INFORMATION TO INVESTORS IN SINGAPORE RELATING TO

LOMBARD ODIER FUNDS

a "société d'investissement à capital variable",
under the Law of the Grand Duchy of Luxembourg

and to the following sub-funds of **Lombard Odier Funds ("LO Funds" or the "Company")**

1. LO Funds – All Roads Multi-Asset
2. LO Funds – Alpha Japan
3. LO Funds – Alternative Beta
4. LO Funds – Asia Consumer
5. LO Funds – Convertible Bond
6. LO Funds – Convertible Bond Asia
7. LO Funds – Emerging Consumer
8. LO Funds – Emerging Local Currency Bond Fundamental
9. LO Funds – Euro BBB-BB Fundamental
10. LO Funds – Europe High Conviction
11. LO Funds – Global BBB-BB Fundamental
12. LO Funds – Golden Age
13. LO Funds – Tactical Alpha
14. LO Funds – Technology
15. LO Funds – World Gold Expertise

(each a "Sub-Fund" and collectively, the "Sub-Funds")

Important information for Singapore investors

The offer or invitation to subscribe for or purchase shares in the Sub-Funds (the "Shares"), which is the subject of this Information Memorandum, is an exempt offer made only: (i) to "institutional investors" pursuant to Section 304 of the Securities and Futures Act, Chapter 289 of Singapore (the "Act"), (ii) to "relevant persons" pursuant to Section 305(1) of the Act, (iii) to persons who meet the requirements of an offer made pursuant to Section 305(2) of the Act, or (iv) pursuant to, and in accordance with the conditions of, other applicable exemption provisions of the Act.

No exempt offer of the Shares for subscription or purchase (or invitation to subscribe for or purchase the Shares) may be made, and no document or other material (including this Information Memorandum) relating to the exempt offer of Shares may be circulated or distributed, whether directly or indirectly, to any person in Singapore except in accordance with the restrictions and conditions under the Act. By subscribing for Shares pursuant to the exempt offer under this Information Memorandum, you are required to comply with restrictions and conditions under the Act in relation to your offer, holding and subsequent transfer of Shares.

The Sub-Funds are not authorised or recognised by the Monetary Authority of Singapore ("MAS") and the Shares are not allowed to be offered to the retail public in Singapore. Each Sub-Fund is a restricted scheme under the Sixth Schedule to the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations of Singapore.

This Information Memorandum is not a prospectus as defined in the Act and accordingly, statutory liability under the Act in relation to the content of prospectuses does not apply. The MAS assumes no responsibility for the contents of this Information Memorandum.

You should consider carefully whether the investment is suitable for you and whether you are permitted (under the Act, and any laws or regulations that are applicable to you) to make an investment in the Shares. If in doubt, you should consult your legal or professional advisor.

The Company

The Company is organized as a "société d'investissement à capital variable" under the Luxembourg law of 10 August 1915 on commercial companies as amended from time to time (the "1915 Law") and qualifies under Part I of the Luxembourg law of 17 December 2010 on undertakings for collective investment or any legislative replacements or amendement thereof as amended from time to time (the "2010 Law") as an undertaking for collective investment in transferable securities (UCITS) and complies with the requirements of Directive 2009/65/CE of 13 July 2009, as amended from time to time.

The Company is registered under number B-25.301 in the Luxembourg Trade and Companies Register.

The Company's registered office is 5, allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg.

Manager

The Manager

The board of directors of the Company (the "Board") has appointed Lombard Odier Funds (Europe) S.A. to act as the management company of the Company (the "Management Company") in accordance with Chapter 15 of the 2010 Law subject to the overall supervision and control of the Board. The Management Company is organised as a "société anonyme" in the Grand Duchy of Luxembourg under the 1915 Law. It is also a management company to other UCITS and UCIs under the 2010 Law as well as to alternative investment funds ("AIFs") within the meaning of the Luxembourg law of 12 July 2013 on alternative investment funds managers ("AIFM") (as amended).

The investment advisors (referred to as "investment managers" in the prospectus of the Company)

Lombard Odier Asset Management (Europe) Limited ("LOAM Europe"), an indirectly wholly-owned subsidiary of CLO SCA, was incorporated in London in 2009. LOAM Europe is regulated by the Financial Conduct Authority in the United Kingdom and manages equity and fixed interest portfolios for institutional clients worldwide.

Lombard Odier Asset Management (Switzerland) SA, an indirectly wholly-owned subsidiary of CLO SCA, was incorporated in Geneva in 1972. It is regulated by the Swiss Financial Markets Supervisory Authority ("FINMA") as a fund management company.

Alpha Japan Asset Advisors Ltd ("AJAA") is an independent investment manager established in 2007 and based in Tokyo (Japan); Alpha Japan Asset Advisors Ltd is authorized and regulated by the Financial Services Agency ("FSA").

Van Eck Associates Corporation is a privately-held, New-York based asset manager specializing in hard asset equities, commodities and Emerging Markets.

Custodian

The Company has, under an agreement ("Custodian and Central Administration Agreements") appointed CACEIS Bank Luxembourg (formerly Crédit Agricole Investor Services Bank Luxembourg) as Custodian of the assets of the Company.

The Custodian is a bank organized as a "société anonyme" under the laws of the Grand Duchy of Luxembourg incorporated in Luxembourg. Its registered office is at 5, allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg.

Information on regulators

The contact details of the regulators of the Manager, the investment advisors and custodian as described above are as follows:

Commission de Surveillance du Secteur Financier ("CSSF")
283, route d'Arlon
1150 Luxembourg
Grand Duchy of Luxembourg
+352 26 25 11

Financial Conduct Authority ("FCA")
25 The North Colonnade, Canary Wharf
London E14 5HS
United Kingdom
+44 20 7066 1000

Swiss Financial Market Supervisory Authority FINMA ("FINMA")
Laupenstrasse 27 3003 Berne
Switzerland
+41 (0)31 327 91 00

Financial Services Agency ("FSA")
3-2-1 Kasumigaseki
Chiyoda-ku
Tokyo 100-8967
Japan

US Securities and Exchange Commission ("SEC")
100 F Street, NE
Washington, DC 20549
United States of America
+1 (202) 942-8088

Other information

Please note that this Information Memorandum incorporates the attached prospectus of the Company, as well as Key Investor Information Documents and factsheets of each Sub-Fund. Investors should refer to the attached documents for particulars on (i) the investment objective, focus and approach of the Sub-Funds, (ii) the risks of subscribing for or purchasing the Shares in each Sub-Fund, (iii) the conditions, limits and gating structures for redemption of the Shares, and (iv) the fees and charges that are payable by investors and payable out of the Sub-Funds.

Even though the Company may adopt specific policy (including side letters) in relation to selected investors, the Company aims to always act fairly and in accordance with the principle of equal treatment to all investors.

Information on the past performance of the Sub-Funds may be obtained from the website: www.loim.com. Select "Funds" then "Mutual Funds", choose "I am a Professional Investor", then your country "Singapore" and the language, agree on terms and conditions, and then choose the relevant Sub-Fund.

Annual reports approved by the auditors and semi-annual reports are available upon request to shareholders at the registered office of the Company.

Investors should note that only Shares of the Sub-Funds are being offered pursuant to this Information Memorandum. This Information Memorandum is not and should not be construed as making an offer in Singapore of shares in any other Sub-Funds referred to in the prospectus of the Company.

February 2016

WWW.LOIM.COM

LOMBARD ODIER
INVESTMENT MANAGERS

LOMBARD ODIER FUNDS

Prospectus

February 2016

Lombard Odier Funds
is an investment company
with variable capital ("SICAV")
incorporated in Luxembourg

PROSPECTUS

Relating to the issue of shares of

Lombard Odier Funds, in short LO Funds (the "Company" or "LOF").

The defined terms used in the prospectus shall have the meaning given to them in the Glossary.

Subscriptions are accepted on the basis of the current prospectus of the Company (the "Prospectus"), the relevant key investor information documents and the latest audited annual or unaudited semi-annual accounts of the Company. These documents may be obtained free of charge at the registered office of the Company.

The Company reserves the right to reject, at its sole discretion, any subscription request for Shares and to accept any application in part only. The Company does not permit practices related to market timing and reserves the right to reject subscription and conversion orders from investors who the Company suspects of using such practices and to take the appropriate measures to protect other investors of the Company.

The Shares are offered on the basis of the information and representations contained in this Prospectus and shall only be held in accordance with the principles set forth in this Prospectus in order to ensure Company's compliance with certain legal and regulatory requirements. All other information given or representations made by any person must be regarded as unauthorized. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful, or in which the person making such an offer or solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such offer or solicitation.

The Shares have not been registered under the United States Securities Act of 1933 and, except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States of America, any of its territories or possessions or areas subject to its jurisdiction, or to or for the benefit of a United States Person. For this purpose, the term "United States Person" shall mean any citizen, national or resident of the United States of America, partnership organized or existing in any state, territory or possession of the United States of America, a corporation organized under the laws of the United States or of any state, territory or possession thereof, or any estate or trust that is subject to United States Federal income tax regardless of the source of its income. In addition, it should be noted that under the FATCA legislation, the direct holding, offering and/or selling of Shares may be forbidden to a wider range of investors than those falling within the United States Person definition mentioned above. The Company will review the existing shareholding in the light of FATCA legislation and may make proposals to relevant shareholders regarding some of their holdings in the context of compliance with FATCA.

Subscribers for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange controls and applicable taxes in the countries of their respective citizenship, residence or domicile.

Statements made in this Prospectus are based on the law and practice currently in force in the Grand Duchy of Luxembourg and are subject to changes therein.

Whilst using their best endeavors to attain the investment objectives, the Directors cannot guarantee the extent to which these objectives will be achieved. It should be remembered that the price of Shares of any Sub-Fund may go down as well as up.

The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein.

The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The distribution of this Prospectus and the offering of the Shares may be restricted in certain other jurisdictions. The above information is for general guidance only, and it is the responsibility of any persons in possession of this Prospectus and of any persons wishing to make application for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions. If you have any doubts about the contents of this Prospectus you should consult your stockbroker, solicitor or other financial adviser.

Any material change to the Company's structure, organization or operations that requires an update of the Prospectus will be notified to the investors in the conditions set forth in CSSF Circular 14/591. According to such circular, the minimum notification period is one month. During this one-month period before the entry into force of the significant change, investors holding Shares have the right to request, without any repurchase or redemption charge, the repurchase or redemption of their Shares. In addition to the possibility to redeem Shares free of charge, the Company may also (but is not obliged to) offer the option to investors holding Shares to convert their Shares into Shares in another UCI (or, in case the change affects only one Sub-Fund, into Shares in another Sub-Fund) without any conversion charges. However, derogations to these rules may be granted by the CSSF on a case by case basis.

To the extent permitted by local foreign laws, the English version of the Prospectus shall prevail in case of discrepancies with its translation into another language.

The date of this Prospectus is February 2016.

TABLE OF CONTENTS

GLOSSARY AND DEFINITIONS

The terms used in the Prospectus have the meaning as defined in the Glossary.

1915 Law	Luxembourg law of 10 August 1915 on commercial companies as amended from time to time
2002 Law	Luxembourg law of 2 August 2002 on data protection, as amended from time to time
2010 Law	Luxembourg law of 17 December 2010 on undertakings for collective investment or any legislative replacements or amendment thereof as amended from time to time
A Shares	Accumulation Shares
ABS	Asset-backed securities
ADRs	American Depository Receipts
Alternative Currency	Currency of a class of shares issued in a currency other than the Reference Currency. Currencies used as Alternative Currencies are EUR, USD, CHF, GBP, SEK, NOK, CAD, AUD, JPY, HKD and SGD
Articles	The articles of incorporation of the Company
AUD	Australian dollar
Board	The board of Directors of the Company
Business Day	Every day which is a full bank business day in Luxembourg (*i.e.* 24 December is not a full Business Day)
CAD	Canadian dollar
Cash and Cash Equivalents	Cash, bank deposits, short-term deposits or other short-term instruments (including money market UCIs subject to restrictions as set forth in paragraph 3.1 (ii) or ABS/MBS) and money-market instruments issued by sovereign or corporate issuers, the residual maturity of which does not exceed 397 days. Alternatively to holding securities issued by money market UCIs as part of their Cash and Cash Equivalents, all Sub-Funds may hold directly instruments of the same nature and in the same proportion as those comprising the portfolio of a given money market UCI, which may include fixed rate securities, the residual maturity of which does not exceed 397 days. FRNs that have frequent resets of the coupon, *i.e.* annually or more frequently, will be regarded as passive substitutes for short-term instruments, provided that their maximum residual maturity is of 762 days
CAT Bonds	Catastrophe bonds as further detailed in the LOF – CAT Bonds Sub-Fund
CD	Certificate of deposit
CDS	Credit default swap
Central Administration Agent	CACEIS Bank Luxembourg
CESR	Committee of European Securities Regulators (replaced by ESMA as of 1 January 2011)
CESR Guidelines 10-788	CESR's Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS dated 28 July 2010
CFD	Contract for difference
China A-Shares	Shares in mainland China-based companies that trade on Chinese stock exchanges
CHF	Swiss Franc
CNH	offshore renminbi as further detailed in paragraph 5.2.11
CNY	onshore renminbi as further detailed in paragraph 5.2.11
Coco Bonds	Contingent Convertible Bonds. Debt securities that have conversion or write-down features contingent upon pre-defined terms
Company	Lombard Odier Funds
CSSF	Commission de Surveillance du Secteur Financier, the Luxembourg supervisory authority
Custodian	CACEIS Bank Luxembourg

Custom Benchmark	Benchmark subject to the custom-benchmark policy set forth in paragraph 2.2.2
Cut-off time	Deadline to submit subscription, redemption or conversion applications to the Company as set out in the table under Section 13
D Shares	Distribution Shares
Dealing Charge	Charges which may be levied discretionarily by the Company pursuant to paragraph 11.4 in relation to a given Sub-Fund in addition to the Issue and Redemption Prices in favour of the relevant Sub-Fund, in order to mitigate the effect of portfolio transactions costs resulting from subscriptions or redemptions
Direct Costs	Costs described in paragraph 11.5.5
Directors	The directors of the Company
Distribution Fee	The distribution fee payable to the Global Distributor or Distributor as described in paragraph 11.5.2 at the rates set out in the table under the same paragraph
ECP	Euro Commercial Paper
EEA	European Economic Area
Eligible State	A member State of OECD and all other countries of Europe, the American Continents, Africa, Asia, the Pacific Basin and Oceania
Emerging Markets	Markets or countries with a low to middle per capita income or, at the discretion of the Management Company, any country or market that is a component in an emerging market index of a major index provider. Examples of emerging markets include Indonesia, Iran, some countries of Latin America, some countries in Southeast Asia, most countries in Eastern Europe, Russia, some countries in the Middle East, and parts of Africa. Investors may obtain, free of charge, from the Company, on written request sent to its registered office, an updated list of Emerging Markets
EMU	European Monetary Union
EPM	Efficient portfolio management
ESMA	European Securities and Markets Authority
EU	European Union
EUR	The euro currency
EUSD	European Union Savings Directives, namely the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and the Council Directive 2014/48/EU of 24 March 2014 amending Directive 2003/48/EC
FATCA	The Foreign Account Tax Compliance provisions contained in the Hiring Incentives to Restore Employment Act signed into US law in March 2010; FATCA is construed as: (i) sections 1471 through 1474 of the US Internal Revenue Code and any successor provisions, associated legislation, regulations and guidance, and similar legislation, regulations and guidance enacted to implement similar tax reporting or withholding tax regimes; (ii) any intergovernmental agreement, treaty, legislation, regulation, guidance and other agreement entered into in order to comply with, facilitate, supplement or implement the legislation, regulations or guidance described under (i); (iii) any legislation, regulations or guidance issued by an applicable governmental entity that gives effect to the matters described under paragraphs (i) and (ii)
Feeder	A feeder UCITS as defined under paragraph 4.2 (g)
FFI	Foreign financial institution(s) under FATCA
FRN	Floating-rate note
FROC	Fixed rate of operational costs as defined under paragraph 11.5.5
Fund Servicing Costs	Costs described in paragraph 11.5.5

G20	Group of Twenty established in September 1999
GBP	British Pound Sterling
GDRs	Global Depository Receipts
Group of Assets	Assets with common characteristics such as but not limited to the same region, country, currency and/or sector
HKD	Hong Kong dollar
Infrastructural Services	The services as described in paragraph 11.5.3
IML	Institut Monétaire Luxembourgeois (replaced by CSSF)
Infrastructure Services Fee	The infrastructure services fee as described in paragraph 11.5.3
Initial Charge	The initial charge described in paragraph 11.1
Institutional Investors	Institutional investors within the meaning of article 174 (2) c) of the 2010 Law
Investment Managers	The investment managers listed in paragraph 7.3 appointed by the Management Company, with the agreement of the Board, to provide day-to-day discretionary investment management services for the Sub-Funds
IRS	Interest rate swap
Issue Price	The price at which Shares shall be issued, such price being the Net Asset Value per Share for the relevant Sub-Fund increased by the Initial Charge and the case being, by a Dealing Charge as further described in Section 11
JPY	Japanese Yen
LOF	Lombard Odier Funds
LOIM	Lombard Odier Investment Managers, the asset management division of the Lombard Odier group
Management Company	Lombard Odier Funds (Europe) S.A.
Management Fee	The management fee payable to the Management Company as described in paragraph 11.5.1 at the rates set out in the table under paragraph 11.5.2
Master	A master UCITS as defined under paragraph 4.2 (g)
MBS	Mortgage-backed securities
Member State	A member State of the European Union as well as any States referred to in the term "Member State" defined in article 1 of the 2010 Law
NAV	Net asset value per Share
Net Asset Value	Total assets of the relevant Sub-Fund less its liabilities
Net Asset Value per Share	Total net assets of the relevant Sub-Fund, being the market value of its assets less its liabilities, divided by the number of Shares of the relevant Sub-Fund
NOK	Norwegian Krone
OECD	Organization for Economic Cooperation and Development
Official Listing	Official listing on a stock exchange in an Eligible State
Operational Costs	Costs described in paragraph 11.5.5
OTC	Over-the-counter
Performance Fee	The performance fee payable to the Management Company as described in paragraph 11.5.4
Prospectus	The current prospectus of the Company
Redemption Price	The price at which Shares shall be redeemed, such price being the Net Asset Value per Share for the relevant Sub-Fund reduced as the case being, by a Dealing Charge

Reference Currency	Currency in which shares of the Sub-Fund are issued
Regulated Market	Regulated market, other than Official Listing, which operates regularly and is recognized and open to the public in an Eligible State
Risk Parity Methodology	Rule-based methodology according to which the weight of an asset comprising a portfolio is adjusted so that its contribution to the risk of such portfolio tends to be equivalent to that of the other assets or Group of Assets of the portfolio
RMB	Renminbi; the official currency of the People's Republic of China is used to denote the Chinese currency traded in the onshore markets (in mainland China), through onshore RMB (CNY), and the offshore markets (mainly in Hong Kong), the offshore RMB (CNH); for clarification purposes, all references to RMB in the name of a Share Class or in the Reference Currency must be understood as a reference to offshore RMB (CNH)
Stock Connect	The Shanghai-Hong Kong Stock Connect, which is a securities trading and clearing links programme developed by the Stock Exchange of Hong Kong Limited ("SEHK"), the Shanghai Stock Exchange ("SSE"), Hong Kong Securities Clearing Company Limited ("HKSCC") and China Securities Depositary and Clearing Corporation Limited ("ChinaClear") with an aim to achieve mutual stock market access between the People's Republic of China and Hong Kong. Stock Connect comprises the Northbound link, through which a Sub-Fund may purchase and hold SSE Securities, and the Southbound link, through which investors in Mainland China may purchase and hold shares listed on the SEHK. The Company will trade through the Northbound link
SEK	Swedish krona
SFIs	Structured financial instruments
SGD	Singapore dollar
Shares	Shares of the Company
Sub-Funds	The sub-funds of the Company, each corresponding to a distinct part of the assets and liabilities of the Company
T-Bills	Treasury bills
Target Sub-Fund	A Sub-Fund whose Shares are subscribed, acquired and/or held by another Sub-Fund
TRS	Total return swap
UCIs	Undertakings for collective investment
UCITS	Undertakings for collective investment in transferable securities
US	United States
USD	Dollar of the United States of America
Valuation Day	The relevant Business Day (daily or weekly) where the Sub-Funds are priced and Shares are issued and/or may be redeemed and converted and which is also a bank business day in the principal market or stock exchange on which a material part of a Sub-Fund's investments for the time being are quoted
Valuation Regulations	Valuation regulations and guidelines adopted by the Directors and as from time to time modified by them
VaR	Value at Risk

1. LIST OF PARTIES AND ADDRESSES

The Company

Lombard Odier Funds, in short LO Funds

Registered Office

5, allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg

Board of Directors

Chairman of the Board

Patrick Zurstrassen (independent director, Luxembourg)

Directors

Yvar Mentha (Partner, BRP Bizzozero & Partners SA, independent director, Geneva)

Francine Keiser (Of Counsel, Linklaters LLP, independent director, Luxembourg)

Jan Straatman (Lombard Odier Asset Management (Europe) Limited)

Management Company and Domiciliary Agent

Lombard Odier Funds (Europe) S.A.
5, allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg
Email address: luxembourg-funds@lombardodier.com

Directors of the Management Company

Alexandre Meyer (Lombard Odier Asset Management (Switzerland) SA, Petit-Lancy)

Yves Bersier (Bank Lombard Odier & Co Ltd, Geneva)

Mark Edmonds (Lombard Odier Funds (Europe) S.A., Luxembourg)

Francine Keiser (Of Counsel, Linklaters LLP, independent director, Luxembourg)

Patrick Zurstrassen (independent director, Luxembourg)

Dirigeants of the Management Company

Mariusz Baranowski (Lombard Odier Funds (Europe) S.A., Luxembourg)

Mark Edmonds (Lombard Odier Funds (Europe) S.A., Luxembourg)

Investment Managers

Bank Lombard Odier & Co Ltd
11, rue de la Corraterie, 1204 Geneva, Switzerland

Lombard Odier (Hong Kong) Limited
3901 Two Exchange Square, 8 Connaught Place, Central, Hong Kong

Lombard Odier Asset Management (USA) Corp
452 Fifth Avenue, 25th Floor, New York, NY 10018, United States of America

Lombard Odier Trust (Japan) Limited
Izumi Garden Tower 41 F, 1-6-1 Roppongi, Minatu-ku, Tokyo 106-6041, Japan

Lombard Odier Asset Management (Europe) Limited
Queensberry House, 3 Old Burlington Street, London W1S 3AB, United Kingdom

Lombard Odier Asset Management (Switzerland) SA
6, avenue des Morgines, 1213 Petit-Lancy, Switzerland

Generation Investment Management LLP
10 Upper Bank Street, London E14 5JJ, United Kingdom

Alpha Japan Asset Advisors Ltd
Otemachi Nomura building 23F, 2-1-1 Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan

Van Eck Associates Corporation
335 Madison Avenue, 19th Floor, New York, NY 10017, United States of America

Global Distributor

Lombard Odier Funds (Europe) S.A.
5, allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg

Distributor(s)

Any other financial intermediary that may be appointed for the marketing and sale of the Shares as defined under Section 12 of the Prospectus

Custodian, Central Administration Agent and Registrar, Transfer Agent, Paying Agent and Listing Agent

CACEIS Bank Luxembourg
5, allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg

Independent Auditor

PricewaterhouseCoopers, société coopérative
Réviseur d'entreprises
2, rue Gerhard Mercator, BP 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg

Legal Advisers

In Luxembourg

Linklaters LLP
35, avenue John F. Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg

Foreign Representatives

In the Netherlands

Lombard Odier Asset Management (Europe) Ltd, Netherlands Branch
Herengracht 466, 1017 CA Amsterdam, The Netherlands

In Switzerland

Representative

Lombard Odier Asset Management (Switzerland) SA
6, avenue des Morgines, 1213 Petit-Lancy, Switzerland

Paying Agent

Bank Lombard Odier & Co Ltd
11, rue de la Corraterie, 1204 Geneva, Switzerland

In the United Kingdom

Lombard Odier Asset Management (Europe) Limited
Queensberry House, 3 Old Burlington Street, London W1S 3AB, United Kingdom

In Austria

Erste Bank der oesterreichischen Sparkassen AG
Graben 21, 1010 Vienna, Austria

In Italy

Paying Agents

Société Générale Securities Services S.p.A.,
Via Benigno Crespi, 19/A - MAC 2, 20159 Milan, Italy

State Street Bank GmbH - Succursale Italia
Via Ferrante Aporti 10, 20125 Milan, Italy

Banca Sella Holding S.p.A.
Piazza Gaudenzio Sella 1, 13900 Biella, Italy

Allfunds Bank S.A., Italian Branch
Via Santa Margherita 7, 20121 Milan, Italy

BNP Paribas Securities Services
With its registered office in Paris, rue d'Antin, 3
and operating via its Milan subsidiary at Via Ansperto 5, 20123 Milan

CACEIS Bank Luxembourg, Milan Branch
Piazza Cavour 2, 20121 Milan, Italy

In France

Centralising Agent

CACEIS Bank France
1-3, place Valhubert, 75013 Paris, France

In Belgium

CACEIS Belgium SA
Avenue du Port 86C, b320, 1000 Brussels, Belgium

In Spain

Allfunds Bank, S.A.
Calle Estafeta 6, La Moraleja, Alcobendas 28109, Madrid, Spain

In Liechtenstein

LGT Bank AG
Herrengasse 12, 9490 Vaduz, Liechtenstein

In Germany

German Information and Paying Agent

DekaBank Deutsche Girozentrale
Mainzer Landstrasse 16, 60325 Frankfurt/Main, Germany

In Sweden

SKANDINAVISKA ENSKILDA BANKEN AB (publ)
Kungsträdgårdsgatan, SE-106 40 Stockholm, Sweden

2. LEGAL FORM

2.1 The Company

The Company is organized as a public limited company under the 1915 Law and qualifies as a "société d'investissement à capital variable" under Part I of the 2010 Law as a UCITS and complies with the requirements of Directive 2009/65/EC of 13 July 2009, as amended from time to time.

The Company was incorporated on 5 January 1987 for an unlimited period under the name of Mediterranean Fund. The name of the Company was changed in 1994 to Lombard Odier Invest, in 2003 to Lombard Odier Darier Hentsch Invest (in short "LODH Invest") and finally in 2009 to Lombard Odier Funds (in short "LO Funds"). The Articles were amended for the last time on 1 December 2014 and amendments thereto were published in the *Mémorial*, Recueil des Sociétés et Associations on 9 January 2015. The restated Articles have been deposited with the Luxembourg Trade and Companies Register. The minimum share capital of the Company is the equivalent of EUR 1,250,000.

The Company is registered under number B-25.301 in the Luxembourg Trade and Companies Register. Its Articles are available for inspection there and a copy thereof may be obtained upon request against payment of a fee as determined by the Luxembourg Trade and Companies Register or free of charge at the registered office of the Company. Its principal and registered office is at 5, allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg.

The Directors are listed in Section 1.

There are no provisions in the Articles expressly governing the remuneration (including pension or other benefits) of the Directors. The Directors shall be reimbursed for their out-of-pocket expenses and their remuneration shall be approved by the shareholders of the Company in a General Meeting. Directors affiliated to the Lombard Odier Group of Companies are not entitled to a fee for their services.

The capital of the Company is represented by Shares of no par value of different classes which relate to Sub-Funds and shall at any time be equal to the total net assets of the Company.

The liabilities of each Sub-Fund shall be segregated on a Sub-Fund by Sub-Fund basis with third party creditors having recourse only to the assets of the Sub-Fund concerned.

2.2 The Shares

2.2.1 Shares features

Shares of the Company have no par value and have like rights and privileges. Each Share shall carry the right to participate in the profits and the results of the relevant Sub-Fund's operations. The Shares shall have no preferential, pre-emption, conversion or exchange rights. There are no, nor is it intended that there will be any, outstanding options or special rights relating to any Shares. Each whole Share entitles the holder thereof at all general meetings of shareholders and at all special meetings of the relevant class of shares to one vote which may be cast in person or by proxy.

The Shares are freely transferable, except that the Board may, according to the Articles and as further detailed in Section 13 below, restrict the direct holding of Shares or the ownership of Shares by certain persons or make proposals regarding existing shareholders' holdings in order to comply with legal or regulatory requirements.

The Articles permit to create within each Sub-Fund different classes of Shares. Classes of Shares may differ with regard to their dividend policy, investor eligibility criteria, fee structure or other specific features.

At present, the Board has decided that the following classes of Shares may be issued:

- seven classes of Shares ("P Shares", "R Shares", "I Shares", "S Shares", "M Shares", "H Shares" and "E Shares") that differ mainly in terms of fees, type of investor and minimum initial investment and holding amount;
- Shares in the form of A Shares or D Shares. Their respective dividend policy is described in Section 6;
- Shares in registered form only;
- Shares denominated in Alternative Currencies;
- Shares with different currency, duration hedging policies or custom-benchmark policy;
- Shares with lower fees for initial investors in a newly created Sub-Fund ("seeding" Share class).

The following table shows the main features of the different classes of Shares available for each Sub-Fund.

	P Shares	R Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor [1]	All investors	All investors	All investors	Institutional investors [2]	Financial intermediaries subscribing on the basis of a discretionary portfolio management agreement	Dedicated to all investors in Hong Kong	Dedicated to entities of LOIM and their respective employees under certain conditions [3]
Minimum Initial Investment and Minimum Holding for all Sub-Funds except LOF – CAT Bonds	Equivalent of EUR 3,000 [4]	Equivalent of EUR 1,000 [4]	Equivalent of CHF 1 million [5]	t.b.d. [6]	Equivalent of EUR 3,000 [4]	Equivalent of EUR 3,000 [4]	None
Minimum Initial Investment and Minimum Holding for LOF – CAT Bonds	Equivalent of EUR 100,000 [4]	Equivalent of EUR 100,000 [4]	Equivalent of CHF 1 million [5]	t.b.d. [6]	Equivalent of EUR 100,000[4]	Equivalent of EUR 100,000[4]	Equivalent of EUR 100,000
Management Fees	Yes	Yes	Yes	No [7]	Yes (including the Infrastructure Services Fee, as further described in paragraph 11.5.3)	Yes	No
Performance Fees [8]	Yes in respect of the Sub-Funds listed in paragraph 11.5.4	Yes in respect of the Sub-Funds listed in paragraph 11.5.4	Yes in respect of the Sub-Funds listed in paragraph 11.5.4	No [7]	Yes in respect of the Sub-Funds listed in paragraph 11.5.4	Yes in respect of the Sub-Funds listed in paragraph 11.5.4	No
Distribution Fees [9]	Yes	Yes	No	No	No	No	No
Dividend policy	A Shares	A Shares	A Shares	A Shares	A Shares	A Shares	A Shares
	D Shares [10]	D Shares [10]	D Shares [10]	D Shares [10]	D Shares [10]	-	D Shares
Alternative Currencies [11]	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	HKD / USD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD
Currency hedging policy [12]	No hedging / Systematic hedging / hedging at the discretion of the Investment Manager	No hedging / Systematic hedging / hedging at the discretion of the Investment Manager	No hedging / Systematic hedging / hedging at the discretion of the Investment Manager	No hedging / Systematic hedging / hedging at the discretion of the Investment Manager	No hedging / Systematic hedging / hedging at the discretion of the Investment Manager	No hedging / Systematic hedging / hedging at the discretion of the Investment Manager	No hedging / Systematic hedging / hedging at the discretion of the Investment Manager
Duration hedging policy [13]	No hedging / systematic hedging	No hedging / systematic hedging	No hedging / systematic hedging	No hedging / systematic hedging	No hedging / systematic hedging	No hedging / systematic hedging	No hedging / systematic hedging

	P Shares	R Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Custom-benchmark policy [14]	Delivering both the performance of the Sub-Fund and that of a specific benchmark	Delivering both the performance of the Sub-Fund and that of a specific benchmark	Delivering both the performance of the Sub-Fund and that of a specific benchmark	Delivering both the performance of the Sub-Fund and that of a specific benchmark	Delivering both the performance of the Sub-Fund and that of a specific benchmark	Delivering both the performance of the Sub-Fund and that of a specific benchmark	None
Seeding Share class [15]	Yes	Yes	Yes	N/A	Yes	Yes	Yes
"Connect" Share class [16]	Yes	Yes	Yes	No	Yes	No	No

[1] The Board may waive the eligibility criteria in relation to any given class of Shares.

[2] S Shares are intended for Institutional Investors who have concluded a specific remuneration agreement in respect of their investment in class S Shares of a Sub-Fund with the Company, the Management Company or any other entity of the Lombard Odier Group. Invoices issued by the Management Company will be paid directly by such Institutional Investor.

[3] Such class of Shares is dedicated to the entities of LOIM and their respective employees investing a portion of their variable remuneration, or a deferred portion thereof, into Shares pursuant to new regulations dealing with the remuneration of asset management firms.

[4] See Sections 13 to 15 for further details. The minimum amounts indicated here may be different from those potentially set for a "seeding" share class (see below).

[5] For the I class of Shares the minimum initial investment and minimum holding amount in the Sub-Fund concerned is of at least CHF 1 million or equivalent in the respective Reference Currency of each Sub-Fund, except for LO Funds – Short-Term Money Market (EUR), LO Funds – Short-Term Money Market (USD), LO Funds – Short-Term Money Market (GBP) and LO Funds – Short-Term Money Market (CHF) Sub-Funds where such minimum amount is of at least CHF 10 million or equivalent. Investors who hold a stake of at least CHF 10 million or the equivalent in another currency in the Company or in other collective investment vehicles of the Lombard Odier Group can also invest in the I Shares class. The Board may waive these minimum initial investment and minimum holding requirements.

[6] The minimum initial investment and minimum holding amount will be indicated in the specific remuneration agreement entered into with the Company, the Management Company or any other entity of the Lombard Odier Group.

[7] No Management Fee and Performance Fee are levied on the S Shares of each Sub-Fund.

[8] The Board may create equivalent Share class-based Performance Fee as further described under "General comment" in paragraph 11.5.4.

[9] The Distribution Fees for P and R Shares of each Sub-Fund are mentioned in paragraph 11.5.2.

[10] For certain Sub-Funds there may be classes of Shares with one annual dividend only and/or classes of Shares with one or more interim dividends.

[11] All Sub-Funds may issue classes of Shares in any Alternative Currency. Currencies used as Alternative Currencies are EUR, USD, CHF, GBP, SEK, NOK, CAD, AUD, JPY, HKD and SGD. Costs related to the currency conversion, if any, of subscription or redemption amounts from or into the Reference Currency, will be borne by each class of Shares issued in an Alternative Currency.

[12] All Sub-Funds may issue classes of Shares in the Reference Currency or in an Alternative Currency with a different currency hedging policy. Fees related to the currency hedging policy, if any, will be borne by the relevant class of Shares issued in an Alternative Currency.

[13] All Fixed Income Sub-Funds may issue classes of Shares in the Reference Currency or in an Alternative Currency with a different duration hedging policy. The purpose of the duration hedging policy is to minimise the impact of interest rates movements on the value of such classes of Shares. Fees related to the duration hedging policy, if any, will be borne by the relevant classes of Shares applying such duration hedging policy.

[14] See paragraph 2.2.2.

15 Upon Board's decision, a Share class may be created in "seeding" form at the inception of a Sub-Fund. The purpose of such Share class is to entice investors to invest in a newly created Sub-Fund by offering a Share class with lower Management Fee and/or Distribution Fee but, to the extent permissible by law and regulations, with a specific minimum initial investment amount and/or a specific minimum holding amount to be determined at the discretion of the Board. When created, the "seeding" Share class remains open to subscriptions until the occurrence of any of the following event: (i) a certain period of time set by the Board has elapsed, (ii) the Sub-Fund has reached a critical size in terms of assets under management determined by the Board or (iii) the Board decides on the basis of reasonable grounds to cease the offering of the "seeding" Share class. It should be noted that the Board reserves the right to modify or terminate the conditions attached to the "seeding" Share class. In such case, the Board will have due regard to applicable laws and regulations, including the principle of equal treatment of shareholders, and, as the case may be, the shareholders concerned will be informed in advance and given the possibility to redeem or convert into another Share class their "seeding" Shares without redemption/conversion charges.

