quarter of the legal minimum, a decision regarding the dissolution of the Company may be taken by shareholders representing one quarter of the shares present. Each such meeting must be convened not later than 40 days from the day on which it appears that the capital has fallen below two-thirds or one quarter of the minimum capital, as the case may be.

5. INVESTMENT OBJECTIVES AND POLICY

5.1. Investment objectives of the Company

The investment objective of each Sub-Fund is to provide investors with the opportunity of achieving long term capital growth through investment in assets within each of the Sub-Funds. **The Sub-Funds' assets will be invested in conformity with each Sub-Fund's investment objective and policy as described in each Sub-Fund specifics (section "Investment Objectives and Policy") in Part B of this Prospectus.**

The investment objective and policy of each Sub-Fund of the Company is determined by the Directors, after taking into account the political, economic, financial and monetary factors prevailing in the selected markets.

Unless otherwise mentioned in a Sub-Fund specifics in Part B of this Prospectus and always subject to the limits permitted by the **"Investment policy and restrictions of the Company"** section in this Part of the Prospectus, the following principles will apply to the Sub-Funds.

5.2. Investment policy and restrictions of the Company

- I. In the case that the Company comprises more than one Sub-Fund, each Sub-Fund shall be regarded as a separate UCITS for the purpose of the investment objec-

tives, policy and restrictions of the Company.

- II. 1. The **Company**, for each **Sub-Fund**, may invest in only one or more of the following:
- a) transferable securities and money market instruments admitted to or dealt in on a regulated market; for these purposes, a regulated market is any market for financial instruments within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004;
 - b) transferable securities and money market instruments dealt in on another market in a member state of the European Union and in a contracting party to the Agreement on the European Economic Area that is not a member state of the European Union within its limits set forth and related acts ("**Member State**"), which is regulated, operates regularly and is recognised and open to the public;
 - c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State of the European Union or dealt in on another market in a non-Member State of the European Union which is regulated, operates regularly and is recognised and open to the public, and is established in a country in Europe, America, Asia, Africa or Oceania.
 - d) Recently issued transferable securities and money market instruments, provided that:
 - the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or on another regulated market which operates regularly and is recognised and open to the public or markets as defined in the paragraphs a), b), c) above;
 - such admission is secured within one year of issue.
 - e) units of UCITS authorised according to Directive 2009/65/EC and/or other undertakings in collective investments (the "**UCI**") within the meaning of the first and the second indent of Article 1, paragraph (2) points a) and b) of the Directive 2009/65/EC, whether or not established in a Member State, provided that:
 - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Commission de Surveillance du Secteur Financier ("**CSSF**") to be equivalent to that laid down in EU Community 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 semi-annual 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, be invested in aggregate in units of other UCITS or other UCIs.
 - f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a third country, provid-

ed that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU Community law;

- g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in subparagraphs a), b) and c) above, and/or financial derivative instruments dealt in over-the-counter ("**OTC derivatives**"), provided that:
- the underlying consists of instruments covered by this paragraph II. of section 5.2., financial indices, interest rates, foreign exchange rates or currencies, in which each Sub-Funds may invest according to its investment objectives;
 - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF, and
 - 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 Company's initiative;
- h) money market instruments other than those dealt in on a regulated market and which fall under Article 1 of the Investment Fund 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 a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
 - issued by an undertaking any securities of which are dealt in on regulated markets referred to in subparagraphs a), b) or c) above, or
 - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU Community law, or
 - issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent of this sub-paragraph and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies including 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. However:

- a) The Company, for each Sub-Fund, shall not invest more than 10% of its assets in transferable securities or money -market instruments other than those referred to in paragraph 1 of this section 5.II above;
- b) the Company for each Sub-Fund shall not acquire either precious metals or certificates representing them;

III. The Company for each Sub-Fund may acquire movable and immovable property which is essential for the direct pursuit of its business.

IV. The Company may hold ancillary liquid assets.

- V. a) (i) The Company for each Sub-Fund may invest no more than 10% of the assets of any Sub-Fund in transferable securities or money market instruments issued by the same body.
- (ii) The Company for each Sub-Fund may not invest more than 20% of its assets in deposits made with the same body. The risk exposure to a counterparty of each Sub-Fund in an OTC derivative transaction may not exceed 10% of its assets when the counterparty is a credit institution referred to in paragraph II. f) or 5% of its assets in other cases.

- b) The total value of the transferable securities and money market instruments held by the Company for each Sub-Fund in the issuing bodies in each of which it invests more than 5% of its assets shall not exceed 40% of the value of its assets of each Sub-Fund. 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 Company for each Sub-Fund shall not combine where this would lead to investing more than 20% of its 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 may be of a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its public local authorities, by a non-Member State or by public international bodies of which one or more Member States belong.
- d) The limit of 10% laid down in sub-paragraph a) (i) may be of a maximum of 25% for certain bonds when they are issued by a credit institution which has its registered office in a 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 the Company for a Sub-Fund invests more than 5% of its 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 value of the assets of the Sub-Fund.

- e) The transferable securities and money market instruments referred to in paragraphs c) and d) are not included in the calculation of the limit of 40% referred to in paragraph b).

The limits set out in sub-paragraphs a), b), c) and d) may not be combined, thus investments in transferable securities or money market instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with paragraphs a), b), c) and d) may not, exceed a total of 35% of the assets of each Sub-Fund.

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, shall be regarded as a single body for the purpose of calculating the limits contained in paragraph IV.

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

- VI. a) Without prejudice to the limits laid down in paragraph VIII., the limits provided in paragraph V. are raised to a maximum of 20% for investments in shares and/or debt securities issued by the same body when, according to the constitutional documents of the Company, the aim of a Sub-Funds' investment policy is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF on the following basis:
- the composition of the index is sufficiently diversified,
 - the index represents an adequate benchmark for the market to which it refers,
 - the index is published in an appropriate manner.
- b) The limit laid down in paragraph a) is raised to 35% where that 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.
- VII. **Notwithstanding the limits set forth under paragraph V., each Sub-Fund is authorized to invest in accordance with the principle of risk spreading up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a non-Member State of the European Union accepted by the CSSF (being at the date of this Prospectus OECD member state or any member state of the G20) or public international bodies of which one or more Member States of the European Union belong, provided that (i) such securities are part of at least six different issues and (ii) the securities from a single issue shall not account for more than 30% of the total assets of the Sub-Fund.**
- VIII. a) The Company may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- b) Moreover, the Company may acquire no more than:
- 10% of the non-voting shares of the same issuer;
 - 10% of the debt securities of the same issuer;
 - 25% of the units of the same UCITS and/or other UCI with the meaning of Article 2 (2) of the Investment Fund Law.
 - 10% of the money-market instruments of any single issuer;
- These limits laid down under second, third and fourth indents may be disregarded at the time of acquisition, if at that time the gross amount of the bonds or of the money market instruments or the net amount of the instruments in issue cannot be calculated.
- c) The provisions of paragraphs (a) and (b) are waived as regards to:
- transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities,
 - transferable securities and money market instruments issued or guaran-

teed by a non-Member State of the European Union,

- transferable securities and money market instruments issued by public international bodies of which one or more Member States of the European Union are members,
- shares held by the Company in the capital of a company incorporated in a non-Member State of the European Union 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 Company for each Sub-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 European Union complies with the limits laid down in paragraph V., VIII. and IX. Where the limits set in paragraph V and IX are exceeded, paragraph XI a) and b) shall apply mutatis mutandis, or
- shares held by one or more investment companies in the capital of subsidiary companies carry on the business of management, advice or marketing in the country where the subsidiary is established, in regard to the redemption of units at the request of unitholders exclusively on its or their behalf.

- IX. a) The Company may acquire the units of the UCITS and/or other UCIs referred to in paragraph II. e), provided that no more than 20% of a Sub-Fund's assets be invested in the units of a single UCITS or other UCI.

For the purpose of the application of this investment limit, each sub-fund of a Undertaking for Collective Investment ("**UCI**") with multiple sub-funds is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various sub-funds vis-à-vis third parties is ensured.

- b) Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the assets of each Sub-Fund.

When a Sub-Fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in paragraph V.

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

The Company for each Sub-Fund that invests a substantial proportion of its assets in other UCITS and/or other UCIs will disclose in this prospectus the maximum level of the management fees that may be charged both to the UCITS itself and to the other UCITS and/or other UCIs in which it intends to invest.

- X. 1. The Management Company will apply a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio.

The Central Administration will employ a process for accurate and independent assessment of the value of OTC derivatives.

2. The Company for each Sub-Fund is also authorised to employ techniques and instruments relating to transferable securities and money-market instruments under the conditions and within the limits laid down by the Investment Fund Law, provided that such techniques and instruments are used for the purpose of effi-

cient portfolio management. When these operations concern the use of derivative instruments, these conditions and limits shall conform to the provisions laid down in the Investment Fund Law.

Under no circumstance shall these operations cause the Company for each Sub-Fund to diverge from its investment objectives as laid down in this Prospectus.

3. The Company shall ensure for each Sub-Fund that the global exposure relating to derivative instruments does not exceed the assets of the relevant Sub-Fund.

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

If the Company invests in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down in paragraph V above. When the Company invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in paragraph V.

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 X.

The global exposure may be calculated through the Value-at-Risk approach ("**VaR Approach**") or the commitment approach ("**Commitment Approach**") as described in each Sub-Fund in Part B of this Prospectus.

The purpose of the VaR Approach is the quantification of the maximum potential loss that could arise over a given time interval under normal market conditions and at a given confidence level. A confidence level of 99% with a time horizon of one month is foreseen by the Investment Fund Law.

The Commitment Approach performs the conversion of the financial derivatives into the equivalent positions in the underlying assets of those derivatives. By calculating global exposure, methodologies for netting and hedging arrangements and the principles may be respected as well as the use of efficient portfolio management techniques.

Unless described differently in each Sub-Fund in Part B, each Sub-Fund will ensure that its global exposure to financial derivative instruments computed on a VaR Approach does not exceed either (i) 200% of the reference portfolio (benchmark) or (ii) 20% of the total assets or that the global exposure computed based on a commitment basis does not exceed 100% of its total assets.

To ensure the compliance of the above provisions the Management Company will apply any relevant circular or regulation issued by the CSSF or any European authority authorised to issue related regulation or technical standards.

- XI.
- a) The Company for each Sub-Fund does not need to comply with the limits laid down in section 5 of the Investment Fund Law 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 Sub-Funds may derogate from paragraphs V., VI., VII. and IX. for a period of six months following the date of their authorisation.
 - b) If the limits referred to in paragraph XI. a) are exceeded for reasons beyond the control of the Company 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.

- XII. 1. The Management Company on behalf of the Company may not borrow.
However, the Company may acquire foreign currency by means of a back-to-back loan for each Sub-Fund.
2. By way of derogation from paragraph XII.1., the Company may borrow provided that such a borrowing is:
- a) on a temporary basis and represents no more than 10% of their assets
 - b) to enable the acquisition of immovable property essential for the direct pursuit of its business and represents no more than 10% of its assets.
- The borrowings under points XII. 2. a) and b) shall not exceed 15% of its assets in total.
- XIII. A Sub-Fund may, subject to the conditions provided for in the Articles as well as this Prospectus, subscribe, acquire and/or hold securities to be issued or issued by one or more Sub-Funds of the Company under the condition that:
- the target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this target Sub-Fund;
 - no more than 10% of the assets of the target Sub-Fund whose acquisition is contemplated may, pursuant to the Articles be invested in aggregate in shares/units of other target Sub-Funds of the same fund; and
 - voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
 - in any event, for as long as these securities are held by the Company, their value will not be taken into consideration of the calculation of the assets of the Company for the purposes of verifying the minimum threshold of the assets imposed by the Investment Fund Law; and
 - there is no duplication of management/subscription or repurchase fees between those at the level of the Sub-Fund of the Company having invested in the target Sub-Fund, and this target Sub-Fund.

5.3. Securities lending, sale with right of repurchase transactions, repurchase and reverse repurchase agreement transactions and total return swaps and OTC derivatives contracts

Each Sub-Fund may for the purpose of generating additional capital or income or for reducing costs or risks (efficient portfolio management) engage in securities lending transactions as well as in sale with right of repurchase transactions, repurchase and reverse repurchase agreement transactions to the maximum extent allowed by, and within the limits set forth in, applicable Luxembourg regulations.

The risk exposures to a counterparty arising from OTC financial derivative transactions and efficient portfolio management techniques should be combined when calculating the counterparty risk limits of Article 52 of Directive 2009/65/EC.

All assets received by the Sub-Fund in the context of efficient portfolio management techniques should be considered as collateral and should comply with the criteria laid down in paragraph below.

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

- a) Liquidity – any collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Article 56 of the Directive 2009/65/EC.
- b) Valuation – collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place
- c) Issuer credit quality – collateral received should be of high quality.
- d) Correlation – the collateral received by the Sub-Fund should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- e) Collateral diversification (asset concentration) – collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Sub-Fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When the Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.
- f) Maturity: N/A

By way of derogation from this sub-paragraph, a UCITS may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such a UCITS should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the UCITS' net asset value. UCITS that intend to be fully collateralised in securities issued or guaranteed by a Member State should disclose this fact in the prospectus of the UCITS. UCITS should also identify the Member States, local authorities, or public international bodies issuing or guaranteeing securities which they are able to accept as collateral for more than 20% of their net asset value. Such a UCITS should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the UCITS' net asset value. UCITS that intend to be fully collateralised in securities issued or guaranteed by a Member State should disclose this fact in the prospectus of the UCITS. UCITS should also identify the Member States, local authorities, or public international bodies issuing or guaranteeing securities which they are able to accept as collateral for more than 20% of their net asset value.

- g) Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.
- h) Where there is a title transfer, the collateral received should be held by the depositary of the Sub-Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- i) Collateral received should be capable of being fully enforced by the UCITS at any time without reference to or approval from the counterparty.
- j) Non-cash collateral received should not be sold, re-invested or pledged.
- k) Cash collateral received should only be:
 - placed on deposit with entities prescribed in Article 50(f) of the UCITS Directive;

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

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral.

For further details on the risks linked to such transactions, please refer to the below section “Risk factors” of the Prospectus.

- For each securities lending transaction, the Company must receive a guarantee the value of which is, during the lifetime of the lending agreement, at least equivalent to 90% of the global valuation (interests, dividends and other eventual rights included) of the securities lent.
- Collateral may be offset against gross counterparty exposure provided it meets a range of standards, including those for liquidity, valuation, issuer credit quality, correlation and diversification. 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.
- For Sub-Funds which receive collateral for at least 30% of their assets, the associated liquidity risk is assessed.
- The identity of the entity(ies) to which direct and indirect costs and fees are paid in connection with these securities lending agreements, the related revenues for the Sub-Fund and costs and fees incurred as well as the exposure obtained and related collateral policy of the Sub-Fund are disclosed in the annual report of the Company.
- The securities purchased through a repurchase or reverse repurchase agreement transaction must conform to the Company’s investment policy and must, together with the other securities that the Company holds in its portfolio, globally respect the Company's investment restrictions.