16 Upon Board's decision, a "Connect" Share class may be created. This Share class is offered to certain investors, including but not limited to financial intermediaries such as distributors, who provide or commit to provide a certain amount of subscriptions into a Sub-Fund. The characteristics attributable to such Share class are determined on a case-by-case basis by the Board having due regard to applicable laws and regulations, including the principle of equal treatment of shareholders. A "Connect" Share class is designated with a "X" and successive X Share classes in a given Sub-Fund are numbered X1, X2, X3 …

P Shares, R Shares, I Shares, M Shares and E Shares are available for all Sub-Funds. S Shares are available for a Sub-Fund as and when decided by the Board (or any delegate). H Shares are available for a Sub-Fund which is offered or registered for sales in Hong Kong.

For certain Sub-Funds, the Board may decide to create a class of Shares where shareholders may elect to subscribe in Shares with a standard Management Fee or in Shares with a lower Management Fee but with a Performance Fee. Management Fee and Performance Fee for such additional class of Shares, if any, will be mentioned in paragraph 11.5.

For certain Sub-Funds, the Board may decide to create (i) classes of Shares which may be subscribed and/or redeemed on a weekly basis (weekly Shares) and/or (ii) classes of Shares which may be subscribed and/or redeemed on a daily basis (daily Shares). Differences between daily Shares and weekly Shares in terms of subscription and redemption procedures as well as differences in terms of Management Fee and Distribution Fee are mentioned, if applicable, in paragraph 13.1 respectively paragraph 11.5.2.

The list of Sub-Funds, with Shares available in P, R, I, H, S, M or E classes, or with a class of Shares available with a lower Management Fee but with a Performance Fee, with a class of Shares issued in an Alternative Currency, with a specific currency hedging policy, with a specific duration hedging policy, with a specific custom-benchmark policy or with a class of Shares in "seeding" form is disclosed in the annual and semi-annual reports and on Lombard Odier Group website (www.loim.com) and can be obtained at the registered office of the Company or of the Foreign Representatives. Any class of Shares may be listed on the Luxembourg Stock Exchange at the discretion of the Board.

Although assets attributable to different Sub-Funds of the Company are segregated (see paragraph 2.1), investors should be aware that there exists no legal segregation of assets between different classes of Shares within the same Sub-Fund. Therefore, in case that the net assets attributable to a class of Shares of a Sub-Fund are not sufficient to cover the charges and expenses relating to a specific class of Shares (e.g. currency hedging costs, duration hedging costs, custom-benchmark costs, etc), such charges and expenses will be paid out of the net assets of the other classes of Shares of the same Sub-Fund.

2.2.2 Custom-benchmark policy

The purpose of the custom-benchmark policy is to deliver, through a separate share class, both the performance of the Sub-Fund and that of a specific benchmark (*i.e.*, Custom Benchmark) in order to neutralize performance deviations from the Custom Benchmark.

At the request of an Institutional Investor who is bound to compare the relative performance of its investments in a Sub-Fund against the performance of a given benchmark (*i.e.*, Custom Benchmark), the Company may elect to create a custom-benchmark share class. For instance, a custom-benchmark share class would allow the Institutional Investor to invest in a Sub-Fund with an absolute return objective while neutralizing any relative performance from the Custom Benchmark. By seeking to neutralize a possible deviation from the performance of the Custom Benchmark, the overall performance of the custom-benchmark Share class is determined by the performance of the Sub-Fund as per its investment policy and the performance generated by the custom-benchmark policy.

The Company determines the Custom Benchmark and instructs the Management Company or as the case may be the Investment Manager to implement the appropriate custom-benchmark policy taking into account the principles set forth below.

The Management Company, respectively the Investment Manager, are bound to abide by the principles of the custom-benchmark policy and cannot discretionarily deviate from those rules.

The instruments used to implement the custom-benchmark policy are eligible instruments according to the investment policy of the relevant Sub-Fund. The custom-benchmark policy is implemented through the use of futures.

Example:

- Institutional Investor with a 70% European bond / 30% European equity benchmark (*i.e.*, Custom Benchmark) investing in a Sub-Fund with an absolute return objective;
- the Investment Manager implements the custom-benchmark policy through a derivatives overlay: futures on European bonds (70%) and futures on European equities (30%);
- the Investment Manager monitors the custom-benchmark exposure ratio comprised within a 95% -105% range and makes the appropriate rebalancing taking into account (i) the market conditions affecting the Sub-Fund and/or the Custom Benchmark and (ii) the Sub-Fund's inflows/outflows;
- the Central Administration Agent ensures by means of technical accounts that any gain or loss as well as the transaction costs related the custom-benchmark share class are attributed to such class.

Notwithstanding the absence of legal segregation between share classes as mentioned in paragraph 2.2.1, the Management Company will take appropriate steps to ensure that liabilities incurred from the transactions entered into by the Investment Manager and its counterparties in the implementation of the custom-benchmark policy of a share class are borne by such share class and that no recourse is made to the assets of another share class.

When a custom-benchmark share class is created, the table below will be updated at the next Prospectus review to indicate the Sub-Fund concerned and the Custom Benchmark.

Sub-Fund	**Currency**	**Investment objective of the Sub-Fund**	**Custom Benchmark***	**Instruments used for custom-benchmark policy****
LO Funds – Tactical Alpha	EUR	Absolute return objective	70% EU aggregate bond	Futures on Bund / OAT / BTP
			30% European stocks	Futures on EuroStoxx

* the constituent(s) of the Custom Benchmark is disclosed in the KIID of the relevant share class

** the Investment Manager is responsible for the appropriate selection of the instruments used for the custom-benchmark policy

3. INVESTMENT OBJECTIVES AND POLICIES

3.1 General Provisions Common to all Sub-Funds

The Company aims to provide investors with the opportunity of participating in a wide selection of financial markets through a range of actively managed Sub-Funds of asset allocation, international equity, fixed-income and money market portfolios.

The investment policies of the Company are determined by the Directors, after taking into account the political, economic, financial and monetary factors prevailing in the selected markets.

Whilst keeping the principle of risk diversification, the Equity, Short-Term Money Market, and Fixed-Income Sub-Funds (but not the Asset Allocation Sub-Funds) invest in assets which comply with the description of the Sub-Fund unless otherwise mentioned in a particular Sub-Fund's description. Subject to lower or higher limit in the investment policy the Sub Funds may invest up to 10% of its portfolio in securities other than described in the Sub Funds policy. For the purposes of computing the investment ratios mentioned in a particular Sub-Fund's description, Cash and Cash Equivalents held on a temporary basis will not be taken into account if the ratio refers to the Sub-Fund's portfolio and will be taken into account if the ratio refers to the Sub-Fund's assets or net assets.

Unless otherwise mentioned in a particular Sub-Fund's description and always subject to the limits permitted by the Investment Restrictions described in Section 4, the following principles will apply to the Sub-Funds:

(i) Cash and Cash Equivalents

Subject to higher or lower limits, and in accordance with the applicable diversification rules, the Sub Funds may hold up to 49% of their net assets in Cash and Cash Equivalents. Such limit will not apply under extraordinary market conditions and is subject to liquidity considerations. In particular, a Sub-Fund may hold its net assets in Cash and Cash Equivalents in excess of the above-mentioned limit pending investment upon receipt of subscription monies, pending redemptions in order to maintain liquidity, for EPM or for short-term defensive purposes when the Investment Manager believes it is in the best interest of the Shareholders to do so. During these periods, a Sub-Fund may not achieve its investment objective and policy. The Company will regard FRNs that have frequent resets of the coupon, *i.e.* annually or more frequently, as passive substitutes for short-term instruments, provided that their maximum residual maturity is of 762 days. For the purposes of computing the investment ratios mentioned in a given Sub-Fund's description, Cash and Cash Equivalents held on a temporary basis will not be taken into account if the ratio refers to the Sub-Fund's portfolio and will be taken into account if the ratio refers to the Sub-Fund's net assets.

(ii) UCIs

Subject to lower or higher limits set out in the Sub-Funds' investment objective and policy or unless units of eligible UCIs is part of the investment objective and policy of a Sub-Fund, the Sub-Funds may hold up to 10% of their net assets in eligible UCIs.

The securities issued by collective investment vehicles with at least 50% of their net assets, according to their investment policy, invested in a particular class of assets will themselves be treated as securities of such class of assets for the purposes of the investment policy set out in this Prospectus (example: collective investment vehicles with at least 50% of their net assets, according to their investment policy, invested in shares and other securities equivalent to shares will be treated as equity securities). Where a collective investment vehicle is structured as an umbrella and the Company holds securities belonging to one or more Sub-Funds of such collective investment vehicle, the same principle shall apply *mutatis mutandis* to the securities of each Sub-Fund.

(iii) Financial derivative instruments

The Management Company and the Investment Managers may use all categories of financial derivative instruments authorized by Luxembourg law or by Circulars issued by the CSSF and in particular the categories mentioned in paragraph 4.1 (vii).

Financial derivative instruments may be used for one of the following strategies: for hedging purposes, for EPM or as part of the investment strategy of a Sub-Fund. A description of those strategies is mentioned in paragraph 4.1 (vii). When financial derivative instruments are not used for hedging purposes nor for EPM, they may be used as part of the investment strategy. However, this has to be mentioned in the description of the Sub-Funds concerned and is always subject to the limits permitted by the Investment Restrictions. The use of financial derivative instruments as part of the investment strategy may result in a higher level of leverage and increase the overall risk exposure (*i.e.*, the total exposure on derivatives, portfolio and other assets) of a Sub-Fund and the volatility of its Net Asset Value. The assessment of the global exposure of a Sub-Fund associated with derivative instruments is described in paragraph 4.2.

If a Sub-Fund's description states that it has a low exposure to commodities via derivatives on commodity indices, the exposure will be below 49% of the Sub-Fund's net assets. Reference to a high exposure means that the Sub-Fund has an exposure above 49% of the Sub-Fund's net assets.

The leverage effect of investments in some financial instruments and the volatility of the prices of options, futures and other derivative contracts would normally make the risk attached to investment in the Shares of the Sub-Funds higher than is the case with conventional investment policies. Additional risks associated with the use of financial derivative instruments are described in paragraph 5.2.10.

(iv) Techniques and instruments relating to transferable securities and money market instruments

These techniques and instruments include, but are not limited to, repurchase agreements and securities lending.

The use of any of these techniques and instruments shall not reach a volume which could endanger the spirit of the investment policy.

Risks associated with the use of techniques and instruments relating to transferable securities and money market instruments are described in paragraph 5.1.12.

(v) **SFIs**

Subject to lower or higher limits set out in the Sub-Funds' investment objective and policy or unless the use of SFIs is part of the investment objective and policy of a Sub-Fund, the Sub-Funds may hold up to 10% of their net assets in SFIs, which are eligible transferable securities (as specified in Section 4), organized solely for the purposes of restructuring the investment characteristics of certain other investments (the "Underlying Investments") and issued by first class financial institutions (the "Financial institutions"). The Financial institutions issue transferable securities (the SFIs) backed by or representing interests in the Underlying Investments.

The Sub-Funds may invest in SFIs such as, but not limited to, equity-linked securities, participatory notes, capital protected notes, and structured notes, including securities/notes that are issued by companies advised by the Management Company or any entity of its group. When the SFI embeds a derivative instrument, the embedded derivative must be taken into account when applying the restrictions mentioned in paragraph 4.2 (j).

Sub-Funds investing in convertible bonds, often use SFIs as a substitute to convertible bonds to achieve the same market exposure.

(vi) **Currencies**

Shares of each Sub-Fund are issued in the Reference Currency. However, Shares of each Sub-Fund may also be issued in Alternative Currency (USD, GBP, CHF, EUR, SEK, NOK, CAD, AUD, JPY, HKD, SGD) of a Sub-Fund (see paragraph 2.2).

The Reference Currency of a Sub-Fund is always mentioned in the Sub-Fund's description and sometimes between brackets in its name. Sub-Funds may invest in securities denominated in other currencies than their Reference Currency, even when the Reference Currency is mentioned between brackets in their name.

When a currency is mentioned in the name of a Sub-Fund, but not between brackets, at least two-thirds (2/3^{rds}) of the Sub-Fund's portfolio will be invested in securities denominated in that currency.

(vii) **Emerging Markets**

Subject to lower or higher limits set out in the investment policy of a given Sub-Fund, the Sub-Funds whose investment objective and policy give discretion to the Investment Manager with regard to the selection of markets (including Emerging Markets) or currencies, may hold up to 49% of their net assets in securities issued in Emerging Markets and/or Emerging Markets currencies (including CNH).

When such limit is exceeded following the reclassification of a market previously regarded as "non-emerging", the Investment Manager will have discretion as to whether measures should be taken having regard to the best interest of the shareholders.

The attention of investors is drawn to the Risk Factors Section which sets out the risks associated with the investments in Emerging Markets.

(viii) **Risks associated with investments in the Sub-Funds**

All Sub-Funds are directly or indirectly exposed to various forms of investment risks through the financial instruments in which they invest. Some risks concern all Sub-Funds (see paragraph 5.1) whereas others are Sub-Fund specific (see paragraph 5.2). A review of the risks specific to each Sub-Fund is included in paragraph 5.2.

(ix) **Profile of the typical investor**

The Sub-Funds may be appropriate for investors, who:

- seek capital appreciation over the long-term when investing in Asset Allocation or Equity Sub-Funds; or
- seek regular income and eventually capital gains from their investment when investing in Fixed Income Sub-Funds; or
- seek regular income, where both capital security and liquidity are prime consideration, when investing in Short-Term Money Market Sub-Funds; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

An investment in a Sub-Fund is not a deposit in a bank or other insured depositary institution. Investment may not be appropriate for all investors. The Sub-Funds are not intended to be a complete investment program and investors should consider their long-term investment goals and financial needs when making an investment decision about the Sub-Funds. An investment in a Sub-Fund is intended to be a long-term investment. The Sub-Funds should not be used as trading vehicles.

Whilst using their best endeavors to attain the Company's objectives, the Directors cannot guarantee the extent to which the investment objectives will be achieved.

3.2 List of Sub-Funds

The following Shares of LO Funds Sub-Funds are currently offered or will be offered in the future:

Asset Allocation Sub-Funds

- LO Funds – Alternative Beta
- LO Funds – Tactical Alpha
- LO Funds – All Roads Multi-Asset
- LO Funds – Global Macro
- LO Funds – Multiadvisers UCITS[1]
- LO Funds – Alternative Risk Premia

Equity Sub-Funds

<u>Global</u>

- LO Funds – Generation Global
- LO Funds – Global Consumer[2]
- LO Funds – Global Equity Income*

<u>Sector/Thematic</u>

- LO Funds – Technology
- LO Funds – Golden Age
- LO Funds – World Gold Expertise
- LO Funds – Global Energy
- LO Funds – Commodity Risk Premia

<u>Regional</u>

- LO Funds – US Equity Factor Enhanced
- LO Funds – Emerging Equity Factor Enhanced
- LO Funds – Europe Equity Factor Enhanced
- LO Funds – Europe High Conviction
- LO Funds – Eurozone Small and Mid Caps
- LO Funds – Japan Equity Factor Enhanced[3]
- LO Funds – Alpha Japan
- LO Funds – Emerging Consumer

- LO Funds – Asia Consumer
- LO Funds – Fundamental Equity Long/Short
- LO Funds – Swiss Equity

Fixed-Income Sub-Funds

Government

- LO Funds – Euro Government Fundamental
- LO Funds – Euro Inflation-Linked Fundamental
- LO Funds – Global Government Fundamental
- LO Funds – Global Inflation-Linked Fundamental[4]

Aggregate

- LO Funds – Swiss Franc Bond (Foreign)
- LO Funds – Absolute Return Bond

Credit

- LO Funds – Global Corporate Fundamental
- LO Funds – Euro Responsible Corporate Fundamental
- LO Funds – Euro Credit Bond
- LO Funds – Global BBB-BB Fundamental
- LO Funds – Euro BBB-BB Fundamental
- LO Funds – Swiss Franc Credit Bond (Foreign)
- LO Funds – Ultra Low Duration Bond (USD)
- LO Funds – Ultra Low Duration Bond (EUR)

Emerging

- LO Funds – Emerging Local Currency Bond Fundamental

Convertibles

- LO Funds – Convertible Bond
- LO Funds – Global Convertible Bond Defensive Delta
- LO Funds – Convertible Bond Asia

Other

- LO Funds – CAT Bonds[7]

Short-Term Money Market Sub-Funds

- LO Funds – Short-Term Money Market (EUR)
- LO Funds – Short-Term Money Market (USD)
- LO Funds – Short-Term Money Market (GBP)
- LO Funds – Short-Term Money Market (CHF)

* When one of these Sub-Funds is offered for sale, the initial price per Share, the launch date (*i.e.* the date for the first issue of Shares) and the payment date for the initial subscription will be determined by the Board. Upon decision by the Board to launch one of these Sub-Funds, the Prospectus will be amended accordingly. The Sub-Funds will be offered in a given country only after the necessary notification to the local regulator and, when relevant, the necessary authorizations will have been obtained.

[1] LO Funds – Multiadvisers UCITS will be launched on or around 26 February 2016.

[2] LO Funds – Global Consumer will be launched on or around 29 March 2016.

[3] LO Funds – Japan Equity Factor Enhanced will be launched on or around 31 March 2016.

[4] LO Funds – Global Inflation-Linked Fundamental will be launched on or around 14 April 2016.

[5] LO Funds – Ultra Low Duration Bond (USD) will be launched on or around 29 April 2016.

[6] LO Funds – Ultra Low Duration Bond (EUR) will be launched on or around 29 April 2016.

[7] LO Funds – CAT Bonds will be launched on or around 16 February 2016.

The Directors may decide to create further classes of Shares corresponding to additional Sub-Funds; in such case, this Prospectus will be updated.

(Throughout the Prospectus each Sub-Fund will be referred to by the name as defined herein below).

3.3 Description of Asset Allocation Sub-Funds

LO Funds – Alternative Beta
(hereinafter referred to as "Alternative Beta")

This Sub-Fund seeks to replicate the risk/return profile of a multi-strategy index of hedge funds (the "Index") by investing in Eligible Assets as described in paragraph 4.1 and subject always to the Investment Restrictions described in paragraph 4.2.

To achieve the exposure to the Index in terms of risk/return profile, the Investment Manager will use a quantitative management method based on the statistical replication of the Index. The proprietary quantitative model developed by the Investment Manager will determine the trade allocations to be made within the pre-defined asset classes (including but not limited to equity indices, bond indices, volatility and credit indices, commodity indices and currency exchange rates). Eligible Assets in which the Sub-Fund is invested are made of financial derivative instruments, to gain long and/or short exposure to the above mentioned asset classes, as well as Cash and Cash Equivalents. The current Index is indicated on the Lombard Odier Group website (www.loim.com).

This Sub-Fund also pursues its investment policy through the use of an unfunded excess return swap agreement on a basket of several asset classes (the "Basket Swap"). The mechanism of the Basket Swap is referenced below. According to the Investment Manager, the Basket Swap is an efficient tool to implement the strategy while reducing costs, liquidity risks as well as operational constraints.

At the discretion of the Investment Manager, the Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) when, for instance, it considers that the Sub-Fund should be positioned in a defensive way. The Investment Manager will use its discretion with respect to the selected Index, provided that the Index is representative of the hedge funds universe. The Reference Currency is the USD.

The Sub-Fund will only enter into swap agreements with counterparties which are first-class financial institutions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

This Sub-Fund is not subject to the minimum rating described in paragraph 3.7.

Mechanism of the Basket Swap

Please refer to paragraph 3.8.4.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Tactical Alpha

(hereinafter referred to as "Tactical Alpha")

Objective

The Sub-Fund's objective is to generate returns from diversified sources by capturing opportunities across investment cycles.

Strategies and portfolio construction

To achieve this aim, multiple strategies are followed where capital is dynamically allocated to various asset classes. Each strategy is managed by a specialized portfolio manager under the supervision of a Chief Investment Officer (CIO).

Risk is diversified among the various strategies that are built to maintain low correlations between each other. Monthly, the CIO reviews capital and risk allocations based on qualitative (return opportunities, momentum, convictions) and quantitative (performance, sharpe ratios, correlations between strategies) decision factors. The CIO controls the Sub-Fund level risk factors and exposures and manages tail risks through a hedge book. To limit drawdowns, a stop-loss system is applied to each strategy and at the fund level. Breaching a stop-loss leads to reducing risk levels or liquidating the portfolio for a given period in order to allow a comprehensive re-assessment of the situation, strategy and market environment. Strategies may include, without being exhaustive, (i) discretionary alpha books seeking to capture macroeconomic trends and exploit mispricings arising from divergence between economic fundamentals and political/policy actions thus generating asymmetric risk/return opportunities, and (ii) quantitative strategies where selected market data and chosen constraints are inputs to mathematical computations to identify trading opportunities.

Amongst the discretionary alpha strategies calling on top-down analysis, the Sub-Fund may *inter alia* focus on foreign exchange rates, global interest rates, Emerging Markets and developed markets by taking short-term to medium-term positions and positions on a given asset class or a combination of asset classes, including both long and short positions (through derivatives as further detailed below in the investment policy).

Following quantitative strategies, the Sub-Fund takes long only longer-term positions on a given asset class or a combination of asset classes (including through derivatives as further detailed below in the investment policy).

In order to remain highly liquid, strategies are implemented through the trading of futures and derivatives. Although investments in single stocks may be contemplated occasionally, investments are mainly made through indices and concentration in a limited number of conviction trades are avoided.

Investment policy

A Sub-Fund invested in bank deposits and/or money markets instruments, bonds, other fixed or floating-rate debt securities and short term debt securities issued or guaranteed by sovereign or non-sovereign issuers, convertible bonds, equities and taking long and short exposures, through financial derivative instruments, on various asset classes, such as fixed income, interest rates, equities, commodities (indices, UCIs and transferable securities) and currencies. The Investment Manager will implement its absolute return strategy using full discretion in the selection of financial derivative instruments, underlying asset classes and markets (in particular, the Sub-Fund may be fully invested in Emerging Markets). This Sub-Fund is not subject to the minimum rating described in paragraph 3.7.

The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps in order to increase or reduce its exposure to specific asset classes, markets (including Emerging Markets), securities and currencies (including Emerging Market currencies).

The use of financial derivative instruments as part of the investment strategy may result in a higher level of leverage and increase the overall risk exposure (*i.e.*, the total exposure on derivatives, portfolio and other assets) of the Sub-Fund and the volatility of its Net Asset Value (see paragraph 5.2.10).

The Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

The Reference Currency is the EUR.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

Global exposure and leverage

The Sub-Fund uses financial derivative instruments as part of its investment strategy and is expected to be leveraged. While leverage may present opportunities for increasing the Sub-Fund's total return, it also has the potential of increasing losses. The cumulative effect of the use of leverage by the Sub-Fund in a market that moves adversely to the Sub-Fund's investments could result in a substantial loss to the Sub-Fund.

The global exposure of the Sub-Fund is calculated following the absolute VaR approach. The expected level of leverage is 2,000%. Investors should note that the expected level of leverage can be exceeded in certain circumstances.

Leverage is defined as the sum of the absolute value of the notionals of the financial derivative instruments held in each Sub-Fund's portfolio (excluding the investment portfolio) divided by its total net assets and therefore does not take into account any netting and hedging arrangements. Leverage per se is not an accurate risk indicator as a higher degree of leverage does not necessarily imply a higher degree of risk.

Although this measure of gross notional leverage may in some instances reach what could be considered as high levels, it is expected that net leverage taking into account netting and hedging will be substantially lower as a large part of notional leverage will usually be generated through relative trades with offsetting exposures and/or short term derivatives which require larger notional amounts than longer term derivatives to generate a given level of risk.

As described in paragraph 4.2 (l), the risk budget of the Sub-Fund is continuously monitored through a value-at-risk (VaR) methodology with an aim to not exceed an estimated 1-month ex-ante absolute VaR of 13%. Portfolios below their risk budget are, under normal market conditions, statistically not expected to decline by more than this risk budget over one month with a confidence interval of 99%. This risk budget is set according to the risk profile of the Sub-Fund and is lower than the regulatory VaR limit of 20%.

LO Funds – All Roads Multi-Asset

(hereinafter referred to as "All Roads Multi-Asset")

A Sub-Fund implementing an asset allocation strategy in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by sovereign or non-sovereign issuers, convertible bonds, equities, currencies and/or Cash and Cash Equivalents, denominated in OECD currencies and/or Emerging Market currencies. The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.7). The Investment Manager uses its discretion with regard to the selection of issuers, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies). The Investment Manager may implement qualitative and/or systematic strategies, such as risk-based methodologies. According to such methodology the weight of any given asset or Group of Assets is adjusted in order to control its contribution to the total portfolio risk. Other things equal, the higher the risk of loss of an asset or Group of Assets, the lower its weight in the portfolio. For each asset or Group of Assets, the risk is calculated using proprietary models analyzing various data such as historical price movements.

In addition to the above-mentioned investments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or Emerging Market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes, markets (including Emerging Markets) and indices (including commodity indices). For this purpose, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to futures, credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4.

With respect to strategies involving exposure to commodities, their exposure may be achieved through the use of a swap agreement on LOIM Commodity Index (the "Commodity Swap") and LOIM Long/Short Commodity Backwardation Index (the "Backwardation Swap") whose mechanism is referenced below.

Also, as part of the implementation of its investment strategy, the Sub-Fund may enter into an unfunded excess return swap agreement on a long/short strategy on equity (the "Long/Short Equity Swap"). The mechanism of the Long/Short Equity Swap is referenced below. According to the Investment Manager, the Long/Short Equity Swap is an efficient tool to implement a long/short strategy on equity while reducing costs as well as liquidity risks.

The Sub-Fund will only enter into swap agreements with counterparties which are first-class financial institutions.

The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Mechanism of the Commodity Swap

Please refer to paragraph 3.8.1.

Mechanism of the Backwardation Swap

Please refer to paragraph 3.8.2.

Mechanism of the Long/Short Equity Swap

Please refer to paragraph 3.8.3

Risks

Investors should note that the value of their investment could fall as well as rise and should accept that there is no guarantee that they will recover their initial investment.

The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Global Macro
(hereinafter referred to as "Global Macro")

Objective

The Sub-Fund's objective is to generate returns by implementing a global macro strategy which seeks to benefit from macroeconomic themes across asset classes and regions.

Strategies and portfolio construction

To achieve this aim, the Investment Manager generates ideas and risk-adjusts the weight of each idea.

Strategies from idea generation may include, without being exhaustive, (i) macro strategies seeking to capture macroeconomic trends and exploit mispricings arising from divergence between economic fundamentals and political and policy actions, thus generating asymmetric risk/return opportunities; (ii) quantitative strategies aiming to identify leading macro drivers, in order to capture expected excess return and select directional as well as relative-value opportunities within specific asset classes; (iii) strategies seeking to apply a value approach to purchasing and selling options; and (iv) strategies which combine any of the previous approaches.

The portfolio is constructed within a global risk budget and ensures risk diversification by allocating an appropriate risk-adjusted weight to each investment idea, based on (i) discretionary conviction levels, (ii) caps for risk adjusted allocations to each idea/trade/underlying and (iii) caps on the overall portfolio risk as measured by VaR and historical drawdowns.

Strategies are implemented mainly through the trading of derivatives (mainly futures, forwards, call and put options and OTC derivatives) on equity and fixed income indices including credit and currencies. Investments in single stocks or bonds may be contemplated occasionally as components of custom baskets.

Portfolio governance

Portfolio governance is ensured by applying pre-trade and post-trade reviews by the Investment Manager and the risk management department. These reviews are factored in the decision taking through ongoing discussions between the Investment Manager and the risk management department with each having well-delineated areas of responsibility.

On a daily basis, the Investment Manager reviews the portfolio to assess risk at portfolio and position level. Ensuing actions could include weight rebalancing, profit locking, loss limiting and premium recovery.

At least on a weekly basis, the Investment Manager reviews each idea's investment thesis and any intervening changes in the macro scenario.

At least on a monthly basis, the Investment Manager rebuilds a new portfolio. The new portfolio, which might often maintain positions very similar to the current one, is deployed by applying any required marginal trades to modify the current portfolio, thus limiting trading costs to the minimum required.

The risk management department provides advanced analytical insight and monitors respect of risk parameters.

Investment policy

The Sub-Fund may invest in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by sovereign or non-sovereign issuers, convertible bonds, equities, commodities, currencies and/or Cash and Cash Equivalents, denominated in OECD currencies and/or Emerging Market currencies. The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.7).

Up to 10% of the Sub-Fund may be invested in aggregate in China A-Shares which are shares issued by mainland China-based companies that trade on regulated exchanges but only available for purchase through certain trading facilities (such as Stock Connect), "P" notes to get exposure to China A-Shares or dim sum bonds (*i.e.*, bonds issued outside of China but denominated in CNY), as further detailed in the risk factor 5.2.11 of the Risk Factors Section of the Prospectus.

Up to 10% of the Sub-Fund's portfolio may be invested in bonds issued or guaranteed by the Russian State admitted to Official Listing or dealt in a Regulated Market. Direct investments in Russian markets (other than investments traded on the Moscow Exchange) together with other investments traded through markets which are not Regulated Markets but which are, *inter alia*, transferable, liquid and have a value which can be accurately determined at any time shall in aggregate not exceed 10% of the Sub-Fund's net assets.

The Investment Manager uses its discretion with regard to the selection of issuers, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies). The Investment Manager may implement qualitative and/or systematic strategies. The Investment Manager may use a wide range of financial derivative instruments (in particular, but not limited to CFDs, options, futures, credit (including CDS), interest rate, inflation, currency and volatility derivatives) to take long and short positions on any of the above-mentioned asset classes, currencies (OECD currencies and/or Emerging Market currencies), markets (including Emerging Markets) and/or indices (including commodity indices). Financial derivative instruments are thus not only used for hedging purposes or for EPM, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. In certain circumstances, the net exposure of the Sub-Fund to financial markets may be negative.

The use of financial derivative instruments as part of the investment strategy may result in a higher level of leverage and increase the overall risk exposure (*i.e.*, the total exposure on derivatives, portfolio and other assets) of the Sub-Fund and the volatility of its Net Asset Value (see paragraph 5.2.10).

The Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

The Reference Currency is the USD.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

Global exposure and leverage

The Sub-Fund uses financial derivative instruments as part of its investment strategy and is expected to be leveraged. While leverage may present opportunities for increasing the Sub-Fund's total return, it also has the potential of increasing losses. The cumulative effect of the use of leverage by the Sub-Fund in a market that moves adversely to the Sub-Fund's investments could result in a substantial loss to the Sub-Fund.

Leverage is defined as the sum of the absolute value of the notional of the financial derivative instruments held in each Sub-Fund's portfolio (excluding the investment portfolio) divided by its total net assets and therefore does not take into account any netting and hedging arrangements. Leverage per se is not an accurate risk indicator as a higher degree of leverage does not necessarily imply a higher degree of risk.

The global exposure of the Sub-Fund is calculated following the absolute VaR approach. The expected level of leverage is 1,500%. It should be noted that the strategy makes large use of protective derivatives. Therefore this leverage measurement might overestimate by several times the economic exposure of the portfolio, due for example to the following actions: i) collaring each position for added safety, by buying protective puts on any underlying and financing these puts by overwriting calls on the same underlying, thus adding to the leverage level while in fact significantly reducing the risk of the position, ii) hedging the currency of each global position, thus further doubling the leverage level for positions not denominated in the reference currency, and finally iii) hedging each share class that is not denominated in the reference currency. In total, it is estimated that a leverage of 1,500% might actually correspond to positions with effective notional of 500% or even much less, with added hedges. Investors should note that the expected level of leverage can be exceeded in certain circumstances which are linked, for instance, to sudden changes of market conditions rather than an intent to take additional exposure.

Although this measure of gross notional leverage may in some instances reach what could be considered as high levels, it is expected that net leverage taking into account netting and hedging will be substantially lower as a large part of notional leverage will usually be generated through relative trades with offsetting exposures and/or short term derivatives which require larger notional amounts than longer term derivatives to generate a given level of risk.

As described in paragraph 4.2 (l), the risk budget of the Sub-Fund is continuously monitored through a value-at-risk (VaR) methodology with an aim to not exceed an estimated 1-month ex-ante absolute VaR of 15%. Portfolios below their risk budget are, under normal market conditions, statistically not expected to decline by more than this risk budget over one month with a confidence interval of 99%. This risk budget is set according to the risk profile of the Sub-Fund which is lower than the regulatory VaR limit of 20%.

LO Funds – Multiadvisers UCITS

(hereinafter referred to as "Multiadvisers UCITS")

A Sub-Fund invested in a broad range of funds implementing alternative investment strategies such as, but not limited to, equity long/short, equity market neutral, global macro, convertible arbitrage, distressed, fixed income arbitrage, credit arbitrage, event driven, managed futures or commodities as well as in traditional long-only strategies through equity securities, fixed income securities, convertible securities, money market instruments.

The Investment Manager may implement qualitative and/or systematic strategies, including risk-based allocation methodologies. For each asset or Group of Assets, the risk is calculated using proprietary models analyzing historical price movements amongst others. In addition to the above-mentioned investments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or Emerging Market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes, markets (including Emerging Markets) and indices (including commodity indices). For this purpose, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to options, futures, credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way.

The Reference Currency is the USD.

The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Alternative Risk Premia

(hereinafter referred to as "Alternative Risk Premia")

A Sub-Fund investing in rule-based long/short strategies seeking to provide complementary sources of return and diversification to traditional asset classes. They can be classified, but not limited to, 3 main groups: momentum, carry and value reverting strategies.

Each of these groups displays certain characteristics:

- momentum strategies take advantage of the persistence of directional moves in a large universe of assets;
- carry strategies take advantage of structural spreads within asset classes;
- value reverting strategies take advantage of convergence effects and/or fair value reverting properties of certain asset classes.

The Investment Manager may follow a risk based methodology to allocate capital. According to such methodology, equal risk is allocated to groups and within groups to each strategy. The equal risk contributions are then translated into capital weights. The more risky gets less capital. At the global portfolio level, a volatility target mechanism is applied.

The Investment Manager, based on proprietary quantitative models, will determine the investment methodology for each strategy to allocate trades within pre-defined asset classes (including, but not limited to, equities, bonds, interest rates, currencies, commodity indices, credit indices and volatility indices) along with the respective financial derivatives instruments to be used to achieve the desired exposure. The Investment Manager will use its discretion with respect to the total number of underlying strategies and selection of markets (in particular, the Sub-Fund may be fully invested in Emerging Markets).

With respect to strategies involving exposure to commodities, their exposure may be achieved through the use of a swap agreement on LOIM Long/Short Commodity Backwardation Index (the "Backwardation Swap") whose mechanism is referenced below.

Also, as part of the implementation of its investment strategy, the Sub-Fund has entered into an unfunded excess return swap agreement on a long/short strategy on equity (the "Long/Short Equity Swap"). The mechanism of the Long/Short Equity Swap is referenced below. According to the Investment Manager, the Long/Short Equity Swap is an efficient tool to implement a long/short strategy on equity while reducing costs as well as liquidity risks.

The Sub-Fund will only enter into swap agreements with counterparties which are first-class financial institutions.

The Sub-Fund invests in financial derivative instruments and possibly through the use of funds as well as Cash and Cash Equivalents. At the discretion of the Investment Manager, the Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund is not subject to the minimum rating described in paragraph 3.7.

The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

Mechanism of the Backwardation Swap

Please refer to paragraph 3.8.2.

Mechanism of the Long/Short Equity Swap

Please refer to paragraph 3.8.3

3.4 Description of Equity Sub-Funds

3.4.1 Global

LO Funds – Generation Global
(hereinafter referred to as "Generation Global")

A Sub-Fund invested, at least two-thirds (2/3rds) of its portfolio, in equity securities, preferred stocks and convertible securities issued by companies worldwide (including Emerging Markets). However, investment in convertible securities may not represent more than 25% of the Sub-Fund's net asset value. This Sub-Fund seeks to achieve superior investment performance by taking a long term investment view and integrating sustainability research within a rigorous fundamental equity analysis framework. Sustainable investing is the explicit recognition that economic, health, environmental, social and governance factors directly affect long term business profitability. The aim of this Sub-Fund is to select companies that demonstrate practices and processes that will sustain their profits in a changing environment. The Investment Manager will use its discretion with regard to the selection of markets, sectors and currencies (including Emerging Market currencies). The Sub-Fund may invest in Emerging Markets. As part of its Emerging Market exposure, the Sub-Fund may invest up to 10% of its net assets in Shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges, purchased directly or indirectly via market access products. The China A-Shares may be acquired via Stock Connect. Please have regard to the Risk Factors Section of the Prospectus, in particular, Section 5.2.11 with regard to such investments.