The Company will not make use of total return swaps.

The Company will not make use of OTC derivative contracts.

6. RISK FACTORS

The investments of each Sub-Fund are subject to market fluctuations and the risks inherent to investments in transferable securities and other eligible assets. There is no guarantee that the investment-return objective will be achieved. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial investments.

The risks inherent to the different Sub-Funds depend on their investment objective and policy, i.e. among others the markets invested in, the investments held in portfolio, etc.

Investors should be aware of the risks inherent to the following instruments or investment objectives, although this list is in no way exhaustive:

(i) Market risk

Market risk is the general risk attendant to all investments that the value of a particular investment will change in a way detrimental to a portfolio's interest.

Market risk is specifically high on investments in shares (and similar equity instruments). The risk that one or more companies will suffer a downturn or fail to increase their financial profits can have a negative impact on the performance of the overall portfolio at a given moment.

(ii) Interest rate risk

Interest rate risk involves the risk that when interest rates decline, the market value of fixed-income securities tends to increase. Conversely, when interest rates increase, the market value of fixed-income securities tends to decline. Long-term fixed-income securities will normally have more price volatility because of this risk than short-term fixed-income securities. A rise in interest rates generally can be expected to depress the value of the Sub-Funds' investments. The Sub-Fund shall be actively managed to mitigate market risk, but it is not guaranteed to be able to accomplish its objective at any given period.

(iii) Credit risk

Credit risk involves the risk that an issuer of a bond (or similar money-market instruments) held by the Company may default on its obligations to pay interest and repay principal and the Company will not recover its investment.

(iv) Currency risk

Currency risk involves the risk that the value of an investment denominated in currencies other than the Reference Currency of a Sub-Fund may be affected favourably or unfavourably by fluctuations in currency rates.

(v) Liquidity risk

There is a risk that the Company will not be able to pay repurchase proceeds within the time period stated in the Prospectus, because of unusual market conditions, an unusually high volume of repurchase requests, or other reasons.

(vi) Financial derivative instruments

The Sub-Funds may engage, within the limits established in their respective investment policy and the legal investment restrictions, in various portfolio strategies involving the use of derivative instruments for hedging or efficient portfolio management purposes.

The use of such derivative instruments may or may not achieve its intended objective and involves additional risks inherent to these instruments and techniques.

In case of a hedging purpose of such transactions, the existence of a direct link between them and the assets to be hedged is necessary, which means in principle that the volume of deals made in a given currency or market cannot exceed the total value of the assets denominated in that currency, invested in this market or the term for which the portfolio assets are held. In principle no additional market risks are inflicted by such operations. The additional risks are therefore limited to the derivative specific risks.

In case of a trading purpose of such transactions, the assets held in portfolio will not necessarily secure the derivative. In essence the Sub-Fund is therefore exposed to additional market risk in case of option writing or short forward/future positions (i.e. underlying needs to be provided/ purchased at exercise/maturity of contract).

Furthermore the Sub-Fund incurs specific derivative risks amplified by the leverage structure of such products (e.g. volatility of underlying, counterparty risk in case of OTC, market liquidity, etc.).

(vii) Emerging market risk

Investors should note that certain Sub-Funds may invest in less developed or emerging markets as described in the Sub-Funds' specifics in Part B of this Prospectus. Investing in emerging markets may carry a higher risk than investing in developed markets.

The securities markets of less developed or emerging markets are generally smaller, less developed, less liquid and more volatile than the securities markets of developed markets. The risk of significant fluctuations in the Net Asset Value and of the suspension of redemptions in those Sub-Funds may be higher than for Sub-Funds investing in major markets. In addition, there may be a higher than usual risk of political, economic, social and religious instability and adverse changes in government regulations and laws in less developed or emerging markets, which could affect the investments in those countries. The assets of Sub-Funds investing in such markets, as well as the income derived from the Sub-Fund, may also be affected unfavourably by fluctuations in currency rates and exchange control and tax regulations and consequently the Net Asset Value of shares of these Sub-Funds may be subject to significant volatility. Some of these markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those of more developed countries and the securities markets of such markets may be subject to unexpected closure. In addition, there may be less government supervision, legal regulation and less well defined tax laws and procedures than in countries with more developed securities markets.

Moreover, settlement systems in emerging markets may be less well organised than in developed markets. Thus there may be a risk that settlement may be delayed and that cash or securities of the concerned Sub-Funds may be in jeopardy because of failures or of defects in the systems. In particular, market practice may

require that payment shall be made prior to receipt of the security which is being purchased or that delivery of a security must be made before payment is received. In such cases, default by a broker or bank (the "Counterparty") through whom the relevant transaction is effected might result in a loss being suffered by the Sub-Funds investing in emerging market securities.

The Company will seek, where possible to use Counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that the Company will be successful in eliminating this risk for the Sub-Funds, particularly as Counterparties operating in emerging markets frequently lack the substance or financial resources of those in developed countries.

There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or to be transferred to the Sub-Funds. Furthermore compensation schemes may be non-existent or limited or inadequate to meet the Company's claims in any of these events.

- (viii) Investment restrictions relating to techniques and instruments aimed at hedging exchange risks

In the context of the management of the investment portfolio, each Sub-Fund may use instruments with a view to hedging against exchange-rate fluctuations. These instruments include sales of forward foreign-exchange contracts, sales of currency futures, purchases of put options on currencies as well as sales of call options on currencies. Such transactions are limited to contracts and options which are traded on a regulated market, which is in continuous operation and which is recognised and open to the public. Furthermore, the Company may for each Sub-Fund enter into currency swaps in the context of over-the-counter transactions dealing with leading institutions specialised in this type of transaction.

- (ix) Foreign securities

A Sub-Fund's investment activities relating to foreign securities may involve numerous risks resulting from market and currency fluctuations, future adverse political and economic developments, the possible imposition of restrictions on the repatriation of currency or other governmental law or restrictions, reduced availability of public information concerning issuers and the lack of uniform accounting, auditing and financial reporting standards or other regulatory practices and requirements comparable to those applicable to companies in the investor's domicile. In addition, securities issued by companies or governments in some countries may be illiquid and have higher price volatility and, with respect to certain countries, there is a possibility of expropriation, nationalization, exchange control restrictions, confiscator taxation and limitations on the use or removal of funds or other assets of a Sub-Fund, including withholding of dividends. Certain securities held by a Sub-Fund may be subject to government taxes that could reduce the yield on such securities, and fluctuation in foreign currency exchange rates may affect the price of a Sub-Fund's securities and the appreciation or depreciation of investments. Certain types of investments may result in currency conversion expenses and higher custodial expenses. The ability of a Sub-Fund to invest in securities of companies or governments of certain countries may be limited or, in some cases, prohibited. As a result, larger positions of a Sub-Fund's assets may be invested in those countries where such limitations do not exist. In addition, policies established by the governments of certain countries may adversely affect a Sub-Fund's investments and the ability of a Sub-Fund to achieve its investment objective.

(x) Class Hedging risk

The Sub-Fund may engage in currency hedging transactions with regards to a certain Class of Shares (the "**Hedged Share Class**"). Hedged Share Classes are designed (i) to minimize exchange rate fluctuations between the currency of the Hedged Share Class and the base currency of the Sub-Fund or (ii) to reduce exchange rate fluctuations between the currency of the Hedged Share Class and other material currencies within the Sub-Fund's portfolio.

The hedging will be undertaken to reduce exchange rate fluctuations in case the base currency of the Sub-Fund or other material currencies within the Sub-Fund (the "**Reference Currency(ies)**") is(are) declining or increasing in value relative to the hedged currency. The hedging strategy employed will seek to reduce as far as possible the exposure of the Hedged Share Classes and no assurance can be given that the hedging objective will be achieved. In the case of a net flow to or from a Hedged Share Class the hedging may not be adjusted and reflected in the net asset value of the Hedged Share Class until the following or a subsequent business day following the Valuation Date on which the instruction was accepted. This risk for holders of any Hedged Share Class may be mitigated by using any of the efficient portfolio management techniques and instruments (including currency options and forward currency exchange contracts, currency futures, written call options and purchased put options on currencies and currency swaps), within the conditions and limits imposed by the Luxembourg financial supervisory authority. Investors should be aware that the hedging strategy may substantially limit shareholders of the relevant Hedged Share Class from benefiting from any potential increase in value of the Class of Shares expressed in the reference currency(ies), if the Hedged Share Class currency falls against the reference currency(ies). Additionally, shareholders of the Hedged Share Class may be exposed to fluctuations in the net asset value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. The gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class. Any financial instruments used to implement such hedging strategies with respect to one or more Classes of a Sub-Fund shall be assets and/or liabilities of such Sub-Fund as a whole, but will be attributable to the relevant Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class. However, due to the lack of segregated liabilities between Classes of the same Sub-Fund, costs which are principally attributed to a specific Class may be ultimately charged to the Sub-Fund as a whole. Any currency exposure of a Class may not be combined with or offset against that of any other Class of a Sub-Fund. The currency exposure of the assets attributable to a Class may not be allocated to other Classes. No intentional leveraging should result from currency hedging transactions of a Class although hedging may exceed 100% for short periods between redemption instructions and execution of the hedge trade.

(xi) Equity risk

The value of all Sub-Funds that invest in equity and equity related securities will be affected by economic, political, market, and issuer specific changes. Such changes may adversely affect securities, regardless of company specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Sub-Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Sub-Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period.

(xii) Foreign Currency risk

Since the Company values the portfolio holdings of each of its Sub-Funds in Euro, changes in currency exchange rates adverse to those currencies may affect the value of such holdings and each respective Sub-Fund's yield thereon. Since the securities held by a Sub-Fund may be denominated in currencies different from its base currency, the Sub-Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between such reference currency and other currencies. Changes in currency exchange rates may influence the value of a Sub-Fund's Shares, and also may affect the value of dividends and interests earned by the Sub-Fund and gains and losses realised by said Sub-Fund. If the currency in which a security is denominated appreciates against the base currency, the price of the security could increase. Conversely, a decline in the exchange rate of the currency would adversely affect the price of the security. To the extent that a Sub-Fund or any Class of Shares seeks to use any strategies or instruments to hedge or to protect against currency exchange risk, there is no guarantee that hedging or protection will be achieved. Unless otherwise stated in any Sub-Fund's investment policy, there is no requirement that any Sub-Fund seeks to hedge or to protect against currency exchange risk in connection with any transaction. Sub-Funds which use currency management strategies, including the use of cross currency forwards and currency futures contracts, may substantially change the Sub-Fund's exposure to currency exchange rates and could result in losses to the Sub-Fund if the currencies do not perform as the Investment Manager expects.

(xiii) Securities lending

Securities lending transactions entail different risks, i.e.:

- The late delivery from the counterparty of the securities lent, which might reduce the fund's ability to meet its redemption requests or to deliver the securities sold;
- The counterparty default which means that the securities may potentially not be returned or only partially returned. This risk is mitigated by the receipt of collateral, however the collateral is itself submitted to lower realisation due to inaccurate pricing, deterioration of credit rating of the issuer or adverse market movements.
- The reinvestment of cash collateral may provide a lower return than the return on the initial cash receipt. Finally the reinvestment in securities entails the same risks as the risks linked to the receipt of collateral.

7. SHARES OF THE COMPANY

7.1 WAVERTON INVESTMENT FUNDS SICAV – WAVERTON EUROPEAN CAPITAL GROWTH FUND and WAVERTON INVESTMENT FUNDS SICAV – WAVERTON EUROPEAN INCOME FUND

The Board of Directors is authorised, without limitation and at any time, to issue additional shares at the respective net asset value ("**Net Asset Value**") per share determined in accordance with the provisions of the Company's Articles, without reserving to existing shareholders a preferential right to subscribe for the shares to be issued.

7.2 WAVERTON INVESTMENT FUNDS SICAV – WAVERTON SOUTHEAST ASIAN FUND

The shares of each Class of the Sub-Fund will be issued to shareholders in separate series (each, a **"Series"**) in order to facilitate the calculation of the Investment Manager's Performance Fee. In such case, shareholders purchasing Shares of the same Sub-Fund and Class at different subscription periods will own different series of shares for which a separate record (**"Shareholder's Register"**) will be maintained on the books of the relevant Sub-Fund.

The series issued at the launch of the Sub-Fund is referred to as the "Lead Series".

Each successive new Series will be launched at USD 1,000.

The Shareholder's Register will represent the aggregate net asset value of the shares of such Class and series and will reflect the amount of capital paid into the Sub-Fund in respect of the shares and the proportionate share of the net gains and losses attributable to those shares (which among other things reflects Sub-Fund expenses allocated to those shares, including the applicable Management Fee and Performance Fee). All payments made upon liquidation or redemption will be paid to each Class and series of shares in proportion to the respective amounts of the Shareholder's Register at the time of such payment (calculated by reference to the respective net asset values allocable to each series).

It is anticipated that at fiscal year-end, all series of shares which have a gross asset value ("Gross Asset Value") above the High Watermark, (including the lead Series) are consolidated into the Lead Series.

The consolidation will be effected by redemption at the respective net asset values of the series so redeemed and the purchase of shares of the Lead Series will be made at the applicable Net Asset Value of such series, in each case, after payment of the applicable Performance Fee.

In an instance, when investors do not have to pay a performance fee at the end of the considered period, their series will not be considered for consolidation until the next year-end accounting term.

7.3 COMMON PROVISIONS

On issue, all shares have to be fully paid up. The shares do not have any par value. Each share carries one vote, regardless of its Net Asset Value and of the Sub-Fund to which it relates.

The consolidation currency of the Company is the EUR.

Shares are only available in registered form, and are also eligible for clearing houses. No share certificates will be issued in respect of registered shares; registered share ownership will be evidenced by confirmation of ownership and registration on the share register of the Company. Share certificates will only be issued if specifically requested in writing by the shareholder and any certificates issued will normally be issued within thirty (30) days after the receipt of a request for the issue of such a certificate at the shareholder's risk and expenses.

Fractions of registered shares may be issued up to four (4) decimal places. The resultant fractional shares shall have no right to vote but shall have the right to participate pro-rata in distributions and allocation of the proceeds of liquidation in the event of the winding-up of the Company or in the event of the termination of the Company.

Under the Articles of the Company, the Directors have the power to create and issue several different Sub-Funds, whose characteristics may differ from those Sub-Funds then existing.