The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions and in accordance with the applicable diversification rules, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS), (ii) hold up to 10% of its net assets in UCIs and (iii) use financial derivative instruments for hedging purposes or for EPM. The use of SFIs as well as the description of the profile of the typical investors are also described in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Global Consumer
(hereinafter referred to as "Global Consumer")

A Sub-Fund invested in equities, equity related securities (including, but not limited to, warrants) of retail and consumer related industries/companies (including, but not limited to, swaps providing long and/or short exposure to equity securities or options providing sovereign market exposure for hedging) issued by entities incorporated or exercising a prominent part of their business activities, directly or indirectly, in developed markets. The Investment Manager may invest up to 40% of the Sub-Fund's portfolio outside these parameters, in particular (i) in companies exercising a prominent part of their business activities in Emerging Markets and/or in non-retail, and non-consumer related industries and/or (ii) in currencies (including Emerging Market currencies). The Investment Manager may invest up to 10% of the Sub-Fund's assets in transferable securities embedding derivatives (*i.e.*, convertible bonds) which are subject to a "look-through" in order to verify the eligibility of the underlying assets in accordance with the eligibility criteria for derivatives.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The Investment Manager will implement its strategy primarily by investing in securities, listed derivatives, and derivative instruments of companies that it believes to be undervalued. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4.

The Investment Manager may use a wide range of financial derivative instruments, such as options, futures, swaps and CFD in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies. The Investment Manager will use its discretion with regard to the selection of markets, sectors, categories of financial derivative instruments, size of companies (including small caps companies) and currencies. The Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2

LO Funds – Global Equity Income
(hereinafter referred to as "Global Equity Income")

A Sub-Fund invested in equity and equity related securities (including, but not limited to, warrants) issued by companies worldwide (including Emerging Markets and shares traded on the Hong Stock Exchange – "H" Shares) that are able to generate attractive yields.

The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets, sectors, size of companies and currencies. The Reference Currency is the USD.

The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way.

As mentioned in paragraph 3.1, the Sub-Fund hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.4.2 Sector/Thematic

LO Funds – Technology

(hereinafter referred to as "Technology")

A Sub-Fund invested, at least two-thirds (2/3rds) of its portfolio, in equity securities issued by companies worldwide prominent in the field of information technology, including in Emerging Markets. The Sub-Fund may invest up to one-third (1/3rd) of its portfolio outside these parameters, in particular in stocks of companies associated with new and emerging industries, where growth prospects have been enhanced by technological development. Up to 10% of the Sub-Fund may be invested in China A-Shares which are shares issued by mainland China-based companies that trade on regulated exchanges but only available for purchase through certain trading facilities (such as Stock Connect) as further detailed in the risk factor 5.2.11 of the Risk Factors Section of the Prospectus. Discretion will be used with regard to the selection of technological fields, geographical areas, size of companies and currencies (including Emerging Market currencies). The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions and in accordance with the applicable diversification rules, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS) and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Golden Age

(hereinafter referred to as "Golden Age")

A Sub-Fund invested in equity securities issued by companies worldwide, the future growth of which is significantly driven by the theme of the ageing population. Within this investment universe, the Investment Manager may invest in small and mid cap companies (as considered in their respective markets), as well as in companies incorporated or exercising a prominent part of their business activities in Emerging Markets. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions and in accordance with the applicable diversification rules, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS) and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – World Gold Expertise

(hereinafter referred to as "World Gold Expertise")

A Sub-Fund invested in eligible transferable securities (including those represented by ADRs and GDRs), (i) issued by companies worldwide active in the gold mining, precious metals and precious stones industries and/or (ii) replicating on a one-to-one basis the price of gold or other precious metals. It is intended to invest at least two-thirds (2/3rds) of the Sub-Fund's portfolio in gold mining companies active in the fields of exploration, extraction, processing, production and marketing or in companies with a substantial part of their turnover or income related to such activities or in companies financing such activities. The Sub-Fund will not hold physical gold, precious metals or precious stones. The Sub-Fund may be invested in small cap companies (as considered in their respective markets). Direct investments (local shares) in Russia (other than investments traded on the Moscow Exchange) and investments in markets which are not Regulated Markets shall in aggregate not exceed 10% of the Sub-Fund's net assets. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions and in accordance with the applicable diversification rules, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS), (ii) hold up to 10% of its net assets in UCIs and (iii) use financial derivative instruments for hedging purposes or for EPM. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Global Energy
(hereinafter referred to as "Global Energy")

A Sub-Fund invested, at least two-thirds (2/3rds) of its portfolio, in equity securities issued by companies worldwide prominent in the field of energy and energy-related sectors, including but not limited to integrated oil and gas, exploration and production, refining, drilling, energy services, storage and transport, coal, uranium and alternative energies. The Sub-Fund may invest up to one-third (1/3rd) of its portfolio outside these parameters. Discretion will be used with regard to the selection of markets (including Emerging Markets), geographical areas and size of companies (including small caps companies). Direct investments (local shares) in Russia (other than investments traded on the Moscow Exchange) and investments in markets which are not Regulated Markets shall in aggregate not exceed 10% of the Sub-Fund's net assets. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions and in accordance with the applicable diversification rules, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS) and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Commodity Risk Premia
(hereinafter referred to as "Commodity Risk Premia")

Objective

The Sub-Fund's main objective is to replicate the performance of the LOIM Commodity Index (the "**Index**", as described below). The Reference Currency is the USD.

Authorised investments

To achieve the above objective, the Sub-Fund will enter with one or several first-class financial institutions into one or several swap agreements (the "**Swaps**"), the underlying of which will be the Index.

Assets of the Sub-Fund will be invested in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. In addition, subscriptions and redemptions in the Sub-Fund shall determine the Swaps' notional which will be adapted accordingly by the Investment Manager.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4.

Mechanism of the Swaps

By means of the Swap(s), the Sub-Fund and each counterparty to the Swaps (the "**Swap Counterparties**") agree to exchange all or part of the subscription monies against the performance of the Index, less fees and expenses charged by the Swap Counterparties which in normal market conditions should not exceed 0.50% per annum of the Net Asset Value of the Sub-Fund. The Swap Counterparties trades the Components (as defined below in paragraph "General description of the Index") of the Index in order to get a market exposure in line with the Index. The net of fee performance of the Index (either positive or negative) is then transferred to the Sub-Fund through a daily mark-to-market valuation of the Swaps. The Sub-Fund will have to make a payment in USD to the Swap Counterparties in the event that the Index decreases in value. By contrast, the Swap Counterparties will have to make a payment to the Sub-Fund in the event that the Index increases in value.

As the Swaps are OTC transactions, the risk exposure of the Sub-Fund to each Swap Counterparty will increase when there is an increase of value of the Index. The risk exposure of the Sub-Fund to the Swap Counterparties will not exceed the limits permitted by the Investment Restrictions described in Section 4. The Sub-Fund and the Swap Counterparties will reduce their respective counterparty risk by transferring cash amounts being equivalent to the positive or negative performance of the Index in accordance with the 2010 Law and applicable CSSF circulars. However, in order to reduce the Sub-Fund's exposure to the risk related to the Swap Counterparties, cash transfers are made as soon as the threshold of USD 300,000 per Swap Counterparty is reached. The collateral transferred to the Sub-Fund will be held by the Custodian.

General description of the Index

This Section is a summary description of the Index. For a complete description of the Index, please refer to the Index Rule Book of the LOIM Commodity Index, published on the website www.loim.com and which may be obtained at the registered office of the Company on request free of charge.

The Index is compliant with article 44 of the 2010 Law, article 9 of the Grand-Ducal Regulation of 8 February 2008 as well as CSSF Circular 08/339 (as amended by CSSF Circular 08/380) and CSSF Circular 14/592.

The Index is intended to capture the performance of 18 commodities within four broad commodity sectors (*i.e.*, precious metals, industrial metals, energy and agriculture – ex-essential food), through investment in the relevant LOIM Dynamic Roll Commodity Mono Indices (the "Mono Indices") as defined in the Index Rule Book (each a "Component"). For a complete description of the Mono Indices, please refer to the Family Index Rule Book published on the website www.loim.com and which may be obtained free of charge at the registered office of the Company on request.

Index Component	**Component Type**	**BBG**	**Replication Costs**
1. LOIM Dynamic Roll Crude Oil ER	Crude Oil	LOIMDRCL	See Index Rule Book
2. LOIM Dynamic Roll Natural Gas ER	Natural Gas	LOIMDRNG	See Index Rule Book
3. LOIM Dynamic Roll Brent ER	Brent	LOIMDRCO	See Index Rule Book
4. LOIM Dynamic Roll Heating Oil ER	Heating Oil	LOIMDRHO	See Index Rule Book
5. LOIM Dynamic Roll Gasoil ER	Gasoil	LOIMDRQS	See Index Rule Book
6. LOIM Dynamic Roll Unleaded Gasoline ER	Unleaded Gasoline	LOIMDRXB	See Index Rule Book
7. LOIM Dynamic Roll Live Cattle ER	Live Cattle	LOIMDRLC	See Index Rule Book
8. LOIM Dynamic Roll Lean Hogs ER	Lean Hogs	LOIMDRLH	See Index Rule Book
9. LOIM Dynamic Roll Sugar ER	Sugar	LOIMDRSB	See Index Rule Book
10. LOIM Dynamic Roll Coffee ER	Coffee	LOIMDRKC	See Index Rule Book
11. LOIM Dynamic Roll Cotton ER	Cotton	LOIMDRCT	See Index Rule Book
12. LOIM Dynamic Roll Cocoa ER	Cocoa	LOIMDRCC	See Index Rule Book
13. LOIM Dynamic Roll Copper ER	Copper	LOIMDRLP	See Index Rule Book
14. LOIM Dynamic Roll Aluminium ER	Aluminium	LOIMDRLA	See Index Rule Book
15. LOIM Dynamic Roll Zinc ER	Zinc	LOIMDRLX	See Index Rule Book
16. LOIM Dynamic Roll Nickel ER	Nickel	LOIMDRLN	See Index Rule Book
17. LOIM Dynamic Roll Silver ER	Silver	LOIMDRSI	See Index Rule Book
18. LOIM Dynamic Roll Gold ER	Gold	LOIMDRGC	See Index Rule Book

The Index is calculated on a daily basis and its value is expressed in USD. The daily value is published under Bloomberg code: LOIMCOMO Index and Reuters code: .LOIMCOMO. The Index is calculated on an excess return basis. As a consequence, the Index value reflects a cashless investment strategy calculated from a value derived from the value of the Components. The Components are listed futures contracts which require little or no cash to invest in those listed contracts in order to obtain the economic exposure and risk attaching to such contracts.

Each Component aims to provide exposure to one of the 18 commodities and is constructed by taking exposure, in its respective commodity market, to future contracts with a given tenor and, prior to maturity, "rolling" it into replacement future contracts. In order to reduce the potentially negative effect of rolling futures contracts which are due to expire, the future contracts are selected using an optimization model (described in Section 6 of the Family Index Rule Book) which takes into account the shape of the forward curve for the Index Commodity. Investors in the Index are therefore exposed to gains or losses connected with the process of buying and selling future contracts.

The Components of the Index may be volatile. Such volatility may have an impact on the NAV of the Sub-Fund in several ways.

The value of each Component (and thus the value of the Index) will, under normal conditions, increase if the value of its corresponding future contract goes up and decrease if the value of its corresponding future contract goes down.

The composition and weighting of the Index are determined using a fully transparent rule-based methodology: the Risk Parity Methodology. According to such methodology the weight of each commodity is adjusted so that its contribution to the risk of the total portfolio tends to be equivalent to other commodities. Other things equal, the higher the risk of fluctuation of the value of a commodity, the lower its weight in the Index. For each commodity, the risk is calculated using proprietary models analyzing historical price movements. As certain commodities tend to exceptionally overweight all other commodities in terms of volume trading in the selected reference commodity market, this may justify an allocation for a single Component above the 20% limitation and up to 35%.

The Index is rebalanced systematically on a monthly basis using the Risk Parity Methodology developed by the Investment Manager. The Index rebalancing takes place on the 5th Business Day of each month.

The current composition of the Index and the weightings of its Components will be made available on www.loim.com.

The composition, methodology and calculation of the Index may be adjusted in the event of (i) certain adjustments or disruptive events in relation to a Component which affect the ability of the sponsor of the Index to properly determine the value of the Index and (ii) certain "force majeure" events outside the reasonable control of the sponsor of the Index (including but not limited to, systems failure, natural or man-disaster, armed conflict or act of terrorism) which could affect any Component.

The index sponsor (Lombard Odier Asset Management (Switzerland) SA, the "Index Sponsor") may amend the methodology of the Index in a manner that it may deem necessary if the fiscal, market, regulatory, juridical and financial circumstances require such modification.

The Index Sponsor reserves the right to amend or adjust the Index methodology from time to time as specified in the Index Rule Book. According to Section 4 of the Index Rule Book, the index calculation agent (BNP Paribas S.A., the "Index Calculation Agent") and the Index Sponsor may delay or suspend the calculation, and publication of the Index. The Index Sponsor, and where applicable, the Index Calculation Agent disclaim(s) any liability for any such suspension or interruption in the calculation of the Index.

The Index Calculation Agent may act in a number of different capacities in relation to the Index and/or products linked to the Index, which may include, but not be limited to, acting as Swap(s) counterparty, market-maker, hedging counterparty, issuer of components of the Index and/or Index Sponsor. Such activities could result in potential conflicts of interest that could influence the price or value of the Swap(s).

The Index Calculation Agent and the Index Sponsor shall not be held liable for any modification or change in the Risk Parity Methodology (as described in Section 6 of the Index Rule Book) used in calculating the Index nor for the Monthly Target Weights determined by the index adviser (Lombard Odier Asset Management (Switzerland) SA).

Investors should note that the Net Asset Value per Share of the Sub-Fund will not track the "spot price" of the underlying commodities of the Index as the Net Asset Value per Shares is impacted by (i) the Index replication costs as described in Section 1 of the Index Rule Book, (ii) the fees and expenses charged by the Swap Counterparty(ies) as described above and (iii) the Charges and Expenses described in Section 11, and in particular the Management Fees and the Distribution Fees. Also, in normal market conditions, the anticipated level of tracking error defined as the volatility of the difference between the return of the Sub-Fund and the return of the Index is between 0.5% and 1%. The Sub-Fund's ability to track the performance of the Index will depend on factors such as replication costs, cash management, swap notional adjustment (linked to cash flows), market disruption events (as detailed in the Index Rule Book) and foreign exchange hedging for hedged share classes.

Risks

Investors should note that the value of their investment could fall as well as rise and should accept that there is no guarantee that they will recover their initial investment.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

The description of the profile of the typical investor is also described above in paragraph 3.1.

LO Funds – Emerging Consumer

(hereinafter referred to as "Emerging Consumer")

A Sub-Fund invested in equities, equity related securities (including, but not limited to, warrants) of retail, and consumer related industries/companies (including, but not limited to, swaps providing long and/or short exposure to equity securities or options providing sovereign market exposure for hedging) issued by companies incorporated or exercising a prominent part of their business activities, directly or indirectly, in Emerging Markets. The Investment Manager may invest up to 40% of the Sub-Fund's portfolio outside these parameters, in particular (i) in companies exercising a prominent part of their business activities outside of Emerging Markets and/or in non-agriculture, non-retail, and non-consumer related industries and/or (ii) in currencies (including Emerging Market currencies). The Investment Manager may invest up to 10% of the Sub-Fund’s assets in convertible bonds. Up to 10% of the Sub-Fund may be invested in China A-Shares which are shares issued by mainland China-based companies that trade on regulated exchanges but only available for purchase through certain trading facilities (such as Stock Connect) as further detailed in the risk factor 5.2.11 of the Risk Factors Section of the Prospectus.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The Investment Manager will implement its strategy primarily by investing in securities, listed derivatives, and synthetic derivative instruments of companies that it believes to be undervalued. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies. The Investment Manager will use its discretion with regard to the selection of markets, sectors, categories of financial derivative instruments, size of companies (including small caps companies) and currencies. The Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.4.3 Regional

LO Funds – US Equity Factor Enhanced

(hereinafter referred to as "US Equity Factor Enhanced")

A Sub-Fund invested in equity and equity related securities (including, but not limited to, warrants) issued by companies incorporated or exercising a prominent part of their business activities in the US, as well as any companies which are contained in the major US equity indices. The Investment Manager may implement qualitative and/or systematic strategies, including risk-based allocation methodologies to select equity securities and allocate capital across sectors. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets, sectors and currencies. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS) and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Emerging Equity Factor Enhanced

(hereinafter referred to as "Emerging Equity Factor Enhanced")

A Sub-Fund invested, at least two-thirds (2/3rds) of its portfolio, in equity securities issued by companies incorporated or exercising a prominent part of their business activities in the Emerging Market countries as listed in the MSCI Emerging Market Index. Up to one-third (1/3rd) of the portfolio may be invested in equity securities issued by other companies. The Sub-Fund may be invested in bonds convertible into equities, up to 10% of its Portfolio. The Investment Manager may implement qualitative and/or systematic strategies including the risk-based allocation methodologies to select equity securities and allocate capital across sectors and/or countries. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets, sectors, categories of financial derivative instruments, currencies (including local currencies) and size of companies (including small caps companies). Investments in markets which are not Regulated Markets shall in aggregate not exceed 10% of the Sub-Fund's net assets. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions and in accordance with the applicable diversification rules, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS) and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Europe Equity Factor Enhanced

(hereinafter referred to as "Europe Equity Factor Enhanced")

A Sub-Fund invested in equity and equity related securities (including, but not limited to, warrants) issued by companies incorporated or exercising a prominent part of their business activities in Europe. The Investment Manager may implement qualitative and/or systematic strategies, including risk-based allocation methodologies to select equity securities and allocate capital across sectors and/or countries. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets, sectors and currencies. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS) and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Europe High Conviction

(hereinafter referred to as "Europe High Conviction")

A Sub-Fund invested in equity securities issued by companies incorporated or exercising a prominent part of their business activities in countries of the EEA and Switzerland.

The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets, sectors, size of companies and currencies. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions and in accordance with the applicable diversification rules, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS) and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Eurozone Small and Mid Caps

(hereinafter referred to as "Eurozone Small & Mid Caps")

A Sub-Fund invested, at least 60% of its portfolio, in equity securities issued by small and mid cap companies, incorporated or exercising a prominent part of their business activities in countries whose currencies is the EUR. The Sub-Fund may invest up to 40% of its portfolio outside these parameters, in particular in companies incorporated or exercising a prominent part of their business activity in other European countries, excluding the United Kingdom, in equity securities issued by large companies (as considered in their respective markets); and also in warrants on securities where the underlying aim is to acquire an equity investment. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions and in accordance with the applicable diversification rules, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS) and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Japan Equity Factor Enhanced

(hereinafter referred to as "Japan Equity Factor Enhanced")

A Sub-Fund invested in equity and equity related securities (including, but not limited to, warrants) issued by companies incorporated or exercising a prominent part of their business activities in the Japan, as well as any companies which are contained in the major Japan equity indices. The Investment Manager may implement qualitative and/or systematic strategies, including risk-based allocation methodologies to select equity securities and allocate capital across sectors. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets, sectors and currencies. The Reference Currency is the JPY.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS) and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Alpha Japan

(hereinafter referred to as "Alpha Japan")

A Sub-Fund invested, at least two-thirds (2/3^{rds}) of its assets, in equity securities issued by companies incorporated or exercising a prominent part of their business activity in Japan. The Sub-Fund will be managed with a high degree of flexibility and discretion will be used with selection of sectors, style and market capitalisation. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Sub-Fund may hold up to 30% of its assets in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Reference Currency is the JPY.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Emerging Consumer

(hereinafter referred to as "Emerging Consumer")

A Sub-Fund invested in equities, equity related securities (including, but not limited to, warrants) of retail, and consumer related industries/companies (including, but not limited to, swaps providing long and/or short exposure to equity securities or options providing sovereign market exposure for hedging) issued by companies incorporated or exercising a prominent part of their business activities, directly or indirectly, in Emerging Markets. The Investment Manager may invest up to 40% of the Sub-Fund's portfolio outside these parameters, in particular (i) in companies exercising a prominent part of their business activities outside of Emerging Markets and/or in non-agriculture, non-retail, and non-consumer related industries and/or (ii) in currencies (including Emerging Market currencies). The Investment Manager may invest up to 10% of the Sub-Fund's assets in convertible bonds. Up to 10% of the Sub-Fund may be invested in China A-Shares which are shares issued by mainland China-based companies that trade on regulated exchanges but only available for purchase through certain trading facilities (such as Stock Connect) as further detailed in the risk factor 5.2.11 of the Risk Factors Section of the Prospectus.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The Investment Manager will implement its strategy primarily by investing in securities, listed derivatives, and synthetic derivative instruments of companies that it believes to be undervalued. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies. The Investment Manager will use its discretion with regard to the selection of markets, sectors, categories of financial derivative instruments, size of companies (including small caps companies) and currencies. The Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Asia Consumer

(hereinafter referred to as "Asia Consumer")

A Sub-Fund invested in bonds, other fixed or floating-rate debt securities and short-term debt instruments, convertible bonds, issued or guaranteed by Asian sovereign or non-sovereign issuers denominated in OECD currencies and/or Emerging Market currencies, equity and equity related securities issued by companies incorporated or exercising a prominent part of their business activities in Asia, with a specific focus on retail and consumer related companies, commodities (indices, UCIs and transferable securities), fixed income transferable securities issued or distributed outside of mainland China in renminbi and renminbi cash (offshore renminbi or "CNH"), currencies and/or Cash and Cash Equivalents. The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.7). Up to 15% of the Sub-Fund's portfolio may be invested in China A-Shares which are shares issued by mainland China-based companies that trade on regulated exchanges but only available for purchase through certain trading facilities (such as Stock Connect) as further detailed in the risk factor 5.2.11 of the Risk Factors Section of the Prospectus. Up to one-third (1/3rd) of the Sub-Fund's portfolio may be invested in similar securities as described above but issued or guaranteed by non-Asian sovereign or non-sovereign issuers or issuers not incorporated or exercising a prominent part of their business activities in Asia and/or not consumer related.

The Investment Manager will use its discretion with regard to the selection of instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies). The Investment Manager may implement qualitative and/or systematic strategies.

In addition to the above-mentioned investments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or Emerging Market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes, markets (including Emerging Markets) sectors, issuers and indices (including commodity indices). For this purpose, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to futures, swaps (in particular CFD), credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4.

The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Fundamental Equity Long/Short

(hereinafter referred to as "Fundamental Equity Long/Short")

A Sub-Fund invested in equity and equity related securities (including, but not limited to, warrants) issued by companies incorporated or exercising a prominent part of their business activities in developed markets, as well as in Cash and Cash Equivalents. The Investment Manager may invest up to one-third (1/3rd) of the Sub-Fund's portfolio outside these parameters, in particular in i) companies exercising a prominent part of their business activities in Emerging Markets, ii) bonds and fixed or floating-rate securities and/or iii) convertible bonds.

This Sub-Fund is not subject to the minimum rating described in paragraph 3.7.

The Investment Manager will implement its strategy by investing in companies that it believes to be undervalued and by using short derivative instruments to seek exposure to companies that it believes to be overvalued.

The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures (including, but not limited to, equity indices, commodity indices and currencies), CFD and swaps (including, but not limited to, CDS) in order to increase or reduce its exposure to specific markets, sectors, issuers, credit, interest rates and currencies. In certain circumstances, the net exposure of the Sub-Fund to financial markets may be negative.

Notwithstanding the limit above, the Investment Manager may fully invest the Sub-Fund's portfolio in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents), in accordance with the applicable diversification rules, (i) when the Investment Manager deems it appropriate for the implementation of the investment policy (such as investment in derivatives) or (ii) temporarily, in times of increasing volatility when, for instance, it considers the Sub-Fund should be positioned in a defensive way. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2

LO Funds – Swiss Equity

(hereinafter referred to as "Swiss Equity")

A Sub-Fund invested in equity securities issued by companies incorporated or exercising a prominent part of their business activities in Switzerland. Up to 10% of portfolio may be invested in other equity securities outside these parameters.

The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets, sectors, size of companies and currencies. The Reference Currency is the CHF.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions and in accordance with the applicable diversification rules, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS) and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.5 Description of Fixed-Income Sub-Funds

3.5.1 Government

LO Funds – Euro Government Fundamental
(hereinafter referred to as "Euro Government Fundamental")

A Sub-Fund invested, at least two-thirds (2/3[rds]) of its assets, in bonds, other fixed or floating rate debt securities and short-term debt securities, denominated in EUR, issued or guaranteed by sovereign issuers participating in the EMU and/or supranational institutions. Up to one-third (1/3[rd]) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including Emerging Market currencies), (ii) debt securities issued or guaranteed by sovereign issuers not participating in the EMU (including Emerging Market issuers), (iii) debt securities issued by non-sovereign/supranational issuers, (iv) currencies (including Emerging Market currencies) and/or (v) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager will use its discretion with regard to the maturity of the portfolio and the selection of currencies. The Sub-Fund may be exposed to a limited number of issuers.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Euro Inflation-Linked Fundamental
(hereinafter referred to as "Euro Inflation-Linked Fundamental")

A Sub-Fund invested, at least two-thirds (2/3[rds]) of its assets, in inflation-linked bonds, other fixed or floating-rate debt securities and short-term debt securities, denominated in EUR, issued or guaranteed by sovereign issuers participating in the EMU and/or supranational institutions. Up to one-third (1/3[rd]) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including Emerging Market currencies), (ii) debt securities issued or guaranteed by sovereign issuers not participating in the EMU (including Emerging Market issuers), (iii) debt securities issued by non-sovereign/supranational issuers, (iv) currencies (including Emerging Market currencies) and/or (v) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager will use its discretion with regard to the maturity of the portfolio and the selection of currencies. The Sub-Fund may be exposed to a limited number of issuers.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Global Government Fundamental
(hereinafter referred to as "Global Government Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities issued or guaranteed by sovereign issuers participating in the OECD and/or by supranational institutions. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities issued or guaranteed by sovereign issuers not participating in the OECD (including Emerging Market issuers), (ii) debt securities issued by non-sovereign/supranational institutions, (iii) currencies (including Emerging Market currencies) and/or (iv) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the maturity of the portfolio, the selection of currencies, the categories of financial derivative instruments and their underlying. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Global Inflation-Linked Fundamental
(hereinafter referred to as "Global Inflation-Linked Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in inflation-linked bonds, other fixed or floating-rate debt securities and short-term debt securities, denominated in any OECD currencies, issued or guaranteed by sovereign issuers participating in the OECD and/or supranational institutions. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities issued or guaranteed by sovereign issuers not participating in the OECD, (ii) debt securities issued by non-sovereign/supranational issuers, (iii) currencies (including Emerging Market currencies) and/or (iv) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager will use its discretion with regard to the maturity of the portfolio and the selection of currencies. The Sub-Fund may be exposed to a limited number of issuers.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.5.2 Aggregate

LO Funds – Swiss Franc Bond (Foreign)
(hereinafter referred to as "Swiss Franc Bond (Foreign)")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities, issued or guaranteed by sovereign or corporate issuers of a member State of the OECD, graded from AAA to BBB or equivalent by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager, it being precised that if a security is rated by more than one rating agency the lowest rating is considered as the valid one. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities issued or guaranteed by sovereign or corporate issuers not participating in the OECD, (ii) debt securities graded below BBB but not lower than B, or of equivalent quality in the opinion of the Investment Manager, (iii) Coco Bonds, (iv) currencies (including Emerging Market currencies) and/or (v) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. At least two-thirds (2/3rds) of the Sub-Fund's portfolio will be invested in CHF-denominated securities.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The Investment Manager will use its discretion with regard to the issuers, the maturity of the portfolio and the selection of currencies.

The investment approach applied by the Investment Manager is based on qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the CHF.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Absolute Return Bond
(hereinafter referred to as "Absolute Return Bond")

Objective

The Sub-Fund's objective is to generate returns uncorrelated to credit and interest rate cycles.

Strategies and portfolio construction

To achieve this aim, multiple strategies are followed where capital is dynamically allocated to various fixed income asset classes and different time horizons. Each strategy is managed by a specialized portfolio manager under the supervision of a Chief Investment Officer (CIO).

Risk is diversified among the various strategies that are built to maintain low correlations between each other. Monthly, the CIO reviews capital and risk allocations based on qualitative (macro opportunities, liquidity, momentum, convictions) and quantitative (performance, sharpe ratios, correlations between strategies) decision factors. The CIO controls the fund level risk factors and exposures and manages tail risks through a hedge book. To limit drawdowns, a stop-loss system is applied to each strategy and at the fund level. Breaching a stop-loss leads to reducing risk levels or liquidating the portfolio for a given period in order to allow a comprehensive re-assessment of the situation, strategy and market environment.

Strategies may include, without being exhaustive, (i) macro strategies seeking to capture macroeconomic trends and exploit mispricings arising from divergence between economic fundamentals and political/policy actions thus generating asymmetric risk/return opportunities, (ii) relative value strategies seeking to capture discrepancies in the valuation of securities with relatively similar economic or financial features.

To pursue the strategies the Sub-Fund invests in various financial derivative instruments such as interest rate swaps, credit default swaps, futures, forwards and options.

Investment policy

A Sub-Fund investing in (i) bonds, other fixed or floating-rate debt securities and short-term debt securities issued by sovereign or non-sovereign issuers denominated in any currencies (including Emerging Market currencies) and (ii) currencies including Emerging Market currencies. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) convertible bonds and/or (ii) Coco Bonds.

Exposure to the above-mentioned asset classes may be obtained either by direct investment or through financial derivative instruments as further detailed below.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

This Sub-Fund is not subject to the minimum rating described in paragraph 3.7. The Investment Manager will aim to achieve an absolute return target without reference to any market index weightings. In addition the investment approach applied by the Investment Manager is based on qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) , maturity of the portfolio and currencies (including Emerging Market currencies).

Notwithstanding the limit above, the Investment Manager may fully invest the Sub-Fund's portfolio, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) (i) when the Investment Manager deems it appropriate for the implementation of the investment policy (such as investment in derivatives) or (ii) temporarily, in times of increasing volatility when, for instance, it considers the Sub-Fund should be positioned in a defensive way. The Reference Currency is the EUR.As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

Global exposure and leverage

The Sub-Fund uses financial derivative instruments as part of its investment strategy and is expected to be leveraged. While leverage may present opportunities for increasing the Sub-Fund's total return, it also has the potential of increasing losses. The cumulative effect of the use of leverage by the Sub-Fund in a market that moves adversely to the Sub-Fund's investments could result in a substantial loss to the Sub-Fund.

The global exposure of the Sub-Fund is calculated following the absolute VaR approach. The expected level of leverage is 1,500%. Investors should note that the expected level of leverage can be exceeded in certain circumstances.

Leverage is defined as the sum of the absolute value of the notionals of the financial derivative instruments held in each Sub-Fund's portfolio (excluding the investment portfolio) divided by its total net assets and therefore does not take into account any netting and hedging arrangements. Leverage per se is not an accurate risk indicator as a higher degree of leverage does not necessarily imply a higher degree of risk.

Although this measure of gross notional leverage may in some instances reach what could be considered as high levels, it is expected that net leverage taking into account netting and hedging will be substantially lower as a large part of notional leverage will usually be generated through relative trades with offsetting exposures and/or short term derivatives which require larger notional amounts than longer term derivatives to generate a given level of risk.

As described in paragraph 4.2 (l), the risk budget of the Sub-Fund is continuously monitored through a value-at-risk (VaR) methodology with an aim to not exceed an estimated 1-month ex-ante absolute VaR of 10%. Portfolios below their risk budget are, under normal market conditions, statistically not expected to decline by more than this risk budget over one month with a confidence interval of 99%. This risk budget is set according to the risk profile of the Sub-Fund and is lower than the regulatory VaR limit of 20%.

3.5.3 Credit

LO Funds – Global Corporate Fundamental
(hereinafter referred to as "Global Corporate Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate issuers (including Emerging Market corporate issuers). Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities issued or guaranteed by sovereign (including Emerging Market sovereign issuers) and/or supranational issuers, (ii) Coco Bonds, (iii) currencies (including Emerging Market currencies) and/or (iv) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the maturity of the portfolio, the selection of currencies, the categories of financial derivative instruments and their underlying. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Euro Responsible Corporate Fundamental
(hereinafter referred to as "Euro Responsible Corporate Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate issuers denominated in EUR. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including Emerging Market currencies), (ii) debt securities issued or guaranteed by non-corporate issuers (including Emerging Market issuers), (iii) Coco Bonds and/or (iv) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules.

The investment approach applied by the Investment Manager to select securities will be based on responsible criteria which includes social, environmental, ethical and/or corporate governance factors and on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager will use its discretion with regard to sectors, geographical exposure and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issues and issuers.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Euro Credit Bond
(hereinafter referred to as "Euro Credit Bond")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of non-governmental issuers denominated in EUR. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including Emerging Market currencies), (ii) debt securities issued or guaranteed by governmental issuers, (iii) Coco Bonds and/or (iv) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund will be invested in securities graded at least BBB or equivalent by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. The Investment Manager will use its discretion with regard to sectors, geographical exposure and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issuers.

The investment approach applied by the Investment Manager is based on qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Global BBB-BB Fundamental
(hereinafter referred to as "Global BBB-BB Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of non-governmental issuers denominated in any currencies (including Emerging Market currencies) and graded either BBB, BB or equivalent by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities of governmental issuers, (ii) debt securities graded above BBB or below BB but not lower than B, or of equivalent quality in the opinion of the Investment Manager, (iii) Coco Bonds and/or in (iv) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The debt securities graded below BBB or equivalent by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager may not represent more than 40% of the Sub-Fund's assets. The Investment Manager will use its discretion with regard to sectors, geographical exposure (in particular, the Sub-Fund may be fully invested in Emerging Markets) and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issues and issuers.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Euro BBB-BB Fundamental

(hereinafter referred to as "Euro BBB-BB Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of non-governmental issuers denominated in EUR and graded either BBB, BB or equivalent by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities of governmental issuers, (ii) debt securities denominated in other currencies (including Emerging Market currencies), (iii) debt securities graded above BBB or below BB but not lower than B, or of equivalent quality in the opinion of the Investment Manager, (iv) Coco Bonds and/or in (v) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The debt securities graded below BBB or equivalent by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager may not represent more than 40% of the Sub-Fund's assets. The Investment Manager will use its discretion with regard to sectors, geographical exposure (including Emerging Markets) and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issues and issuers.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Swiss Franc Credit Bond (Foreign)

(hereinafter referred to as "Swiss Franc Credit Bond (Foreign)")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating rate debt securities and short-term debt securities denominated in CHF and graded from A to BBB or equivalent by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager, it being precised that if a security is rated by more than one rating agency the lowest rating is considered as the valid one. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including Emerging Market currencies), (ii) debt securities graded above A or of equivalent quality in the opinion of the Investment Manager, (iii) debt securities graded below BBB but not lower than B, or of equivalent quality in the opinion of the Investment Manager, (iv) Coco Bonds, (v) currencies (including Emerging Market currencies) and/or in (vi) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Investment Manager will use its discretion with regard to sectors, geographical exposure, maturity of the portfolio and the selection of currencies. The Sub-Fund may be exposed to a limited number of issuers. The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The investment approach applied by the Investment Manager is based on qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the CHF.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Ultra Low Duration Bond (USD)
(hereinafter referred to as "Ultra Low Duration Bond (USD)")

A Sub-Fund invested, for at least two-thirds (2/3[rds]) of its assets, in bank deposits, money market instruments (including short-term ABS/MBS which may represent up to 10% of investments), bonds, other fixed or floating-rate debt securities and short-term debt securities of governmental and/or corporate issuers rated BBB or above by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. Up to one-third (1/3[rd]) of the Sub-Fund's assets may be invested in (i) debt securities graded below BBB but not lower than B, or of equivalent quality in the opinion of the Investment Manager and/or (ii) convertible bonds. The Investment Manager will use its discretion with regard to sectors, geographical exposure (including Emerging Markets) and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issues and issuers. The maximum weighted average duration of the portfolio is no more than 365 days. Instruments may have a maximum residual maturity of three years, except for structured finance instruments (ABS/MBS) which must have an average life of 1 year or less.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate and currency derivatives) for hedging purposes and/or for EPM subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Ultra Low Duration Bond (EUR)
(hereinafter referred to as "Ultra Low Duration Bond (EUR)")

A Sub-Fund invested, for at least two-thirds (2/3[rds]) of its assets, in bank deposits, money market instruments (including short-term ABS/MBS which may represent up to 10% of investments), bonds, other fixed or floating-rate debt securities and short-term debt securities of governmental and/or corporate issuers rated BBB or above by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. Up to one-third (1/3[rd]) of the Sub-Fund's assets may be invested in (i) debt securities graded below BBB but not lower than B, or of equivalent quality in the opinion of the Investment Manager and/or (ii) convertible bonds. The Investment Manager will use its discretion with regard to sectors, geographical exposure (including Emerging Markets) and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issues and issuers. The maximum weighted average duration of the portfolio is no more than 365 days. Instruments may have a maximum residual maturity of three years, except for structured finance instruments (ABS/MBS) which must have an average life of 1 year or less.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate and currency derivatives) for hedging purposes and/or for EPM subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.5.4 Emerging

LO Funds – Emerging Local Currency Bond Fundamental
(hereinafter referred to as "Emerging Local Currency Bond Fundamental")

A Sub-Fund invested in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by Emerging Market sovereign entities or corporate entities incorporated or exercising a prominent part of their business activities in Emerging Markets, denominated in OECD currencies and/or Emerging Market currencies. In specific market conditions or where the Investment Manager considers it appropriate, the Sub-Fund may also invest in bonds, other fixed or floating-rate debt instruments and short-term debt instruments issued or guaranteed by sovereign OECD entities, denominated in OECD currencies. The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.7). The Investment Manager uses its discretion with regard to the selection of issuers and countries. Up to 35% of the Sub-Fund's portfolio may be invested in bonds issued or guaranteed by the Russian State admitted to Official Listing or dealt in a Regulated Market. Direct investments in Russian markets (other than investments traded on the Moscow Exchange) together with other investments traded through markets which are not Regulated Markets but which are, *inter alia*, transferable, liquid and have a value which can be accurately determined at any time shall in aggregate not exceed 10% of the Sub-Fund's net assets.

In addition to the investments in bonds and other debt securities and instruments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or Emerging Market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes (including equities), markets (including Emerging Markets) and indices (including commodity indices). For this purpose, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for EPM, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4.

The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The Sub-Fund may be fully invested in Emerging Markets. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.5.5 Convertibles

LO Funds – Convertible Bond
(hereinafter referred to as "Convertible Bond")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds convertible into equities and in associated instruments such as warrants and convertible preference shares, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in other transferable securities and/or in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may not hold more than 10% of its net assets in equity securities. The market value of the optional part of the synthetic convertible bonds shall be taken into account for the purpose of verifying compliance with the two-thirds ratio of the investment policy described above.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to, forwards, credit derivatives and interest rate derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may invest the assets of the Sub-Fund in securities or issuers graded B or better by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. The Investment Manager will use its discretion with regard to the selection of instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies). The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Global Convertible Bond Defensive Delta
(hereinafter referred to as "Global Convertible Bond Defensive Delta")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds convertible into equities and in associated instruments such as warrants and convertible preference shares, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in other transferable securities and/or in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may not hold more than 10% of its net assets in equity securities. The market value of the optional part of the synthetic convertible bonds shall be taken into account for the purpose of verifying compliance with the two-thirds ratio of the investment policy described above. The Investment Manager will seek to keep the weighted average delta of the Sub-Fund at or below 40%. The delta refers to the sensitivity of the price of a convertible bond to the change in price of the underlying equities.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to, forwards, credit derivatives and interest rate derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may invest the assets of the Sub-Fund in securities or issuers graded B or better by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. The Investment Manager will use its discretion with regard to the selection of instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies). The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Convertible Bond Asia
(hereinafter referred to as "Convertible Bond Asia")

A Sub-Fund invested, at least two-thirds (2/3rds) of its portfolio, in bonds convertible into equities of companies incorporated or exercising a prominent part of their business activities in the Asian area, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds. The Sub-Fund may invest up to one-third (1/3rd) of its portfolio in other transferable securities and/or Cash and Cash Equivalents. The Sub-Fund may not hold more than 10% of its net assets in equity securities. The market value of the optional part of the synthetic convertible bonds shall be taken into account for the purpose of verifying compliance with the two-thirds ratio of the investment policy described above. The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to, forwards, credit derivatives and interest rate derivatives) not only for hedging purposes or for EPM but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may invest the assets of the Sub-Fund in securities or issuers graded B or better by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. The Investment Manager will use its discretion with regard to the selection of instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies). The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions and in accordance with the applicable diversification rules, hold on a temporary and ancillary basis up to one-third (1/3rd) of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.5.6 Other

LO Funds – CAT Bonds
(hereinafter referred to as "CAT Bonds")

Objective

The Sub-Fund's objective is to generate returns through investments in a number of selected catastrophe bonds ("CAT Bonds"). Furthermore, the sub-fund seeks in principle to achieve a low correlation to the returns of traditional bond and equity investments.

CAT Bonds Definition

CAT Bonds are financial securities that transfer insurance risk to the capital markets. The investor in such securities receives a coupon made up of a floating money market component and an insurance premium. The premium compensates the investor for bearing the risk of a partial or total loss of nominal value and interest resulting from the occurrence of extraordinary predefined events such as, but not limited to, an earthquake or a hurricane. CAT Bonds are generally uncorrelated or have low correlation with traditional financial markets.

CAT Bonds may or may not be rated by an independent rating agency. Rating is based on the probability of a claim, the expected loss and the nature of risks covered in models provided by independent modelling agencies.

CAT Bonds considered as potential investments are structured notes issued by special purpose vehicles ("SPV"). The Sub-Fund only invests in CAT Bonds which qualify as transferable securities within the meaning of article 41(1) of the Law and article 2 of the Grand Ducal Regulation dated 8 February 2008 relating to certain definitions of the Law. CAT Bonds do not embed financial derivative instruments as defined in article 10 of the Grand Ducal Regulation dated 8 February 2008.

Investment policy

To achieve its objective, the Sub-Fund invests in CAT Bonds. In addition, the Sub-Fund may invest in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by sovereign or non-sovereign issuers and/or Cash and Cash Equivalents, denominated in any OECD currencies. The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.7 and unrated securities). This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. The Investment Manager uses its discretion with regard to the selection of issuers, perils, markets and OECD currencies. The Sub-Fund will not invest in instruments linked to life settlements.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to currency forwards and currency swaps) for hedging purposes or for EPM.

The Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

The Reference Currency is the USD.

Investment Process

The core investment approach and process combines two building blocks, namely actuarial and financial analysis, in an attempt to construct a portfolio that delivers performance in line with the targets and respects pre-defined risk limits.

In a first step, a fundamental bottom-up analysis is performed using actuarial analytical tools, in line with the specific characteristics of CAT Bonds. The CAT Bonds available in the primary and secondary markets are analysed according to pre-defined criteria such as the type of risk being transferred, the structure's specific features, the market conditions and the ceding company's business, as well as the effect on the risk/return profile of the portfolio.

Analysis of individual securities is based on information gathered from independent sources such as rating agencies, risk modelling firms, brokers, and consultants. The CAT Bonds investment team uses a combination of internal tools and an insurance risk modelling software licensed from an independent vendor to model the underlying event risk. The findings are summarized in a rating as well as a CAT Bond due diligence report that defines the investable universe.

In a second step, a top-down (financial) analysis is applied. Since CAT Bonds are fixed income instruments with a pre-defined risk/return profile, the team has developed a proprietary optimisation tool that takes into account the distributional properties of CAT Bonds while allowing for fulfillment of the desired restrictions and diversification guidelines. The output of this quantitative process is an optimal portfolio allocation.

The outcome of these building blocks defines the potential trade list, which the team looks to execute in the market in order to build the portfolio.

In addition to the general risks described further below and in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2 as well as 5.2.15.

3.6 Description of Short-Term Money Market Sub-Funds

LO Funds – Short-Term Money Market (EUR)
(hereinafter referred to as "Short-Term Money Market (EUR)")

A Sub-Fund invested in bank deposits, money market instruments and short-term debt instruments (e.g. ECP, T-Bills, CDs) and other fixed- or variable-rate securities, denominated in OECD currencies and/or Emerging Market currencies, with the objective to provide a return in line with money market rates. The entire portfolio of the Sub-Fund may not have an average residual term of more than 120 days. Instruments are of high quality and may have a maximum residual maturity of 397 days. The weighted average maturity of the portfolio is no more than 60 days. Up to 10% of the Sub-Fund's assets may be invested in ABS/MBS. The Reference Currency is the EUR.

The Sub-Fund has to invest in securities of high quality as determined by the Investment Manager. In order to determine the high quality credit factor, the Investment Manager assesses the attributes of each security before any purchase, including but not limited to the rank (senior, subordinated, covered), the type of coupon (fixed, floating, zero), the size of the issue, the size of the issuer, the number of quotations in the market (liquidity impact), the liquidity of proxies, the market of the issue, the type of guarantee, the currency, the country of the issuer, the country of the issue, the maturity of the issue and the available rating of the issue and the issuer. Moreover the Investment Manager monitors this credit assessment on an ongoing basis.

The Sub-Fund will not invest in units of UCIs. As mentioned in paragraph 3.1, the Sub-Fund may use financial derivative instruments, whose underlying will only be instruments compliant with the investment policy as described above, for hedging purposes, and always in compliance with rules provided for in paragraph 11. of Box 2 of "CESR Guidelines on a common definition of European money market funds". The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Short-Term Money Market (USD)
(hereinafter referred to as "Short-Term Money Market (USD)")

A Sub-Fund invested in bank deposits, money market instruments and short-term debt instruments (e.g. ECP, T-Bills, CDs) and other fixed- or variable-rate securities, denominated in OECD currencies and/or Emerging Market currencies, with the objective to provide a return in line with money market rates. The entire portfolio of the Sub-Fund may not have an average residual term of more than 120 days. Instruments are of high quality and may have a maximum residual maturity of 397 days. The weighted average maturity of the portfolio is no more than 60 days. Up to 10% of the Sub-Fund's assets may be invested in ABS/MBS. The Reference Currency is the USD.

The Sub-Fund has to invest in securities of high quality as determined by the Investment Manager. In order to determine the high quality credit factor, the Investment Manager assesses the attributes of each security before any purchase, including but not limited to the rank (senior, subordinated, covered), the type of coupon (fixed, floating, zero), the size of the issue, the size of the issuer, the number of quotations in the market (liquidity impact), the liquidity of proxies, the market of the issue, the type of guarantee, the currency, the country of the issuer, the country of the issue, the maturity of the issue and the available rating of the issue and the issuer. Moreover the Investment Manager monitors this credit assessment on an ongoing basis.

The Sub-Fund will not invest in units of UCIs. As mentioned in paragraph 3.1, the Sub-Fund may use financial derivative instruments, whose underlying will only be instruments compliant with the investment policy as described above, for hedging purposes, and always in compliance with rules provided for in paragraph 11. of Box 2 of "CESR Guidelines on a common definition of European money market funds". The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Short-Term Money Market (GBP)
(hereinafter referred to as "Short-Term Money Market (GBP)")

A Sub-Fund invested in bank deposits, money market instruments and short-term debt instruments (e.g. ECP, T-Bills, CDs) and other fixed- or variable-rate securities, denominated in OECD currencies and/or Emerging Market currencies, with the objective to provide a return in line with money market rates. The entire portfolio of the Sub-Fund may not have an average residual term of more than 120 days. Instruments are of high quality and may have a maximum residual maturity of 397 days. The weighted average maturity of the portfolio is no more than 60 days. Up to 10% of the Sub-Fund's assets may be invested in ABS/MBS. The Reference Currency is the GBP.

The Sub-Fund has to invest in securities of high quality as determined by the Investment Manager. In order to determine the high quality credit factor, the Investment Manager assesses the attributes of each security before any purchase, including but not limited to the rank (senior, subordinated, covered), the type of coupon (fixed, floating, zero), the size of the issue, the size of the issuer, the number of quotations in the market (liquidity impact), the liquidity of proxies, the market of the issue, the type of guarantee, the currency, the country of the issuer, the country of the issue, the maturity of the issue and the available rating of the issue and the issuer. Moreover the Investment Manager monitors this credit assessment on an ongoing basis.

The Sub-Fund will not invest in units of UCIs. As mentioned in paragraph 3.1, the Sub-Fund may use financial derivative instruments, whose underlying will only be instruments compliant with the investment policy as described above, for hedging purposes, and always in compliance with rules provided for in paragraph 11. of Box 2 of "CESR Guidelines on a common definition of European money market funds". The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Short-Term Money Market (CHF)
(hereinafter referred to as "Short-Term Money Market (CHF)")

A Sub-Fund invested in bank deposits, money market instruments and short-term debt instruments (e.g. ECP, T-Bills, CDs) and other fixed- or variable-rate securities, denominated in OECD currencies and/or Emerging Market currencies, with the objective to provide a return in line with money market rates. The entire portfolio of the Sub-Fund may not have an average residual term of more than 120 days. Instruments are of high quality and may have a maximum residual maturity of 397 days. The weighted average maturity of the portfolio is no more than 60 days. Up to 10% of the Sub-Fund's assets may be invested in ABS/MBS. The Reference Currency is the CHF.

The Sub-Fund has to invest in securities of high quality as determined by the Investment Manager. In order to determine the high quality credit factor, the Investment Manager assesses the attributes of each security before any purchase, including but not limited to the rank (senior, subordinated, covered), the type of coupon (fixed, floating, zero), the size of the issue, the size of the issuer, the number of quotations in the market (liquidity impact), the liquidity of proxies, the market of the issue, the type of guarantee, the currency, the country of the issuer, the country of the issue, the maturity of the issue and the available rating of the issue and the issuer. Moreover the Investment Manager monitors this credit assessment on an ongoing basis.

The Sub-Fund will not invest in units of UCIs. As mentioned in paragraph 3.1, the Sub-Fund may use financial derivative instruments, whose underlying will only be instruments compliant with the investment policy as described above, for hedging purposes, and always in compliance with rules provided for in paragraph 11. of Box 2 of "CESR Guidelines on a common definition of European money market funds". The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.7 Investment-Grade Rating and Lower Grade Securities

According to generally accepted rating principles in the financial services industry, investments in debt securities are classified in two broad categories:

- Investment-grade securities with ratings by Fitch, S&P or Moody’s ranging from AAA (Aaa) to BBB (Baa);
- Speculative investments with ratings of BB (Ba) and below.

For the purpose of the foregoing securities rating limitations, a security will be deemed to be within the relevant rating category even if the rating agency has assigned a modifier, such as a "minus", to the rating. For example, a security rated A- by S&P will be deemed to be rated A by S&P for these purposes.

In the absence of a rating from the rating agencies (such as, but not limited to, Fitch, S&P or Moody's),

- in case of government bonds or government money market instruments, the equivalent long term debt sovereign rating of the country may be used as an alternative for the rating of these securities;
- in case of bonds or money market instruments issued by a corporate, the available rating of the issuer may be used as an alternative for the rating of these securities.

If finally, no rating is available from the rating agencies, or, if so described in the relevant investment policy, the Investment Manager will be entitled to invest in securities which, in his opinion, are deemed to be within the relevant rating category. When rating agencies assign different ratings to a given security, the Investment Manager may consider the highest rating as the valid one unless otherwise mentioned in the relevant investment policy.

The Asset Allocation and Fixed-Income Sub-Funds will be invested in bonds, fixed or floating-rate securities and short-term-debt securities of high quality (A or better, or of equivalent quality in the opinion of the Investment Manager) unless otherwise mentioned in the description of a particular Sub-Fund. For the Short-Term Money Market Sub-Funds, money market instruments should be awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument or, if the instrument is not rated, should be of an equivalent quality in the opinion of the Investment Manager.

However, all Sub-Funds (except the Short-Term Money Market Sub-Funds) using credit derivatives may, in the case of a credit event, have to accept delivery of non-investment-grade bonds.

Units of permitted UCIs with, according to their investment policy, at least 50% of their assets invested in fixed-income securities will be deemed to be investment-grade debt securities unless otherwise provided in the description of the investment policy of the collective investment vehicle.

Risks related to investments in below investment-grade securities are described in paragraph 5.2.5.

3.8 Swap strategies

The Company has implemented the following swap strategies for certain Sub-Funds. The investment policy of the relevant Sub-Funds indicates which of these strategies are pursued.

3.8.1 Commodity Swap

Mechanism of the Commodity Swap

By means of the Swap, the Sub-Fund and each counterparty to the Swaps (the "Swap Counterparties") agree to exchange all or part of the subscription monies against the performance of the LOIM Commodity Index (the "Index" related to the Commodity Swap), less fees and expenses charged by the Swap Counterparties which in normal market conditions should not exceed 0.50% per annum of the Net Asset Value of the Sub-Fund. The net of fee performance of the Index (either positive or negative) is then transferred to the Sub-Fund through a daily mark-to-market valuation of the Swaps. The Sub-Fund will have to make a payment in USD to the Swap Counterparties in the event that the Index decreases in value. By contrast, the Swap Counterparties will have to make a payment to the Sub-Fund in the event that the Index increases in value.

As the Swaps are OTC transactions, the risk exposure of the Sub-Fund to each Swap Counterparty will increase when there is an increase of value of the Index. The risk exposure of the Sub-Fund to the Swap Counterparties will not exceed the limits permitted by the Investment Restrictions described in Section 4. The Sub-Fund and the Swap Counterparties will reduce their respective counterparty risk by transferring cash amounts being equivalent to the positive or negative performance of the Index in accordance with the 2010 Law and applicable CSSF circulars. However, in order to reduce the Sub-Fund's exposure to the risk related to the Swap Counterparties, cash transfers are made as soon as the threshold of USD 300,000 per Swap Counterparty is reached. The collateral transferred to the Sub-Fund will be held by the Custodian.

General description of the Index

This Section is a summary description of the Index. For a complete description of the Index, please refer to the index rule book of the Index (the "Index Rule Book" related to the Commodity Swap), published on the website www.loim.com and which may be obtained at the registered office of the Company on request free of charge.

The Index is compliant with article 44 of the 2010 Law, article 9 of the Grand-Ducal Regulation of 8 February 2008 as well as CSSF Circular 08/339 (as amended by CSSF Circular 08/380) and CSSF Circular 14/592.

The Index is intended to capture the performance of 18 commodities within four broad commodity sectors (*i.e.*, precious metals, industrial metals, energy and agriculture – ex-essential food), through investment in the relevant LOIM Dynamic Roll Commodity Mono Indices (the "Mono Indices") as defined in the Index Rule Book (each a "Component"). For a complete description of the Mono Indices, please refer to the Family Index Rule Book published on the website www.loim.com and which may be obtained free of charge at the registered office of the Company on request.

Index Component	Component Type	BBG	Replication Costs
1. LOIM Dynamic Roll Crude Oil ER	Crude Oil	LOIMDRCL	See Index Rule Book
2. LOIM Dynamic Roll Natural Gas ER	Natural Gas	LOIMDRNG	See Index Rule Book
3. LOIM Dynamic Roll Brent ER	Brent	LOIMDRCO	See Index Rule Book
4. LOIM Dynamic Roll Heating Oil ER	Heating Oil	LOIMDRHO	See Index Rule Book
5. LOIM Dynamic Roll Gasoil ER	Gasoil	LOIMDRQS	See Index Rule Book
6. LOIM Dynamic Roll Unleaded Gasoline ER	Unleaded Gasoline	LOIMDRXB	See Index Rule Book
7. LOIM Dynamic Roll Live Cattle ER	Live Cattle	LOIMDRLC	See Index Rule Book
8. LOIM Dynamic Roll Lean Hogs ER	Lean Hogs	LOIMDRLH	See Index Rule Book
9. LOIM Dynamic Roll Sugar ER	Sugar	LOIMDRSB	See Index Rule Book
10. LOIM Dynamic Roll Coffee ER	Coffee	LOIMDRKC	See Index Rule Book
11. LOIM Dynamic Roll Cotton ER	Cotton	LOIMDRCT	See Index Rule Book
12. LOIM Dynamic Roll Cocoa ER	Cocoa	LOIMDRCC	See Index Rule Book
13. LOIM Dynamic Roll Copper ER	Copper	LOIMDRLP	See Index Rule Book
14. LOIM Dynamic Roll Aluminium ER	Aluminium	LOIMDRLA	See Index Rule Book
15. LOIM Dynamic Roll Zinc ER	Zinc	LOIMDRLX	See Index Rule Book
16. LOIM Dynamic Roll Nickel ER	Nickel	LOIMDRLN	See Index Rule Book
17. LOIM Dynamic Roll Silver ER	Silver	LOIMDRSI	See Index Rule Book
18. LOIM Dynamic Roll Gold ER	Gold	LOIMDRGC	See Index Rule Book

The Index is calculated on a daily basis and its value is expressed in USD. The daily value is published under Bloomberg code: LOIMCOMO Index and Reuters code: .LOIMCOMO. The Index is calculated on an excess return basis. As a consequence, the Index value reflects a cashless investment strategy calculated from a value derived from the value of the Components. The Components are listed futures contracts which require little or no cash to invest in those listed contracts in order to obtain the economic exposure and risk attaching to such contracts.

Each Component aims to provide exposure to one of the 18 commodities and is constructed by taking exposure, in its respective commodity market, to future contracts with a given tenor and, prior to maturity, "rolling" it into replacement future contracts. In order to reduce the potentially negative effect of rolling futures contracts which are due to expire, the future contracts are selected using an optimization model (described in Section 6 of the Family Index Rule Book) which takes into account the shape of the forward curve for the Index Commodity. Investors in the Index are therefore exposed to gains or losses connected with the process of buying and selling future contracts.

The Components of the Index may be volatile. Such volatility may have an impact on the NAV of the Sub-Fund in several ways.

The value of each Component (and thus the value of the Index) will, under normal conditions, increase if the value of its corresponding future contract goes up and decrease if the value of its corresponding future contract goes down.

The composition and weighting of the Index are determined using a fully transparent rule-based methodology: the Risk Parity Methodology. According to such methodology the weight of each commodity is adjusted so that its contribution to the risk of the total portfolio tends to be equivalent to other commodities. Other things equal, the higher the risk of fluctuation of the value of a commodity, the lower its weight in the Index. For each commodity, the risk is calculated using proprietary models analyzing historical price movements. As certain commodities tend to exceptionally overweight all other commodities in terms of volume trading in the selected reference commodity market, this may justify an allocation for a single Component above the 20% limitation and up to 35%.

The Index is rebalanced systematically on a monthly basis using the Risk Parity Methodology developed by the Investment Manager. The Index rebalancing takes place on the 5th Business Day of each month.

The current composition of the Index and the weightings of its Components will be made available on www.loim.com.

The composition, methodology and calculation of the Index may be adjusted in the event of (i) certain adjustments or disruptive events in relation to a Component which affect the ability of the sponsor of the Index to properly determine the value of the Index and (ii) certain "force majeure" events outside the reasonable control of the sponsor of the Index (including but not limited to, systems failure, natural or man-disaster, armed conflict or act of terrorism) which could affect any Component.

The Index Sponsor (as defined in the Index Rule Book) may amend the methodology of the Index in a manner that it may deem necessary if the fiscal, market, regulatory, juridical and financial circumstances require such modification.

The Index Sponsor reserves the right to amend or adjust the Index methodology from time to time as specified in the Index Rule Book. According to Section 4 of the Index Rule Book, the Index Calculation Agent (as defined in the Index Rule Book) and the Index Sponsor may delay or suspend the calculation, and publication of the Index. The Index Sponsor, and where applicable, the Index Calculation Agent disclaim(s) any liability for any such suspension or interruption in the calculation of the Index.

The Index Calculation Agent may act in a number of different capacities in relation to the Index and/or products linked to the Index, which may include, but not be limited to, acting as Swap(s) counterparty, market-maker, hedging counterparty, issuer of components of the Index and/or Index Sponsor. Such activities could result in potential conflicts of interest that could influence the price or value of the Swap(s).

The Index Calculation Agent and the Index Sponsor shall not be held liable for any modification or change in the Risk Parity Methodology (as described in Section 6 of the Index Rule Book) used in calculating the Index nor for the Monthly Target Weights determined by the Index Adviser (as defined in the Index Rule Book).

Investors should note that the Net Asset Value per Share of the Sub-Fund will not track the "spot price" of the underlying commodities of the Index as the Net Asset Value per Shares is impacted by (i) the Index replication costs as described in Section 1 of the Index Rule Book, (ii) the fees and expenses charged by the Swap Counterparty(ies) as described above and (iii) the Charges and Expenses described in Section 11, and in particular the Management Fees and the Distribution Fees. Also, in normal market conditions, the anticipated level of tracking error defined as the volatility of the difference between the return of the Sub-Fund and the return of the Index is between 0.5% and 1%. The Sub-Fund’s ability to track the performance of the Index will depend on factors such as replication costs, cash management, swap notional adjustment (linked to cash flows), market disruption events (as detailed in the Index Rule Book) and foreign exchange hedging for hedged share classes.

3.8.2 Backwardation Swap

Mechanism of the Backwardation Swap

By means of the Backwardation Swap, the Sub-Fund and the counterparties to the Backwardation Swap (the "Swap Counterparties") agree to exchange part of the subscription monies against the performance of the LOIM Long/Short Commodity Backwardation Index (the “Index” related to the Backwardation Swap), less fees and expenses charged by the Swap Counterparties which in normal market conditions should not exceed 0.50% per annum of the Net Asset Value of the Sub-Fund. The net of fee performance of the Index (either positive or negative) is then transferred to the Sub-Fund through a daily mark-to-market valuation of the Backwardation Swap. The Sub-Fund will have to make payments in USD to the Swap Counterparties in the event that the Index decreases in value. By contrast, the Swap Counterparties will have to make a payment in USD to the Sub-Fund in the event that the Index increases in value.

As the Backwardation Swap is an OTC transaction, the risk exposure of the Sub-Fund to each Swap Counterparty will increase when there is an increase of value of the Index. The risk exposure of the Sub-Fund to the Swap Counterparties will not exceed the limits permitted by the Investment Restrictions described in Section 4. The Sub-Fund and the Swap Counterparties will reduce their respective counterparty risk by transferring cash amounts in USD corresponding to the positive or negative performance of the Index in accordance with the 2010 Law and applicable CSSF circulars. The collateral transferred to the Sub-Fund will be held by the Custodian.

General description of the Index

This section is a summary description of the Index. For a complete description of the Index, please refer to the index rule book of the Index (the "Index Rule Book" related to the Backwardation Swap), published on the website www.loim.com and which may be obtained at the registered office of the Company on request free of charge.

The Index is compliant with article 44 of the 2010 Law, article 9 of the Grand-Ducal Regulation of 8 February 2008 as well as CSSF Circular 08/339 (as amended by CSSF Circular 08/380) and CSSF Circular 14/592.

The Index is intended to capture the relative performance of 16 commodities within 4 commodity sectors (*i.e.*, energy, industrial metals, precious metals and agriculture (ex-essential food) through a systematic long/short strategy. The Index invests through the relevant S&P GSCI Indices ((each a "Component"), as calculated by Standard & Poor's) as defined in the Index Rule Book.

Eligible Underlying Index Table			
Position	**Bloomberg**	**Eligible Underlying Index**	**Component Type**
1	SG3MCCP	S&P GSCI 3 Month Forward Cocoa Index ER	Cocoa
2	SG3MCLP	S&P GSCI 3 Month Forward Crude Oil Index ER	Crude Oil
3	SG3MBRP	S&P GSCI 3 Month Forward Brent Crude Index ER	Brent
4	SG3MCTP	S&P GSCI 3 Month Forward Cotton Index ER	Cotton
5	SG3MGCP	S&P GSCI 3 Month Forward Gold Index ER	Gold
6	SG3MHOP	S&P GSCI 3 Month Forward Heating Oil Index ER	Heating Oil
7	SG3MKCP	S&P GSCI 3 Month Forward Coffee Index ER	Coffee
8	SG3MIAP	S&P GSCI 3 Month Forward Aluminum Index ER	Aluminium
9	SG3MIKP	S&P GSCI 3 Month Forward Nickel Index ER	Nickel
10	SG3MICP	S&P GSCI 3 Month Forward Copper Index ER	Copper
11	SG3MIZP	S&P GSCI 3 Month Forward Zinc Index ER	Zinc
12	SG3MNGP	S&P GSCI 3 Month Forward Natural Gas Index ER	Natural Gas
13	SG3MGOP	S&P GSCI 3 Month Forward Gasoil Index ER	Gasoil
14	SG3MSBP	S&P GSCI 3 Month Forward Sugar Index ER	Sugar
15	SG3MSIP	S&P GSCI 3 Month Forward Silver Index ER	Silver
16	SG3MHUP	S&P GSCI 3 Month Forward Unleaded Gasoline Index ER	Unleaded gasoline

The Index is calculated on a daily basis and its value is expressed in USD. The daily value is published under Bloomberg code: SGCOM98E Index. The Index is calculated on an excess return basis. As a consequence, the Index value reflects a cashless investment strategy calculated from a value derived from the value of the Components. The Components are made of listed futures contracts which require little or no cash to invest in those listed contracts in order to obtain the economic exposure and risk attaching to such contracts.

The replication cost relating to the Index is disclosed in the Index Rule Book.

The composition and weighting of the Index are determined using a linear weight allocation scheme, with weights further adjusted according to a predefined volatility target. Other things equal, the bigger the positive roll yield, the higher the respective weight in the Index. As certain commodities tend to exceptionally overweight all other commodities in terms of volume trading in the selected reference commodity market, this may justify an allocation for a single Component above the 20% limitation and up to 35%.

The Index is rebalanced systematically on a monthly basis. The Index rebalancing takes place on the 5th Business Day of each month.

The current composition of the Index and the weightings of its Components will be made available on www.loim.com.

The composition, methodology and calculation of the Index may be adjusted in the event of (i) certain adjustments or disruptive events in relation to any future commodities which affect the ability of the sponsor of the Index to properly determine the value of the Index and (ii) certain "force majeure" events outside the reasonable control of the sponsor of the Index (including but not limited to, systems failure, natural or man-disaster, armed conflict or act of terrorism) which could affect any future commodities.

The Index Sponsor (as defined in the Index Rule Book) may amend the methodology of the Index in a manner that it may deem necessary if the fiscal, market, regulatory, juridical and financial circumstances require such modification.

The Index Sponsor reserves the right to amend or adjust the Index methodology from time to time as specified in the Index Rule Book. According to section 4 of the Index Rule Book, the Index Calculation Agent (as defined in the Index Rule Book) and the Index Sponsor may delay or suspend the calculation, and publication of the Index. The Index Sponsor, and where applicable, the Index Calculation Agent disclaim(s) any liability for any such suspension or interruption in the calculation of the Index.

The Index Calculation Agent may act in a number of different capacities in relation to the Index and/or products linked to the Index, which may include, but not be limited to, acting as Swap(s) counterparty, market-maker, hedging counterparty and/or Index Sponsor. Such activities could result in potential conflicts of interest that could influence the price or value of the Swap(s).

The Index Calculation Agent and the Index Sponsor shall not be held liable for any modification or change in the Methodology (as described in section 3 of the Index Rule Book) used in calculating the Index.

3.8.3 Long/Short Equity Swap

Mechanism of the Long/Short Equity Swap

By means of the Long/Short Equity Swap, the Sub-Fund and the counterparty (which shall be a first-class financial institution) to the Long/Short Equity Swap (the “Swap Counterparty”) agree to exchange monies against the performance of a basket of equity instruments (the “Basket”) which is designed to capture the comparative performance of a synthetic long position on an advised basket of shares (LOIM Panier Dynamique World) against the performance of a synthetic short position on MSCI World Index (MSCI Daily TR Gross World USD). The LOIM Panier Dynamique World is composed of stocks which are part of the MSCI World Index. The selection of these shares is based on a model developed by the Investment Manager which includes several factors such as "value", "momentum", "quality" and "low risk". The allocation of the selected stocks is determined by the Risk Parity Methodology. The composition and allocation of the LOIM Panier Dynamique World is rebalanced on a quarterly basis and may thus vary overtime. The performance of the Basket (either positive or negative) is transferred to the Sub-Fund through a daily mark-to-market valuation of the Long/Short Equity Swap. The Sub-Fund will have to make payments in USD to the Swap Counterparty in the event that the Basket decreases in value. By contrast, the Long/Short Equity Swap Counterparty will have to make a payment in USD to the Sub-Fund in the event that the Basket increases in value.

As the Long/Short Equity Swap is an OTC transaction, the risk exposure of the Sub-Fund to the Swap Counterparty will increase when there is an increase of value of the Basket. The risk exposure of the Sub-Fund to the Swap Counterparty will not exceed the limits permitted by the Investment Restrictions described in Section 4. The Sub-Fund and the Swap Counterparty will reduce their respective counterparty risk by transferring cash amounts in USD corresponding to the positive or negative performance of the Index in accordance with the 2010 Law and applicable CSSF circulars. The collateral transferred to the Sub-Fund will be held by the Custodian.

General description of the Basket

The Basket is composed as follows:

i	Constituents	Bloomberg Ticker	Currency	Exposure
1	LOIM Panier Dynamique World	IND1LOBU	USD	Long
2	MSCI Daily TR Gross World USD	GDDUWI	USD	Short

Any change in the composition of the LOIM Panier Dynamique World is solely at the initiative of the Investment Manager.

3.8.4 Basket Swap

By means of the Swap, the Sub-Fund and the counterparty (which shall be a first-class financial institution) to the Swap (the "Swap Counterparty") agree to exchange monies against the performance of a basket (the "Basket") which is designed to capture the performance of long and short positions on several constituents. The Basket is composed of several asset classes including interest rates, credit, currencies, equity and volatility. The directional exposure of the constituents is based on a trend following model. Exposure to these assets is achieved either directly or through the use of financial derivative instruments. The allocation of the assets is determined by a risk-based methodology. The composition and allocation of the Basket is rebalanced on a weekly basis and may thus vary overtime.

The performance of the Basket (either positive or negative) is transferred to the Sub-Fund through a daily mark-to-market valuation of the Swap. The Sub-Fund will have to make payments in USD to the Swap Counterparty in the event that the Basket decreases in value. By contrast, the Swap Counterparty will have to make a payment in USD to the Sub-Fund in the event that the Basket increases in value.

As the Swap is an OTC transaction, the risk exposure of the Sub-Fund to the Swap Counterparty will increase when there is an increase of value of the Basket. The risk exposure of the Sub-Fund to the Swap Counterparty will not exceed the limits permitted by the Investment Restrictions described in Section 4. The Sub-Fund and the Swap Counterparty will reduce their respective counterparty risk by transferring cash amounts in USD corresponding to the positive or negative performance of the Basket in accordance with the 2010 Law and applicable CSSF circulars. The collateral transferred to the Sub-Fund will be held by the Custodian.

General description of the Basket

The Basket is composed as follows:

(i)	Bloomberg	Name	Type	Currency
1	Notional index	S&P 500	Derivative	USD
2	Notional index	NIKKEI	Derivative	JPY
3	Notional index	FTSE 100	Derivative	GBP
4	Notional index	Eurostoxx 50	Derivative	EUR
5	SGIXCN Index	SGI – Canada Govt Bonds 10Y	index	CAD
6	SGIXGILT Index	SGI Gilt	index	GBP
7	SGIXJB10 Index	Japan Govt Bonds 10Y	index	JPY
8	SGIXRX Index	SGI Bund Index	index	EUR
9	SGIXTY10 Index	SGI – 10Y US Treasury	index	USD
10	SGIXXM Index	SGI Australian 10Y TB	index	AUD
11	SGIFXAUU Index	SGI FX - AUD/USD in USD	index	USD
12	SGIFXGBU Index	SGI FX - GBP/USD in USD	index	USD
13	SGIFXEUU Index	SGI FX - EUR/USD in USD	index	USD
14	SGIFXJPU Index	SGI FX - JPY/USD in USD	index	USD
15	SGIFXNZU Index	SGI FX - NZD/USD in USD	index	USD
16	Notional index	VIX	Derivative	USD
17	SGIXCAHY Index	SGI Credit NA HY 100	index	USD
18	SGIXCEXO Index	SGI Credit Europe XO	index	EUR

Any change in the composition of the Basket is solely at the initiative of the Investment Manager while the Swap Counterparty flags cases of illiquidity or non-tradability of certain Basket constituents.