The Directors shall maintain for each Sub-Fund a separate pool of assets. As between shareholders, each pool of assets shall be invested for the exclusive benefit of the relevant Sub-Fund. With regard to third parties, in particular towards the Company's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it.

Under the Articles of the Company, the Directors have the power to create and issue several different Classes of Shares within each Sub-Fund (hereinafter referred to collectively as the "**Classes**"/"**Classes of Shares**" or individually as the "**Class**"/"**Class of Shares**"), whose characteristics may differ from those Classes then existing.

The differences between the Classes may relate to the initial subscription price per share, the reference currency of the Class, the minimum subscription and holding amount, the subscription and repurchase frequency, the charging structure applicable to each of them, the distribution policy or such other features as the Directors may, in their discretion, determine.

Upon creation of a new Sub-Fund and Class, the Prospectus will be updated accordingly.

The Board of Directors has full discretion to determine whether an investor qualifies for investment in a specific Class or not.

The Sub-Funds specifics in Part B of this Prospectus detail the Classes available in each Sub-Fund.

The Board of Directors is empowered to determine - on a case-by-case basis - whether certain investors are or are not to be categorised as institutional investors.

The specifics of each Class in relation to fees and expenses payable and the currency of each Class are indicated in each Sub-Fund specifics (section "**Expenses**") in Part B of this Prospectus.

8. INCOME POLICY

Within each Sub-Fund, the Board of Directors may decide to issue accumulating and/or distributing shares. The dividend policy applicable for each Class of shares or Sub-Fund is further described in each Sub-Fund's specific information sheet in Part B of this Prospectus.

If a dividend is declared by the Company, it will be paid to each shareholder concerned in the reference currency of the relevant Sub-Fund or Class.

Dividend payments are restricted by law in that they may not reduce the assets of the Company below the required minimum capital.

In the event that a dividend is declared and remains unclaimed after a period of five (5) years from the date of declaration, such dividend will be forfeited and will revert to the Class or Sub-Fund in relation to which it was declared.

9. NET ASSET VALUE

The Net Asset Value per share of each Class will be determined on each valuation date (the "Valuation Date") as indicated in the Sub-Funds specifics in Part B of this Prospectus and expressed in the reference currency of the respective Class, by the Central Administration by dividing the value of the assets of the Sub-Fund properly able to be allocated to such Class less the liabilities of the Sub-Fund properly able to be allocated to such Class by the number of shares then outstanding in the class (the "Net Asset Value per Class") on the relevant Valuation Date. The Net Asset Value per share of each Class may be rounded up or down to the nearest two decimals of the reference currency of such Class of shares. The Valuation Date shall be every full bank business day in Luxembourg and London (the "Bank Business Day").

When a Valuation Date falls on a day observed as a holiday on a stock exchange which is the principal market for a significant proportion of the Sub-Funds' investment or is a market for a significant proportion of the Sub-Fund's investment or is holiday elsewhere and impedes the calculation of the fair market value of the investments of the Sub-Funds, such Valuation Date shall be the next Bank Business Day which is not such a holiday.

The calculation of the Net Asset Value of the shares of any Class and the issue, redemption and conversion of the shares of any Sub-Fund may be suspended in the following circumstances:

- during any period (other than ordinary holidays or customary weekend closings) when any market or stock exchange is closed, which is the main market or stock exchange for a significant part of the Sub-Fund's investments, for in which trading therein is restricted or suspended; or
- during any period when an emergency exists as a result of which it is impossible to dispose of investments which constitute a substantial portion of the assets of a Sub-Fund; or it is impossible to transfer monies involved in the acquisition or disposition of investments at normal rates of exchange; or it is impossible for the Company fairly to determine the value of any assets in a Sub-Fund; or
- during any breakdown in the means of communication normally employed in determining the price of any of the Sub-Fund's investments or of current prices on any stock exchange; or
- when for any reason the prices of any investment owned by the Sub-Fund cannot be reasonable, promptly or accurately ascertained; or
- during the period when remittance of monies which will or may be involved in the purchase or sale of any of the Sub-Fund's investments cannot, in the opinion of the Board of Directors, be carried out at normal rates of exchange; or
- following a possible decision to liquidate or dissolve the Company or one or several Sub-Funds; or
- in all other cases in which the Board of Directors considers a suspension to be in the best interest of the shareholders.

The suspension of the calculation of the Net Asset Value and of the issue, redemption and conversion of the shares shall be published in a Luxembourg newspaper and in one newspaper of more general circulation.

The value of the assets of each Sub-Fund is determined as follows:

1. transferable securities and money market instruments admitted to official listing on a stock exchange or dealt with on another market in a non-Member State which is regulated, operates regularly and is recognised and open to the public provided, are valued on the basis of the last known price. If the same security is quoted on different markets, the quotation of the main market for this security will be used. If there is no relevant quotation or if the quotations are not representative of the fair value, the evaluation will be done in good faith by the Board of Directors or its delegate with a view to establish the probable sales price for such securities;
2. non-listed securities are valued on the basis of their probable sales price as determined in good faith by the Board of Directors and its delegate;
3. liquid assets are valued at their nominal value plus accrued interest;
4. derivatives are valued at market value.

Whenever a foreign exchange rate is needed in order to determine the Net Asset Value of a Class, the applicable foreign exchange rate on the respective Valuation Date will be used.

In addition, appropriate provisions will be made to account for the charges and fees charged to the Sub-Funds and Classes as well as accrued income on investments.

In the event it is impossible or incorrect to carry out a valuation in accordance with the above rules owing to particular circumstances, such as hidden credit risk, the Board of Directors is entitled to use other generally recognised valuation principles, which can be examined by an auditor, in order to reach a proper valuation of each Sub-Fund's total assets.

10. ISSUE OF SHARES

Applications may be made in writing by letter, fax, and through straight-through processing ("**STP**") included swift protocol addressed to the Transfer Agent, the distributor, the Nominee or any intermediary situated in a country where the Company is marketed specifying the number of shares or amount subscribed for, the name of the Sub-Fund and Class, the manner of payment and the personal details of the subscriber.

The Management Company, the Central Administration and the distributor reserve the right to request such information as is necessary to verify the identity, address and source of funds of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes or compliance with the EU Savings Tax Directive, the Central Administration may refuse to accept the application and/or subscription monies, process redemption requests or pay out redemption proceeds. Subscription monies refused will be returned (if permitted by applicable law) at the expense and risk of the applicant. Amendments to an applicant's or shareholder's registration details and payment instructions will only be effected on receipt of original documentation.

Each applicant for Shares acknowledges that the Management Company and the Central Administration shall be held harmless against any loss arising as a result of a failure to process his application for or redemption of Shares if such information and documentation

as has been requested by the Central Administration has not been provided by the applicant.

A subscription fee calculated on the Net Asset Value of the shares as specified in each Sub-Fund specifics and to which the application relates as well as the percentage amount of which is indicated for each Class in the table in Part B of this Prospectus (see section “**Expenses**” in each Sub-Fund specifics), may be charged to the investors by the Nominee, the distributor or any appointed sub-distributor or by the Registrar and Transfer Agent upon a subscription for shares in a Class.

10.1 Initial Subscription Period

The initial subscription period and price of each newly created or activated Sub-Fund will be determined by the Directors and disclosed in the relevant Sub-Fund’s specifics in Part B of this Prospectus.

Payments for subscriptions made during the initial subscription period must have been received in the Reference Currency of the relevant Sub-Fund / Share-Class by the Company within the time period indicated in the relevant Sub-Fund’s specifics in Part B of this Prospectus.

Payments must be received by electronic transfer net of all bank charges.

The Board of Directors may at any time decide the activation of a Class.

Upon activation of a new Class in a Sub-Fund, the price per share in the new Class will, at its inception, correspond to the price per share during the initial subscription period in the relevant Sub-Fund or to the current Net Asset Value per share in an existing Class of the relevant Sub-Fund, upon decision of the Board of Directors.

10.2 Subsequent Subscriptions

Following any initial subscription period, the issue price per share will be the Net Asset Value per share on the applicable Valuation Date in addition to the relevant subscription fee as specified in the Sub-Funds specifics in Part B of this Prospectus

Subscriptions received by the Registrar and Transfer Agent before the applicable cut-off time on a given Valuation Date as specified in the Sub-Funds specifics in Part B of this Prospectus will be dealt with on the basis of the relevant Net Asset Value of that Valuation Date. Subscriptions received by the Registrar and Transfer Agent after such cut-off time on a Valuation Date or on any day which is not a Valuation Date will be dealt with on the basis of the Net Asset Value of the next Valuation Date. The investor will bear any taxes or other expenses attaching to the application.

All shares will be allotted immediately upon subscription and payment must be received by the Company within the time period as described in each Sub-Fund in Part B of this prospectus. If payment is not received, the relevant allotment of shares may be cancelled at the risk and cost of the shareholder. In such event and notwithstanding cancellation of the allotment, the Directors may charge the applicant for any expense incurred by it or the Company for any loss to the Company arising out of such non-receipt or non-clearance. Payments should preferably be made by bank transfer and shall be made in the reference currency of the relevant Class; if payment is made in another currency than the reference currency of the relevant Class, the Company will enter into an exchange transaction at market conditions and this exchange transaction could lead to a postponement of the allotment of shares.

The Board of Directors reserves the right to accept or refuse any subscriptions in whole or in part for any reason.

The issue of shares of any Sub-Fund shall be suspended on any occasion when the calculation of the Net Asset Value thereof is suspended.

10.3 Minimum Initial Subscription and Holding

Classes may have a minimum subscription and / or holding amount as indicated in the Sub-Funds' specifics in Part B of the Prospectus. The Company may in its discretion waive this minimum subscription and/ or holding amount. In particular, this applies for shareholders staggering investments over time, reaching above-mentioned thresholds over time.

10.4 Subscription in kind

The Board of Directors may agree to issue Shares as consideration for a contribution in kind of securities to any shareholder who agrees to comply with any conditions set forth by the Board of Directors from time to time including, but not limited to, the obligation to deliver a valuation report from the Auditor of the Company which shall be available for inspection, and provided that such securities comply with the investment objectives, policies and investment restrictions of the relevant Sub-Fund. Any costs incurred in connection with a contribution in kind of securities, including the auditor's costs for preparing any valuation report required, shall be borne by the shareholder making such contribution.

10.5 Stock Exchange listing

Shares of different Sub-Funds and their Classes may at the discretion of the Directors of the Company be listed on Stock Exchanges, in particular the Luxembourg Stock Exchange.

11. REDEMPTION OF SHARES

A shareholder has the right to request that the Company redeems its shares at any time. Shares will be redeemed at the respective Net Asset Value of shares of each Class. Orders can be sent by letter, fax, and through straight-through processing ("**STP**") included swift protocol, sent directly to the Registrar and Transfer Agent, the distributor, the Nominee or any intermediary situated in a country where the company is marketed, by specifying the number of share(s) or amount to be redeemed, the name of the Sub-Fund and share Class, the payment and personal details of the Shareholder.

A redemption fee calculated on the Net Asset Value of the shares to which the application relates, the percentage amount of which is indicated for each Class in the tables in Part B of this Prospectus (see section "**Expenses**" in each Sub-Fund specifics), may be charged to the investors by the Nominee, the distributor, any appointed sub-distributor or by the Registrar and Transfer Agent upon a redemption for shares in a Class.

Shareholders wishing to have all or any of their shares redeemed at the redemption price on a Valuation Date, should deliver to the Registrar and Transfer Agent before the cut-off time on a given Valuation Date as specified in the Sub-Fund specifics in Part B of this Prospectus, an irrevocable written request for redemption in the prescribed form. Redemption requests received by the Registrar and Transfer Agent after such determined cut-off time on a Valuation Date or on any day, which is not a Valuation Date will be dealt with on the basis of the Net Asset Value of the next Valuation Date.

All requests will be dealt with in strict order in which they are received, and each redemption shall be effected at the Net Asset Value of the said shares.

Redemption proceeds will be paid in the reference currency of the respective Class.

For the sub-funds Waverton Investment Funds SICAV – Waverton European Capital Growth Fund and Waverton Investment Funds SICAV – Waverton European Income Fund, payment will be effected within three (3) Bank Business Days after the relevant Valuation Date and upon receipt of the proper documentation.

For the sub-fund Waverton Investment Funds SICAV – Waverton SouthEast Asian Fund, payment will be effected within five (5) Bank Business Days after the relevant Valuation Date and upon receipt of the proper documentation.

The Board of Directors may decide a payment in-kind of securities of the Sub-Fund to the shareholder in lieu of paying redemption proceeds in cash. The total or partial in-kind payment of the redemption proceeds may only be made: with the consent of the relevant shareholder, having regard to the practicality of transferring securities and any applicable laws and regulations from time to time in Luxembourg, by taking into account the fair and equal treatment of the interests of all shareholders and upon delivery of a valuation report from the Auditor which shall be available for inspection. In the event of an in-kind payment, the costs of any transfers of securities shall be borne by that redeeming shareholder.

Investors should note that any redemption of shares by the Company will take place at a price that may be more or less than the shareholder's original acquisition cost, depending upon the value of the assets of the Sub-Fund at the time of redemption.

The redemption of shares of any Sub-Fund shall be suspended on any occasion when the calculation of the Net Asset Value thereof is suspended.

If requests for redemption on any Valuation Date exceed 10% of the Net Asset Value of a Sub-Fund's shares, the Company reserves the right to postpone redemption of all or part of such shares to the following Valuation Date. On the following Valuation Date such requests will be dealt with in priority to any subsequent requests for redemption.

The Board of Directors may decide to compulsory redeem Class of Shares when:

- the shareholder is an US Person; or
- for the purpose of liquidation or merger of a Sub-Fund of the Company or the Company and provided this redemption is in the interests of shareholders; or
- the value of a shareholder's holding in a Class is less than the relevant minimum holding amount; or
- the shareholder who does not invest through a Participating FFI, is or becomes (i) a "Specified US Persons", (ii) a "Non-Participating FFIs" or (iii) a passive Non-Financial Foreign Financial Entities under FATCA, if this is deemed appropriate for the purpose of ensuring compliance of the Company with FATCA (as further detailed in "Taxation" section below).

The Board of Directors of the Company may decline to effect a redemption request which would have the effect of reducing the value of any holding of Shares by any shareholder relating to any Sub-Fund below the minimum holding (if any) for that Sub-Fund. Any repurchase request having such an effect may be treated by the Company as a request to purchase the shareholder's entire holding. If, as a result of redemption, the value of a shareholder's holding in a Class would become less than the relevant minimum holding amount as indicated above, then the Company may elect to redeem the entire holding of

such shareholder in the relevant Class. It is expected that such redemptions will not be implemented if the value of the shareholder's shares falls below the minimum investment limits solely as a result of market conditions. Thirty (30) calendar days prior written notice will be given to shareholders whose shares are being redeemed to allow them to purchase sufficient additional shares so as to avoid such compulsory redemption.