3.9 Performance of the Sub-Funds

A graph, showing the past performances of those Sub-Funds which have existed for at least one complete calendar year, is contained in the respective key investor information document.

4. INVESTMENT RESTRICTIONS

4.1 Eligible Assets

Whilst the Company has broad powers under its Articles as to the type of investments it may take and the investment methods it may adopt, the Directors have resolved that the Company may only invest in:

Transferable Securities and Money Market Instruments

(i) transferable securities and money market instruments admitted to an Official Listing; and/or

(ii) transferable securities and money market instruments dealt in a Regulated Market; and/or

(iii) 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 an Official Listing or a Regulated Market and such admission is achieved within a year of the issue;

(iv) money market instruments other than those admitted to an Official Listing or dealt in on a Regulated Market, which are liquid and whose value can be determined with precision at any time, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

- issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
- issued by an undertaking, any securities of which are admitted to an Official Listing or dealt in on Regulated Markets referred to in items (i) and (ii) above, or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by 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 Community Law such as a credit institution which has its registered office in a country which is an OECD member state and a FATF state, 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 and the third indents and provided that the issuer is a company whose capital and reserves amount to at least ten million euros (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth directive 78/660/EEC, as amended, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitization vehicles which benefit from a banking liquidity line.

The Company may also invest in transferable securities and money market instruments other than those referred to in items (i) to (iv) above provided that the total of such investment shall not exceed 10% of the net assets attributable to any Sub-Fund.

Units of UCITS and UCIs

(v) units of UCITS authorized according to Directive 2009/65/CE, as amended from time to time, and/or other UCIs within the meaning of article 1, paragraph (2), letters (a) and (b) of Directive 2009/65/CE, should they be situated in a Member State or not, provided that:

- such other UCIs are authorized under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured, such as UCIs which have been authorized under the laws of any Member State or under the laws of Canada, Hong Kong, Jersey, Japan, Norway, Switzerland or the United States of America;

- the level of protection for unitholders in the other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/CE, as amended from time to time;
- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
- no more than 10% of the UCITS' or the other UCIs' assets (or of the assets of the relevant Sub-Fund), whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS or other UCIs.

In accordance with article 46 (3) of the 2010 Law, no subscription or redemption fees may be charged to the Company if the Company invests in Target Sub-Funds or in units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a direct or indirect holding of more than 10% of the capital or voting rights.

When a Sub-Fund invests its assets in other UCITS or UCIs or a Target Sub-Fund, the maximum level of the management fee that may be charged to both the Sub-Fund and to such other UCITS or UCI or Target Sub-Fund can be found in paragraph 11.5.6.

Under the conditions set forth by the Luxembourg laws and regulations, any Sub-Fund may subscribe, acquire and/or hold shares of a Target Sub-Fund provided that:

- the Target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this Target Sub-Fund; and
- pursuant to the investment restrictions and policy of the Target Sub-Fund, the Target Sub-Fund whose acquisition is contemplated may not invest in aggregate more than 10% of its assets in shares of other UCITS or UCIs, including another Sub-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 for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law.

The Sub-Funds qualifying as Feeder, shall invest at least 85% of their assets in another UCITS or a sub-fund of a UCITS, under the conditions set forth by the Luxembourg laws and regulations and as provided for in this Prospectus.

If qualified as Feeder, a Sub-Fund may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets; and
- financial derivative instruments which may be used only for hedging purposes in accordance with the relevant provisions of the 2010 Law.

None of the Sub-Funds whose Shares are distributed in Switzerland will qualify as a Feeder.

Deposits with Credit Institutions

(vi) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve months, provided that the credit institution has its registered seat in a Member State or, if the registered seat of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law such as a credit institution which has its registered office in a country which is an OECD member State and a FATF State;

Financial Derivative Instruments

(vii) financial derivative instruments, including equivalent cash-settled instruments, admitted to an Official Listing or dealt in on a Regulated Market referred to in items (i) and (ii) above; and/or OTC derivatives, provided that:

- the underlying consists of instruments described in sub-paragraphs (i) to (vi), financial indices, interest rates, foreign exchange rates, or currencies, in which the Sub-Funds may invest in accordance with their investment policies,
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF,

- 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, and
- collateral received in respect of OTC derivatives consists of cash in USD, GBP, EUR and CHF and of debt obligations issued by a governmental entity of a Member State or an OECD member State adjusted by the applicable margin in accordance with the table below (the "Haircut"):

	Haircut applicable to collateral received in respect of OTC derivatives:
Cash	0%
Debt obligations	0,75% to 10% according to the maturity of the debt obligation (*i.e.* the longer the maturity, the higher is the applicable haircut) and to the robustness of its issuer.

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

Categories of Financial Derivative Instruments

The Company may use all the financial derivative instruments authorized by the Luxembourg law or by circulars issued by the CSSF and in particular, but not exclusively, the following financial derivative instruments:

- financial derivative instruments linked to equity ("Equity derivatives") such as call and put options, spread options, contracts for difference, swaps or futures contracts on securities, derivatives on equity indices, baskets or any kind of financial instruments;
- financial derivative instruments linked to commodity indices ("Commodity derivatives");
- financial derivative instruments linked to currency fluctuations ("Currency derivatives") such as forward currency contracts or call and put options on currencies, currency swaps or forward foreign exchange transactions;
- financial derivative instruments linked to interest rate risks ("Interest rate derivatives") such as call and put options on interest rates, interest rate swaps, forward rate agreements, interest rate futures contracts, swaptions whereby one party receives a fee in return for agreeing to enter into a forward swap at a predetermined fixed rate if some contingency event occurs (e.g. where future rates are set in relation to a benchmark), caps and floors whereby the seller agrees to compensate the buyer if interest rates rise above, respectively fall below a pre-agreed strike rate on pre-agreed dates during the life of the agreement in exchange of an up front premium. It should be noted that the Sub-Funds using interest rate derivatives as part of their investment strategy may have a negative duration;
- financial derivative instruments related to credit risks ("Credit derivatives"), such as credit spread derivatives, credit default swaps or total return swaps. When a Sub-Fund invests in TRS or other financial derivative instruments with similar characteristics the information required by CSSF Circular 14/592 implementing ESMA Guidelines for competent authorities and UCITS management companies (ESMA/2012/832 – revised ESMA/2014/937) can be found in the description of the Sub-Fund. Credit derivatives are designed to isolate and transfer the credit risk associated with a particular reference asset such as credit spread derivatives in which the payments may be made either by the buyer or the seller of the protection based on the relative credit value of two or more reference assets, or such as credit default swaps whereby one counterpart (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations issued by the reference issuer for their par value (or some other designated reference or strike price) when a credit event occurs or receive a cash settlement based on the difference between the market price and such reference price. A credit event is commonly defined as a downgrading of the rating assigned by a rating agency, bankruptcy, insolvency, receivership, material adverse restructuring of debt or failure to meet payment obligations when due. The Sub-Funds using financial derivative instruments as part of their investment strategy may enter, as buyer or seller of protection, into credit default swap transactions on eligible assets as defined in this Section 4, including on financial instruments having one or several characteristics of those eligible assets, provided that such transactions are either cash settled or result in the delivery, to the Sub-Funds, of eligible assets when a credit event occurs. In a total return swap, the buyer makes a regular payment at a variable rate, in return for all the results relating to a notional amount of a particular reference asset (coupons, interest payments, change in asset value) which accrue over a period of time agreed with the seller. The seller "transfers" to the buyer the economic performance of the reference asset, but remains the owner of the asset. Credit derivatives can carry a higher risk than direct investment in bonds. The market for credit derivatives may sometimes be more illiquid than bond markets;
- financial derivative instruments linked to inflation ("Inflation derivatives") such as inflation swaps and call and put options based on inflation and inflation swaps. Inflation swaps are derivatives whereby one party pays (or receives) a fixed payment based on expected inflation in return for the receipt (or payment) of a variable payment based on the actual realized inflation rate over the life of the instrument;

- financial derivative instruments linked to volatility ("Volatility derivatives") such as volatility swaps and call and put options based on volatility and volatility swaps. Volatility swaps are derivatives whereby one party pays (or receives) a fixed payment in return for the receipt (or payment) of a variable payment based on the realized volatility of the underlying product (exchange rate, interest rate, stock index,...) over the life of the instrument.

  Additional risks associated with the use of financial derivative instruments are described in paragraph 5.2.10.

<u>Strategies used for financial derivative transactions</u>

Financial derivative transactions may be used for one of the following strategies: for hedging purposes of the investment positions, for EPM or as part of the investment strategy of a Sub-Fund.

Transactions on derivatives entered into for hedging purposes aim to protect portfolios against market movements, credit risks, currency fluctuations, inflation risks and interest rate risks. Hedging presupposes the existence of a relation between the underlying financial instrument of the derivative and the financial instrument to be hedged.

In order to be considered for EPM, transactions on derivatives must be entered into for one or more of the following specific aims: reduction of risk, reduction of cost, or generation of additional capital or income for the Sub-Fund with an appropriate level of risk, taking into account the risk profile of the Sub-Fund. Transactions entered into for EPM must be economically appropriate, which implies that they are realized in a cost-effective way. The following are some examples of financial derivative transactions entered into for EPM:

- buying of call options or selling of put options on indices, for recently created Sub-Funds or for Sub-Funds holding Cash and Cash Equivalents on a temporary basis, pending investments, provided such indices comply with the conditions mentioned in paragraph 4.2 (f) and the exposure to the underlying indices does not exceed the value of the Cash and Cash Equivalents pending investment;
- replacing, on a temporary basis and for fiscal or other economical reasons, direct investments in securities by derivative exposure to the same securities;
- proxy hedging of the Reference Currency of a Sub-Fund used to reduce the currency exposure of an investment towards a currency which is sufficiently correlated with the Reference Currency, provided that direct hedging against the Reference Currency is not possible or less advantageous for the Sub-Fund. Two currencies are sufficiently correlated (i) if they belong to the same monetary union, or (ii) if they are scheduled to belong to the same monetary union, or (iii) if one of the currencies is part of a currency basket against which the central bank for the other currency explicitly manages its currency within a band or corridor that is either stable or sloping at a predetermined rate, or (iv) if in the opinion of the Investment Manager the currencies are deemed to be sufficiently correlated;
- proxy hedging of a currency of investment of a Sub-Fund used to reduce the currency exposure of an investment towards the Reference Currency whereby the Sub-Fund sells a currency which is sufficiently correlated to the currency of investment, provided that direct hedging of the currency of investment is not possible or less advantageous for the Sub-Fund;
- cross hedging of two currencies of investment whereby a Sub-Fund sells one of the currencies of investment and purchases another currency pending investment in that currency, maintaining the total exposure of the Reference Currency unchanged.

Transactions on derivatives entered neither for hedging purposes nor for EPM may be used as part of the investment strategy. However, this has to be mentioned in the description of the Sub-Funds concerned and is always subject to the limits permitted by the Investment Restrictions. The use of financial derivative instruments as part of the investment strategy may result in a higher level of leverage and increase the overall risk exposure (*i.e.* the total exposure on derivatives, portfolio and other assets) of a Sub-Fund and the volatility of its Net Asset Value.

4.2 Investment Limits Applicable to Eligible Assets

The following limits are applicable to the eligible assets mentioned in paragraph 4.1:

<u>Transferable Securities and Money Market Instruments</u>

(a) The Company will invest no more than 10% of the net assets of any Sub-Fund in transferable securities or money market instruments issued by the same issuer.

(b) Moreover, where the Company, on behalf of a Sub-Fund, holds investments in transferable securities or money market instruments of any issuing body which by issuer exceed 5% of the net assets of such Sub-Fund, the total of all such investments must not account for more than 40% of the total net assets of the Sub-Fund.

(c) The limit of 10% laid down in sub-paragraph (a) above may be increased to a maximum of 35% in respect of transferable securities and money market instruments which are issued or guaranteed by a Member State, by its local authorities, by another member State of the OECD or of the G20 or Singapore or by public international bodies of which one or more Member States are members, and for the Emerging Local Currency Bond Fundamental, also, by Thailand, Peru, Malaysia, and Columbia; such securities need not be included in the calculation of the limit of 40% stated in sub-paragraph (b).Sub-Funds registered for sale in Korea will not take advantage of the increased investment limit of 35% in respect of transferable securities and money market instruments which are issued or guaranteed by a State (or its local authorities) which is not a Member State or a member State of the OECD.

(d) Notwithstanding the limits set forth under sub-paragraphs (a) and (c) above, each Sub-Fund is authorized to invest in accordance with the principle of risk spreading, up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by a Member State, by its local authorities, by an OECD member State, Singapore or any member State of the G20 or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues, and (ii) the securities from any one issue do not account for more than 30% of the net assets of such Sub-Fund. Sub-Funds registered for sale in Korea will not take advantage of the increased investment limit of 100% in respect of transferable securities and money market instruments which are issued or guaranteed by a State (or its local authorities) which is not a Member State or a member State of the OECD.

(e) The limit of 10% laid down in sub-paragraph (a) above may be increased to a maximum of 25% in respect of certain debt securities if they are issued by credit institutions having their registered office in a Member State and which are subject, by law, to special public supervision designed to protect the holders of debt securities. In particular, sums deriving from the issue of such debt securities must be invested pursuant to the law in assets which, during the whole period of validity of such debt securities, are capable of covering claims attaching to the debt securities and which, in the event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

Such debt securities need not be included in the calculation of the limit of 40% stated in sub-paragraph (b). But where the Company, on behalf of a Sub-Fund, holds investments in such debt securities of any issuing body which individually exceed 5% of the net assets of such Sub-Fund, the total of all such investments must not account for more than 80% of the total net assets of the Sub-Fund.

(f) Without prejudice to the limits laid down in sub-paragraph (n), the limit of 10% laid down in sub-paragraph (a) above is raised to a maximum of 20% for investment in equity and/or debt securities issued by the same body when the aim of the investment policy of a given Sub-Fund is to replicate the composition of a certain equity or debt securities index which is recognized by the CSSF, on the following basis:

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

This limit is 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

Securities mentioned in sub-paragraph (f) need not be included in the calculation of the limit of 40% stated in sub-paragraph (b).

Units of UCITS and UCIs

(g) The Company may invest up to 20% of the net assets of each Sub-Fund in securities of a same UCITS or other UCI.

For the purpose of this provision, each sub-fund of a UCITS or other UCI with multiple compartments shall be considered as a separate issuer, provided that the principle of segregation of liabilities of the different compartments is ensured in relation to third parties.

Investments in other UCIs may not exceed 30% of the Sub-Fund's net assets.

The underlying investments held by the UCITS or other UCIs in which the Company invests do not have to be considered for the purpose of applying the investment limitations mentioned in paragraph 4.2.

Under the conditions set forth by Luxembourg laws and regulations, new Sub-Funds of the Company may qualify as Feeder or as Master . A Feeder shall invest at least 85% of its net asset value in securities of a same Master or sub-fund of a UCITS. An existing Sub-Fund may convert into a Feeder or a Master subject to the conditions set forth by Luxembourg laws and regulations. An existing Feeder or Master may convert into a standard UCITS sub-fund which is neither a Feeder nor a Master. A Feeder may replace the Master with another Master. When qualifying as Feeder, reference to such qualification will be included in a given Sub-Fund's description in Section 3. None of the Sub-Funds whose Shares are distributed in Switzerland will qualify as a Feeder.

Deposits with Credit Institutions

(h) The Company may not invest more than 20% of the net assets of a Sub-Fund in deposits made with the same body.

Financial Derivative Instruments

(i) Counterparty risk exposure

The risk exposure to a counterparty of the Company in an OTC derivative transaction may not exceed 10% of the net assets of a Sub-Fund when the counterparty is a credit institution referred to above in sub-paragraph 4.1 (vi) or 5% of its net assets in other cases and shall be combined with the risk exposure to a counterparty of the Company in an EPM technique (as further described in paragraph 4.5 below). Embedded derivatives of SFIs will not be taken into account when calculating the risk exposure to a counterparty, except if the issuer of the SFI is allowed to pass the counterparty risk of underlying derivatives to the Company.

(j) Global exposure relating to financial derivative instruments

To calculate the Sub-Fund's global exposure, the Company may apply the VaR approach or the commitment approach.

Where the VaR approach is used to assess a Sub-Fund global exposure, the Company can use the relative VaR approach or the absolute VaR approach. Under the relative VaR approach, the Company will ensure that the global exposure does not exceed twice the VaR of the reference portfolio mentioned in the table below. The reference portfolios are used for VaR limitation purpose and not for performance measurement purpose. Under the absolute VaR approach, the Company will ensure that the absolute VaR of a Sub-Fund is not greater than 20% of its total net assets. The VaR is a statistical methodology that predicts the maximum potential loss that a Sub-Fund could make, calculated to a certain confidence level. For each Sub-Fund using the VaR approach, the VaR used (relative/absolute) as well as the reference portfolio used in case of a relative VaR, are indicated in the table below.

Where the commitment approach is used, the global exposure relating to financial derivative instruments may not exceed the total net assets of a Sub-Fund. Accordingly, the total exposure associated with the investments (securities and financial derivative instruments) of the Sub-Fund may amount to 200% of the total net assets of the Sub-Fund. As borrowing is allowed up to a maximum of 10%, the total exposure can reach 210% of the total net assets of the relevant Sub-Fund. Commitment approach is used for the following Sub-Funds:

LO Funds – Short-Term Money Market (EUR)

LO Funds – Short-Term Money Market (USD)

LO Funds – Short-Term Money Market (GBP)

LO Funds – Short-Term Money Market (CHF)

LO Funds – Ultra Low Duration Bond (EUR)

LO Funds – Ultra Low Duration Bond (USD)

LO Funds – Multiadvisers UCITS

LO Funds – CAT Bonds

(k) Concentration limits

The global exposure of the underlying assets shall not exceed the investment limits laid down under sub-paragraphs (a), (b), (c), (e), (h), (i), (n) and (o). The underlying assets of index based derivative instruments are not combined to the investment limits laid down under sub-paragraphs (a), (b), (c), (e), (h), (i), (n) and (o).

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

(l) Expected leverage and risk budgets

As required by CSSF, the expected leverage is disclosed for each Sub-Fund following the VaR approach in the table below. The leverage is defined as the sum of the absolute value of the notionals of the financial derivative instruments held in each Sub-Fund's portfolio (excluding the investment portfolio) divided by its total net assets. Shareholders should note that the sum of notional calculation methodology does not take into account any netting and hedging arrangements a Sub-Fund may have in place. In addition they should note that leverage per se is not an accurate risk indicator. A higher degree of leverage does not necessarily imply a higher degree of risk (whether market credit or liquidity risks). Therefore, in their assessment of risk, investors should, not focus solely on leverage but also consider other meaningful risk measures such as the risk budget. Investors should note that the leverage can exceed expected leverage as indicated in the table below.

The risk budget of the following Sub-Funds is continuously monitored through a value-at-risk (VaR) methodology with an aim to not exceed an estimated 1-month ex-ante VaR equal to the risk budget. Portfolios below their risk budget are, under normal market conditions, statistically not expected to decline by more than the risk budget over one month with a confidence interval of 99%. Risk budgets may be expressed in absolute terms (e.g. 10%) or relative to a reference portfolio (e.g. 125% of the level of the reference portfolio). Risk budgets are defined according to the risk profile of each Sub-Fund and are set lower than the regulatory limits of respectively 20% for absolute VaR and 200% for relative VaR.

Sub-Fund following a VaR approach	Relative VaR/ Absolute VaR	Reference portfolio used to assess the global exposure only	Risk budget (VaR)	Expected leverage
LO Funds – Alternative Beta	A	Not applicable	10%	125%
LO Funds – Tactical Alpha	A	Not applicable	13%	2,000%
LO Funds – All Roads Multi-Asset	A	Not applicable	8%	150%
LO Funds – Global Macro	A	Not applicable	20%	1,500%
LO Funds – Alternative Risk Premia	A	Not applicable	10%	600%
LO Funds – Generation Global	R	MSCI World ND USD	125%	50%
LO Funds – Global Consumer	A	Not applicable	17%	75%
LO Funds – Global Equity Income	A	Not applicable	10%	100%
LO Funds – Technology	R	MSCI World Info Tech ND USD	150%	75%
LO Funds – Golden Age	R	MSCI World ND USD	150%	100%
LO Funds – World Gold Expertise	R	NYSE ARCA Gold Miners TR ND	125%	50%
LO Funds – Global Energy	R	MSCI Global Energy	125%	75%
LO Funds – Commodity Risk Premia	A	Not applicable	15%	175%
LO Funds – Emerging Consumer	A	Not applicable	17%	75%
LO Funds – US Equity Factor Enhanced	R	S&P 500 ND	150%	0%
LO Funds – Emerging Equity Factor Enhanced	R	MS Emerging Market Free ND USD	150%	0%
LO Funds – Europe Equity Factor Enhanced	R	MSCI Europe ND EUR	150%	0%
LO Funds – Europe High Conviction	R	MSCI Europe ND EUR	150%	0%
LO Funds – Eurozone Small and Mid Caps	R	Stoxx ex-UK Small Return ND EUR	125%	0%
LO Funds – Japan Equity Factor Enhanced	R	TOPIX TR	150%	0%
LO Funds – Alpha Japan	R	TOPIX TR	150%	0%
LO Funds – Asia Consumer	A	Not applicable	15%	75%
LO Funds – Fundamental Equity Long/ Short	A	Not applicable	8%	400%
LO Funds – Swiss Equity	R	SPI TR ND	150%	0%
LO Funds – Euro Government Fundamental	R	LOIM Euro Government	190%	400%
LO Funds – Euro Inflation-Linked Fundamental	R	Barclays EUR Government Inflation-Linked TR EUR	175%	400%
LO Funds – Global Government Fundamental	R	LOIM Global Government	190%	400%
LO Funds – Global Inflation-Linked Fundamental	R	Barclays World Govt Inflation-Linked Bonds All Maturities TR USD Index	175%	400%
LO Funds – Swiss Franc Bond (Foreign)	R	SBI Foreign AAA-BBB TR	175%	300%
LO Funds – Absolute Return Bond	A	Not applicable	10%	1,500%
LO Funds – Global Corporate Fundamental	R	LOIM Global Corporate	190%	300%

Sub-Fund following a VaR approach	Relative VaR/ Absolute VaR	Reference portfolio used to assess the global exposure only	Risk budget (VaR)	Expected leverage
LO Funds – Euro Responsible Corporate Fundamental	R	LOIM Euro Responsible Corporate	175%	300%
LO Funds – Euro Credit Bond	R	Barclays Euro Aggregate 500MM Ex Treasury	175%	300%
LO Funds – Global BBB-BB Fundamental	R	LOIM Global BBB-BB	190%	300%
LO Funds – Euro BBB-BB Fundamental	R	LOIM Euro BBB-BB	190%	300%
LO Funds – Swiss Franc Credit Bond (Foreign)	R	SBI Foreign A-BBB TR	175%	300%
LO Funds – Emerging Local Currency Bond Fundamental	R	LOIM Global Government Emerging Local	190%	500%
LO Funds – Convertible Bond	R	Thomson Reuters Global Convertible Composite Index Hedged EUR TR	150%	125%
LO Funds – Global Convertible Bond Defensive Delta	R	Thomson Reuters Global Focus Convertible Bond Index Hedged EUR TR	150%	125%
LO Funds – Convertible Bond Asia	R	Thomson Reuters Asia ex Japan Index (USD) TR	150%	125%

(m) Sales of financial derivative instruments with physical delivery or cash settlement

The Sub-Funds may not carry out uncovered sales of financial derivative instruments.

When the derivative provides, either automatically or at the counterpart's choice, for physical delivery of the underlying financial instrument on maturity or exercise, and provided that physical delivery is common practice on the instrument concerned, the Sub-Fund must hold this underlying financial instrument as cover in its portfolio.

In cases where the underlying financial instrument of a financial derivative instrument is highly liquid, the Sub-Fund is allowed to hold exceptionally other liquid assets as cover provided that they can be used at any time to purchase the underlying financial instrument to be delivered and that the additional market risk which is associated with that type of transaction is adequately measured.

Where the financial derivative instrument is cash-settled either automatically or at the Company's discretion, the Sub-Fund is allowed not to hold the specific underlying instrument as cover. In this case, the following categories of instruments constitute an acceptable cover:

- cash;
- liquid debt instruments with appropriate safeguards (in particular, haircuts);
- other highly liquid assets, such as, but not limited to, shares of companies admitted to Official Listing on a stock exchange or dealt in a Regulated Market, recognized by the CSSF in consideration of their correlation with the underlying of the financial derivative instrument, subject to appropriate safeguards.

Are considered as "liquid" those instruments which can be converted into cash in no more than seven Business Days at a price closely corresponding to the current valuation of the financial instrument on its own market. This cash amount must be at the Sub-Fund's disposal at the maturity/expiry or exercise date of the financial derivative instrument.

Maximum Exposure to a Single Body

(n) The Company may not combine:

- investments in transferable securities or money market instruments issued by a single body and subject to the 10% limit by body mentioned in sub-paragraph (a); and/or
- deposits made with the same body and subject to the limit mentioned in sub-paragraph (h); and/or

- exposures arising from OTC derivative transactions undertaken with the same body and subject to the 10% respectively 5% limits by body mentioned in sub-paragraph (i)

in excess of 20% of the net assets of any Sub-Fund.

The Company may not combine:

- investments in transferable securities or money market instruments issued by a single body and subject to the 35% limit by body mentioned in sub-paragraph (c); and/or
- investments in certain debt securities issued by the same body and subject to the 25% limit by body mentioned in sub-paragraph (e); and/or
- deposits made with the same body and subject to the 20% limit by body mentioned in sub-paragraph (h); and/or
- exposures arising from OTC derivative transactions undertaken with the same body and subject to the 10% respectively 5% limits by body mentioned in sub-paragraph (i)

in excess of 35% of the net assets of any Sub-Fund.

Eligible Assets Issued by the Same Group

(o) Companies which are included in the same group for the purposes of consolidated accounts, as defined in Directive 83/349/EEC or in accordance with recognized international accounting rules, are regarded as a single body for the purposes of calculating the investment limits mentioned in sub-paragraph (a), (b), (c), (e), (h), (i) and (n).

(p) The Company may cumulatively invest up to 20% of the net assets of any Sub-Fund in transferable securities and/or money market instruments within the same group.

Acquisition Limits by Issuer of Eligible Assets

(q) The Company will not:

- acquire shares carrying voting rights which would enable the Company to take legal or management control or to exercise significant influence over the management of the issuing body;
- own in any one Sub-Fund or the Company as a whole, more than 10% of the non-voting shares of any issuer;
- own in any one Sub-Fund or the Company as a whole, more than 10% of the debt securities of any issuer;
- own in any one Sub-Fund or the Company as a whole, more than 10% of the money market instruments of any issuer;
- own in any one Sub-Fund or the Company as a whole, more than 25% of the units of the same UCITS or other UCI (all sub-funds thereof combined).

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

The ceilings set forth above do not apply in respect of:

- transferable securities and money market instruments issued or guaranteed by a Member State or by its local authorities;
- transferable securities and money market instruments issued or guaranteed by any other Eligible State which is not a Member State;
- transferable securities and money market instruments issued or guaranteed by a public international body of which one or more Member State(s) are member(s);
- shares in the capital of a company which is incorporated under or organized pursuant to the laws of a State which is not a Member State provided that (i) such company invests its assets principally in securities issued by issuers of the State, (ii) pursuant to the law of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such Company observes in its investments policy the restrictions referred in this Prospectus;

- shares held by one or more investment companies in the capital of subsidiaries companies which, exclusively on its or their behalf carry on only the business of management, advice, or marketing in the country where the subsidiary is located, in regard to the redemption of units at the request of unitholders.

If the limits in paragraph 4.2 are exceeded for reasons beyond the control of the Company or as a result of redemption requests for Shares 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 interests of its shareholders.

While ensuring observance of the principle of risk spreading, recently created Sub-Funds may derogate from the limits in paragraph 4.2 other than those mentioned in sub-paragraphs (i) and (p) for a period of six months following the date of their launch.

4.3 Liquid Assets

The Company may hold ancillary liquid assets.

4.4 Unauthorized Investments

The Company will not:

(i) make investments in, or enter into transactions involving, precious metals and certificates involving these, commodities, commodities contracts, or certificates representing commodities;

(ii) purchase or sell real estate or any option, right or interest therein, provided the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein;

(iii) carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in sub-paragraphs 4.1 (iv), (v) and (vii); provided that this restriction shall not prevent the Company from making deposits or carrying out other accounts in connection with financial derivative instruments, permitted within the limits referred to above; provided further that exposure resulting from financial derivative instruments may be covered as mentioned in sub-paragraph 4.2 (k);

(iv) make loans to, or act as a guarantor on behalf of third parties, provided that for the purpose of this restriction i) the acquisition of transferable securities, money market instruments or other financial instruments referred to in sub-paragraphs 4.1 (iv), (v) and (vii), in fully or partly paid form and ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan;

(v) borrow for the account of any Sub-Fund amounts in excess of 10% of the total net assets of that Sub-Fund taken at market value, any such borrowing to be from a bank and to be effected only as a temporary measure for extraordinary purposes including the redemption of Shares. However, the Company may acquire for the account of any Sub-Fund foreign currency by way of a back-to-back loan.

The Company will in addition comply with such further restrictions as may be required by the regulatory authorities in any country in which the Shares are marketed.

4.5 Techniques and Instruments for the Purpose of EPM Relating to Transferable Securities and Money Market Instruments

In accordance with article 42 (2) of the 2010 Law and under the conditions and limits posed by article 11 of the Grand-Ducal Regulation of 8 February 2008 and CSSF Circulars 08/356 and 14/592, the Company may, in order to generate additional income for the Company, employ techniques and instruments relating to transferable securities and money market instruments for the purpose of EPM, such techniques consisting of lending portfolio securities or repurchase agreements or reverse repurchase agreements as further detailed below.

The net exposures (*i.e.* the exposures of the Sub-Fund less the collateral received by the Sub-Fund) to a counterparty arising from securities lending transactions or reverse repurchase / repurchase agreement transactions shall be taken into account in the 20% limit provided for in article 43(2) of the 2010 Law pursuant to point 2 of Box 27 of CESR Guidelines 10-788.

In addition, the risk exposure to a counterparty arising from EPM techniques and OTC derivative transactions (as described in paragraph 4.2 (i) above) should be combined when calculating the counterparty risk limits set forth in article 43 (1) of the 2010 Law.

4.5.1 Lending of Portfolio Securities

(i) General Principles

Subject to investment restriction (iv) (paragraph 4.4), the Company may lend portfolio securities to third persons either directly or through a standardized securities lending system organized by a recognised clearing institution or through a securities lending system organised by a financial institution subject to prudential supervision rules which are considered by the CSSF as equivalent to those laid down in community law and that is specialised in that type of transaction.

The Company must ensure that the volume of the securities lending transactions is kept at an appropriate level in order to be able at all times, to meet its obligation to redeem its own Shares.

The Company must further ensure that it is entitled at any time to request the return of the securities lent or to terminate the securities lending agreement.

Securities lending agreement must not result in a change of the Sub-Funds' investment policies.

Bank Lombard Odier & Co Ltd acts as securities lending agent.

(ii) Permitted types of collateral

The Company will receive securities as collateral through a recognized clearing institution or an independent financial institution.

The Company may receive the following as collateral:

- Bonds, T-Bills and money market instruments issued or guaranteed by a governmental entity of a member State of the OECD, or by their local authorities or by supranational institutions with EC, regional or world-wide scope with a minimum rating of AA-/AA3 and corporate bonds with a minimum rating of A-/A3; or
- equities issued by a first class issuer, included in a major local index which are admitted to an Official Listing or dealt with on a Regulated Market in a member State of the EU, in Canada, Switzerland or Norway or any other eligible securities pursuant to the CSSF Circular 08/356.

The Company will not accept cash as collateral.

Collateral will not be sold, reinvested or pledged.

(iii) Level of collateral

Collateral will be maintained at all times in an amount equal to 100% of the total valuation of the securities and for the duration of the loan adjusted by the applicable margin in accordance with the table below (the "Haircut")

	Haircut applicable to collateral received in respect of securities lending transactions:
Government bonds and T-Bills	at least 2%
Supranational bonds and municipal bonds	at least 5%
Corporate bonds	at least 5%
Equities	at least 8%

Collateral may not exceed 30% of the net assets of a Sub-Fund.

Collateral is blocked in favor of the Company until termination of the lending contract.

4.5.2 Purchase/Sale with Right of Repurchase Option

The Company may agree to purchase/sale securities with a repurchase option. These transactions consist of the purchase or sale of securities with a clause giving the option to the seller to repurchase from the purchaser the securities at a price and time agreed amongst the two parties at the conclusion of the agreement.

The Company must ensure that it is able at any time to recall any securities under the agreement or to terminate such agreement.

4.5.3 Reverse Repurchase and Repurchase Agreements

(i) General Principles

The Company may sell securities according to repurchase agreement transactions, which consist of forward transactions at the maturity of which the buyer (counterparty) has the obligation to resell the securities sold and the Company the obligation to repurchase the securities sold at a pre-agreed price. During the lifetime of a repurchase agreement, the Company will not sell the securities which are the object of the agreement before the repurchase of the securities from the counterparty has been carried out.

The Company may purchase securities according to reverse repurchase agreements transactions, which consist of a forward transaction at the maturity of which the seller (counterparty) has the obligation to repurchase the securities sold and the Company the obligation to return the securities received under the transaction. During the duration of such transaction, the Company may not sell or pledge/give as security the securities purchased through this contract, except if the Company has other means of coverage. The Company will ensure to keep the importance of purchased securities subject to a repurchase obligation at a level such that it is able at all times, to meet its obligation to redeem its own Shares.

The Company must further ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement.

Securities that may be purchased in reverse repurchase agreements are limited by the CSSF circular 08/356.

The counterparties to such transactions are entities subject to prudential supervision rules which are considered by the CSSF as equivalent to those laid down in community law and that is specialised in that type of transactions.

(ii) Permitted types of collateral

The Company will receive securities as collateral through a recognized clearing institution or an independent financial institution.

The Company may receive the following as collateral: bonds, T-Bills and money market instruments issued or guaranteed by a governmental entity of a member State of the OECD, or by their local authorities or by supranational institutions, regional or world-wide scope with a minimum rating of AA-/A3a and corporate bonds with a minimum rating of A-/A3.

Collateral will not be sold, reinvested or pledged.

(iii) Level of collateral

Collateral will be maintained at all times in an amount equal to 100% of the total valuation of the securities and for the duration of the loan adjusted by the applicable margin comprised between 0% and 5%.

Collateral may not exceed 30% of the net assets of a Sub-Fund.

Collateral is blocked in favor of the Company until termination of the agreement.

4.5.4 Costs and fees arising from EPM techniques

All the revenues arising from the EPM techniques, net of direct and indirect operational costs, must be returned to the Company.

Direct and indirect operational costs cover the remuneration of Bank Lombard Odier & Co Ltd as securities lending agent, as well as costs of delivery and recovery of the securities lent charged by the Custodian, as further detailed in the annual report of the Company.

4.6 Risk Management Procedure

In accordance with CSSF Regulation 10-4, CESR Guidelines 10-788 and CSSF Circular 11/512, the Management Company employs 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 each Sub-Fund. The Management Company employs, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instrument.

5. RISK FACTORS

The list of risk factors detailed below does not claim to be an exhaustive description of the risks involved in investing in the Sub-Funds' Shares. Before deciding to subscribe to or purchase Shares, potential investors should read the whole Prospectus carefully and contact their professional advisers to understand the fiscal and other consequences of such an investment based on their personal situation.

Past performance is no guarantee for future returns and the investor may consequently get back less than he/she invested. There is no assurance that the investment objective of the Sub-Funds will actually be achieved or that any appreciation in the value of the assets will occur.

The table below is a summary of the main risks relating to the core portfolio of each Sub-Fund as of the date of the Prospectus. It is not a rigid and exhaustive list of all the potential risks. Investors should bear in mind that risks are interrelated and that the Sub-Funds can be sensitive to any of the risk factors, especially in turbulent market conditions.