In addition, the Registrar and Transfer Agent or the Company may refuse to process a redemption request until all information required by the Registrar and Transfer Agent and Company has been provided, including information for anti-money laundering purposes. Any amendments to a shareholder's registration detail or payment instructions will only be effected upon receipt of original documentation by the Registrar and Transfer Agent.

Excessive trading and dilution levy

Investments in the Sub-Funds are intended for long-term purposes only. The Company will take reasonable steps to seek to prevent short-term trading. Excessive short-term trading into and out of a Sub-Fund can disrupt portfolio investment strategies and may increase expenses, and adversely affect investment returns, for all shareholders, including long-term shareholders.

The value of the property of a Sub-Fund may indeed be reduced as a result of the costs incurred in the dealings in the Sub-Funds' investments.

In order to mitigate against the above-described excessive trading and dilution, and consequent potential adverse effect on remaining shareholders, the Company has the power to charge a fee upon redemption corresponding to a dilution levy. Any dilution levy must be fair to all shareholders and the Company will operate this measure in a fair and consistent manner to reduce dilution and only for that purpose.

The Company is unlikely to impose a dilution levy unless the dealing costs relating to a shareholder transaction are significant and/or will have a material impact on the value of the Sub-Fund in question. Dealing costs (e.g. broker commissions and buy/sell spreads) will be considered significant if they impact the Net Asset Value by maximum 10 bps. Any dilution levy would be paid to the Sub-Fund and would become part of the property of the relevant Sub-Fund.

12. CONVERSION BETWEEN SUB- FUNDS/CLASSES OF SHARES

Shares of any Class may be converted into shares of any other Class of the same, of another, Sub-Fund, upon written instructions addressed to the Registrar and Transfer Agent. Unless otherwise specified in the in the Sub-Funds specifics in Part B of this Prospectus, no conversion fee will be charged.

Conversion orders received by the Registrar and Transfer Agent on a given Valuation Date before the cut-off time as specified in the Sub-Funds specifics in Part B of this Prospectus will be dealt with on the basis of the relevant Net Asset Value established on that Valuation Date. Conversion requests received by the Registrar and Transfer Agent after such cut-off time on a Valuation Date or on any day, which is not a Valuation Date will be dealt with on the basis of the Net Asset Value of the next Valuation Date. Conversion of shares will only be made on a Valuation Date if the Net Asset Value of both share Classes is calculated on that day.

The Board of Directors will determine the number of shares into which an investor wishes to convert his existing shares in accordance with the following formula:

$$A = \frac{(B \times C) - \text{Conversion fee}}{E} * EX$$

A = The number of shares in the new Class of shares to be issued

B = The number of shares in the original Class of shares

C = The Net Asset Value per share in the original Class of shares

E = The Net Asset Value per share of the new Class of shares

EX: being the exchange rate on the conversion day in question between the currency of the Class of shares to be converted and the currency of the Class of shares to be assigned. In the case no exchange rate is needed the formula will be multiplied by one (1).

In the case of shares held in account (with or without attribution of fractions of shares), any outstanding balance remaining after conversion will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be deemed belonging to the relevant sub-fund.

If requests for conversion on any Valuation Date exceed 10% of the Net Asset Value of a Sub-Fund's shares, the Company reserves the right to postpone the conversion of all or part of such shares to the following Valuation Date. On the following Valuation Date such requests will be dealt with in priority to any subsequent requests for conversion.

The conversion of shares of any Sub-Fund shall be suspended on any occasion when the calculation of the Net Asset Value thereof is suspended.

13. LATE TRADING/MARKET TIMING POLICY

The Company takes appropriate measures to assure that subscription, redemption and conversion requests will not be accepted after the time limit set for such requests in this Prospectus.

The Company does not knowingly allow investments which are associated with market timing or similar practices, as such practices may adversely affect the interests of all shareholders. The Company reserves the right to reject subscription, redemption and conversion orders from an investor who the Company suspects of using such practices and to take, if appropriate, other necessary measures to protect the other investors of the Company.

As set out in the CSSF Circular 04/146, market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same fund within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the net asset values.

14. TAXATION IN LUXEMBOURG

Under Luxembourg law, there are currently no Luxembourg taxes on income, withholding or capital gains by the Company. The Company is, however, subject to a *taxe d'abonnement* of 0.05% per annum, calculated and payable quarterly, on the aggregate Net Asset Value of the outstanding shares of the Company at the end of each quarter. This annual tax is however reduced to 0.01% on the aggregate Net Asset Value of the shares dedicated to institutional investors.

Shareholders are, at present, not subject to any Luxembourg capital gains, income, withholding, gift, estate, inheritance or other tax with respect to shares owned by them (except, where applicable, shareholders who are domiciled or reside in or have permanent establishment or have been domiciled or have resided in Luxembourg).

Prospective investors should inform themselves as to the taxes applicable to the acquisition, holding and disposition of shares of the Company and to disposition of shares of the Company and to distributions in respect thereof under the laws of the countries of their citizenship, residence or domicile.

European Union Directive on the Taxation of Savings Income

The law passed by parliament on 21st June 2005 (the "Law") has implemented into Luxembourg law, Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (referred to as "Savings Directive"). Under the Savings Directive, Member States of the EU will be required to provide the tax authorities of another EU Member State with information on payments of interest or other similar income paid by a paying agent (as defined by the Savings Directive) within its jurisdiction to an individual resident in that other EU Member State. Austria and Luxembourg have opted instead for a tax withholding system for a transitional period in relation to such payments. Switzerland, Monaco, Liechtenstein, Andorra and San Marino and the Channel Islands, the Isle of Man and the dependent or associated territories in the Caribbean, have also introduced measures equivalent to information reporting or, during the above transitional period, withholding tax.

Dividends, if any, distributed by a Sub-Fund of the Fund will be subject to the Savings Directive and the Law if more than 15% of the relevant Sub-Fund's assets are invested in debt claims (as defined in the Law) and proceeds realised by shareholders on the disposal of shares will be subject to the Savings Directive and the Law if more than 25% of the relevant Sub-Fund's assets are invested in debt claims.

On 25 November 2014, Luxembourg enacted a law relating to the automatic exchange of information on interest payments from savings income (the "Exchange of Information Law") modifying the Law. The Exchange of Information Law abolished the transitional period during which the Luxembourg was entitled to levy a withholding tax on interest payments.

As from 1 January 2015, Luxembourg applied the automatic exchange of information on interest payment made by a Luxembourg paying agent to individuals resident in other Member States.

The foregoing is only a summary of the implications of the Savings Directive and the Law, is based on the current interpretation thereof and does not purport to be complete in all respects. It does not constitute investment or tax advice. Potential subscribers should inform themselves and, if necessary, take advice on the laws

and regulations (such as those on taxation and exchange control) applicable to the subscription, purchase, holding and sale of their shares in the country of respectively their citizenship, residence or domicile

The Foreign Account Tax Compliance provisions ("FATCA")

Global context and legal background

The FATCA provisions are contained in the Hiring Incentives to Restore Employment Act, which was signed into US law in March 2010. These provisions are US legislation aimed at reducing tax evasion by US citizens. It requires financial institutions outside the US ("Foreign Financial Institutions" or "FFIs") 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. A 30% withholding tax is imposed on certain US source revenue of any FFI that fails to comply with this requirement. Generally, non-US funds, such as the Company and its Sub-Funds, are FFIs and need to enter into FFI agreements with the IRS unless they qualify as "deemed-compliant" FFIs. If subject to a model 1 intergovernmental agreement ("IGA"), they can qualify under their local country IGA as "reporting financial institutions" or "non-reporting financial institutions". IGAs are agreements between the US and foreign jurisdictions to implement FATCA compliance.

On 28 March 2014, Luxembourg entered into a Model I IGA with the US and a memorandum of understanding in respect thereof (both documents being referred to as the "Model I IGA"). Accordingly, reporting to the IRS will be made indirectly through the Luxembourg tax authorities rather than by the FFIs in scope. The Company has therefore to comply with the provisions of FATCA under the terms of the Model I IGA and under the terms of Luxembourg legislation implementing such IGA in order to avoid any withholding tax or penalties.

In the event that the Company is not able to comply with the requirements imposed by the Model I IGA and the Company does suffer US withholding tax on its investments as a result of non-compliance, the Net Asset Value of the Company may be adversely affected and the shareholders may suffer significant loss as a result. If enforcement actions do not resolve the non-compliance within the legal period set forth in the Luxembourg law, the Company could be declared a "Non-participating Financial Institution".

Despite anything else herein contained and as far as permitted by Luxembourg law, the Company (or its delegate) shall have the right to:

- require all shareholders or beneficial owner of the shares to promptly provide mandatory documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned legislation (e.g. W9 or W8-BEN-E form);
- Withhold any taxes or similar charges that it is legally required to withhold, whether by law or otherwise, in respect of any shareholding in the Company;
- Require any shareholder or beneficial owner of the shares to promptly furnish such personal data as may be required by the Company in its discretion in order to comply with any law and/or to promptly determine the amount of withholding to be retained;
- Divulge any such personal information to any tax or regulatory authority, as may be required by law or such authority,
- Withhold the payment of any dividend or redemption proceeds to a shareholder until the Company holds sufficient information to enable it to determine the correct amount to be withheld.

Additional IGAs similar to the Model I IGA have been entered into or are under discussion by other jurisdictions with the US. Investors holding investments via distributors or custodians that are not in Luxembourg or in another IGA country should check with such distributors or custodians as to the distributor's or custodian's intention to comply with FATCA. Additional information may be required by the Company, custodians or distributors from certain investors in order to comply with their obligations under FATCA or under an applicable IGA.

The scope and application of FATCA withholding, due diligence and information reporting pursuant to the terms of FATCA and the Model I IGA is subject to review by the US, Luxembourg and other IGA governments, and the rules may change.

The foregoing is only a summary of the implications of FATCA and does not purport to be complete in all respects.

Shareholders and prospective investors should contact their own tax advisor regarding the possible implications of FATCA in respect of an investment in the Company.

The Company's status and policy

The Board of Directors have resolved that the Company will elect for the FATCA status of "Restricted funds" Fund on FATCA, which prohibits certain US persons from its shareholding. The Company will hence qualify as "Non-Reporting/Deemed-compliant FFI" under the terms of the Model I IGA and shall solely distribute through FATCA compliant entities.

As a consequence, the Company will not need neither to register with IRS nor to obtain a Global Intermediary Identification Number ("GIIN").

In light of the foregoing, it is the current policy of the Company to exclude ownership of Classes by any US Person, as well as any other person (regardless of citizenship or residency) whose ownership would result in a FATCA related reporting or withholding obligation for the Company (including, for the avoidance of doubt, any obligation of the Company to report information regarding such ownership to a non-US jurisdiction pursuant to an applicable IGA and related laws enacted by such non-US jurisdiction).

For the reasons outlined above, the Company's Classes may be either:

- (i) distributed by an independent and FATCA compliant nominee of investors (i.e. a "reporting FFI" and "non-reporting FFI" under the Model I IGA, a "Participating FFI", "registered deemed compliant FFI", "non-registering local bank" or "restricted distributor", acting as a nominee, pursuant to an contractual arrangements), or
- (ii) subscribed by investors directly, or indirectly by a distributor (acting only as an intermediary and not as a nominee), **with the exception of :**
 - a. "Specified U.S. Persons" (as defined under the Model I IGA Article 1.1. (ff)),
 - b. "Non-Participating FFIs" (as defined under the Model I IGA Article 1. (r)), or
 - c. "Passive Non-Financial Foreign Financial Entity" with one or more substantial U.S. owners (as defined under the Model I IGA Article VI. 3.).

Shareholders should moreover note that under the FATCA legislation, the definition of "Specified US Persons" will include a wider range of investors than the current Securities Act related US Person definition. The Board of Directors may therefore resolve, once further clarity about the implementation of the Luxembourg IGA becomes available, that it is

in the interests of the Company to widen the type of investors prohibited from further investing in the Sub-funds and to make proposals regarding existing investor holdings in connection therewith.

Additional information may be required by the Company, custodians or distributors from certain investors in order to comply with their obligations under FATCA or under an applicable IGA. Persons wishing to acquire the Company's Classes must confirm in writing that they meet the requirements set forth in the paragraphs above.

The Company will endeavour to satisfy any obligations imposed on it by the applicable requirements to avoid the imposition of any withholding tax under FATCA or applicable penalties.

In the event the Company is required either to pay a withholding tax, or is forced to comply with reporting duties, or if it suffers any other damages, due to a shareholder's non-compliance/recalcitrance under FATCA, the Company reserves the right to claim damages from such shareholder, without prejudice to any other rights. The Company will at all times, act in good faith and on reasonable grounds.

Common Reporting Standard considerations

The Organisation for Economic Cooperation and Development (the **OECD**) developed a common reporting standard (**CRS**) to achieve a comprehensive and multilateral automatic exchange of information (**AEOI**) in the future on a global basis. The CRS will require Luxembourg financial institutions to identify financial assets holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement. Luxembourg financial institutions will then report financial account information of the assets holder to the Luxembourg tax authorities, which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis. Shareholders may therefore be reported to the Luxembourg and other relevant tax authorities under the applicable rules.

On this basis, a Council Directive 2014/107/EU amending the Council Directive amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the **Euro-CRS Directive**) has been adopted on 9 December 2014 in order to implement the CRS among the EU Member States. Under the Euro-CRS Directive, the first AEOI must be applied by 30 September 2017 within the limit of the EU Member States for the data relating to calendar year 2016.

In addition, Luxembourg tax authorities signed the OECD's multilateral competent authority agreement (**Multilateral Agreement**) to automatically exchange information under the CRS. In that respect, the Luxembourg law of 18 December 2015 relating to the automatic exchange of information in tax matters (the 2015 Tax Law) has been published in the Official Journal on 24 December 2015. The 2015 Tax Law transposes Euro-CRS Directive and entered into force on 1 January 2016.

Under the 2015 Tax Law, the first exchange of information is expected to be applied by 30 September 2017 for information related to the year 2016. Accordingly, the Fund may be required to run additional due diligence process on its Shareholders and to report the identity and residence of financial account holders (including certain entities and their controlling persons), account details, reporting entity, account balance/value and income/sale or redemption proceeds to the local tax authorities of the country of residency of the foreign investors to the extent that they are resident of another EU Member State or of a country for which the Multilateral Agreement is in full force and applicable.

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

15. INFORMATION FOR GERMAN INVESTORS

Pursuant to the German Investment Code (*Kapitalanlagegesetzbuch*, hereinafter referred to as "KAGB") as amended from time to time, the Management Company has notified the German Supervisory Authority (the "BaFin") of its intention to market the Fund publicly in the Federal Republic of Germany.

GerFIS - German Fund Information Service UG (Haftungsbeschränkt), having its registered office Zum Eichhagen 4, 21382 Brietlingen, Germany, shall assume the function of information agent of the Fund within the meaning of the KAGB (the "Information Agent"), insofar as and so long as the BaFin does not prohibit the sale and distribution of the Fund in the Federal Republic of Germany.

Information regarding the Information Agent in Germany

The following documents concerning the Fund may be inspected and obtained free of charge from the registered office of the Information Agent and are published on the Management Company's website:

1. the Articles of Incorporation;
2. the latest Prospectus;
3. the latest KiiD;
4. the latest annual and half-yearly accounts.

All those documents are available in a language that is customary in the sphere of international finance i.e. in English. The KiiD is available in German.

The issue and redemption prices as well as other information and documents (e.g. the relevant contracts) which are required to be published in Luxembourg are available for inspection at or may be obtained free of charge from the Information Agent.

Redemption of Shares, payments to Shareholders

Redemptions of Shares and payments to the Shareholder in Germany (redemption proceeds, any distributions and other payments) are affected through the entities maintaining the securities accounts of the Shareholders. Printed individual certificates are not issued.

Manners in which the issue, sale, redemption or repurchase price of shares of the Fund will be made public and other useful information

The issue and redemption prices are published on the Management Company's website at the following address: www.casa4funds.com.

Investors are provided with information by means of the website of the Management Company concerning:

- Any suspension of the redemption of the Fund's shares;
- Any termination of the Fund Management Agreement or the winding-up of the Fund;
- Amendments to the Fund's Articles of Incorporation which are inconsistent with the existing investment principles, affect material investor rights, or relate to remuneration.

ation or the reimbursement of expenses that may be taken out of the Fund's assets, including the reasons for the amendments and the rights of investors;

- The merger of the Fund in the form of information on the proposed merger which shall be drawn up in accordance with the Directive 2009/65/EC, as amended;
- The conversion of the Fund into a feeder fund or any change to a master fund in the form of information which shall be drawn up in accordance with the Directive 2009/65/EC.

Sub-Fund that may be marketed in the Federal Republic of Germany

Waverton Investment Funds SICAV – Waverton European Capital Growth Fund

Sub-Funds NOT marketed in the Federal Republic of Germany

No notification has been filed with the BaFin for the distribution of the following Sub-Funds in Germany:

Waverton Investment Funds SICAV – Waverton European Income Fund

Waverton Investment Funds SICAV – Waverton Southeast Asian Fund

16. INVESTMENT MANAGER

The Management Company, which is responsible for the investment management of the Company, has formally appointed Waverton Investment Management Limited as Investment Manager of the Company, following the acquisition of 2CG Senhouse Investments Ltd. by Waverton Investment Management formally dated 29 April 2016, through an Investment Management Agreement dated 2016 as amended, for an indefinite period of time. The Investment Management Agreement may be terminated by either party giving three (3) months' notice.

The Investment Manager was incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority. The principal activity of the Investment Manager is the provision of investment management services. Its assets under management amounted to approximately Stg£4.4 billion as of 29 February 2016. The Investment Manager was acquired by Bermuda National Limited and the existing investment management team in 2013 and changed its name from J O Hambro Investment Management Limited to Waverton Investment Management Limited on 13 January 2014.

In consideration of its services, the Investment Manager shall receive on a monthly basis an investment management fee as well as a performance fee, as the case may be, out of the assets of the Company (as specified in Part B of this Prospectus).

17. CENTRAL ADMINISTRATION, REGISTRAR & TRANSFER AGENT

The Management Company and the Company have entered into an Administration Agreement with European Fund Administration S.A. on 22 April 2016 for an indefinite period of time. This Agreement may be terminated by either party with three months' (3) prior written notice.

Under the above mentioned Agreement, European Fund Administration S.A. will provide the Company under supervision and responsibility of the Management Company with ser-

vices as central administration (administrative, registrar and transfer agent). It will carry out the necessary administrative work required by law and the rules of the Company and establish and keep books and records including the register of shareholders of the Company. It will also execute all subscription, redemption and conversion applications and determine the Net Asset Value of the Company.

In consideration of its services as central administration, European Fund Administration S.A. will receive a central administration flat fees out of the assets of the Company up to EUR 20'400.00 maximum per Sub-Fund per year, with an additional flat fee up to EUR 12'000.00 maximum per annum per sub-fund using a equalization mechanism, and additional flat fee up to EUR 3'700.00 maximum for additional share class; and an additional variable fee up to 0,016% maximum of the asset under management of each Sub-Fund per year, excluding any additional transaction fee, exceptional and non-recurrent fee, any additional administrative extra work, normal banking and brokerage fees and commissions on transactions relating to the assets and liabilities of the Company, as well as any reasonable out-of-pocket expenses incurred in connection with the Company, and chargeable to the Company and fees for other services as agreed from time to time.

The amounts effectively paid will be shown in the Company's financial reports.

All charges and expenses pursuant to the above are exclusive of value added taxes or other taxes chargeable thereon, which should be paid by the Company as required.

18. DEPOSITARY BANK AND PAYING AGENT

The Company has appointed ING Luxembourg S.A., having its registered office at 52, route d'Esch, L-2965 Luxembourg, Grand Duchy of Luxembourg, as depositary bank and principal paying agent (the "Depositary" or the "Depositary Bank") of the Company pursuant to a depositary and paying agent agreement (the "Depositary Agreement") for an indefinite period of time.

ING Luxembourg S.A. is registered with the Luxembourg Company Register (RCS) under number B-06 041 with its main place of business at 52, route d'Esch, L-2965 Luxembourg, Grand Duchy of Luxembourg. It is licensed to carry out banking activities under the terms of the Luxembourg law of 5 April 1993 on the financial services sector and specialises in custody, fund administration and related services.

The Depositary has been appointed for the safe-keeping of financial instruments that can be held in custody, for the record keeping and verification of ownership of other assets of the Company as well as to ensure for the effective and proper monitoring of the Company's cash flows in accordance with the provisions of the 2010 Law and the Depositary Agreement. Assets held in custody by the Depositary shall not be reused by the Depositary, or any third party to which the custody function has been delegated, for their own account, unless such reuse is expressly allowed by the 2010 Law.

In addition, the Depositary shall ensure three types of functions, namely (i) the oversight duties (as defined in Art 22.3 of the 2014/91/EC Directive), (ii) the monitoring of the cash flows of the Company (as set out in Art 22.4 of the 2014/91/EC Directive) and (iii) the safekeeping of the Company's assets (as set out in Art 22.5 of the 2014/91/EC Directive).

Under its oversight duties, the Depositary is required to:

- (1) ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the Luxembourg law and regulations as issued time to time, the Company's Articles of Incorporation and Prospectus,
- (2) ensure that the value of Shares is calculated in accordance with Luxembourg law and regulations as issued time to time, the Company's Articles of Incorporation and Prospectus,
- (3) carry out the instructions of the Company or the Management Company, unless they conflict with the Luxembourg law and regulations as issued time to time, the Company's Articles of Incorporation and Prospectus,
- (4) ensure that in transactions involving the Company's assets, the consideration is remitted to the Company within the usual time limits;
- (5) ensure that the Company's revenues are allocated in accordance with its Articles of Incorporation and Prospectus.

The overriding objective of the Depositary is to protect the interests of the Shareholders of the Company, which always prevail over any commercial interests.

In order to ensure consistently high levels of investor protection, provisions on conduct and on the management of conflicts of interest are adopted and are applied in all situations, including in the case of a delegation of safekeeping duties. Those rules should in particular ensure a clear separation of tasks and functions between the Depositary, the Company and the Management Company or the Investment Company. The Depositary has implemented and maintains a management of conflicts of interest policy in order to ensure that no conflicts of interest may arise with its delegates.

Conflicts of interest may arise if and when the Management Company or the Company maintains other business relationships with ING Luxembourg S.A. in parallel with an appointment of ING Luxembourg S.A. acting as Depositary.

As example, where a Link (means a situation in which two and more natural or legal persons are either linked by a direct or indirect holding in an undertaking which represents 10% or more of the capital or of the voting rights or which makes it possible to exercise a significant influence over the management of the undertaking in which that holding subsists) or a Group Link (means a situation in which two or more undertakings or entities belong to the same group within the meaning of Article 2(11) of Directive 2013/34/EU, or in accordance with international accounting standards applicable within the Union pursuant to Regulation (EC) No 1606/2002) exists between them, the Company, the Management Company and the Depositary, shall put in place policies and procedures ensuring that they:

- a. identify all conflicts of interest arising from that Link or Group Link; and
- b. take all reasonable steps to avoid those conflicts of interest

The Company and the Depositary shall provide such information and assurance to each other as may be reasonably necessary with a view to ensuring that:

- a. no person is at the same time acting as both a member of the management body of the Company and a member of the management body of the Depositary or any Sub-custodian; and
- b. no person may at the same time be both a member of the management body of the Company and an employee of the Depositary or of any Sub-custodian;
- c. no person may at the same time be both a member of the management body of the Depositary or any Sub-custodian and an employee of the Fund.

The Company shall immediately notify the Depositary if it is established that a Link or a Group Link exists between the Fund and any Sub-custodian.

Should a Link or a Group Link exist, the Company shall:

- a. take all reasonable steps to avoid conflicts of interest arising from the Link or a Group Link; and
- b. ensure that its management and supervisory functions comply with the relevant European regulations.

From the time being, at the best knowledge of all the parties, no conflict of interest situation (e.g. no ownership interest between the Depositary and its sub custodians) has been identified.

And, despite the aforementioned circumstances, if a conflict of interest arises at the level of the Depositary, the Depositary will take care of its duties and obligations under the depositary agreement with the Company and act accordingly. If, despite all measures taken, a conflict of interest that bears the risk to significantly and adversely affect the Fund or the investors of the Company, may not be solved by the Depositary having regard to its duties and obligations under the depositary agreement with the Fund, the Depositary will notify the Company which shall take appropriate action.

Accordingly, the Depositary has implemented and maintains a conflict of interest policy which:

- Establishes responsibilities and the rules of conduct to be applied in relation to the prevention, detection, identification, management, reporting and control of potential conflicts of interest;
- Identifies and analyses potential situations of conflict of interest arising in the course of the Depositary's activities;
- Requires to record, manage and monitor conflicts of interest situations through adequate processes;
- Relies on the code of conduct and asks to implement permanent measures in order to prevent conflicts of interest situations such as but not limited to, segregation of duties and information barriers, insiders lists for the staff members, anti-corruption rules, analysis of new products and activities aimed at the prevention of any conflict of interest, separation of reporting lines;
- Maintains a cartography of conflicts of interests as an inventory of permanent measures in place.

In order to provide custody services in a large number of countries allowing the Company to meet its investment objectives, the Depositary has appointed entities as delegates for sub-custody functions

The process of appointing such delegates and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment.

In compliance with the provisions of the Depositary Agreement and the 2010 Law, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties in relation to financial instruments that can be held in custody, duly entrusted to the Depositary for custody purposes, and/or all or part of its duties regarding the record keeping and verification of ownership of other assets of the Company to one or more sub-custodian(s), as they are appointed by the Depositary from time to time. Where the law of a third country requires that financial instruments are held in custody by a local entity and no local entity satisfies the delegation requirements of article 34bis, paragraph 3, lit. b) i) of the Law of 2010, the Depositary may delegate its

functions to such local entity to the extent required by the law of that third country for as long as there are no local entities satisfying the aforementioned requirements

In order to ensure that its tasks are only delegated to sub-custodians providing an adequate standard of protection, the Depositary has to exercise all due skill, care and diligence as required by the 2010 Law in the selection and the appointment of any sub-custodian to whom it intends to delegate parts of its tasks and has to continue to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of any sub-custodian to which it has delegated parts of its tasks as well as of any arrangements of the sub-custodian in respect of the matters delegated to it. In particular, any delegation is only possible when the sub-custodian at all times during the performance of the tasks delegated to it segregates the assets of the Fund from the Depositary's own assets and from assets belonging to the sub-custodian in accordance with the 2010 Law. The Depositary's liability shall not be affected by any such delegation, unless otherwise stipulated in the 2010 Law and/or the Depositary Agreement.

A complete list of all delegates may be obtained, free of charge and upon request, from the Depositary and on the Depositary website through the following link, such list will be updated following any change of the delegates:

https://www.ing.lu/web/ucmintercons/groups/public/documents/web_content_files/sousdepos_en.pdf

The Depositary is liable to the Company or its Shareholders for the loss of a financial instrument held in custody within the meaning of the 2010 Law and the Commission Delegated Regulation of 17 December 2015 supplementing the Directive 2009/65/EC with regard to obligations of depositaries by the Depositary and/or a sub-custodian.

In case of loss of such asset, the Depositary has to return a financial instrument of an identical type or the corresponding amount to the Company without undue delay. In accordance with the provisions of the 2010 Law, the Depositary will not be liable for such loss, if it 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.

The Depositary shall be liable to the Company and to the Shareholders for all other losses suffered by them as a result of the Depositary's negligence or intentional failure to properly fulfil its duties in accordance with applicable law and regulation, in particular the 2010 Law and the Depositary Agreement.

The Company and the Depositary may terminate the Depositary Agreement at any time by giving three (3) months' notice by registered letter. In case of a voluntary withdrawal of the Depositary or of its removal by the company, the Depositary must be replaced before maturity of such notice period by a successor depositary to whom the Company's assets are to be delivered and who will take over the functions and responsibilities of the Depositary. If the Company does not name such successor depositary in time the Depositary may notify the CSSF of the situation.

ING Luxembourg S.A. shall also act as paying agent for the Company in connection with the receipt of payments in respect of the issue of shares, the payment of monies in respect of the repurchase of the shares and if applicable the payment of dividends.

In consideration of its services as Depositary Bank, ING Luxembourg S.A. will receive a depositary fee out of the assets of the Company as specified in the Sub-Funds' specifics in Part B of the Prospectus.

19. MONEY LAUNDERING PREVENTION

Any shareholder will have to establish its identity to the Company, the Registrar and Transfer Agent or to the intermediary which collects the subscriptions, provided that the intermediary is regulated and located in a country that imposes an identification obligation equivalent to that required under Luxembourg law (including the law of November 12, 2004 as amended, as well as the regulations and the circulars issued by the CSSF).