Summary of main risks

Sub-Funds / Risks	General	Equities	Small and Medium Sized Capitalisations	Fixed-Income Securities	Currencies	Below Investment Grade and Distressed Securities	Convertible Securities	Contingent Convertible Bonds	Commodities	Undertakings for Collective Investments (above 10%)	Emerging Markets	Russian Registration / Investment in Russia	Regional or sectorial concentration	Derivatives (Hedging / Efficient Portfolio Mgt)	Derivatives (Investment Strategy)	Model
Asset Allocation Sub-Funds																
Alternative Beta	X	X		X	X	X			X					X	X	X
Tactical Alpha	X	X	X	X	X	X	X		X		X			X	X	X
All Roads Multi-Asset	X	X	X	X	X	X	X		X		X			X	X	X
Global Macro	X	X	X	X	X	X	X		X		X	X	X	X	X	X
Multiadvisers UCITS	X	X	X	X	X	X	X		X	X	X		X	X	X	X
Alternative Risk Premia	X	X		X	X	X			X		X		X	X	X	X
Equity Sub-Funds																
Generation Global	X	X			X		X				X		X	X		
Global Consumer	X	X	X		X		X				X			X	X	X
Global Equity Income	X	X									X			X	X	
Technology	X	X	X		X						X		X	X	X	
Golden Age	X	X	X		X						X		X	X	X	
World Gold Expertise	X	X	X		X				X		X	X	X	X		
Global Energy	X	X	X		X				X		X	X	X	X	X	
Commodity Risk Premia	X				X				X				X	X	X	X
Emerging Consumer	X	X	X		X		X				X	X	X	X	X	
US Equity Factor Enhanced	X	X	X										X			X
Emerging Equity Factor Enhanced	X	X	X		X		X				X		X	X	X	X
Europe Equity Factor Enhanced	X	X	X		X								X			X
Europe High Conviction	X	X			X								X	X	X	
Eurozone Small & Mid Caps	X	X	X		X								X	X	X	
Japan Equity Factor Enhanced	X	X	X										X			X
Alpha Japan	X	X	X										X	X	X	
Asia Consumer	X	X	X	X	X	X	X		X		X		X	X	X	X
Fundamental Equity Long/Short	X	X	X	X	X	X	X		X		X		X	X	X	

Summary of main risks																
Sub-Funds \ Risks	General	Equities	Small and Medium Sized Capitalisations	Fixed-Income Securities	Currencies	Below Investment Grade and Distressed Securities	Convertible Securities	Contingent Convertible Bonds	Commodities	Undertakings for Collective Investments (above 10%)	Emerging Markets	Russian Registration / Investment in Russia	Regional or sectorial concentration	Derivatives (Hedging / Efficient Portfolio Mgt)	Derivatives (Investment Strategy)	Model
Swiss Equity	X	X	X										X	X		
Fixed-Income Sub-Funds																
Euro Government Fundamental	X			X	X	X					X		X	X	X	X
Euro Inflation-Linked Fundamental	X			X	X	X					X		X	X	X	X
Global Government Fundamental	X			X	X	X					X			X	X	X
Global Inflation-Linked Fundamental	X			X	X	X					X		X	X	X	X
Swiss Franc Bond (Foreign)	X			X	X	X		X			X		X	X	X	X
Absolute Return Bond	X			X	X	X	X	X			X		X	X	X	X
Global Corporate Fundamental	X			X	X	X		X			X		X	X	X	X
Euro Responsible Corporate Fundamental	X			X	X	X		X			X			X	X	X
Euro Credit Bond	X			X	X			X			X			X	X	X
Global BBB-BB Fundamental	X			X	X	X		X			X		X	X	X	X
Euro BBB-BB Fundamental	X			X	X	X		X			X		X	X	X	X
Swiss Franc Credit Bond (Foreign)	X			X	X	X		X			X			X	X	X
Ultra Low Duration Bond (USD)	X			X		X							X	X		
Ultra Low Duration Bond (EUR)	X			X		X							X	X		
Emerging Local Currency Bond Fundamental	X			X	X	X			X		X	X	X	X	X	
Convertible Bond	X	X		X	X	X	X				X			X	X	
Global Convertible Bond Defensive Delta	X	X		X	X	X	X				X			X	X	
Convertible Bond Asia	X	X		X	X	X	X				X		X	X	X	
CAT Bonds[1]	X			X	X	X							X	X		X
Short-Term Money Market Sub-Funds																
Short-Term Money Market (EUR)	X			X										X		
Short-Term Money Market (USD)	X			X										X		
Short-Term Money Market (GBP)	X			X										X		
Short-Term Money Market (CHF)	X			X										X		

[1] See also specific risk factor under 5.2.15

5.1 General Risks

General risks may become correlated in a harmful manner in particular when the Sub-Funds do not face normal market conditions. Therefore, in turbulent market times an increase of one of those risks may not only increase the Sub-Funds exposure to other general risks but may also trigger other risks.

5.1.1 Credit Risk

Credit risk is a general risk that applies to all investments. It is the risk of loss due a debtor’s non-payment of a loan or other obligation (either the principal or interest or both). For the Sub-Funds, the debtor may be either the issuer of an underlying security (the "issuer risk") or the counterparty to a transaction, such as an OTC derivative contract, a repurchase or reverse repurchase agreement or a loan of portfolio securities (the "counterparty risk"). The debtor may be a government (the "sovereign risk"). Credit risk is also the risk of loss due to a credit event, other than the debtor’s default of payment, such as, but not limited to, the downgrading of a debtor’s credit rating or the rescheduling of a debtor’s debt.

Issuer risk - If an issuer of an underlying fixed income or equity security defaults, the Sub-Fund may lose the full amount invested in such security.

Counterparty risk - The Sub-Funds may effect "over-the-counter" transactions or deal in "interdealer" markets. This exposes the Sub-Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Sub-Funds to suffer a loss which may correspond to the full amount exposed with such counterparty. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Sub-Funds have concentrated their transactions with a single or small group of counterparties.

Sovereign risk - Where the issuer of the underlying fixed income security is a government or other sovereign issuer, there is a risk that such government is unable or unwilling to meet its obligations, therefore exposing the Sub-Funds to a loss corresponding to the amount invested in such security.

Systemic risk - Credit risk may also arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which the Sub-Funds interacts on a daily basis.

5.1.2 Market and Volatility Risk

Market risk is a general risk that applies to all investments. It is the risk that the value of an investment will decrease due to moves in market factors such as exchange rate, interest rate, equity or volatility.

Volatility risk is the likelihood of fluctuations in prices, rates or currencies quoted on different markets. Volatility may impact the Net Asset Value of the Sub-Funds in several ways. As market volatility increases so does the volatility of the Net Asset Value per Share.

5.1.3 Interest Rate Risk

Interest rate risk is the risk that the value of an investment will decrease, due to the variability of interest rates. When interest rates tend to rise, the value of debt securities tend to fall, as does the Net Asset Value per Share of the Sub-Funds invested in debt securities. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. Duration is a measure of sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates.

5.1.4 Exchange Rate Risk

Exchange rate risk is a general risk that applies to all Sub-Funds investing in assets in a currency other than the Reference Currency (the "foreign currency"). It is the risk that the value of those assets will decrease, as will the Net Asset Value of the Sub-Funds, due to unfavorable exchange rates. If the currency in which a security is denominated appreciates against the Reference Currency, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security. Currency risks are proportional to the amount of assets of each Sub-Fund held in foreign currencies.

The Sub-Funds may offer classes of Shares in an Alternative Currency. Changes in the exchange rate between the Reference Currency and such Alternative Currency may lead to a depreciation of the value of such Shares as expressed in the Alternative Currency. Even when the exchange rate risk is hedged, there can remain a residual exchange rate risk. Although hedging strategies may not necessarily be used in relation to each class of Share with a Sub-Fund, the financial instruments used to implement such strategies shall be assets/liabilities of the Sub-Fund as a whole (no segregation between classes with a Sub-Fund).

5.1.5 Liquidity Risk

Liquidity risk is the risk that a given asset can not be traded quickly enough without affecting the price of the asset. In normal market conditions, liquidity risk is low as the Sub-Funds may only invest in eligible assets mentioned in paragraph 4.1. In turbulent market times however, low-volume markets make it difficult for the Sub-Funds to sell their assets at their fair price or to sell them at all. Should the Sub-Funds face large redemption requests in turbulent market times, the Directors may take appropriate measures to protect shareholders interests.

5.1.6 Unlisted and/or Illiquid Securities Risk

Sub-Funds may invest or hold a limited part of their net assets (max 10%) in securities that are not (or no longer) listed on exchanges or on a Regulated Market or which may be considered illiquid due to the lack of an active trading market. The Sub-Funds may encounter substantial delays and could incur losses in attempting to sell such securities. Where appropriate, positions in the Sub-Funds' portfolio that are illiquid and do not actively trade will be marked to market, taking into account current market prices, market prices of comparable investments and/or such other factors (e.g. the tenor of the respective instrument) as may be appropriate. To the extent that marking an illiquid investment to market is not practicable, an investment will be carried at fair value, as reasonably determined by the Directors or their delegate. There is no guarantee that fair value will represent the value that will be realized by the Sub-Funds on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment. As a result, an investor redeeming his/her Shares from the Sub-Funds prior to realization of such an investment may not participate in gains or losses thereof.

5.1.7 Large Redemption Risk

Large redemptions of Shares in any of the Sub-Funds within a limited period of time might result in the Sub-Fund being forced to liquidate positions more rapidly than would otherwise be desirable, adversely affecting the value of both the Shares being redeemed and the remaining outstanding Shares.

5.1.8 Hedging Transactions Risk

The Sub-Funds may hold financial instruments, both for investment purposes and for hedging or EPM purposes. The success of the Sub-Funds' or Share classes' hedging strategy will depend, in part, upon the Investment Manager's ability correctly to assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Sub-Funds' or Share classes' hedging strategy will also be subject to the Investment Manager's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Sub-Funds or Share classes may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Sub-Funds or Share classes than if it had not engaged in such hedging transactions. For a variety of reasons, the Investment Manager may not seek to establish a perfect correlation between the hedging instrument utilised and the portfolio holdings being hedged. Such an imperfect correlation may prevent the Sub-Funds or Share classes from achieving the intended hedge or expose the Sub-Funds or Share classes to risk of loss. The Investment Manager may not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence of the risk.

5.1.9 SFIs Risk

SFIs are subject to the risks associated with the underlying investments. Investments in SFIs may entail the risk of loss of principal and/or interest payment as a result of movements in the underlying investments. As such underlying investments may combine financial derivative instruments, SFIs may be subject to greater volatility than direct investments in fixed income and equity securities. In addition, investments in SFIs will expose the Sub-Funds to the credit risk of the counterparty issuing the SFI. In the event of a bankruptcy or insolvency of such counterparty or when the financial institutions issuing such SFIs are facing difficult market conditions, the Sub-Funds may experience delays in liquidating the positions and significant losses as a result of declines in value of the SFIs. The SFIs also entail liquidity risk, as they may not be as liquid as their underlying assets, depending on the market conditions.

5.1.10 Fiscal Risk

Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which the Sub-Funds invest or may invest in the future cannot be definitively established. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed retroactively. It is therefore possible that the Sub-Funds could become subject to additional taxation in such countries where this is not anticipated either at the date of the Prospectus or when investments are made, valued or disposed of.

5.1.11 Administrative Agent and Custodian Risk

The Sub-Funds' operations are carried out by the service providers described in the Prospectus. In the event of bankruptcy or insolvency of a service provider, investors could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.

The Sub-Funds' assets are held in custody by the Custodian and the duly appointed sub-custodians, which expose the Sub-Funds to risks of loss associated to the depositary function if (1) the Custodian/sub-custodian fails to perform its duties (improper performance) and (2) if the Custodian/sub-custodian defaults.

5.1.12 Securities Lending Risk and Repurchase and Reverse Repurchase Agreement Risk

(i) Securities Lending Risk

The Sub-Funds may lend their portfolio securities. By doing so, the Sub-Funds attempt to increase income through the receipt of interest on the loan. In the event of the bankruptcy of the other party to a securities loan, the Sub-Funds could experience delays in recovering the securities that have been lent. To the extent that the value of the securities the Sub-Funds lent has increased, the Sub-Funds could experience a loss if such securities are not recovered. Collateral will be received by the Sub-Funds and will be maintained at all times in an amount equal to at least 100% of the total valuation of the securities and for the duration of the loan adjusted by the applicable margin in accordance with the haircut policy described under paragraph 4.5.1 (iii) of the Prospectus.

The Company uses the services of a securities lending agent instead of running its own securities lending programs. Potential conflict of interest may arise in the following situations:

- an arrangement, where the risk entailed by the activity of securities lending is borne by the lender (*i.e.*, the Company) while the revenue arising from such activity is shared between the lender and its agent, could potentially encourage the agent to compromise on the quality of both the collateral and the counterparty; to mitigate such risk, the securities lending agent is required to abide strictly by the securities lending policy put in place by the Management Company and endorsed by the Company;
- a securities lending transaction where the asset to be lent is part of the respective portfolios of several entities for which the same securities lending agent is involved could lead to favor one entity over another; to mitigate such risk, the securities lending agent undertakes to ensure the equal treatment of all participants to a same securities lending transaction and apply a fair allocation between them.

(ii) Repurchase and Reverse Repurchase Agreement Risk

The Sub-Funds may enter into repurchase and reverse repurchase agreements. The use of repurchase and reverse repurchase agreements by the Sub-Funds involves certain risks. For example, if the seller of securities to a Sub-Fund under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Sub-Fund will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganisation under applicable bankruptcy or other laws, the Sub-Fund's ability to dispose of the underlying securities may be restricted. Finally, if a seller defaults on its obligation to repurchase securities under a reverse repurchase agreement, the Sub-Fund may suffer a loss to the extent that it is forced to liquidate its position in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller.

The Sub-Funds may enter into repurchase agreements. If the counterparty to the repurchase agreement defaults, a loss may be realized on the sale of the underlying security to the extent that the proceeds from the sale and accrued interest of the security are less than the resale price provided in the repurchase agreement, including interest. In addition, should a counterparty declare bankruptcy or become insolvent, the Sub-Funds may incur delays and costs in selling the underlying security or may suffer a loss of principal and interest.

(iii) Performance Risk in respect of the use of EPM techniques

While the Sub-Funds seek to generate additional revenues, the overall performance of the Sub-Funds employing such techniques may be adversely affected in the event that one of the risks mentioned above materializes and leads to a loss.

5.1.13 Operational Risk

Operational risk is a general risk that applies to all Sub-Funds when carrying operations on behalf of these Sub-Funds as part of their respective investment policy. Such risk materializes through operational errors which includes, *inter alia*, trading errors and similar human errors, such as keystroke errors that occur when entering trades into an electronic trading system or typographical or drafting errors related to derivatives contracts or similar agreements. The Management Company or, as the case may be the Investment Managers, their members, directors, shareholders, officers, employees and affiliates, their respective legal representatives (each, an "Indemnified Party"), shall not be liable to the Company or its shareholders for any losses resulting from operational errors, except such losses resulting from fraud, wilful default or negligence of the Indemnified Party. The foregoing provisions shall not be construed to relieve any Indemnified Party of any liability, to the extent that such liability may not be waived, modified or limited under applicable law, but shall be construed so as to effectuate these provisions to the fullest extent permitted by law and regulations.

5.1.14 Regulatory Risk

General - Due to numerous regulatory reforms currently undertaken, there is a risk that the investment policy of the Sub-Funds may be affected and that further restrictions may limit the ability of the Sub-Funds to hold certain instruments or enter into certain transactions and impair the Sub-Funds' capability of achieving their initial respective investment objectives. In order to comply with new or modified laws, rules and regulations it cannot be excluded that restructuring or termination of a given Sub-Fund may be necessary and additional costs may be incurred. A non-exhaustive list of potential regulatory changes in the EU and the United States of America are listed below.

EU - The EU is currently addressing the following topics (list not exhaustive):

- a new directive amending the UCITS Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to UCITS as regards depositary functions, remuneration policies and sanctions ("UCITS V Directive"); the UCITS V Directive has been published in the Official Journal of the European Union on 28 August 2014 and will be implemented in Luxembourg law by 18 March 2016;
- the consultation initiated by the European Commission on product rules, liquidity management, depositary, money market funds, long-term investments in view to another UCITS directive ("UCITS VI Directive");
- specific matters relating to UCITS and dealt with by ESMA - the role of ESMA is to achieve greater consistency in day to day application of EU legislation in the security markets field and it plays an active role in building a common EU supervisory culture and consistent supervisory practice, including by providing opinions and issuing guidelines and recommendations which are a central reference for the work of national regulators;

- the Directive of the European Commission on Markets in Financial Instruments ("MIFID II") and the Regulation on Markets in Financial Instruments ("MIFIR") have been published in the Official Journal of the European Union on 12 June 2014; MIFID II and MIFIR will apply as from January 2017; MIFID II will have to be implemented in Luxembourg law by June 2016 at the latest;
- the adoption by the European Parliament of the Regulation on OTC derivatives, central counterparties and trade repositories ("EMIR"); and
- the proposal for the EU Financial Transaction Tax ("EU FTT").

United States of America - Regulators in the United States are taking or have taken actions on the following topics (list not exhaustive)

- the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") imposed the so-called "Volcker Rule" which restricts, "banking entities" and "non-bank financial companies" from engaging in certain activities, such as proprietary trading and investing in, sponsoring, or holding interests in investment funds;
- the Hiring Incentives to Restore Employment Act (the "Hire Act") was signed into US law in March 2010. It includes provisions on FATCA. The purpose of FATCA is to reduce tax evasions by US citizens by having details of US investors holding assets outside the US reported by FFIs to the US Internal Revenue Service. As a result of the Hire Act, and to discourage FFIs from staying outside this regime, all US securities held by a financial institution that does not enter and comply with the regime will be subject to a US tax withholding of 30% on gross sales proceeds as well as income (the "FATCA Withholding"). This regime has become effective in phases between 1 July 2014 and 2017. On 28 March 2014, the US and the Grand Duchy of Luxembourg entered into a model 1 intergovernmental agreement ("IGA") and a memorandum of understanding in respect thereof in order to facilitate the compliance with the provisions of FATCA. On 29 July 2015, the law of 24 July 2015 approving the IGA between the Grand Duchy of Luxembourg and the US was published (the "FATCA Luxembourg Law"). The Company, through its Sub-Funds, qualifies as a FFI. According to FATCA, the IGA and the FATCA Luxembourg Law, a FFI can qualify as either a "reporting" FFI or a "non-reporting" FFI. Depending on the status of "reporting" or "non-reporting" FFI attributable to the Company, it may be obliged to require all shareholders to provide mandatory documentary evidence of their tax residence and report certain data to the Luxembourg authority on reportable accounts and/or impose restrictions on the offering and selling of Shares to certain categories of investors with no duty to report or withhold on US source gross sales proceeds or income (see paragraph 13.2). It should also be noted that although the Company will make all reasonable efforts to comply with all FATCA obligations, no assurance can be given that it will be able to satisfy such obligations and therefore avoid the FATCA Withholding which may have adverse impact on all Shareholders. Investors are further advised to consult their own legal and tax advisor regarding the possible implications of FATCA on their investment in the Company.

5.2 Risks Linked to Certain Sub-Funds

5.2.1 Equity Risk

The risks associated with investment in equity (and equity-like) securities include significant fluctuations in market prices, adverse issuer or market information and the subordinate status of equity in relation to debt paper issued by the same company. Prices of equities fluctuate daily and can be influenced by many micro and macro factors such as political and economic news, corporate earnings reports and catastrophic events. The value of equities will go up and down and the value of a Sub-Fund investing in equities could incur significant losses.

Sub-Funds may invest in initial public offerings ("IPOs"). There is a risk that the price of the newly floated share may incur greater volatility as a result of factors such as the absence of an existing public market, non-seasonal transactions, a limited number of securities that can be traded and a lack of information about the issuer.

5.2.2 Small and Medium-Sized Capitalisation Risk

Stocks of small-to medium-sized capitalisation companies often traded on OTC markets may be less liquid than those listed on the major securities exchanges. Consequently, securities of small and even medium-sized cap companies may, from time to time, and especially in falling markets, become illiquid and experience short-term price volatility and wide spreads between bid and offer prices. The combination of price volatility and the limited liquidity of those markets may have an adverse effect on the investment performance of the Sub-Funds. Further the risk of bankruptcy or insolvency of many smaller companies is higher than that of larger, "blue chips", companies.

5.2.3 Fixed Income Securities Risk

The risks associated with investment in bonds or others fixed income securities include credit, liquidity and interest rate risks.

5.2.4 Currency Risk

The Sub-Funds may be exposed to currency exchange risk. The Sub-Funds may invest in currencies different from their Reference Currency. Accordingly, the value of an investment may be affected favourably or unfavourably by fluctuations in exchange rates, notwithstanding any efforts made to hedge such fluctuations. In addition, prospective investors whose assets and liabilities are primarily denominated in currencies other than the Reference Currency of a Sub-Fund should take into account the potential risk of loss arising from fluctuations in the rate of exchange between the Reference Currency of the Sub-Fund and such other currency. Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates also can be affected unpredictably by intervention (or the failure to intervene) by relevant governments or central banks, or by currency controls or political developments. Some currencies are not freely convertible currency.

Furthermore, a Sub-Fund may incur costs in connection with conversions between various currencies. Currency exchange dealers realise a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to the Sub-Fund at one rate, while offering a lesser rate of exchange should the Sub-Fund desire immediately to resell that currency to the dealer. The Sub-Fund will conduct its currency exchange transactions either on a spot (*i.e.* cash) basis at the spot rate prevailing in the currency exchange market, or through entering into forward or options contracts to purchase or sell non-Reference Currency currencies. It is anticipated that most of the Sub-Funds' currency exchange transactions will occur at the time securities are purchased and will be executed through the local broker or the Custodian.

5.2.5 Below Investment Grade Risk and Distressed Securities Risk

Investment in debt securities or associated instruments rated BB or below (following Standard & Poor's, Moody's or equivalent), or of equivalent quality in the opinion of the Investment Manager, can involve additional risks. Securities rated BB or equivalent are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and principal or maintain other terms of the offer documents over any long period of time. Whilst such issues are likely to have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposure to adverse economic conditions. Securities rated lower than B, and in particular distress obligations, are most of the time issued by companies in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, including companies involved in bankruptcy or other reorganisation and liquidation proceedings. These obligations are likely to be particularly risky investments although they also may offer the potential for correspondingly high returns. They are generally unsecured and may be subordinated to certain other outstanding securities and obligations of the issuer. Non-investment grade debt securities may not be protected by financial covenants or limitations on additional indebtedness. The ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies. Among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments may also be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability, and the bankruptcy court's power to disallow, reduce, subordinate, recharacterise debt as equity or disenfranchise particular claims. There is no assurance that value of the assets collateralising the Company's investments will be sufficient or that prospects for a successful reorganisation or similar action will become available. In any reorganisation or liquidation proceeding relating to a company in which the Company invests, the Company may lose its entire investment, may be required to accept cash or securities with a value less than its original investment and/or may be required to accept payment over an extended period of time. Under such circumstances, the returns generated from the Company's investments may not compensate the shareholders adequately for the risks assumed.

In addition evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

5.2.6 Convertible Securities Risk

Convertible securities are bonds, debentures, notes, preferred stocks or other securities that may be converted into or exchanged for a specified amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Convertible securities generally (i) have higher yields than common stocks, but lower yields than comparable non-convertible securities, (ii) are less subject to fluctuation in value than the underlying common stock due to their fixed-income characteristics and (iii) provide the potential for capital appreciation if the market price of the underlying common stock increases. The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying common stock). A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by a Sub-Fund is called for redemption, the Sub-Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on the Sub-Fund.

5.2.7 Contingent Convertible Bonds Risk

Contingent convertible bonds (hereafter "Coco Bonds") are debt instruments that transform into shares of equity or are written off upon a triggering event. The investment in Coco Bonds is subject to different risks which may result in the total or partial loss of the invested sums or a delay in payment. These situations may adversely affect the Sub-Funds.

Investment in Coco Bonds may entail the following risks (non-exhaustive list):

Trigger level risk:

Trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the investment manager of the Sub-Fund to anticipate the triggering events that would require the debt to convert into equity.

Triggers are designed so that conversion occurs when the issuer faces a given crisis situation, as determined either by regulatory assessment or objective losses (e.g. measure of the issuer’s core tier 1 prudential capital ratio). As a particular form of convertible securities, Coco Bonds have some characteristics common to those of the convertible securities as described above but have a distinctive feature which is their debt-to-equity conversion trigger.

Coupon cancellation risk

For some Coco Bonds coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time. For some Coco Bonds the cancelled coupon payments do not accumulate and are instead written off. This may lead to mispricing of the risk related to the investment in Coco Bonds.

Capital structure inversion risk

Contrary to classical capital hierarchy, Coco Bonds’ investors (i) may suffer a loss of capital when equity holders do not suffer a loss or (ii) may suffer a loss ahead of equity holders. The Coco Bonds’ investors may see their coupons cancelled while the issuer continues to pay dividends on its common equity.

Call extension risk

Some Coco Bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority. It cannot be assumed that the perpetual Coco Bonds will be called on the call date. The Coco Bonds’ investors may not receive return of principal as expected on a call date or, indeed, at any date.

Unknown risk

The structure of Coco Bonds is innovative yet untested. In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform. In the event a single issuer activates a trigger or suspends coupons, it is difficult to predict whether the market will view the issue as an idiosyncratic or rather as a systemic event. In the latter case, potential price contagion and volatility to the entire asset class is possible. This risk may in turn be reinforced depending on the level of underlying instrument arbitrage. Furthermore, in an illiquid market, price formation may be increasingly stressed.

Yield/valuation risk

Relative to more highly rated debt issues of the same issuer or similarly rated debt issues of other issuers, Coco Bonds tend to compare favorably from a yield standpoint. Some investors may be drawn to the Coco Bonds as a result of their attractive yield which may be viewed as a complexity premium.

Conversion risk

Coco Bonds entail uncertainty and conversion risks, amongst others, due to the difficulty of predicting triggering events that would require the debt to convert to equity.

With respect to conversion risks, there remain uncertainties as to how these securities will behave upon conversion: for instance, conversion triggers will generate newly converted equities to holders of Coco Bonds who may want or be required to sell immediately upon conversion the new equities entailing a decrease of the price of the stock of the issuer. In particular, the investment manager might be forced to sell the new equities because of the investment policy of a Sub-Fund which would not allow equity in its portfolio.

Write down risk

Coco Bonds qualify as securities with hybrid character which insofar as they are issued in the form of bonds may lose their nominal value (*i.e.* be permanently written down to zero of principal investment and/or accrued interest) or, following a trigger event, may be converted in equity (see above under "Conversion risk").

Sector concentration risk

Coco Bonds are issued by banking/insurance institutions. If a Sub-Fund invests significantly in contingent convertibles bonds its performance will depend to a greater extent on the overall condition of the financial services industry than a Sub-Fund following a more diversified strategy.

Liquidity risk

In certain circumstances finding a ready buyer for Coco Bonds may be difficult and the seller may have to accept a significant discount to the expected value of the bond in order to sell it.

5.2.8 Commodity Risk

Though the Company is prohibited to make investments in, or enter into transactions involving commodities, commodities contracts, or certificates representing commodities, they may seek to be exposed to commodities via units of UCI, equity securities or index based derivative instruments. Prices of commodities are influenced by, among other things, various macro economic factors such as changing supply and demand relationships, weather conditions and other natural phenomena, agricultural, trade, fiscal, monetary, and exchange control programmes and policies of governments and other unforeseeable events. The prices of commodities may be highly volatile.

5.2.9 UCIs Risk

Underlying UCIs in which Sub-Funds may invest may be valued by administrators resulting in valuations which are not verified by an independent third party on a regular or timely basis. Accordingly there is a risk that (i) the valuations of the Sub-Funds may not reflect the true value of underlying investment vehicles holdings held by the Sub-Funds at a specific time which could result in losses or inaccurate pricing for the Sub-Funds and/or (ii) the valuations may not be available on the Valuation Day so that some of the assets of the Sub-Funds may be valued on an estimated basis.

For some of these underlying UCIs, the custodian may be a broker instead of a bank. Such brokers do not, in some cases, have the same credit rating as a bank. Moreover, the legislation applicable to underlying UCIs may provide that the custodian's duties be limited to the custody of assets and will not include supervisory duties similar to those which must be carried out by a custodian of a Luxembourg UCI.

Furthermore, some of these underlying UCIs may have auditors that do not use monitoring measures similar to those required for the Luxembourg investment funds.

5.2.10 Financial Derivative Instruments Risk

a. Valuation risk

Many financial derivative instruments, in particular OTC financial derivative instruments, are complex, difficult to value and often valued subjectively and the valuation may only be provided by a limited number of market professionals. The replacement value of an OTC derivative transaction may differ from the liquidation value of such transaction, and the valuations provided by the Sub-Fund's counterparty to such transaction may differ from the valuation provided by a third party or the value upon liquidation. A counterparty might cease making a market or quoting prices for some of the instruments. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to a Sub-Fund.

b. Volatility

The price of a financial derivative instrument can be very volatile. This is because a small movement in the price of the underlying security, index, interest rate or currency may result in a substantial movement in the price of the financial derivative instrument. Investment in financial derivative instruments may result in losses in excess of the amount invested.

c. Correlation

Financial derivative instruments do not always perfectly or even highly correlate or track the value of the underlying assets they are designed to track. Consequently, a Sub-Fund's use of financial derivative instruments techniques may not always be an effective means of, and sometimes could be counter-productive to, following a Sub-Fund's investment objective.

d. Short Exposure

Although the Company may not carry out uncovered sales of transferable securities, some Sub-Funds may, as part of their investment strategy, use financial derivative instruments to seek short exposure to such transferable securities. The Sub-Funds may face substantial loss should the price of the transferable securities increase.

e. Leverage

The Sub-Funds will not use borrowing to purchase additional investments but a Sub-Fund using financial derivative instruments as part of its investment strategy may be expected to be leveraged (gross market exposure, aggregating both long and synthetic short positions, in excess of net asset value).

While leverage presents opportunities for increasing the Sub-Fund's total return, it also has the potential of increasing losses as well. Accordingly, any event which adversely affects the value of an investment by the Sub-Fund would be magnified to the extent the Sub-Fund is leveraged. The cumulative effect of the use of leverage by the Sub-Fund in a market that moves adversely to the Sub-Fund's investments could result in a substantial loss to the Sub-Fund.

f. Counterparty Risk (OTC derivative transactions)

The Sub-Funds may enter into derivatives transactions in over-the-counter markets, which will expose the Sub-Funds to the credit risk of their counterparties and their inability to satisfy the terms of such contracts as mentioned in the clause of counterparty risk above.

The Sub-Funds might also be unable to close out when they wish to end or to enter into an offsetting OTC transaction with respect to an open position, which might adversely affect their performance. The closing-out of an OTC derivative transaction may only be made with the consent of the counterparty to the transaction.

g. Control and Monitoring

Financial derivative instruments are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the financial derivative instruments but also of the financial derivative instruments themselves, without the benefit of observing the performance of the financial derivative instruments under all possible market conditions. In particular, the use and complexity of financial derivative instruments require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that financial derivative instruments add to the Sub-Funds and the ability to forecast the relative price, interest rate or currency rate movements of the underlying assets correctly. There is no guarantee that a particular forecast will be correct or that an investment strategy which deploys financial derivative instruments will be successful.

h. Collateral

Under the terms of the ISDA Agreements and related Collateral Support Annexes which the Company has with each of its OTC counterparties, the Company and its respective ISDA Counterparties have an obligation to collateralise their exposure to one another on a mark to market basis. Collateral transferred by the Company to its ISDA counterparties is transferred with full legal title.

i. Limited recourse

The Company has an umbrella structure with multiple compartments (each compartment being referred to as a Sub-Fund). Each Sub-Fund, although not a separate legal entity, corresponds to a distinct part of the assets and liabilities of the Company under Luxembourg law, and consequently benefits from limited liability in accordance with the provisions of the Company's constitutive documents and Luxembourg law. When dealing for the account of a specified Sub-Fund, the Company will endeavour where possible to obtain a contractual acknowledgement from trading counterparties (each a "Counterparty") that the Company's obligation to that Counterparty will be limited to the assets of the specified Sub-Fund and that the Counterparty shall have no recourse to the assets of any other Sub-Fund. It may not however always be possible to obtain such an acknowledgement and in the event that (i) a Counterparty holds assets of more than one Sub-Fund; and (ii) the courts of the jurisdiction in which the assets are situated do not uphold the Luxembourg principle of limited liability as mentioned above, it is possible that the assets of one Sub-Fund could be used to satisfy the obligations of another Sub-Fund.

j. Options / Warrants

An option is a contract that gives the buyer the right, but not the obligation, to buy (call) or sell (put) the underlying asset at or within a certain point in time in the future at a pre-determined price (strike price) against the payment of a premium, which represent the maximum loss for the buyer of an option.

Options can allow the Investment Manager to cost-effectively be able to restrict downsides while enjoying the full upside of a stock, financial index, etc. Long positions in option may be taken to provide insurance against adverse movements in the underlying. Short position may also be taken to enhance total returns and generate income for the Sub-Fund via premium received. The writing and purchase of options is a specialised activity which can involve substantial risks. If the Investment Manager is incorrect in its expectation of changes in the market prices or determination of the correlation between the instruments or indices on which the options are written or purchased and the instruments in a Sub-Fund’s investment portfolio, the Sub-Fund may incur losses that it would not otherwise incur.

A warrant is a certificate that entitles the holder to buy a specific amount of the underlying security of the issuing company at a pre-determined price until the expiry date, against the payment of a premium. Warrants are very similar to call options but there are some key differences such as, (i) warrants are issued by private parties, typically the corporation on which a warrant is based, (ii) warrants are considered over-the-counter instruments, (iii) warrants are not standardized like exchange-listed options, (iv) warrants can usually not be shorted by investors.

k. Forwards

A forward is a contract whereby two parties agree to exchange the underlying asset at a predetermined point in time in the future at a fixed price. The buyer agrees today to buy a certain asset in the future and the seller agrees to deliver that asset at that point in time.

Forward contracts, unlike futures contracts, are not traded on exchanges and are not standardised; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward trading is substantially unregulated; there is no limitation on daily price movements. The principals who deal in the forward markets are not required to continue to make markets in the underlying securities they trade and these markets may experience periods of illiquidity, sometimes of significant duration. Disruptions can occur in any market traded by the Sub-Funds due to unusually high trading volume, political intervention or other factors. In respect of such trading, the Sub-Fund is subject to the risk of counterparty failure or the inability or refusal by a counterparty to perform with respect to such contracts. Market illiquidity or disruption could result in major losses to the Sub-Funds.

l. Futures

Futures are standardised forwards traded on an organized exchange. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

m. **Contract for Difference**

A CFD is a contract between two parties that allows them to gain exposure to the economic performance and cash flows of a security without the need for actually buying or selling the security. The two parties agree that the seller will pay the buyer the difference in price after a certain period of time if the designated security's price increases, and the buyer will in return pay the seller the difference in price if the security's price decreases. It is linked to the underlying security price. Consequently, no right is acquired or obligation incurred relating to the underlying share.

The Sub-Funds can take synthetic long or synthetic short positions with a variable margin via CFD. They are highly leveraged instruments and for a small deposit, it is possible for a Sub-Fund to hold a position much greater than would be possible with a traditional investment. In case of substantial and adverse market movements, the potential exists to lose all of the money originally deposited and to remain liable to pay additional funds immediately to maintain the margin requirement.

n. **Swaps (including IRS and TRS)**

In a standard swap transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular pre-determined investments or instruments.

The Sub-Funds may enter swap transactions with a view to effecting synthetic long and short positions in certain securities, sectors or indices, including commodities indices. Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the Sub-Funds' exposure to long-term or short-term interest rates, currency values, corporate borrowing rates, inflation rates, or other factors such as single equity securities, baskets of equity securities or equity indices. Swap agreements can take many different forms and are known by a variety of names.

An IRS is an agreement to exchange one set of cash flows (perceived as risky, as linked to e.g. a floating interest rate) against another set of cash flows (perceived as stable, as linked to, e.g. a fixed interest rate).

A TRS is an agreement that involves the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset (such as for example an equity), index or basket of assets against the rights to make fixed or floating payments or another equity return.

The most significant factor in the performance of swap agreements is the change in the specific interest rate, currency, individual equity values or other factors that determine the amounts of payments due to and from the Sub-Fund. If a swap agreement calls for payments by the Sub-Fund, the Sub-Fund must be prepared to make such payments when due. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses by the Sub-Fund.