Such identification shall be evidenced when subscribing for Shares as follows:

In order to appropriately identify the beneficial owners of the funds invested in the Company and to contribute to the fight against money laundering and financing of terrorism, subscription requests to the Company by investors must include:

- in the case of natural persons: a certified and valid copy of the investor's identity card or passport (certification by one of the following authorities: embassy, consulate, notary, high commission of the country of issue, Police commissioner, Bank domiciled in a country that imposes an identification obligation equivalent to that required under Luxembourg law or any other competent authority);
- for corporate entities: an original or a certified and valid copy of the Articles of incorporation, an extract of the register of commerce, the list of shareholders of the company and the identification documents of those holding more than 25% of the assets of the company (certification by one of the following authorities: embassy, consulate, notary, high commission of the country of issue, Police commissioner, Bank domiciled in a country that imposes an identification obligation equivalent to that required under Luxembourg law or any other competent authority);

This identification obligation applies in the following cases:

- direct subscriptions to the Company;
- subscription via an intermediary which is domiciled in a country in which it is not legally obliged to use an identification procedure equivalent to the one required by Luxembourg law in the fight against money laundering and terrorist financing (including foreign subsidiaries or branches of which the parent company is subject to an identification procedure equivalent to the one required by Luxembourg law if the law applicable to the parent company does not oblige the parent company to ensure the application of these measures by its subsidiaries or branches).

It is generally accepted that professionals of the financial sector resident in a country which has ratified the recommendations of the FATF are deemed to be intermediaries having an identification obligation equivalent to that required under the applicable law. The complete updated list of countries having ratified the recommendations of the FATF is available on www.fatf-gafi.org.

Subscriptions may be temporarily suspended until identification of the investors has been appropriately performed. Failure to provide sufficient or additional information may result in an application not being processed or an investor being rejected.

The Registrar and Transfer Agent of the Company may require at any time additional documentation relating to an application for shares.

20. NOMINEE FOR SHAREHOLDERS

The Company may enter into nominee agreements.

In such case, the nominee shall, in its name but as Nominee for the investor, purchase, request the conversion or request the redemption of shares for the investor and request registration of such operations in the Company's books. However, the investor:

- a) may invest directly in the Company without using the Nominee service;
- b) has a direct claim on its shares subscribed in the Company;
- c) may terminate the mandate at any time with prior written notice.

The provisions under a), b) and c) are not applicable to shareholders solicited in countries where the use of the service of a nominee is necessary or compulsory for legal, regulatory or compelling practical reasons.

The Company will ensure that the nominee presents sufficient guarantees for the proper execution of its obligations toward the investors who utilise its services. In particular, the Company will ensure that the nominee is a professional duly authorised to render nominee services and domiciled in a country in which it is legally obliged to use an identification procedure equivalent to the one required by Luxembourg law in the fight against money laundering and terrorist financing.

The Company (or its delegates) will ensure that the nominee is FATCA compliant, i.e. "Participating FFI", "registered deemed-compliant FFI", "non-registering local bank" or "restricted distributor" pursuant to Model I IGA and US Treasury Regulations.

It is the responsibility of the nominee to identify its clients for FATCA purposes.

A distributor acting as nominee has to notify the Company within the legal period set forth in the Luxembourg law in case of change of its FATCA status Chapter 4 of the US Treasure Regulation.

21. EXPENSES

The Company shall bear the following expenses:

- all fees to be paid to the Management Company, the Central Administration, the Investment Manager(s), the Investment Advisor(s) (if any) , the Depositary Bank and any other agents that may be employed from time to time;
- all taxes which may be payable on the assets, income and expenses chargeable to the Company;
- standard brokerage and bank charges incurred on the Company's business transactions;
- all fees due to the Auditor and the Legal Advisors to the Company;

- all expenses connected with publications and supply of information to shareholders, in particular and where applicable, the cost of drafting, printing and distributing the annual and semi-annual reports, as well as any prospectuses;
- all expenses involved in registering and maintaining the Company registered with all governmental agencies and stock exchanges;
- all other fees and expenses incurred in connection with its operation, administration, its management and distribution.

All recurring expenses will be charged first against current income, then should this not be sufficient, against realised capital gains, and, if need be, against assets.

Each Sub-Fund may amortise its own expenses of establishment over a period of five years as of the date of its creation. The expenses of first establishment will be exclusively charged to the Sub-Funds opened at the incorporation of the Company and shall be amortised over a period not exceeding five years.

Any costs, which are not attributable to a specific Sub-Fund, incurred by the Company will be charged to all Sub-Funds in proportion to their average Net Asset Value. Each Sub-Fund will be charged with all costs or expenses directly attributable to it.

The different Sub-Funds of the Company have a common generic denomination and one or several investment advisors and/or investment managers which determine their investment policy and its application to the different Sub-Funds in question via a single Board of Directors of the Company. Under Luxembourg law, the Company including all its Sub-Funds is regarded as a single legal entity. However, pursuant to article 181 of the Investment Fund Law, as amended, each Sub-Fund shall be liable for its own debts and obligations. In addition, each Sub-Fund will be deemed to be a separate entity having its own contributions, capital gains, losses, charges and expenses.

The Company is required to indemnify, out of its assets only, officers, employees and agents of the Company, if any, and the Board of Directors for any claims, damages and liabilities to which they may become subject because of their status as managers, officers, employees, agents of the Company or Board of Directors, or by reason of any actions taken or omitted to be taken by them in connection with the Company, except to the extent caused by their gross negligence, fraud or willful misconduct or their material breach of the provisions of the prospectus.

22. NOTICES AND PUBLICATION

Notices to shareholders are available at the Company's registered office. If required by law, they will be published in the *Registre de Commerce et des Sociétés* (R.C.S) Luxembourg and in the "d'Wort" in Luxembourg and in other newspapers circulating in jurisdictions in which the Company is registered as the Directors may determine.

The Net Asset Value of each Sub-Fund and the issue and redemption prices thereof will be available at all times at the Company's registered office.

Audited annual reports will be made available at the registered office of the Company no later than four (4) months after the end of the financial year and unaudited semi-annual reports will be made available two (2) months after the end of such period.

All reports will be available at the Company's registered office. The first financial report will be an unaudited financial report dated 31 December 2013.

23. LIQUIDATION OF THE COMPANY, TERMINATION OF THE SUB-FUNDS AND CLASSES OF SHARES, CONTRIBUTION OF SUB-FUNDS AND CLASSES OF SHARES

23.1 Liquidation of the Company

In the event of the liquidation of the Company, liquidation shall be carried out by one (1) or several liquidators (approved by the CSSF) appointed by the meeting of the shareholders deciding such dissolution and which shall determine such dissolution and which shall determine their powers and their compensation. The liquidators shall realise the Company's assets in the best interest of the shareholders and shall distribute the net liquidation proceeds (after deduction of liquidation charges and expenses) to the shareholder in proportion to their shares in the Company. Any amounts not claimed promptly by the shareholders will be deposited at the close of liquidation in escrow with the Caisse de Consignation. Amounts not claimed from escrow within the statute of limitations will be forfeited according to the provisions of Luxembourg law.

23.2 Termination of a Sub-Fund or a Class of Shares

A Sub-Fund or Class may be terminated by resolution of the Board of Directors of the Company if the Net Asset Value of a Sub-Fund or of a Class is below an amount as determined by the Board of Directors from time to time, or if a change in the economic or political situation relating to the Sub-Fund or Class concerned would justify such liquidation or if necessary in the interests of the shareholders or the Company. In such event, the assets of the Sub-Fund or Class will be realised, the liabilities discharged and the net proceeds of realisation distributed to shareholders in proportion to their holding of shares in that Sub-Fund or Class. Notice of the termination of the Sub-Fund or Class will be given in writing to registered shareholders and/or will be published in the R.C.S Luxembourg and the "d'Wort" in Luxembourg and in other newspapers circulating in jurisdictions in which the Company is registered as the Directors may determine.

In accordance with the provisions of the Investment Fund Law, only the liquidation of the last remaining Sub-Fund of the Company will result in the liquidation of the Company as referred to in Article 145 of the Investment Fund Law. In this case, and as from the event given rise to the liquidation of the Company, and under penalty of nullity, the issue of shares shall be prohibited except for the purpose of liquidation.

Any amounts not claimed by any shareholder shall be deposited at the close of liquidation in escrow with the Caisse de Consignation.

Unless otherwise decided in the interest of, or in order to ensure equal treatment between shareholders, the shareholders of the relevant Sub-Fund or Class may continue to request the redemption of their shares or the conversion of their shares, free of any redemption and conversion charges (except disinvestment costs) prior the effective date of the liquidation. Such redemption or conversion will then be executed by taking into account the liquidation costs and expenses related thereto.

23.3 Merger of Sub-Funds to another Sub-Fund within the Company

Any Sub-Fund may, either as a merging Sub-Fund or as a receiving Sub-Fund, be subject to merger (the «Merger») with another Sub-Fund of the Company in accordance with the

definitions and conditions set out in the Investment Fund Law. The Board of Directors of the Company will be competent to decide on the effective date of such a Merger. Insofar as a Merger requires the approval of the shareholders concerned by the Merger and pursuant to the provisions of the Investment Fund Law, the meeting of shareholders deciding by simple majority of the votes cast by shareholders present or represented at the meeting, is competent to approve the effective date of such a Merger. No quorum requirement will be applicable. Only the approval of the shareholders of the Sub-Funds concerned by the merger will be required.

Notice of the Merger will be given in writing to registered shareholders and/or will be published in the R.C.S Luxembourg and the «d'Wort» in Luxembourg and in other newspapers circulating in jurisdictions in which the Company is registered as the Directors may determine. Each shareholder of the relevant Sub-Funds or Classes shall be given the possibility, within a period of at least thirty days in advance in order to enable shareholders to request the redemption or conversion of their shares. At the expiry of this one month's period any shareholder who did not request the repurchase or the conversion of its shares, shall be bound by the decision relating to the merger.

23.4 Merger of Sub-Funds or Class of shares to another Sub-Fund or Class of Shares of another investment fund

The Company may, either as a merging UCITS or as a receiving UCITS, be subject to cross-border and domestic mergers in accordance with the definitions and conditions set out in the Investment Fund Law. The Board of Directors of the Company will be competent to decide on the effective date of such a Merger. Insofar as a Merger requires the approval of the shareholders concerned by the Merger and pursuant to the provisions of the Investment Fund Law, the meeting of shareholders deciding by simple majority of the votes cast by shareholders present or represented at the meeting is competent to approve the effective date of such a Merger. No quorum requirement will be applicable.

Notice of the Merger will be given in writing to registered shareholders and/or will be published in the R.C.S Luxembourg and the «d'Wort» in Luxembourg and in other newspapers circulating in jurisdictions in which the Company is registered as the Directors may determine. Each shareholder of the relevant Sub-Funds or Classes shall be given the possibility, within a period of at least thirty days in advance in order to enable shareholders to request the redemption or conversion of their shares.

24. REGULATORY INFORMATION

24.1 Conflicts of Interest

For the purpose of identifying the types of conflict of interest that arise in the course of providing services and activities and whose existence may damage the interest of the Company, the Management Company will take into account, by way of minimum criteria, the question of whether the Management Company or a relevant person, or a person directly or indirectly linked by way of control to the Management Company, is in any of the following situations, whether as a result of providing collective portfolio management activities or otherwise: (a) the Management Company or that person is likely to make a financial gain, or avoid a financial loss, at the expense of the Company, (b) the Management Company or that person has an interest in the outcome of a service or an activity provided to the Company or another client or of a transaction carried out on behalf of the Company or another client or, which is distinct from the Company interest in that outcome; (c) the Management Company or that person has a financial or other incentive to

favour the interest of another client or group of clients over the interests of the Company; (d) the Management Company or that person carries on the same activities for the Company and for another client or clients which are not UCITS; and (e) the Management Company or that person receives or will receive from a person other than the Company an inducement in relation to collective portfolio management activities provided to the Company, in the form of monies, goods or services, other than the standard commission or fee for that service.

When identifying any potential types of conflict of interests, the Management Company will take into account (a) the interests of the Management Company, including those deriving from its belonging to a group or from the performance of services and activities, the interests of the clients and the duty of the Management Company towards the Company as well as (b) the interests of two or more managed UCITS.

The summary description of the strategies referred to in that paragraph will be made available to the investors on www.casa4funds.com.

24.2 Complaints Handling

Investors of each Sub-Fund of the Company may file complaints free of charge with the distributor or the Management Company in an official language of their home country. Investors can access the complaints handling procedure on www.casa4funds.com.

24.3 Exercise of Voting Rights

Unless there is a loss of investor protection, the Company will not exercise voting rights in respect of instrument held by the Company in each Sub-Fund. The decision to exercise of voting rights is only to be made within the Company's general meeting.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, if the investor is registered himself and in its own name in the shareholders' register of the UCITS. In cases where an investor invests in the UCITS through an intermediary investing into the UCITS 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 UCITS. Investors are advised to take advice on their rights.

24.4 Best Execution

The Management Company will act in the best interests of the managed Company when executing decision to deal on behalf of the managed Company in the context of the management of their portfolios. For that purpose the Management Company will take all reasonable steps to obtain the best possible results for the Company, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution of the order (best execution).

The relative importance of such factors will be determined by reference to the following criteria: (a) the objectives, investment policy and risks specific to the Company, (b) the characteristics of the order, (c) the characteristics of the financial instruments that are the subject of that order and (d) the characteristics of the execution venues to which that order can be directed.

25. DOCUMENTS

The following documents may be consulted and obtained at the Company's registered office and the Depositary Bank:

- a) the Company's prospectus;
- b) the Company's Key Investor Information Documents;
- c) the Company's Articles;
- d) the Fund Management Agreement between the Company and the Management Company;
- e) the Investment Management Agreement between the Management Company, the Company and the Investment Manager;
- f) the Administration Agreement between the Company, the Management Company and the Central Administration;
- g) the Custody and Paying Agency Agreement between the Company and the Depositary Bank;
- h) the Domiciliary Services Agreement between the Company and the Domiciliary Agent; and
- i) the Company's annual and semi-annual financial reports.

PART B: THE SUB-FUNDS

**WAVERTON INVESTMENT FUNDS SICAV – WAVERTON EUROPEAN CAPITAL
GROWTH FUND**

SUB-FUND SPECIFICS

1. Investment Objective and Policy

1.1. Investment objective

The investment objective of the Sub-Fund is to achieve long term growth by investing in a diversified portfolio of European stocks.

The Sub-Fund's minimum fund size is EUR 1,000,000.

1.2. Investment principles

The Investment Manager will mainly invest in large capitalisation securities listed on a recognised stock exchange. It is expected that the Sub-Fund will be mostly invested in securities issued or traded in the Euro zone. Up to 10% of the Sub-Fund can be invested in smaller companies.

The Sub-Fund will have not less than 30 holdings and the top 10 holdings will not represent in aggregate more than 45% of the Net Asset Value of the Sub-Fund. No more than 10% of the Net Asset Value of the Sub-Fund will be invested in emerging markets.