The swap market has grown substantially in recent years with a large number of banks and investment banking firms, acting both as principals and as agents utilising standardised swap documentation. As a result, the swap market has become liquid but there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap.

o. **Credit Default Swaps**

A CDS is an agreement in which one party buys protection against losses occurring due to a credit event of a reference entity up to the maturity date of the swap. The protection buyer pays a periodic fee for this protection up to the maturity date, unless a credit event triggers the contingent payment. In the latter case, the buyer of protection only needs to pay the accrued fee up to the day of the credit event. If a credit event occurs, the settlement will be either in cash or physical: (i) Cash settlement: the seller of protection will pay to the buyer of protection the net amount between the nominal value and the market value of the security; (ii) Physical settlement: the buyer of protection will deliver a bond or a loan of the reference entity to the seller of protection and the latter will pay the par value in return. Credit events for CDS are typically: bankruptcy, failure to pay, and restructuring.

The Sub-Funds can take synthetic long or short positions in certain securities via CDS. The use of CDS may carry a higher risk than investing in bonds directly. A CDS allows the transfer of default risk. CDS can either serve as a substitute for purchasing corporate bonds or they can hedge specific corporate bond exposure or reduce exposure to credit basis risk. If the Sub-Fund is a buyer and no event of default occurs, the Sub-Fund will lose its investment and recover nothing. However, if an event of default occurs, the buyer Sub-Fund will receive the amount above mentioned depending on cash or physical settlement. If the Sub-Fund is a seller, it will receive a fixed rate of income throughout the term of the contract provided no credit event occurs. In the latter case, the Sub-Fund will have to pay the amount provided in the contract.

All Sub-Funds using Credit Default Swaps may, in the case of a credit event, have to accept delivery of non-investment-grade bonds issued in a currency other than the Reference Currency. The delivery of such non-investment-grade bonds in a currency other than the Reference Currency will not be regarded as a breach of investment policy for those Sub-Funds which may only be invested in investment-grade-bonds or in bonds issued in the Reference Currency.

The market for CDS may sometimes be more illiquid than bond markets.

5.2.11 Emerging Market Risk

General - In Emerging Markets, to which the Sub-Funds may be exposed, the legal, judicial and regulatory infrastructure is still developing and there is much legal uncertainty both for local market participants and their counterparties. Some markets carry significant risks for investors who should therefore ensure that, before investing, they understand the relevant risks and are satisfied that an investment is suitable. Such risks may include (i) increased risk of nationalisation, expropriation of assets, forced mergers of companies, creation of government monopolies, confiscatory taxation or price controls; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity, low trading volumes and smaller capitalisation of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for any major currency and/or restriction on the buying or selling by foreign investors; (viii) increased likelihood of governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (ix) differences in accounting, auditing and financial reporting standards, methods, practices and disclosures which may result in the unavailability or incompleteness or tardiness of material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets; (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and protection of shareholders and (xiv) less formalised procedures for corporate actions (no central source of identification, no formal notification) and proxy voting.

Exchange Rate Fluctuations Risk - In accordance with the investment objectives of certain Sub-Funds, the assets will be invested primarily in securities of companies in developing countries and substantially all income will be received by these Sub-Funds in currencies of such countries. A number of the currencies of developing countries have already experienced and could experience significant declines against the major currencies in recent years and devaluation may occur suddenly. Where possible, hedging strategies will be implemented but they cannot totally eliminate unfavorable currency fluctuations. Some currencies are not freely convertible currencies.

Custody Risk - The Company may also have to utilise local service providers for the safekeeping of the assets and for the execution of securities transactions. Although the Company intends to use only the best-qualified service providers in each of the markets concerned, the choice of providers in some emerging countries may be very limited. These providers may not offer guarantees comparable to those given by firms operating in developed countries. Accordingly, the quality of the services that the Company may obtain with regard to the execution of transactions on securities and their custody may be less reliable.

Settlement and Trading Risk - Settlement systems in Emerging Markets may be less well organized than in developed markets. Emerging Markets may not employ true Delivery versus Payment. Thus, there may be risks that settlement may be delayed and that cash or securities of these Sub-Funds may be in jeopardy because of failures of or defects in the systems. In particular, market practice may require that payment 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. Exchanges on Emerging Markets may not have a settlement guarantee fund in case of temporary securities or cash shortfalls or in the event of a counterparty default or broker malpractice. The Company will seek, where possible, to use counterparties whose financial status is such that the risk of default is reduced, but the risk of losses resulting from default cannot be totally eliminated. Some markets may have specific trading restrictions.

Registration of Securities - In some countries, there is no recognition of "nominee" ownership. Registration must be done with the issuer in the final beneficial owner's name.

Regulatory Risk - Many of the laws that govern private and foreign investment, equity securities transactions and other contractual relationships in certain countries, particularly in developing countries, are new and largely untested. As a result, the Company may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment in certain countries in which assets of the Company are invested. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on the Company and its operations. In addition, the income and gains of the Sub-Funds may be subject to withholding taxes imposed by foreign governments for which unitholders may not receive a full foreign tax credit.

Investment and Repatriation Restrictions Risk - Some countries prohibit or impose substantial restrictions on investments by foreign entities. Certain countries require governmental approval prior to investments by foreign persons, or limit the amount of investment by foreign in a particular company, or limit the investment by foreign persons in a company to only a specific class of securities which may have less advantageous terms than securities of the company available for purchase by nationals. Certain countries may restrict investment opportunities in issuers or industries deemed important to national interests. Repatriation of investment income, capital and the proceeds of sales by foreign investors may require governmental registration and/or approval in some developing countries. It may have an adverse impact on the operations of a Sub-Fund. While the Sub-Funds will invest only in markets where these restrictions are considered acceptable, new or additional restrictions might be imposed subsequent to the initial investment and thus may restrict the Investment Manager's ability to manage effectively such assets and could ultimately result in a substantial loss.

Liquidity Risk - As these Sub-Funds invest a high proportion of their assets in Emerging-Market securities which tend to be less liquid than those of developed markets, investors should consider a shareholding in these Sub-Funds to be a long-term investment and be aware that it may not always be possible to make redemption payments within the usual time frame (see Section 14).

Investment in People's Republic of China (PRC) - The securities markets in the PRC are Emerging Markets that are undergoing rapid growth and changes. Most PRC laws and regulations governing securities and corporations might be subject to unpredictable changes and development. The effect of such changes can be retrospective and can have an adverse impact on the investments of the Sub-Funds.

Trading China A-Shares, if contemplated by a Sub-Fund, will be achieved through the Shanghai-Hong Kong Stock Connect ("Stock Connect", please also see the Definitions section). Stock Connect is still developing and will be open to all investors without the requirement of a licence and there are only limited restrictions relating to, *inter alia*, settlement currency, locking up the proceeds of sale or delaying repatriation of those proceeds. A particular risk around Stock Connect is the manner in which assets are held as part of the Stock Connect and ensuring proper segregation of those assets. Compared to a clearing system in a non-Emerging Market, there is a greater risk of assets being lost or being unable to be properly identified as belonging to the Company when utilizing Stock Connect. The Company may commence recourse to Stock Connect for a Sub-Fund only when it is reasonably satisfied that such trading facility is permissible according to the relevant laws and regulations applicable to the Company. Also, a Sub-Fund may seek exposure to China A-Shares using market access products such as warrants and participating or "P" notes or other forms of structured products or derivatives with a similar purpose.

Although the above mentioned trading facilities are signs of a greater internationalization of the RMB and the liberalization of China's financial markets, it should also be noted that (i) China A-Shares held through Stock Connect directly or via market access products may have limited voting rights and (ii) the renminbi is subject to foreign exchange restrictions and is not a fully convertible currency. The exchange rate used for the Sub-Funds is in relation to the offshore renminbi ("CNH"), not the onshore renminbi ("CNY"). The value of CNH could differ, perhaps significantly, from that of CNY due to a number of factors including those mentioned above.

Risks relating to Stock Connect

Under Stock Connect, the Company through its Hong Kong brokers may trade certain eligible securities listed and traded on the SSE, including China A-Shares (the "**SSE Securities**"). Such trading is subject to the laws and regulations of PRC and Hong Kong and the relevant rules, policies or guidelines issued from time to time.

Segregation and beneficial ownership of SSE Securities

The SSE Securities are held in a nominee account in the name of HKSCC, opened with ChinaClear, which is an omnibus account in which all SSE Securities of the investors of Stock Connect are commingled. The SSE Securities are beneficially owned by the investors (a Sub-Fund) and are segregated from the own assets of HKSCC.

In addition, the SSE Securities beneficially owned by investors (including a Sub-Fund) will be segregated in the accounts opened with HKSCC by relevant sub-custodians, and in the accounts opened with the relevant sub-custodians of such Sub-Fund in the Hong Kong Central Clearing and Settlement System ("CCASS") maintained by the HKSCC as the central securities depositary in Hong Kong.

PRC laws suggest that the Sub-Fund would have beneficial ownership of SSE Securities. It is expressly stipulated in the Several Provisions on the Pilot Programme of Stock Connect (as published by the China Securities Regulatory Commission to prescribe the launch and operation of the Stock Connect) that HKSCC acts as the nominee holder and the Sub-Fund would own the rights and interests with respect to the SSE Securities. The SEHK has also stated that it is the Sub-Fund who is the beneficial owner of the SSE Securities.

However, it should be noted that the exact nature and methods of enforcement of the rights and interests of a Sub-Fund under PRC law is not certain and there have been few cases involving a nominee account structure in the PRC courts.

It should also be noted that as with other clearing systems or central securities depositaries, Stock Connect is not obliged to enforce the rights of a Sub-Fund in the PRC courts. If a Sub-Fund wishes to enforce its beneficial ownership rights in the PRC courts, it will need to consider the legal and procedural issues at the relevant time.

Quota limitations

Stock Connect is subject to an aggregate cross-boundary investment quota as well as a daily quota which does not belong to a Sub-Fund and can only be utilised on a first-come-first-served basis. In particular, once the remaining balance of the Northbound daily quota drops to zero or the Northbound daily quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict a relevant Sub-Fund's ability to invest in SSE Securities through Stock Connect on a timely basis, and a Sub-Fund may not be able to effectively pursue its investment strategies.

Settlement

The Company will set up arrangements with its Hong Kong brokers and sub-custodian to ensure that cash payment is received against delivery of securities for the trades of the SSE Securities (delivery versus payment settlement). To this end, for the trades of the SSE Securities by a Sub-Fund, Hong Kong brokers will credit or debit the cash account of a Sub-Fund on the same day for the settlement of securities, for an amount equal to the funds relating to such trading.

Clearing and settlement risk

HKSCC and ChinaClear will establish the clearing links and each will become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfill the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

Should a ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, a Sub-Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

No Protection by Investor Compensation Fund

Investment through Stock Connect is conducted through broker(s), and is subject to the risks of default by such brokers' in their obligations. A Sub-Fund's investments through Northbound trading under Stock Connect is not covered by the Hong Kong's Investor Compensation Fund. Therefore Sub-Funds are exposed to the risks of default of the broker(s) it engages in its trading in SSE Securities through Stock Connect.

Suspension risk

Both the SEHK and SSE reserve the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through Stock Connect is effected, the relevant Sub-Fund's ability to access the PRC market will be adversely affected.

Differences in trading day

Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but not for the Hong Kong market, in which case a Sub-Fund will not be able to access the PRC market via Stock Connect. A Sub-Fund may be subject to a risk of price fluctuations in SSE Securities during the time when Stock Connect is not trading as a result.

Operational risk

Stock Connect provides a new channel for investors from Hong Kong and overseas to access the China stock market directly. Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this programme subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the trial programme to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the "connectivity" in Stock Connect requires routing of orders across the PRC-Hong Kong border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (*i.e.* a new order routing system ("**China Stock Connect System**") to be set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the programme could be disrupted. A Sub-Fund's ability to access the SSE Securities market (and hence to pursue its investment objective) will be adversely affected.

Restrictions on selling imposed by front-end monitoring

PRC regulations require that before an investor sells any SSE Securities, there should be sufficient SSE Securities in the account; otherwise SSE will reject the sell order concerned. SEHK will carry out pre-trade checking on SSE Securities sell orders of its participants (*i.e.* the stock brokers) to ensure there is no over-selling. If a Sub-Fund desires to sell certain SSE Securities it holds, it must transfer those SSE Securities to the respective accounts of its brokers before the market opens on the day of trading. If it fails to meet this deadline, it will not be able to sell those SSE Securities on the trading day. Because of this requirement, the relevant Sub-Fund may not be able to dispose of holdings of SSE Securities in a timely manner.

Regulatory risk

Stock Connect is novel in nature, and will be subject to regulations circulated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be circulated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under Stock Connect.

It should be noted that the regulations are untested and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that Stock Connect will not be abolished. A Sub-Fund, which may invest in the PRC markets through Stock Connect, may be adversely affected as a result of such changes.

Taxation risk

On 14 November 2014, the Ministry of Finance, the State Administration of Taxation and the CSRC published the Circular on relevant Tax Treatment for the Pilot Programme of Shanghai-Hong Kong Stock Connect. Such circular provides that funds investing in SSE Securities via Stock Connect are temporarily exempt from income tax on capital gains derived from the transfer of SSE Securities on or after 17 November 2014 (the "Stock Connect Exemption"). Dividends from SSE Securities paid to a fund will continue to be subject to 10% withholding tax which is to be withheld at source. It is possible that any new tax laws and regulations and any new interpretations may be applied retroactively.

5.2.12 Russian Registration Risk / Investment in Russia

Investments in Russia are currently subject to certain heightened risks with regard to the ownership and custody of securities. In Russia this is evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the Custodian). No certificates representing ownership of Russian companies will be held by the Custodian or any sub-custodian or in an effective central depository system. As a result of this system and the lack of state regulation and enforcement, the Company could lose its registration and ownership of Russian securities through fraud, negligence or even mere oversight.

In addition, investments in Russia may also be impacted in the context of the geopolitical crisis in Eastern Europe involving Russia and Ukraine. Western countries have taken sanctions against Russia. This may lead Russia to take counter measures against some Western and other countries. As a result, the Russian economy may be adversely impacted and Russia may become a more risky investment with higher volatility on certain markets, restrictions on foreign investments in Russia, difficulties to liquidate Russian investments or expatriation of funds out of Russia.

The Moscow Exchange MICEX-RTS is the sole market qualifying as a Regulated Market in Russia.

5.2.13 Regional or Sectorial Concentration Risk

Concentration risk on certain countries/regions - Where a Sub-Fund restricts itself to investing in securities of issuers located in a particular country or region, such concentration will expose the Sub-Fund to the risk of adverse social, political or economic events which may occur in that country or region. The risk increases if the country or region in question is an Emerging Market.

Concentration risk on certain sectors - Where a Sub-Fund restricts itself to invest in a certain sector, such as technology or healthcare, it may be sensitive to factors affecting technology-related industries and to greater risk and market fluctuation than investment in a broader range of portfolio securities covering different economic sectors. Technology, technology-related, healthcare industries may also be subject to greater government regulation than many other industries. Accordingly, changes in government policies and the need for regulatory approvals may have a materially adverse affect on these industries. Additionally, these companies may be subject to risk of developing technologies, competitive pressures and other factors as well as a relatively high risk of obsolescence caused by scientific and technological advances and are depended upon consumer and business acceptance as new technologies evolve. Many companies in the technology sector are smaller companies and are therefore also subject to the risks attendant on investing in such companies set out above. The development of these sector-specific investments may differ from the general stock exchange trend.

5.2.14 Model Risk

Sub-Funds that apply quantitative management methods or systematic process or strategies, rely for their management process on models based to a varying extent on past market conditions. Given the uncertainty of the future, these models may not necessarily capture the risk they were designed and expected to capture and hence could signal erroneous investment opportunities.

5.2.15 Specific risk factors related to CAT Bonds

Event risk: If a predefined loss event occurs, the investment amount is not repaid in full at maturity. An event can lead to delayed payments, a partial or even total default of the investment amount. The strategy is subject to the risk of insured events, which are in each case based on the probability of occurrence and claim amounts of insured events.

Model and price risks: model risk arises if the probabilities of occurrence and claim amounts of the covered event are not properly reflected in the model. The event probability of CAT Bonds is based on risk models. These are constantly being revised and developed, but they only represent an approximation of reality. These models may be subject to uncertainty and errors. Consequently, event risks can be significantly under- or overestimated. Price risk is related to model risk to the extent that the value of CAT Bonds relies on the assessment of fundamentally unpredictable events whose probability the models seek to approximate. Several active CAT Bond market operators provide price lists on a regular basis, but such information is merely indicative and the fair value of CAT Bonds may be subject to significant variations.

Collateral risk: the proceeds of CAT Bond transactions are typically invested in money market funds or similar instruments backed by a government, governmental and/or supranational entity. Investors are exposed to the counterparty risk of these entities and, upon their potential default, to the market risk of the assets held as collateral.

6. DIVIDEND POLICY

The Company offers, for each Sub-Fund, Shares in the form of A Shares on which the Company shall not distribute any dividend and on which all net investment income and all net realized and unrealized capital gains will be accumulated and will increase the Net Asset Value of the A Shares of the relevant Sub-Fund, and D Shares on which the Company shall distribute by way of dividends all or substantially all of the net investment income. However, if the amount available for distribution is less than the equivalent of USD 0.05 per Share, no dividend will be declared and the amount will be carried forward to the next period. The Company may also distribute capital by way of dividend.

Dividends in respect of such D Shares are payable annually out of the income accruing during the period from 1 October to 30 September. However, for certain Sub-Funds and at the discretion of the Directors, there may be, within the same class of Shares, (i) Shares with one annual dividend only and/or (ii) Shares with one or more interim dividends.

To the extent that there is sufficient income available, dividends will normally be paid within two months of the end of the period to the holders of D Shares on the record date determined by the Directors in respect of such period.

Cash dividends remaining unclaimed on D Shares five years after their declaration shall be forfeited and revert to the relevant Sub-Fund.

7. MANAGEMENT, INVESTMENT MANAGEMENT AND ADVICE

The Directors are responsible for the Company's management and control, including the determination of investment policy. They have appointed Lombard Odier Funds (Europe) S.A. as the management company of the Company. The Management Company is authorised to act as fund management company in accordance with Chapter 15 of the 2010 Law. The Management Company has appointed the Dirigeants listed in the "List of Parties and Addresses", to direct and coordinate the operations of the Company and has appointed the Investment Managers listed in the "List of Parties and Addresses" to advise on investments and assume the day-to-day management of the investments of the Company.

7.1 Management Company and Domiciliary Agent

The Company has signed a management company agreement with the Management Company dated 1 June 2010 (the "Management Company Agreement"). Under this agreement, the Management Company was entrusted with the day-to-day management of the Company and with the responsibility to perform, directly or by way of delegation, all functions relating to the Company's investment management, administration and marketing, as well as distribution of the Company's shares. The Management Company will also act as domiciliary agent for the Company.

The Management Company was organised for an unlimited period as a société anonyme under the laws of the Grand Duchy of Luxembourg by a notarial deed dated 23 April 2010 which was published in the *Mémorial* on 20 May 2010. The latest amendments to the articles of incorporation of the Management Company became effective on 24 September 2015 and were published in the *Mémorial* on 10 November 2015. The Management Company's registered and principal office is at 5, allée Scheffer, L-2520 Luxembourg. It is registered on the R.C.S. Luxembourg under No. B-152.886.

The issued capital of the Management Company is 3 million Swiss Franc (CHF 3,000,000.-), consisting of three thousand (3,000) shares in registered form with a par value of one thousand Swiss Franc (CHF 1,000.-), per share, all of which are fully paid up.

The Management Company is an indirectly wholly-owned subsidiary of Compagnie Odier SCA ("the SCA").

The purpose of the Management Company is the creation, the promotion, the administration, the management and the marketing of Luxembourg and foreign UCITS, alternative investment funds ("AIFs") within the meaning of the Luxembourg law of 12 July 2013 on alternative investment funds managers ("AIFM"), as may be amended from time to time (the "AIFM Law") and other regulated funds, collective investment vehicles or other investment vehicles. More generally the Management Company may carry out any activities connected with the services it provides to investment vehicles to the furthest extent permitted by the 2010 Law, the AIFM Law and any other applicable laws and regulations. The Management Company may carry out any activities connected directly or indirectly to, and/or deemed useful and/or necessary for the accomplishment of its object, remaining, however, within the limitations set forth in, but to the furthest extent permitted by, the provisions of the 2010 Law, the AIFM Law and any other applicable laws and regulations. The Management Company is authorised by the CSSF as a management company under Chapter 15 of the 2010 Law and as an AIFM under Chapter 2 of the AIFM Law.

7.2 Dirigeants of the Management Company

The Board of the Management Company has, with the approval of the Directors, granted a mandate to the Dirigeants mentioned under "List of Parties and Addresses" in order to supervise and coordinate the activities of the Company, in compliance with the provisions of the CSSF Regulation 10-4, and CSSF Circular 12/546. The Dirigeants shall supervise and coordinate the functions delegated to the different service providers and shall ensure that an appropriate risk management method is applied to the Company.

7.3 Investment Managers

The Management Company has, with the agreement of the Board, appointed the following Investment Managers pursuant to several Investment Management Agreements to provide day-to-day discretionary investment management services for the Sub-Funds, subject to the direction of the Management Company and supervision of the Board. Several Investment Managers may be appointed for the same Sub-Fund.

Information regarding Sub-Funds allocated to each Investment Manager is published in the annual and semi-annual reports. Investors may receive from the Company, on written request, an up-dated list of the Investment Managers. Subject to the prior approval of the Management Company and without prejudice to the responsibility of the Investment Manager, (i) any entity belonging to the Lombard Odier Group listed below (an "LO Entity") and acting as investment manager for a given Sub-Fund may be assisted by one or more employees of another LO Entity and (ii) the Investment Manager may appoint sub-investment managers and/or investment advisers with no discretionary asset management power.

Bank Lombard Odier & Co Ltd ("LOC"), an indirectly wholly-owned subsidiary of the SCA, is one of the oldest (founded in 1796) and largest private banks in Switzerland, and concentrates on asset management for institutional and private clients worldwide. LOC's long experience in international financial markets, backed up by a strong commitment to research, has made it a recognized leader among international investment managers.

Lombard Odier (Hong Kong) Limited ("LO Hong Kong"), an indirectly wholly-owned subsidiary of the SCA, was incorporated in Hong Kong on 7 July 1987. LO Hong Kong has many years of experience in researching the economies of Asian countries and in managing mutual funds invested in these markets.

Lombard Odier Trust (Japan) Limited ("LOJP"), an indirectly wholly-owned subsidiary of the SCA, was incorporated in Tokyo, Japan in 1999. LOJP is an asset manager which is regulated by the Securities and Exchange Surveillance Commission and the Financial Services Agency and its main activity is to provide asset management services to private and institutional investors in Japan.

Lombard Odier Asset Management (Europe) Limited ("LOAM Europe"), an indirectly wholly-owned subsidiary of the SCA, was incorporated in London in 2009. LOAM Europe is authorized and regulated by the Financial Conduct Authority in the United Kingdom and manages equity and fixed interest portfolios for institutional clients worldwide.

Lombard Odier Asset Management (Switzerland) SA, an indirectly wholly-owned subsidiary of the SCA, was incorporated in Geneva in 1972. It is regulated by the Swiss Financial Markets Supervisory Authority ("FINMA") as a fund management company.

Lombard Odier Asset Management (USA) Corp ("LOAM USA"), an indirectly wholly-owned subsidiary of the SCA, was formed as a corporation in the United States on 26 December 2000. It is registered as an investment adviser with the US Securities and Exchange Commission.

Generation Investment Management LLP is an independent, private, owner-managed partnership established in 2004 and with offices in London and Washington, D.C., that serves the institutional and mutual fund markets. Generation Investment Management LLP manages LO Funds – Generation Global.

Alpha Japan Asset Advisors Ltd is an independent investment manager established in 2007 and based in Tokyo (Japan); Alpha Japan Asset Advisors Ltd is authorized and regulated by the Financial Services Agency and manages LO Funds – Alpha Japan.

Van Eck Associates Corporation is a privately-held, New York-based asset manager specializing in hard asset equities, commodities and Emerging Markets. Van Eck Associates Corporation manages LO Funds – World Gold Expertise.

7.4 International Advisory Boards

Global and Sector/Thematic Equity Sub-Funds

The Board or, upon delegation, the Management Company or the Investment Managers may establish for the Global and Sector/Thematic Equity Sub-Funds Advisory Boards, whose members are, as well as certain Directors, persons who in the judgment of the Directors, are highly knowledgeable about international investments, business, political, economics, scientific or technological matters. The International Advisory Boards, whilst not participating in specific investment decisions, will consult with and advise the Management Company and Investment Managers from time to time with respect to global economic, political and business trends and developments, with regard to these Sub-Funds.

The members of the Advisory Boards will be appointed from time to time and their names will be listed on a specific document which may be consulted at the registered office of the Company.

7.5 Co-management

In order to reduce operational and administrative charges whilst allowing a wider diversification of the investments, the Board may decide that part or all of the assets of any Sub-Fund will be co-managed with assets belonging to other Luxembourg collective investment schemes or that part or all of the Sub-Funds will be co-managed among themselves. In the following paragraphs, the words "co-managed Entities" shall refer to any Sub-Fund and all entities with and between which there exists any given co-management arrangement and the words "co-managed Assets" shall refer to the entire assets of these co-managed Entities which are managed pursuant to the same co-management arrangements.

Under the co-management arrangement, the Management Company and the Investment Managers will be entitled to take, on a consolidated basis for the relevant co-managed Entities, investment and disinvestment decisions which will influence the composition of the Sub-Funds. Each co-managed Entity shall hold a portion of the co-managed Assets corresponding to the proportion of its net assets to the total value of the co-managed Assets. This proportional holding shall be applicable to each and every line of investment held or acquired under co-management. In case of investment and/or disinvestment decisions these proportions shall not be affected and additional investments shall be allotted to the co-managed Entities pursuant to the same proportion and assets sold shall be levied proportionately on the co-managed Assets held by each co-managed Entity.

In case of new subscriptions in one of the co-managed Entities, the subscription proceeds shall be allotted to the co-managed Entities pursuant to the modified proportions resulting from the net asset increase of the co-managed Entity which has benefited from the subscriptions and all lines of investment shall be modified by a transfer of assets from one co-managed Entity to the other in order to be adjusted to the modified proportions. In a similar manner, in case of redemptions in one of the co-managed Entities, the cash required may be levied on the cash held by the co-managed Entities pursuant to the modified proportions resulting from the net asset reduction of the co-managed Entity which has suffered from the redemptions and, in such case, all lines of investment shall be adjusted to the modified proportions. **Shareholders should be aware that, in the absence of any specific action by the Board or its appointed agents, the co-management arrangement may cause the composition of assets of a Sub-Fund to be influenced by events attributable to other co-managed Entities such as subscriptions and redemptions.** Thus, all other things being equal, subscriptions received in one entity with which any Sub-Fund is co-managed will lead to an increase of this Sub-Fund's reserve of cash. Conversely, redemptions made in one entity with which any Sub-Fund is co-managed will lead to reduction of this Sub-Fund's reserve of cash. Subscriptions and redemptions may however be kept in the specific account opened for each co-managed Entity outside the co-management arrangement and through which subscriptions and redemptions must pass. The possibility to allocate substantial subscriptions and redemptions to these specific accounts together with the possibility for the Board or its appointed agents to decide at any time to terminate a Sub-Fund's participation in the co-management arrangement permit this Sub-Fund to avoid the readjustments of its portfolio if these readjustments are likely to affect the interest of the Sub-Fund and of its shareholders.

If a modification of the composition of a Sub-Fund resulting from redemptions or payments of charges and expenses peculiar to another co-managed Entity (*i.e.* not attributable to such Sub-Fund) is likely to result in a breach of the investment restrictions applicable to this Sub-Fund, the relevant assets shall be excluded from the co-management arrangement before the implementation of the modification in order for it not to be affected by the ensuing adjustments.

In order to assure that investment decisions are fully compatible with the investment policy of the Sub-Fund, co-managed Assets of any Sub-Fund shall only be co-managed with assets intended to be invested pursuant to investment objectives identical to those applicable to the co-managed Assets of such Sub-Fund. Co-managed Assets of any Sub-Fund shall only be co-managed with assets for which the Custodian also acts as depository in order to assure that the Custodian is able, with respect to such Sub-Fund, to fully carry out its functions and responsibilities pursuant to the 2010 Law. The Custodian shall at all times keep the Sub-Funds' assets segregated from the assets of other co-managed Entities, and shall therefore be able at all times to identify the assets of the Sub-Funds. Since co-managed Entities may have investment policies which are not strictly identical to the investment policy of one of the Sub-Funds, it is possible that the common policy implemented may be more restrictive than that of the Sub-Fund.

The Dirigeants or the Board may decide at any time and without notice to terminate a co-management arrangement.

Shareholders may at all times enquire at the registered office of the Company as to the percentage of assets which are co-managed and of the entities with which there is such a co-management arrangement at the time of their request.

Co-management arrangements with non-Luxembourg entities shall be authorized provided that (1) the co-management agreement to which the non-Luxembourg entity is a party is subject to Luxembourg law and the jurisdiction of the Luxembourg courts, or that (2) the rights of each co-managed Entity concerned are established in such a way that no creditor, liquidator or bankruptcy curator of the non-Luxembourg entity concerned has access to the assets of the Sub-Funds or has the right to freeze them.

8. CUSTODIAN

The Company has, under an agreement ("Custodian and Central Administration Agreements") appointed CACEIS Bank Luxembourg as Custodian of the assets of the Company. This Agreement has no fixed duration and may be terminated by either party upon giving 3 months' prior notice.

The Custodian is a bank organized as a "société anonyme" under the laws of the Grand Duchy of Luxembourg incorporated in Luxembourg. Its registered office is at 5, allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg.

In consideration of its service, the Custodian shall receive from the Company its customary fees expressed as a percentage of net assets (accruing and calculated on each Business Day and payable monthly in arrears). In addition, the Custodian is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and the fees charged to it by any correspondent bank or other agent (including any clearing system).

The Custodian Agreement provides that all securities and other permitted assets of the Company are to be held by or to the order of the Custodian. The Custodian shall also be responsible for the collection of principal and income on, and the payment for and collection of proceeds of, securities bought and sold by the Company. The responsibilities of the Custodian shall be those laid down in article 33 of the 2010 Law.

9. CENTRAL ADMINISTRATION, REGISTRAR, TRANSFER AGENT, PAYING AGENT AND LISTING AGENT

The Company has, under an agreement ("Custodian and Central Administration Agreements") appointed CACEIS Bank Luxembourg to act for the Company in Luxembourg as central administration, registrar and transfer agent, paying agent and listing agent (the "Central Administration Agent").

By way of an adherence and amendment agreement, the Management Company has become a party to the Custodian and Central Administration Agreement.

The Central Administration Agent may delegate part or all of its functions to a third party service provider, under its responsibility.

This agreement may be terminated by either party giving 3 months' prior notice.

10. INDEPENDENT AUDITORS AND LEGAL ADVISERS

PricewaterhouseCoopers, société coopérative, Réviseur d'entreprises, 2, rue Gerhard Mercator, BP 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg shall act as the Independent Auditors of the Company.

The Company's legal advisers are Linklaters LLP, 35, avenue John F. Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg.

11. CHARGES AND EXPENSES

11.1 Initial Charge

On subscriptions for P, I, H and M Shares of any Sub-Fund, the Directors have determined that an Initial Charge not exceeding 5% of the Issue Price may be payable to the Global Distributor or any Distributor in remuneration of their services, including but not limited to, (i) the handling and transmission of subscription orders to the transfer agent, (ii) the settlement of subscription orders, (iii) the transmission of the relevant legal and marketing documents, at the request of investors, (iv) the controls of minimum investment amount requirements and other eligibility criteria applicable to each Sub-Fund, respectively each Share class, and (v) the processing of corporate actions.

For the R Shares of any Sub-Fund, the Initial Charge will not exceed 3% of the Issue Price.

No Initial Charge will be applied to E Shares.

11.2 Redemption Charge

There is no redemption charge payable on redemption.

11.3 Conversion Charge

On conversions between the different Sub-Funds the Directors have determined that the Global Distributor or any Distributor may levy a conversion charge of up to 0.50% of the value of the Shares being converted in remuneration of the services mentioned under paragraph 11.1 above in relation to the conversion. No charges will be levied in respect of shareholders wishing to change the class of their Shares.

No conversion charge will be applied to E Shares

11.4 Dealing Charge

Usual Dealing Charges

In addition to the charges mentioned above, the Issue and Redemption Prices of the Shares of any Sub-Fund, may be increased, respectively reduced by a Dealing Charge levied by the Company in favour of the relevant Sub-Fund, in order to mitigate the effect of portfolio transactions costs resulting from subscriptions or redemptions. In case of conversion between Sub-Funds (but not between classes of Shares within the same Sub-Fund), two Dealing Charges will be levied by the Company, the first in favour of the original Sub-Fund and the second in favour of the new Sub-Fund. The Dealing Charges, applicable at the discretion of the Directors will not exceed 3%.

When the Directors decide to make a Dilution Adjustment, as defined in paragraph 16.1, no usual Dealing Charge will be levied on the

Shares nor will any class of Shares be subject to the Swinging Single Pricing.

Discretionary Dealing Charges Imposed for Excessive Trading

The Directors are entitled to levy a discretionary dealing charge on the Shares of any Sub-Fund where they believe that excessive trading is being practiced. The Directors do not knowingly allow investments that are associated with excessive trading practices, as such practices may adversely affect the interests of all shareholders. Excessive trading includes investors whose securities transactions seem to follow a timing pattern or are characterized by excessively frequent or large trades. In case of excessive trading, the Redemption Price of the Shares will be reduced by the discretionary dealing charge, not exceeding 3% of the Redemption Price, in favor of the relevant Sub-Fund.

11.5 Annual Charges

11.5.1 Management Fee

For the R, P, I, H, M classes of Shares, the Management Company may be entitled to a Management Fee calculated and accrued at each Valuation Day by reference to the Net Asset Value of the relevant classes of Shares and Sub-Funds and payable monthly in arrears. For the Generation Global, Europe High Conviction, Alpha Japan, Asia Consumer, Fundamental Equity Long/Short, Tactical Alpha, Global Macro and Absolute Return Bond Sub-Funds the Management Company is also entitled to a Performance Fee described hereunder.

No Management Fees and Performance Fees are payable on the S and E classes of Shares. Investors willing to subscribe S Shares have to enter into a remuneration agreement with the Company, the Management Company or any other entity of the Lombard Odier Group. Invoices issued by the Management Company to the Company, according to the provisions of the Management Company Agreement (see Section 7), will be paid directly by such Institutional Investor.

The Management Fee payable to the Management Company for its services in respect of the different classes of Shares of each Sub-Fund is indicated hereunder.

The investment advisory fees are borne by the Investment Managers.

The Management Company pays the following fees out of the Management Fee:

(i) in respect of P, R and I Shares:

- the investment management fees payable to the Investment Managers; and
- rebates.

(ii) in respect of M Shares:

- the investment management fees payable to the Investment Managers; and
- the Infrastructure Services Fee as further described below.

11.5.2 Distribution Fee

For the services provided in the promotion of the Company's shares, described in Section 12, the Global Distributor or the Distributor is entitled to a Distribution Fee calculated and accrued at each Valuation Day by reference to the Net Asset Value of the P and R classes of Shares of the relevant Sub-Funds and payable monthly in arrears. No Distribution Fee is payable on I, S, H, M and E Shares.

The Global Distributor or the Distributor may, from time to time, rebate to local sub-distributors, sales agents, introducing brokers or to shareholders a portion or all of the fees, in accordance with all applicable laws.

The Distribution Fee payable to the Global Distributor or the Distributor for its services in respect of the P and R classes of Shares of each Sub-Fund is indicated in the table below.