Each investment will be a quoted investment listed or traded on predominantly European recognised markets. Investment will primarily be made in equity or equity related securities and Depositary receipts for such securities (ADRs traded in the U.S. markets and GDRs traded in other world markets such as London). As a result of being a shareholder in a company, the Company (on behalf of the Sub-Fund) may receive rights to subscribe for further securities and the Company will exercise or dispose of any such rights so received as soon as practicable. However, the Company will not actively purchase or invest in such rights.

The Sub-Fund may also hold ancillary liquid assets, such as cash, bank deposits, and listed or traded short term paper including treasury bills and bankers' acceptances but the Investment Manager would not expect to retain substantial amounts of assets in these forms except if such investments were considered to be in the best interests of the shareholders in the Sub-Fund.

In addition the Sub-Fund may not, in aggregate, invest more than 5% of its net assets in undertakings for collective investment.

The Directors have resolved that the Sub-Fund should only be able to borrow on a temporary basis up to 10% of its Net Asset Value at any time and may secure such borrowings by granting security over the assets of the Sub-Fund.

The Sub-Fund will not enter into repurchase or reverse repurchase agreement transactions and will not use derivatives for the purposes of efficient portfolio management or direct investment. The Board of Directors have the authority to change this policy but shall:

- (i) notify shareholders in the relevant Sub-Fund before implementing any such change, shareholders then have the right to redeem their shares in the Sub-

- Fund free of charges during one month following the sending of the notification; and
- (ii) submit to the CSSF (prior to entering into repurchase/reverse repurchase or derivative transactions) an updated risk management process; and
- (iii) amend the Prospectus accordingly.

The Reference Currency of the Sub-Fund is in Euro ("EUR").

As from 3rd October 2016, the paragraph 1.2 headed "Investment principles" shall read as follows:

The Investment Manager will mainly invest in mid-large capitalisation securities listed on a recognised stock exchange.

The Sub-Fund will have not less than 30 holdings and no more than 10% of the Net Asset Value of the Sub-Fund will be invested in emerging markets.

Each investment will be a quoted investment listed or traded on predominantly European recognised markets. Investment will primarily be made in equity or equity related securities and Depositary receipts for such securities (ADRs traded in the U.S. markets and GDRs traded in other world markets such as London). As a result of being a shareholder in a company, the Company (on behalf of the Sub-Fund) may receive rights to subscribe for further securities and the Company will exercise or dispose of any such rights so received as soon as practicable. However, the Company will not actively purchase or invest in such rights.

The Sub-Fund may also hold ancillary liquid assets, such as cash, bank deposits, and listed or traded short term paper including treasury bills and bankers' acceptances but the Investment Manager would not expect to retain substantial amounts of assets in these forms except if such investments were considered to be in the best interests of the shareholders in the Sub-Fund.

In addition the Sub-Fund may not, in aggregate, invest more than 5% of its net assets in undertakings for collective investment.

The Directors have resolved that the Sub-Fund should only be able to borrow on a temporary basis up to 10% of its Net Asset Value at any time and may secure such borrowings by granting security over the assets of the Sub-Fund.

The Sub-Fund will not enter into repurchase or reverse repurchase agreement transactions and will not use derivatives for the purposes of efficient portfolio management or direct investment. The Board of Directors have the authority to change this policy but shall:

- (iv) notify shareholders in the relevant Sub-Fund before implementing any such change, shareholders then have the right to redeem their shares in the Sub-Fund free of charges during one month following the sending of the notification; and
- (v) submit to the CSSF (prior to entering into repurchase/reverse repurchase or derivative transactions) an updated risk management process; and
- (vi) amend the Prospectus accordingly.

The Reference Currency of the Sub-Fund is in Euro ("EUR").

2. Risk Profile

The general risks are further described in section "Risk factors" of Part A of this Prospectus.

In addition, equity shares of European companies can fluctuate in value due to market, currency values, economic, political and other factors. Such fluctuations may be substantial, particularly for companies located in countries with less developed economies and securities markets. The Net Asset Value of the Shares in the Sub-Fund will fluctuate, and may be worth more or less than the acquisition price when repurchased or sold. Such fluctuations may be greater than the fluctuation in values of shares of portfolios with broader geographical diversification. There is no assurance that the Sub-Fund's investment objective will be achieved.

The Sub-Fund can invest in small, medium and large capitalisation securities. Investments in smaller capitalised companies may involve greater risks, such as limited product lines, markets and financial or managerial resources. In addition, less frequently traded securities may be subject to more abrupt price movements than securities of larger capitalised companies.

The Sub-Fund will, on request, provide supplementary information to shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

The global exposure of the Sub-Fund will be calculated on the basis of the Commitment Approach.

3. Profile of the Typical Investor

An investment in the Sub-Fund should be viewed as medium to long term. The Sub-Fund will mainly invest its assets in equities. Although history has shown that shares have the potential to give better long-term returns than money market securities or bonds, they also proved to be more volatile. This Sub-Fund is suitable for investors being comfortable with levels of high risks.

Investors should consider their long-term investment goals and financial needs when making an investment decision about this Sub-Fund.

4. Valuation Date

The Valuation Date of this Sub-Fund will be each Bank Business Day as defined in section "Net Asset Value" of the present prospectus.

The NAV is calculated on the first Bank Business Day following the Valuation Date on the basis of the last closing available prices as of the relevant Valuation Date.

5. Subscription/ cut-off time

Shares are available for subscription on each Valuation Date (Date of the NAV with last available closing prices on that date). Applications for shares must be received by the Registrar and Transfer Agent in Luxembourg on the Valuation Date by 3.00 pm (Luxembourg time) to be dealt with on the basis of the Net Asset Value per Share applicable on that Valuation Date. Applications for shares received by the Registrar and Transfer Agent after that cut-off time will be dealt with on the next Valuation Date.

The subscription amount to be paid by investors must be received by the Company or its delegates at the latest three (3) Bank Business Days before close of business Luxembourg time after the applicable Valuation Date.

6. Redemption / cut-off time

Shareholders are entitled to redeem their shares on each Valuation Date. Applications for redemptions must be received by the Registrar and Transfer Agent in Luxembourg on the Valuation Date by 3.00 pm (Luxembourg time) to be dealt with on the basis of the Net Asset Value per Share applicable on that Valuation Date. Applications for redemptions received by the Registrar and Transfer Agent after that cut-off time will be dealt with on the next Valuation Date.

In the case of redemptions, provided all documentation required by the Registrar and Transfer Agent, including required for anti-money laundering purposes, has been received, amounts will be paid within three (3) Bank Business Days after the relevant Valuation Date.

7. Conversion /cut-off time

Applications for conversion must be received by the Registrar and Transfer Agent at the latest one (1) bank business day in Luxembourg until 12.00 am (Luxembourg time) before the relevant Valuation Date to be dealt with on the basis of the Net Asset Value per Share applicable on that Valuation Date. Applications for conversion received by the Registrar and Transfer Agent after that cut-off time will be dealt with on the next Valuation Date.

8. Classes available

The Classes available in this Sub-Fund are listed in the table below. The currency of the Classes is also available in this table. The Classes are either accumulating or distributing classes according to information in section “**Income Policy**” in Part A of this Prospectus.

Class	Income policy	Currency	Minimum Initial Subscription	Minimum Additional Subscription	Minimum Holding
L Class EUR¹	Distribution	EUR	EUR 500,000.-	EUR 5,000.-	EUR 1,000.-
Retail GBP	Distribution	GBP	GBP 10,000.-	GBP 500.-	GBP 1,000.-
Institutional EUR	Distribution	EUR	EUR 1,000,000.-	None	EUR 1,000.-
Institutional GBP	Distribution	GBP	GBP 1,000,000.-	None	GBP 1,000.-
Institutional USD	Distribution	USD	USD 1,000,000.-	None	USD 1,000.-
Institutional USD	Accumulation	USD	USD 1,000,000.-	None	USD 1,000.-
Institutional GBP Hedged²	Distribution	GBP	GBP 1,000,000.-	GBP 100,000.-	GBP 100,000.-
Institutional USD Hedged²	Distribution	USD	USD 1,000,000.-	USD 100,000.-	USD 100,000.-

The Company may in its discretion waive minimum subscription and/or holding amounts. In such latter case, the Company will ensure that concerned investors are equally treated.

The Board of Directors is authorised to waive any requirements relating to the Minimum Initial Subscription amount, Minimum Additional Subscription amount or to the Minimum Holding amount in its reasonable discretion and by taking into consideration the best interest of the Fund.

¹ This Class is available for all type of investors.

² This Class is hedged against the foreign exchange risk. Investors should refer to Section 6 "Risk Factors" paragraph (x) "Class Hedging risk" for special risk considerations applicable to hedged Classes.

9. Expenses

The specific fees applicable to them are listed in the table below.

Class	Sub- scrip- tion Fee	Con- version Fee	Re- demp- tion Fee	Man- age- ment Compa- ny Fee	Invest- ment Man- age- ment Fee	Perfor- for- mance Fee	Depository Fee per Sub-Fund	Annual Tax
L Class EUR	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 1.00%	None	0.01% p.a. on securities and cash	0.05%
Retail GBP	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 1.25%	None		0.05%
Institutional EUR	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.75%	None	0.05% p.a. on securities	0.01%
Institutional GBP	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.75%	None	With a min- imum fee of EUR 10.000-	0.01%
Institutional USD	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.75%	None		0.01%
Institutional GBP Hedged	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.75%	None	And a flat fee of EUR 7.500- per annum	0.01%
Institutional USD Hedged	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.75%	None		0.01%

The Investment Management fees outlined above may be waived or varied (within the limits specified above) at the discretion of the Directors.

In addition the Classes shall bear other expenses such as banking, brokerage and transaction based fees, auditors' fees, legal fees and taxes.

An investor who subscribes converts or redeems shares through paying agents may be required to pay fees connected to the transactions processed by said paying agents in the jurisdictions in which shares are offered.

SUB-FUND SPECIFICS

1. Investment Objective and Policy

1.1. Investment objective

The investment objective of the Sub-Fund is to achieve long term income and capital growth by investing in a diversified portfolio of European stocks.

The Sub-Fund's minimum fund size is GBP 1,000,000.-.

1.2. Investment principles

The Sub-Fund will invest in a focused portfolio of European equities, usually somewhere between 30-40 stocks. The Sub-Fund's investments will generally be held for 12-18 months but may be held on a very short-term basis if the Investment Manager is of the view that by holding them in such a manner returns will be maximized. The Investment Manager will usually invest in companies with a market capitalisation of GBP 1.5 billion or more. However, the Sub-Fund will not be bound by constraints in terms of market capitalisation. The Sub-Fund will not be bound by industry sector. Each investment will be listed or traded on a recognized world market. It is intended that the Sub-Fund will not invest in emerging markets.

As a result of being a shareholder in a company, the Company (on behalf of the Sub-Fund) may receive rights to subscribe for further securities and the Company will exercise or dispose of any such rights so received as soon as practicable. However, the Company will not actively purchase or invest in such rights.

The Sub-Fund may also hold ancillary liquid assets such as cash and bank deposits. Cash may be held in different currencies according to expectations for the directional movement of foreign exchange rates.

The Sub-Fund may not, in aggregate, invest more than 5% of its net assets in undertakings for collective investment.

The Directors have resolved that the Sub-Fund should only be able to borrow on a temporary basis up to 10% of its Net Asset Value at any time and may secure such borrowings by granting security over the assets of the Sub-Fund.

The Sub-Fund will not enter into repurchase or reverse repurchase agreement transactions and will not use derivatives for the purposes of efficient portfolio management or direct investment. The Board of Directors have the authority to change this policy but shall:

- (i) notify shareholders in the relevant Sub-Fund before implementing any such change, shareholders then have the right to redeem their shares in the Sub-Fund free of charges during one month following the sending of the notification; and
- (ii) submit to the CSSF (prior to entering into repurchase/reverse repurchase or derivative transactions) an updated risk management process; and
- (iii) amend the Prospectus accordingly.

The Reference Currency of the Sub-Fund is in Sterling ("**GBP**").

2. Risk Profile

The general risks are further described in section “**Risk factors**” of Part A of this Prospectus.

In addition, equity shares of European companies can fluctuate in value due to market, currency values, economic, political and other factors. Such fluctuations may be substantial, particularly for companies located in countries with less developed economies and securities markets. The Net Asset Value of the Shares in the Sub-Fund will fluctuate, and may be worth more or less than the acquisition price when repurchased or sold. Such fluctuations may be greater than the fluctuation in values of shares of portfolios with broader geographical diversification. There is no assurance that the Sub-Fund's investment objective will be achieved.

The Sub-Fund can invest in small, medium and large capitalisation securities. Investments in smaller capitalised companies may involve greater risks, such as limited product lines, markets and financial or managerial resources. In addition, less frequently traded securities may be subject to more abrupt price movements than securities of larger capitalised companies.

The Sub-Fund will, on request, provide supplementary information to shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

The global exposure of the Sub-Fund will be calculated on the basis of the Commitment Approach.

3. Profile of the Typical Investor

An investment in the Sub-Fund should be viewed as medium to long term. The Sub-Fund will mainly invest its assets in equities. Although history has shown that shares have the potential to give better long-term returns than money market securities or bonds, they also proved to be more volatile. This Sub-Fund is suitable for investors being comfortable with levels of high risks. Investors should consider their long-term investment goals and financial needs when making an investment decision about this Sub-Fund.

Investors should consider their long-term investment goals and financial needs when making an investment decision about this Sub-Fund.

4. Valuation Date

The Valuation Date of this Sub-Fund will be each Bank Business Day as defined in section “Net Asset Value” of the present prospectus.

The NAV is calculated on the first Bank Business Day following the Valuation Date on the basis of the last closing available prices as of the relevant Valuation Date.

5. Subscription/ cut-off time

Shares are available for subscription on each Valuation Date (Date of the NAV with last available closing prices on that date). Applications for shares must be received by the Registrar and Transfer Agent in Luxembourg on the Valuation Date by 3.00 pm (Luxembourg time) to be dealt with on the basis of the Net Asset Value per Share applicable on that Valuation Date. Applications for shares received by the Registrar and Transfer Agent after that cut-off time will be dealt with on the next Valuation Date.

The subscription amount to be paid by investors must be received by the Company or its delegates at the latest three (3) Bank Business Days before close of business Luxembourg time after the applicable Valuation Date.

6. Redemption / cut-off time

Shareholders are entitled to redeem their shares on each Valuation Date. Applications for redemptions must be received by the Registrar and Transfer Agent in Luxembourg on the Valuation Date by 3.00 pm (Luxembourg time) to be dealt with on the basis of the Net Asset Value per Share applicable on that Valuation Date. Applications for redemptions received by the Registrar and Transfer Agent after that cut-off time will be dealt with on the next Valuation Date.

In the case of redemptions, provided all documentation required by the Registrar and Transfer Agent, including required for anti-money laundering purposes, has been received, amounts will be paid within three (3) Bank Business Days after the relevant Valuation Date.

7. Conversion /cut-off time

Applications for conversion must be received by the Registrar and Transfer Agent at the latest one (1) bank business day in Luxembourg until 12.00 am (Luxembourg time) before the relevant Valuation Date to be dealt with on the basis of the Net Asset Value per Share applicable on that Valuation Date. Applications for conversion received by the Registrar and Transfer Agent after that cut-off time will be dealt with on the next Valuation Date.

8. Classes available

The Classes available in this Sub-Fund are listed in the table below. The currency of the Classes is also available in this table. The Classes are either accumulating or distributing classes according to information in section “**Income Policy**” in Part A of this Prospectus.

Class	Income policy	Currency	Minimum Initial Subscription	Minimum Additional Subscription	Minimum Holding
L Class GBP³	Distribution	GBP	GBP 500,000.-	GBP 5,000.-	GBP 1,000.-
Institutional A GBP	Distribution	GBP	GBP 1,000,000.-	None	GBP 1,000.-
Institutional B GBP	Distribution	GBP	GBP 3,000,000.-	GBP 3,000,000.-	GBP 1,000.-
Institutional GBP Hedged⁴	Distribution	GBP	GBP 3,000,000.-	GBP 100,000.-	GBP 100,000.-
Institutional USD	Distribution	USD	USD 3,000,000.-	USD 100,000.-	USD 100,000.-
Institutional USD Hedged⁵	Distribution	USD	USD 3,000,000.-	USD 100,000.-	USD 100,000.-

The Company may in its discretion waive minimum subscription and/or holding amounts. In such latter case, the Company will ensure that concerned investors are equally treated.

The Board of Directors is authorised to waive any requirements relating to the Minimum Initial Subscription amount, Minimum Additional Subscription amount or to the Minimum Holding amount in its reasonable discretion and by taking into consideration the best interest of the Fund.

³ This Class is available for all type of investors.

⁴ This Class seeks to reduce the exchange rate fluctuations by hedging the currency exposure of the assets in the portfolio denominated in euros (EUR) to the currency denomination of the Class (GBP). Investors should refer to Section 6 "*Risk Factors*" paragraph (x) "*Class Hedging risk*" for special risk considerations applicable to hedged Classes.

⁵ This Class is hedged against the foreign exchange risk. Investors should refer to Section 6 "*Risk Factors*" paragraph (x) "*Class Hedging risk*" for special risk considerations applicable to hedged Classes.

9. Expenses

The specific fees applicable to them are listed in the table below.

Class	Sub- scrip- tion Fee	Conver- sion Fee	Re- demp- tion Fee	Man- age- ment Com- pany Fee	Invest vest- ment Man- age- ment Fee	Perfor- mance Fee	Deposi- tary Fee per Sub- Fund	Annual Tax
L Class GBP	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 1.00%	None	0.01% p.a. on securi- ties and cash	0.05%
Institutional A	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.75%	None		0.01%
Institutional B	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.50%	None	0.05% p.a. on securi- ties	0.01%
Institutional GBP Hedged	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.50%	None		0.01%
Institutional USD	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.50%	None	With a minimum fee of EUR 10.000-	0.01%
Institutional USD Hedged	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.50%	None	And a flat fee of EUR 7.500- per annum	0.01%

The Investment Management fees outlined above may be waived or varied (within the limits specified above) at the discretion of the Directors.

In addition the Classes shall bear other expenses such as banking, brokerage and transaction based fees, auditors' fees, legal fees and taxes.

An investor who subscribes converts or redeems shares through paying agents may be required to pay fees connected to the transactions processed by said paying agents in the jurisdictions in which shares are offered.

WAVERTON INVESTMENT FUNDS SICAV – WAVERTON SOUTHEAST ASIAN FUND

SUB-FUND SPECIFICS

1. Investment Objective and Policy

1.1. Investment objective

The investment objective of the Sub-Fund is to generate long term capital growth by investing in a concentrated portfolio of no more than 40⁶ listed Southeast Asian equities.

1.2. Investment principles

The Sub-Fund will mainly invest on a long only basis in a concentrated portfolio of not more than 40⁶ companies that are listed on a stock market in an ASEAN member country, and will aim to outperform the MSCI South East Asia Index (MXSO) index over any rolling three year period. By investing in no more than 40⁶ companies, the Sub-Fund will seek to avoid the detrimental impact on long term investment returns associated with over-diversification or 'index shadowing'.

The Sub-Fund will invest in companies listed on the stock markets of one of six ASEAN member countries; Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam; or companies listed on other markets but conducting a significant proportion of their business in these countries. It may also invest in companies listed on the stock markets of other ASEAN member countries (which currently include Brunei, Cambodia, Laos and Myanmar), or ASEAN candidate countries (which currently include Papua New Guinea and East Timor provided the securities be listed in a Regulated Stock Exchange⁷), or conducting a significant proportion of their business in these countries, when the Investment Manager considers that the political, economic and structural development of any of these countries has reached a level that justifies this.

The Sub-Fund will invest primarily in mid and large capitalization companies.

The Sub-Fund may secondarily invest in:

- Bonds, including fixed or floating rates, convertible bonds, zero-coupons, government, corporate and treasury bonds, as well as money market instruments and liquid assets.
- Closed-ended funds, qualifying as transferable securities within the meaning of articles 41(1) of the 2010 Law

The Sub-Fund may not invest more than 5% of its total net assets in units of other UCITS/UCI funds within the meaning of article 41 (1) e) of the 2010 Law.

The Reference Currency of the Sub-Fund is in US Dollars ("**USD**").

⁶ Until 2nd October 2016, the Sub-Fund will invest in a concentrated portfolio of not more than 25 companies. As from 3rd October 2016, the Sub-Fund will invest in no more than 40 companies.

⁷ A "Regulated Stock Exchange" shall comply with the following criteria "regulated", "recognised", "operating regularly", and "open to the public" as further detailed in the Circular IML 91/75 as amended.

2. Risk Profile

The general risks are further described in section “**Risk factors**” of Part A of this Prospectus.

In addition, equity shares of Southeast Asian companies can fluctuate in value due to market, currency values, economic, political and other factors. Such fluctuations may be substantial, particularly for companies located in countries with less developed economies and securities markets. The Net Asset Value of the Shares in the Sub-Fund will fluctuate, and may be worth more or less than the acquisition price when repurchased or sold. Such fluctuations may be greater than the fluctuation in values of shares of portfolios with broader geographical diversification. There is no assurance that the Sub-Fund's investment objective will be achieved.

The Sub-Fund can invest in small, medium and large capitalisation securities. Investments in smaller capitalised companies may involve greater risks, such as limited product lines, markets and financial or managerial resources. In addition, less frequently traded securities may be subject to more abrupt price movements than securities of larger capitalised companies.

The Sub-Fund will, on request, provide supplementary information to shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

The global exposure of the Sub-Fund will be calculated on the basis of the Commitment Approach.

3. Profile of the Typical Investor

An investment in the Sub-Fund should be viewed as medium to long term. The Sub-Fund will mainly invest its assets in equities. Although history has shown that shares have the potential to give better long-term returns than money market securities or bonds, they also proved to be more volatile. This Sub-Fund is suitable for investors being comfortable with levels of high risks. Investors should consider their long-term investment goals and financial needs when making an investment decision about this Sub-Fund.

4. Valuation Date

The Valuation Date of this Sub-Fund will be each Wednesday or the next Bank Business Day if a given Wednesday is not a Bank Business as defined in section “Net Asset Value” of the present prospectus.

The Valuation Date is the Bank Business Day as of which the net asset value (NAV) is dated.

The NAV is calculated on the first Bank Business Day following the Valuation Date on the basis of the last closing available prices as of the relevant Valuation Date.

5. Subscription/ cut-off time

Shares are available for subsequent subscriptions on each Valuation Date. Applications for shares must be received by the Registrar and Transfer Agent at the latest one (1) Bank Business Day in Luxembourg before the Valuation Date until 6.00 pm (Luxembourg time) to be dealt with on the basis of the Net Asset Value per Share applicable on that Valuation Date. Applications for shares received by the Registrar and Transfer Agent after that cut-off time will be dealt with on the next Valuation Date.

The subscription amount to be paid by investors must be received by the Company or its delegates at the latest three (3) Bank Business Days before close of business Luxembourg time after the applicable Valuation Date.

6. Redemption / cut-off time

Shareholders are entitled to redeem their shares on each Valuation Date.

Unless the Shareholder specifies otherwise, all Shares will be redeemed on a first in – first out basis (i.e., the earliest Series of Shares issued to the Shareholder will be redeemed first).

Applications for redemptions must be received by the Registrar and Transfer Agent at the latest one (1) Bank Business Day in Luxembourg until 6.00 pm (Luxembourg time) before the relevant Valuation Date to be dealt with on the basis of the Net Asset Value per Share applicable on that Valuation Date. Applications for redemptions received by the Registrar and Transfer Agent after that cut-off time will be dealt with on the next Valuation Date.

In the case of redemptions, provided all documentation required by the Registrar and Transfer Agent, including required for anti-money laundering purposes, has been received, amounts will be paid within five (5) Bank Business Days after the applicable Valuation Date.

7. Conversion /cut-off time

Applications for conversion must be received by the Registrar and Transfer Agent at the latest one (1) Bank Business Day in Luxembourg until 6.00 pm (Luxembourg time) before the relevant Valuation Date to be dealt with on the basis of the Net Asset Value per Share applicable on that Valuation Date. Applications for conversion received by the Registrar and Transfer Agent after that cut-off time will be dealt with on the next Valuation Date.

8. Classes available

The Classes available in this Sub-Fund are listed in the table below. The currency of the Classes is also available in this table. The Classes are either accumulating or distributing classes according to information in section “**Income Policy**” in Part A of this Prospectus.

Class	Income policy	Currency	Minimum Initial Subscription	Minimum Additional Subscription	Minimum Holding
Retail USD	Accumulation	USD	USD 100,000.00	None	USD 100,000.00
L Class USD - DIS⁸	Distribution	USD	USD 250,000.00	None	USD 100,000.00
Institutional USD	Accumulation	USD	USD 1,000,000.00	None	USD 1,000,000.00
Institutional GBP Hedged⁹	Accumulation	GBP	GBP 1,000,000.00	None	GBP 1,000,000.00
Institutional USD - DIS	Distribution	USD	USD 1,000,000.00	None	USD 1,000,000.00
Institutional GBP Hedged - DIS¹⁰	Distribution	GBP	GBP 1,000,000.00	None	GBP 1,000,000.00

The Company may in its discretion waive minimum subscription and/or holding amounts. In such latter case, the Company will ensure that concerned investors are equally treated.

The Board of Directors is authorised to waive any requirements relating to the Minimum Initial Subscription amount, Minimum Additional Subscription amount or to the Minimum Holding amount in its reasonable discretion and by taking into consideration the best interest of the Fund.

⁸ This Class is available for all type of investors.

⁹ This Class is hedged against the foreign exchange risk. Investors should refer to Section 6 “*Risk Factors*” paragraph (x) “*Class Hedging risk*” for special risk considerations applicable to hedged Classes.

¹⁰ This Class is hedged against the foreign exchange risk. Investors should refer to Section 6 “*Risk Factors*” paragraph (x) “*Class Hedging risk*” for special risk considerations applicable to hedged Classes.

9. Expenses

The specific fees applicable to them are listed in the table below.

Class	Subscription	Conversion Fee	Redemption Fee	Management Company Fee	Investment Management Fee	Performance Fee	Depository Fee per sub-fund	Annual Tax
Retail USD	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 1.25%	10%	0.01% p.a. on securities and cash	0.05%
L Class USD - DIS	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 1.00%	10%		0.05%
Institutional USD	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.75%	10%	0.10% p.a. on securities	0.01%
Institutional GBP Hedged	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.75%	10%	With a minimum fee of EUR 10.000-	0.01%
Institutional USD - DIS	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.75%	10%	And a flat fee of EUR 7.500- per annum	
Institutional GBP Hedged - DIS	Max 3.00%	Max 1.00%	None	Max 0.25%	Max 0.75%	10%	And a specific custody fee up to 0.28% on Vietnamese securities	0.01%

The Investment Management Fees outlined above may be waived or varied (within the limits specified above) at the discretion of the Directors.

In addition the Classes shall bear other expenses such as banking, brokerage and transaction based fees, auditors' fees, legal fees and taxes.

An investor who subscribes, converts or redeems shares through paying agents may be required to pay fees connected to the transactions processed by said paying agents in the jurisdictions in which shares are offered.

Performance Fee

For each Series, as long as the Net Asset Value before performance fee is higher than the High Watermark¹¹, the Performance Fee will amount to 10% of return of the relevant Series that exceeds the hurdle rate (MSCI South East Asia Index (MXSO)) considered either since the launch date of the related Series or the end of the last reference period on which a performance fee was due.

The Performance Fee will be capped in order to not lead the Net Asset Value after performance fee below the High Watermark.

The reference Net Asset Value and the start of the reference period are either the initial Series launch price or the year end NAV on which a performance fee was due.

On each Valuation Date, an accrual of Performance Fee is made when appropriate, and the Performance Fee is paid where applicable for each Series of the Sub-Fund as described.

In addition, the Performance Fee will be calculated taking into account movements on the capital and applying the Crystallization Principle¹² so that the Performance Fee is calculated on the basis of the Net Asset Value after deduction of all expenses, liabilities, and Management Fees (but not Performance Fee), and is adjusted to take account of all subscriptions and redemptions. If Shares are redeemed on any day before the last day of the period for which a Performance Fee is calculated, while provision has been made for Performance Fee, the Performance Fees for which provision has been made and which are attributable to the Shares redeemed will be paid at the end of the period even if provision for Performance Fees is no longer made at that date. Gains which have not been realized are taken into account in the calculation and payment of Performance Fees.

The Performance Fee will be paid after the fiscal year end on the value of the respective last Net Asset Value calculated during the reference period.

¹¹ With respect to each Series of the Sub-Fund shall mean the Net Asset Value of the relevant Series of the most recent reference period for which a performance fee was paid or payable to the Investment Manager, or if no performance fee has been paid since the inception, then the launch price of such Series of the Sub-Fund.

¹² Any accrued positive Performance Fee will be crystallized. When there are redemptions at the Company level the proportion of the accrued fee applicable to the redemption will be crystallized, i.e. become payable and cannot be eroded by future underperformance. As accrued performance fees are crystallized, the cumulative accrual will adjust with the payable amount without any impact on the Net Asset Value.