Maximum Management Fee and Distribution Fee as an annual percentage of the Net Asset Value of the relevant class of Shares for each Sub-Fund							
	Management Fee			Distribution Fee		Total fees	
Classes	**P, R and I**	**M**	**H**	**P**	**R**	**P**	**R**
Alternative Beta	0.75%	0.85%	1.50%	0.75%	1.55%	1.50%	2.30%
Tactical Alpha*	1.00%	1.10%	1.75%	0.75%	1.55%	1.75%	2.55%
All Roads Multi-Asset	1.00%	1.10%	2.00%	1.00%	1.55%	2.00%	2.55%
Global Macro*	2.00%	2.20%	3.50%	2.00%	2.00%	4.00%	4.00%
Multiadvisers UCITS	1.00%	1.10%	2.00%	1.00%	1.55%	2.00%	2.55%
Alternative Risk Premia	1.00%	1.10%	2.00%	1.00%	1.55%	2.00%	2.55%
Generation Global*	1.00%	1.10%	1.50%	0.50%	1.55%	1.50%	2.55%
Global Consumer*	1.00%	1.10%	2.00%	1.00%	1.55%	2.00%	2.55%
Global Equity Income	1.00%	1.10%	2.00%	1.00%	1.55%	2.00%	2.55%
Technology	1.00%	1.10%	2.00%	1.00%	1.55%	2.00%	2.55%
Golden Age	0.75%	0.85%	1.50%	0.75%	1.55%	1.50%	2.30%
World Gold Expertise	1.00%	1.10%	2.00%	1.00%	1.55%	2.00%	2.55%
Global Energy	1.00%	1.10%	2.00%	1.00%	1.55%	2.00%	2.55%
Commodity Risk Premia	0.75%	0.85%	1.50%	0.75%	1.55%	1.50%	2.30%
Emerging Consumer	0.85%	0.95%	1.70%	0.85%	1.55%	1.70%	2.40%
US Equity Factor Enhanced	0.75%	0.85%	1.50%	0.75%	1.55%	1.50%	2.30%
Emerging Equity Factor Enhanced	0.75%	0.85%	1.50%	0.75%	1.55%	1.50%	2.30%
Europe Equity Factor Enhanced	0.75%	0.85%	1.50%	0.75%	1.55%	1.50%	2.30%
Europe High Conviction*	0.75%	0.85%	1.50%	0.75%	1.55%	1.50%	2.30%
Eurozone Small & Mid Caps	0.90%	1.00%	1.80%	0.90%	1.55%	1.80%	2.45%
Japan Equity Factor Enhanced	0.75%	0.85%	1.50%	0.75%	1.55%	1.50%	2.30%
Alpha Japan*	0.75%	0.85%	1.50%	0.75%	1.55%	1.50%	2.30%
Asia Consumer*	1.00%	1.10%	2.00%	1.00%	1.55%	2.00%	2.55%
Fundamental Equity Long/Short*	2.00%	2.20%	3.50%	2.00%	2.00%	4.00%	4.00%
Swiss Equity	0.75%	0.85%	1.50%	0.75%	1.55%	1.50%	2.30%
Euro Government Fundamental	0.375%	0.45%	0.75%	0.375%	0.825%	0.75%	1.20%
Euro Inflation-Linked Fundamental	0.375%	0.45%	0.75%	0.375%	0.825%	0.75%	1.20%
Global Government Fundamental	0.375%	0.45%	0.75%	0.375%	1.125%	0.75%	1.50%
Global Inflation-Linked Fundamental	0.375%	0.45%	0.75%	0.375%	0.825%	0.75%	1.20%

Maximum Management Fee and Distribution Fee as an annual percentage of the Net Asset Value of the relevant class of Shares for each Sub-Fund							
	Management Fee			Distribution Fee		Total fees	
Classes	**P, R and I**	**M**	**H**	**P**	**R**	**P**	**R**
Swiss Franc Bond (Foreign)	0.30%	0.35%	0.60%	0.30%	0.70%	0.60%	1.00%
Absolute Return Bond*	0.50%	0.55%	1.00%	0.50%	1.00%	1.00%	1.50%
Global Corporate Fundamental	0.55%	0.65%	1.10%	0.55%	1.15%	1.10%	1.70%
Euro Responsible Corporate Fundamental	0.45%	0.50%	0.90%	0.45%	0.90%	0.90%	1.35%
Euro Credit Bond	0.45%	0.50%	0.90%	0.45%	0.90%	0.90%	1.35%
Global BBB-BB Fundamental	0.65%	0.75%	1.30%	0.65%	1.25%	1.30%	1.90%
Euro BBB-BB Fundamental	0.50%	0.55%	1.00%	0.50%	1.00%	1.00%	1.50%
Swiss Franc Credit Bond (Foreign)	0.35%	0.40%	0.70%	0.35%	0.70%	0.70%	1.05%
Ultra Low Duration Bond (USD)	0.45%	0.50%	0.90%	0.45%	0.90%	0.90%	1.35%
Ultra Low Duration Bond (EUR)	0.45%	0.50%	0.90%	0.45%	0.90%	0.90%	1.35%
Emerging Local Currency Bond Fundamental	0.75%	0.85%	1.50%	0.75%	1.55%	1.50%	2.30%
Convertible Bond	0.65%	0.75%	1.30%	0.65%	1.15%	1.30%	1.80%
Global Convertible Bond Defensive Delta	0.65%	0.75%	1.30%	0.65%	1.15%	1.30%	1.80%
Convertible Bond Asia	0.75%	0.85%	1.50%	0.75%	1.55%	1.50%	2.30%
CAT Bonds	1.00%	1.10%	1.50%	0.50%	1.00%	1.50%	2.00%
Short-Term Money Market (EUR)	0.16%	0.20%	0.32%	0.16%	0.40%	0.32%	0.56%
Short-Term Money Market (USD)	0.16%	0.20%	0.32%	0.16%	0.40%	0.32%	0.56%
Short-Term Money Market (GBP)	0.16%	0.20%	0.32%	0.16%	0.40%	0.32%	0.56%
Short-Term Money Market (CHF)	0.16%	0.20%	0.32%	0.16%	0.40%	0.32%	0.56%

* In addition to the above-mentioned management and distribution fees, these Sub-Funds are subject to a performance fee described below.

When a maximum and/or minimum Management Fee and/or Distribution Fee is indicated, investors can find the amount of the Management Fee and Distribution Fee that was applied within the semi-annual and annual reports.

11.5.3 Infrastructure Services Fee

For the infrastructural and the legal support provided through platforms or similar medias for the accessibility of the M Shares (and relevant information related to the Shares) the Infrastructure Services Fee may be payable.

The purpose of the Infrastructure Services Fee is to remunerate Infrastructural Services which widely range from operational, legal and administrative assistance to transactional, settlement or analytical support and which comprise, *inter alia*, the following:

- referencing of UCIs;
- routing of subscription, conversion or redemption orders;
- control of eligibility criteria applicable to each Sub-Fund as well as Know-Your-Customer requirements;
- reconciliation of orders;
- settlement of transactions;
- maintenance of individualized account information as well as aggregated holdings;
- data management and timely delivery of comprehensive fund data including the development of online information, reporting tools, legal documentation and factsheets;

- data analysis expertise such as fund screening and risk reporting;
- corporate action processing.

For the avoidance of doubts, the Infrastructural Services shall in no case include management, advisory or marketing services.

The Infrastructure Services Fee shall not exceed 10% of the Management Fee of M Shares, rounded to the next higher 5 basis points.

11.5.4 Performance Fee

Relative Performance Fee

Performance Fee for the Generation Global, Global Consumer, Europe High Conviction, Alpha Japan, Asia Consumer and Tactical Alpha (custom-benchmark Share class) Sub-Funds

For the R, P, I, and M classes of Shares, the Management Company is entitled, in addition to the Management Fees described above, to a Performance Fee amounting to a percentage (the "percentage") of the relative performance of the Sub-Fund compared to its benchmark (the "benchmark") during a certain period of time (the "performance period"), subject to a Relative High Water Mark. Shareholders should be aware that under the Performance Fee formula disclosed hereinafter, a Performance Fee may be payable on yearly basis to the Management Company in respect of a given period, even if there was a decrease of the Net Asset Value over the relevant period. Shareholders should also be aware that redemptions will cause a "crystallisation" of the Performance fee. Therefore, for Shares redeemed, any Performance Fee accrued for the relevant Sub-Fund at the date of redemption will be payable to the Management Company, in proportion to the Shares redeemed.

The Relative High Water Mark principle means that if the Management Company underperforms its Benchmark during a performance period, it has first to recoup this loss in the next performance period(s) before being entitled to a Performance Fee. In other words, the Sub-Fund must have generated a performance greater than the Benchmark since the latest of (i) the last payment of the Performance Fee, or (ii) the introduction of the Performance Fee, in case such fee has never been paid yet.

The Performance Fee is paid in arrears at the end of the performance period. It shall be calculated and accrued in the Net Asset Value on a daily basis.

The relevant percentage, benchmark and performance period of each Sub-Fund are indicated in the following table:

	Performance Fee (as an annual percentage of the relative performance compared to its benchmark)		
Sub-Fund	**Percentage**	**Benchmark**	**Performance Period**
Generation Global	20%	MSCI World ND	1 October to 30 September
Global Consumer	10%	30% MSCI AC Consumer Discretionary ND USD / 70% MSCI AC Consumer Staples ND USD	1 October to 30 September
Europe High Conviction	15%	MSCI Europe ND	1 October to 30 September
Alpha Japan	20%	Topix TR (to be hedged against the respective Alternative currency for the classes of Shares issued in Alternative currencies)	1 October to 30 September
Asia Consumer	10%	MSCI AC Asia Ex-Japan ND	1 October to 30 September
Tactical Alpha / custom-benchmark Share class	15%	Composite of 70% Euro-Bobl Futures and 30% EURO STOXX 50 Index Futures	1 October to 30 September

Examples of Performance Fee based on a 20% "percentage" and annual "performance period":

	Sub-Fund's NAV	Benchmark	Sub-Fund's Performance	Benchmark's Performance	Performance Fee	NAV net of Performance
T0	100	200	-	-	-	-
T1	112	206	12.00%	3.00%	1.80%	109.98
T2	115	220	4.56%	6.80%	none	115.00
T3	125	225	13.66%	9.22%	0.89%	123.89

The Sub-Fund is launched at T0 with a NAV of 100.

At the end of the first year (T1), the NAV is 112 (gain of 12%) and the benchmark is at 206 (gain of 3%). As the Sub-Fund outperforms its benchmark by 9%, the Management Company is entitled to a Performance Fee of 1.8% (20% x 9%).The Sub-Fund's NAV (109.98) and the benchmark's level (206) at that time are used for calculating the Performance Fee for the second year (Relative High Water Mark).

At the end of the second year (T2), the Sub-Fund has underperformed the benchmark, and thus no Performance Fee is charged. The Relative High Water Mark stays at the same level.

At the end of the third year (T3), the Sub-Fund exhibits a performance of 13.66% (from 109.98 to 125) and the Benchmark a performance of 9.22% (from 206 to 225) compared to the Relative High Water Mark. As the Sub-Fund outperforms its Benchmark by 4.44%, the Management Company is entitled to a Performance Fee of 0.89% (20% x 4.44%). The new High Water Mark levels are set on 123.89 for the NAV and 225 for the Benchmark.

Absolute Performance Fee

Performance Fee for the Tactical Alpha, Global Macro, Fundamental Equity Long/Short and Absolute Return Bond Sub-Funds

For the R, P, I and M classes of shares, the Management Company is entitled to a Performance Fee when the Sub-Fund exhibits a positive absolute performance during a certain period of time (the "performance period"), subject to an Absolute High Water Mark. The Performance Fee amounts to a percentage (the "percentage") of the Sub-Fund's performance in excess of the hurdle rate (if any).

The Absolute High Water Mark is the greater of (i) the Net Asset Value per Share at the end of any performance period where a Performance Fee has been paid or (ii) the initial offer price per Share.

The Performance Fee is payable in arrears at the end of the performance period. It shall be calculated and accrued in the Net Asset Value on a daily basis. Shareholders should also be aware that redemptions will cause a "crystallisation" of the Performance Fee. Therefore, for shares redeemed, any Performance Fee accrued for the relevant Sub-Fund at the date of redemption will be payable to the Management Company, in proportion to the Shares redeemed.

The relevant percentage, hurdle rate and performance period of each Sub-Fund are indicated in the following table:

	Performance Fee (as an annual percentage of the relative performance compared to its benchmark/hurdle rate)			
Sub-Fund	**Percentage**	**Hurdle Rate**		**Performance Period**
Tactical Alpha	15%	EUR shares:	Eonia	1 October to 30 September
		USD shares:	Barclays Overnight USD	
		CHF shares:	Swiss Average Rate Overnight Index	
		GBP shares:	LIBOR GBP Overnight	
		JPY shares:	TIBOR	
		HKD shares:	HIBOR Overnight	
		SGD shares:	SIBOR Overnight	
Global Macro	20%	None		1 January to 31 December

	Performance Fee (as an annual percentage of the relative performance compared to its benchmark/hurdle rate)			
Sub-Fund	**Percentage**	**Hurdle Rate**		**Performance Period**
Fundamental Equity Long/ Short	20%	None		1 October 2014 to 31 May 2015 1 June 2015 to 31 December 2015. Thereafter: 1 January to 31 December
Absolute Return Bond	10%	EUR shares:	EONIA	1 October to 30 September
		GBP shares:	SONIA	
		CHF shares:	Swiss Average Rate Overnight Index	
		USD shares:	Barclays Overnight USD	

Examples of Performance Fee based on a 20% "percentage" and annual "performance period":

	Sub-Fund's NAV	Sub-Fund's Performance Since High Water Mark	Yearly Hurdle Rate	Performance Fee	NAV net of Performance	High Water Mark
T0	100	-	-	-	-	100
T1	108	8.00%	3.00%	1%	106.9	108
T2	105	-2.8%	3.00%	none	105.0	108
T3	110	1.85%	3.00%	none	110.0	108

The Sub-Fund is launched at T0 with a NAV of 100.

At the end of the first year (T1), the Sub-Fund exhibits an absolute positive performance of 8%, which is 5% in excess of the hurdle rate. The Management Company is entitled to a Performance Fee of 1% (20% x 5%). Because a Performance Fee is paid, the Absolute High Water Mark is set on 108.

At the end of the second year (T2), the Sub-Fund exhibits a negative absolute performance (-2.8%). The Management Company is not entitled to a Performance Fee. The Absolute High watermark stays at 108.

At the end of the third year (T3), the Sub-Fund exhibits an absolute positive performance of 4.76%. However, the performance compared to the High Water Mark (108) is only 1.85%, under the hurdle rate. The Management Company is not entitled to a Performance Fee. The Absolute High Water Mark stays at 108.

General comment

Whether in the case of relative or absolute Performance Fee calculation, the following situation may arise: if the Net Asset Value falls below the High Water Mark, the Investment Manager would not benefit from any Performance Fee accruals on newly issued Shares which would exhibit positive outperformance.

To avoid such situation, the Board therefore reserves the right, upon resolution, to apply equivalent Share class-based Performance Fee at the level of a given Share class whereby successive equivalent Share classes, each with their own respective High Water Mark, may be created in addition to the initial Share class. According to such principle, when an equivalent Share class is created (i) its High Water Mark is set at the initial Net Asset Value of the newly created equivalent Share class and (ii) the preceding equivalent Share class is immediately closed to new subscriptions or conversions in (although redemption and conversion out continue to be allowed as per the rules of Sections 12 and 14).

Except for the High Water Mark set to calculate the Performance Fee, the equivalent Share classes have the same features than the Share class from which they derive (*i.e.*, dividend policy, investor eligibility criteria, etc). In order to differentiate equivalent Share classes, they are designated in an numerical sequence for each newly created equivalent Share class. For instance a second issue of equivalent Share class in P Shares would become P1, a third issue would be P2 and so forth (the first sequence being implicitly P0 without the need to indicate the figure "0").

At the end of each performance period during which a Performance Fee accrual becomes payable on certain equivalent Share classes, the Board reserve the right to consolidate these equivalent Share classes into a single Share class. If no Performance Fee accrual is payable, the High Water Mark remains unchanged.

11.5.5 Fixed Rate of Operational Costs

For the R, P, I, S, H, M and E classes of Shares, the Company bears the fixed and variable costs, charges, fees and other expenses incurred in the operation and administration of its activities ("Operational Costs").

The Operational Costs cover expenses directly incurred by the Company ("Direct Costs") and those resulting from the activities carried out by the Management Company on behalf of the Company ("Fund Servicing Costs").

Direct Costs include notably:

(i) Custodian, Administration, Registrar and Transfer Agent fees;

(ii) Fees and expenses of the Company's external auditors;

(iii) Directors fees, directors and officers insurance premiums, reasonable out-of-pocket expenses incurred by the Directors;

(iv) Government charges;

(v) Fees and expenses of its legal and tax advisers in Luxembourg and abroad;

(vi) *Taxe d'abonnement* (see Section 18 for further details);

(vii) Fees and expenses of any license / trademark used by the Company;

(viii) Domiciliary Agent fees;

(ix) Fees and expenses of any other service providers or officers appointed by the Company or by the Management Company on behalf of the Company;

Fund Servicing Costs, as the remaining amount of Operational Costs after deduction of the Direct Costs, include notably:

(x) Fees related to the exercise of proxy voting;

(xi) Costs related to the registration and maintenance of such registration in all jurisdictions (including fees charged by the relevant supervisory authorities, translation costs and remuneration of Foreign Representatives and local paying agents);

(xii) Marketing fees, costs relating to the publication of offering / redemption prices, distribution of semi-annual and annual reports, other reporting expenses;

(xiii) Costs related to distribution of Shares through local clearing systems when according to local practice such costs are supported by the Company;

(xiv) Costs related to investment and performance reporting;

(xv) Fees and expenses charged by affiliated entities of the Lombard Odier Group in relation to legal, compliance, administrative and operational services, including accounting support, provided to the Management Company for the account of the Company;

(xvi) Fees and expenses related to the mailing / publication of notices to shareholders or any other type of communication to shareholders, regulatory authorities, service providers, etc.

(xvii) Any other fees and expenses charged to the Company in relation to its day-to-day operations;

(xviii) Any expenses in relation to liquidation procedures.

For the avoidance of doubt, the fees covered under items xii and xiii above are distinct from the Distribution Fee, the Infrastructure Services Fee or the Initial Charge.

Other fees mentioned in paragraph 11.5.6 below such as transaction costs, stock lending charges, interest on bank overdraft and any other extraordinary fees and expenses are distinct from the Direct Costs and the Fund Servicing Costs.

To cover the Operational Costs, the Company pays to the Management Company a fixed rate of Operational Costs ("FROC") as an annual percentage of the Net Asset Value of the relevant class of Shares for each Sub-Fund.

The purpose of the FROC is to set a fixed rate of fees covering the Direct Costs and the Fund Servicing Costs which may be subject to fluctuation overtime. The FROC ensures that the Company is protected from expenses fluctuation which would not be the case had the Company chosen to pay directly such charges.

The FROC effectively paid to the Management Company (the "Effective FROC") cannot exceed the maximum FROC (the "Maximum FROC") as disclosed in the table below.

The Effective FROC for the relevant classes of Shares for each Sub-Fund is disclosed in the semi-annual and annual reports.

Within the Maximum FROC mentioned in the table below, the Directors reserve the right to adjust the Effective FROC from time to time. Any increase to the Maximum FROC is considered a material change and will be notified to the shareholders according to the procedure set forth in the preamble of the Prospectus. It should be noted that foreign jurisdictions where the Company may be registered might impose restrictions or additional requirements in case of a FROC increase.

In the event that the amount of the actual Operational Costs exceeds the Effective FROC for any class of Shares of any Sub-Fund, the Management Company bears the excess Operational Costs. Conversely, should the actual Operational Costs be lower than the Effective FROC for any class of Shares of any Sub-Fund, the Management Company is entitled to retain such difference.

Maximum Fixed Rate of Operational Costs as an annual percentage of the Net Asset Value of the relevant class of Shares for each Sub-Fund							
Classes	**R**	**P**	**I**	**S**	**H**	**M**	**E**
Alternative Beta	0.63%	0.50%	0.31%	0.16%	0.63%	0.50%	0.50%
Tactical Alpha	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
All Roads Multi-Asset	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
Global Macro	0.63%	0.50%	0.31%	0.16%	0.63%	0.50%	0.50%
Multiadvisers UCITS	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
Alternative Risk Premia	0.63%	0.50%	0.31%	0.16%	0.63%	0.50%	0.50%
Generation Global	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Global Consumer	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Global Equity Income	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Technology	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Golden Age	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
World Gold Expertise	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Global Energy	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Commodity Risk Premia	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Emerging Consumer	0.75%	0.57%	0.32%	0.18%	0.75%	0.57%	0.57%
US Equity Factor Enhanced	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Emerging Equity Factor Enhanced	0.75%	0.57%	0.32%	0.18%	0.75%	0.57%	0.57%
Europe Equity Factor Enhanced	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Europe High Conviction	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Eurozone Small & Mid Caps	0.75%	0.57%	0.32%	0.15%	0.75%	0.57%	0.57%
Japan Equity Factor Enhanced	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Alpha Japan	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Asia Consumer	0.75%	0.57%	0.32%	0.18%	0.75%	0.57%	0.57%
Fundamental Equity Long/ Short	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Swiss Equity	0.57%	0.44%	0.25%	0.13%	0.57%	0.44%	0.44%
Euro Government Fundamental	0.38%	0.32%	0.19%	0.10%	0.38%	0.32%	0.32%
Euro Inflation-Linked Fundamental	0.38%	0.32%	0.19%	0.10%	0.38%	0.32%	0.32%

Maximum Fixed Rate of Operational Costs as an annual percentage of the Net Asset Value of the relevant class of Shares for each Sub-Fund							
Classes	**R**	**P**	**I**	**S**	**H**	**M**	**E**
Global Government Fundamental	0.38%	0.32%	0.19%	0.10%	0.38%	0.32%	0.32%
Global Inflation-Linked Fundamental	0.38%	0.32%	0.19%	0.10%	0.38%	0.32%	0.32%
Swiss Franc Bond (Foreign)	0.44%	0.32%	0.23%	0.10%	0.44%	0.32%	0.32%
Absolute Return Bond	0.44%	0.32%	0.23%	0.10%	0.44%	0.32%	0.32%
Global Corporate Fundamental	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
Euro Responsible Corporate Fundamental	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
Euro Credit Bond	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
Global BBB-BB Fundamental	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
Euro BBB-BB Fundamental	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
Swiss Franc Credit Bond (Foreign)	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
Ultra Low Duration Bond (USD)	0.44%	0.32%	0.23%	0.10%	0.44%	0.32%	0.32%
Ultra Low Duration Bond (EUR)	0.44%	0.32%	0.23%	0.10%	0.44%	0.32%	0.32%
Emerging Local Currency Bond Fundamental	0.75%	0.57%	0.32%	0.19%	0.75%	0.57%	0.57%
Convertible Bond	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
Global Convertible Bond Defensive Delta	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
Convertible Bond Asia	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
CAT Bonds	0.57%	0.44%	0.25%	0.10%	0.57%	0.44%	0.44%
Short-Term Money Market (EUR)	0.25%	0.19%	0.08%	0.08%	0.25%	0.19%	0.19%
Short-Term Money Market (USD)	0.25%	0.19%	0.08%	0.08%	0.25%	0.19%	0.19%
Short-Term Money Market (GBP)	0.25%	0.19%	0.08%	0.08%	0.25%	0.19%	0.19%
Short-Term Money Market (CHF)	0.25%	0.19%	0.08%	0.08%	0.25%	0.19%	0.19%

11.5.6 Other Fees

In addition to the Operational Costs described in paragraph 11.5.5 above, each Sub-Fund bears the transaction costs and other related costs as further described below.

Transaction costs cover all costs related to (i) the purchase and sale of securities or instruments on behalf of the relevant Sub-Funds, including, but not limited to, brokerage fees, clearing fees, exchange fees and transaction taxes (including stamp duty) and (ii) the trade management process which includes, but is not limited to, the matching of all orders executed on behalf of the relevant Sub-Funds and the respective settlement instructions.

Other related costs cover *inter alia* those arising from:

- position keeping and reconciliation of all positions and cash balances between the records of the relevant custodian bank, brokers and clearers and the information available in the front office systems (i. e. portfolio management and order management systems) of the relevant Investment Managers;
- valuation (including independent valuation of OTC derivatives);
- collateral management (including margin calls for listed derivatives);

- management and processing of corporate actions;
- reporting of derivatives transactions / positions to the relevant trade repositories under the applicable reporting regime;
- the duplication of NAV calculation by third party providers for oversight control.

Furthermore, each class of Shares bears any extraordinary expenses incurred by external factors, some of which may not be reasonably foreseeable in the normal course of activity of the Company such as, without limitation, any litigation expenses (including expert opinions or appraisals) or the full amount of any tax, levy, duty or similar charge imposed on the Sub-Funds or their assets that would not be considered as ordinary expense.

The costs and expenses for the creation of any additional Sub-Fund, including fees and expenses of its legal and tax advisers in Luxembourg and abroad, will be borne by relevant the Sub-Fund and amortised over a period of up to five years.

Subject to the limitations mentioned in paragraph 4.1 (v), where a Sub-Fund invests in a UCITS or UCI or a Target Sub-Fund, the investment in the underlying funds may result in a double charging of fees and expenses, in particular a duplication of the fees payable to the custodian(s), transfer agent(s), Investment Manager(s) and other agents and, with exception of investments in a Target Sub-Fund, also subscription and redemption charges, which are generated both at the level of the Sub-Fund and of the underlying funds in which the Company invests. The maximum level of the management fee that may be charged both to the Sub-Fund and to such other UCITS or UCI or a Target Sub-Fund will be 3.50% of the Net Asset Value, notwithstanding any performance fee that may be levied in addition to this limit.

11.5.7 Soft Commission

The Management Company has authorized the Investment Managers and any of their affiliated persons to effect soft commission transactions by or through the agency of selected brokers/dealers with whom the Investment Managers have arrangements under which these brokers/dealers will, from time to time, provide to, or procure for the Investment Managers, goods and services or other benefits such as, but not limited to, consultancy, research and advisory services, computer hardware associated with specialized software or researched services and performance methods, portfolio valuation and analysis, market price services, etc. The provision of such services can reasonably be expected to benefit the Company as a whole and may contribute an improvement to the Company's performance and that of the Investment Managers in providing services to the Company and for which no direct payment is made but instead the Investment Managers and any of its affiliated persons undertake to place investment business with these brokers/dealers. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees' salaries or direct money payments.

The Investment Managers and any affiliated person shall not retain the benefit of any cash commission rebate, being cash commission repayment made by a broker/dealer to the Investment Managers and/or any affiliated persons paid or payable for any such broker/dealer in respect of any investment business placed with such a broker/dealer by the Investment Managers or any affiliated persons for the account of and on behalf of the Company or a Sub-Fund of the Company. Any such cash commission rebate received from any such broker/dealer shall be held by the Investment Managers and any affiliated persons for the account of the relevant Sub-Fund.

The use of soft commissions shall be disclosed in the periodic reports.

11.6 Total Expense Ratio

The costs and commissions charged on the management of each Sub-Fund will be disclosed using the internationally recognized Total Expense Ratio (TER). The TER is calculated twice a year by dividing the total operating costs and commissions, excluding securities transaction costs (brokerage), charged on an ongoing basis to the Sub-Fund's assets by the average assets of such Sub-Fund.

The TER for the Sub-Funds will be included in the semi-annual and annual reports.

12. DISTRIBUTION OF SHARES

The Company has entered into a Management Company Agreement with Lombard Odier Funds (Europe) S.A. whereby Lombard Odier Funds (Europe) S.A. is entrusted with the marketing and distribution of the Shares on a worldwide basis (the "Global Distributor"). The Global Distributor provides services in relation to the promotion of the Shares to other financial intermediaries.

The Company and/or the Global Distributor have entered into agreements with distributors, placement agents and other sales agents (the "Distributors") for the marketing and the sale of the Shares in certain OECD countries, in accordance with all applicable laws. The Global Distributor and the Distributors shall be entitled to receive the fees described under paragraphs 11.1 and 11.3 above and they may decide to rebate, from time to time, a portion or all of such fees to sub-distributors or shareholders, in accordance with all applicable laws.

With a view to fostering the promotion and distribution of the Sub-Funds, the Global Distributor may also use providers which propose Infrastructural Services and other services facilitating the monitoring of subscriptions in certain classes of Shares as further detailed in paragraph 11.5.3. Such providers will be remunerated through the Infrastructure Services Fee in accordance with all applicable laws.

For the purpose of assisting in the distribution of the Shares, the Company may decide to accept subscriptions, conversions or other orders of nominees ("Nominees") in the countries in which the Company is registered. The Nominee, and not the clients who have invested in the Company, shall be recorded in the register of shareholders and shall fall under one of the FATCA category compatible with the Company's FATCA status as "Collective Investment Vehicle" as explained in paragraph 13.2. The Nominees shall notify the Transfer Agent and either the Management Company or the Company as soon as possible in case their FATCA status changes, and in any case within 30 days of such change in a manner agreed between the Company and the Nominee.

In accordance with IML Circular 91/75, the conditions whereby:

(i) the agreements with the Nominees shall stipulate that the client, who has invested in the Company via a Nominee, may at all times require that the Shares subscribed be transferred to his/her name in the register of shareholders; and

(ii) investors may subscribe for Shares by applying directly to the Company without having to act through one of the Nominees;

are not applicable in the context of the Company's election for the "Collective Investment Vehicle" status under FATCA to the extent that the use of the services of a Nominee qualifying as a "participating financial institution" under FATCA is indispensable for the Company to comply with the regulatory and compelling practical reasons deriving from FATCA. However, the conditions under (i) and (ii) above may be applicable as long as the investor qualifies as an investor falling within a category of investors compatible with the Company's FATCA status of "Collective Investment Undertaking" as further detailed in paragraph 13.2.

Full details of the terms and conditions of the nominee service can be obtained from the Central Administration Agent and the local Representatives. Investors wishing to use the nominee service should provide the nominee with a correspondence address.

13. ISSUE AND SALE OF SHARES

13.1 General Provisions

Shares shall be issued at the Issue Price.

The Issue Price shall be the Net Asset Value per Share for the relevant Sub-Fund calculated in the manner set out in paragraph 16.1. On subscription of P, R, I, H and M Shares, the Issue Price may be increased by the Initial Charge and for certain Sub-Funds by a Dealing Charge.

The latest Issue Prices are made public at the registered office of the Company.

The Issue Price shall be expressed in the Reference Currency and in the relevant Alternative Currency, in the case of Shares issued in an Alternative Currency, of the relevant Sub-Fund determined on each Valuation Day by the Central Administration Agent.

Shares can be subscribed in accordance with the Application Procedure set out in Section 21. Applications may be sent directly to the Company in Luxembourg. Investors may place orders for Shares with the Global Distributor or Distributors.

The Board may waive the initial minimum investment and minimum holding for all classes of Shares to the extent permissible by law and regulation.

Requests for subscriptions must be received by the Company no later than the Cut-off time, as determined in the table below. All deals will be effected on a forward pricing basis.

Applications may be sent to the Global Distributor or the Distributor, who shall in such case transmit the substantive content thereof to the Company, or may be sent directly to the Company in Luxembourg. Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in the case of classes issued in an alternative currency, for value the Payment Date (as determined in the table below) to the Custodian, indicating the proper identity of the subscribers(s) and the relevant Sub-Fund(s) in which Shares are subscribed.

Requests for subscriptions received after the Cut-off time will be deferred to the next following Business Day.

Upon prior arrangement with the Company, encompassing a mandatory provision for the Global Distributor and the Distributors not to send any order for their own account or any order received from investors on the same day after the Cut-off time, the subscription orders received by the Company later than such Cut-off time may be accepted from the Global Distributor and the Distributors.

The Issue Price may, upon approval of the Board, and subject to all applicable laws, namely with respect to a special audit report confirming the value of any assets contributed in kind, be paid by contributing to the Company securities acceptable to the Board, consistent with the investment policy and investment restrictions of the Company.

For the P and M classes of Shares, the initial minimum investment and minimum holding in Shares of any one Sub-Fund (except LOF – CAT Bonds) are the equivalent of EUR 3,000, whereas for the R class of Shares, the initial minimum investment and minimum holding in Shares of any one Sub-Fund (except LOF – CAT Bonds) are the equivalent of EUR 1,000. For the H class of Shares, if available, the minimum initial investment and minimum holding in Shares of any one Sub-Fund (except LOF – CAT Bonds) are the equivalent of EUR 3,000. There is no subsequent minimum investment in Shares of any one Sub-Fund. For LOF – CAT Bonds, the initial minimum investment and minimum holding in Shares are the equivalent of EUR 100,000 for all classes except the I class of Shares (*i.e.*, equivalent of CHF 1 million). Investments in I Shares, S Shares, M Shares or E Shares are subject to the conditions mentioned in paragraph 2.2. The Company may request from investors subscribing in I Shares, S Shares, M Shares or E Shares the provision of all documents or information evidencing that they meet the relevant criteria to invest in such classes of Shares. In addition, the Company may refuse applications to invest in I, S, M or E Shares as long as all the required information and documents above mentioned are not in its possession or for any other appropriate reasons.

Confirmation advices will be sent to shareholders the next Business Day following execution of the subscription order or, where the confirmation is received by the Management Company from a third party, the first Business Day following receipt of the confirmation from the third party. Registered share certificates ("Registered Share Certificates") are only issued at the request of shareholders. The cost relating to the issue of Registered Share Certificates will be borne by the requesting shareholders.

Registered Share Certificates (if specifically requested by investors) shall be sent to the subscribers within 30 days of the relevant Valuation Day.

The Company may restrict or prevent the ownership of Shares by any person or group of persons, firm or corporate body, or may impose restrictions on the issuance of Shares of any Sub-Fund (also resulting from conversion requests) during any period, as determined by the Board.

The Company reserves the right to reject any application in whole or in part, in which event the application monies or the balance thereof will be returned forthwith to the applicant. The Company does not permit practices related to market timing and reserves the right to reject subscription and conversion orders from investors who the Company suspects of using such practices and to take the appropriate measures to protect other investors of the Company.

Sub-Funds	**Cut-off time [1] (luxembourg time) (Subscriptions, redemptions and conversions)**	**Valuation Day [2] ("T")**	**Payment Date [3]**
Alternative Beta	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Tactical Alpha	12 p.m. on T	Daily	Up to T+3 days[4]
All Roads Multi-Asset	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Global Macro	3 p.m. on T-3 days	Weekly, each Wednesday	Up to T+3 days[4]

Sub-Funds	Cut-off time [1] (luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
Multiadvisers UCITS	For subscriptions and conversions in: 3 p.m. on T-3 days For redemptions and conversions out: 3 p.m. on T-5 days	Weekly, each Tuesday	Up to T+5 days[4]
Alternative Risk Premia	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Generation Global	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Global Consumer	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Global Equity Income	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Technology	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Golden Age	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
World Gold Expertise	12 p.m. on T	Daily	Up to T+3 days[4]
Global Energy	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Commodity Risk Premia	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Emerging Consumer	3 p.m. on T-1 day	Weekly, each Thursday	Up to T+3 days[4]
US Equity Factor Enhanced	12 p.m. on T	Daily	Up to T+3 days[4]
Emerging Equity Factor Enhanced	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Europe Equity Factor Enhanced	12 p.m. on T	Daily	Up to T+3 days[4]
Europe High Conviction	12 p.m. on T	Daily	Up to T+3 days[4]
Eurozone Small and Mid Caps	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Japan Equity Factor Enhanced	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Alpha Japan	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Asia Consumer	3 p.m. on T-1 day	Weekly, each Thursday	Up to T+3 days[4]
Fundamental Equity Long/Short	3 p.m. on T-3 day	Weekly, each Wednesday	Up to T+3 days[4]
Swiss Equity	12 p.m. on T	Daily	Up to T+3 days[4]
Euro Government Fundamental	12 p.m. on T	Daily	Up to T+3 days[4]
Euro Inflation-Linked Fundamental	12 p.m. on T	Daily	Up to T+3 days[4]
Global Government Fundamental	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Global Inflation-Linked Fundamental	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Swiss Franc Bond (Foreign)	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Absolute Return Bond	12 p.m. on T	Daily	Up to T+3 days[4]
Global Corporate Fundamental	12 p.m. on T	Daily	Up to T+3 days[4]
Euro Responsible Corporate Fundamental	12 p.m. on T	Daily	Up to T+3 days[4]
Euro Credit Bond	12 p.m. on T	Daily	Up to T+3 days[4]
Global BBB-BB Fundamental	12 p.m. on T	Daily	Up to T+3 days[4]
Euro BBB-BB Fundamental	12 p.m. on T	Daily	Up to T+3 days[4]
Swiss Franc Credit Bond (Foreign)	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Ultra Low Duration Bond (USD)	2 p.m. on T	Daily	Up to T+3 days[4]
Ultra Low Duration Bond (EUR)	2 p.m. on T	Daily	Up to T+3 days[4]
Emerging Local Currency Bond Fundamental	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Convertible Bond	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Global Convertible Bond Defensive Delta	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
Convertible Bond Asia	3 p.m. on T-1 day	Daily	Up to T+3 days[4]
CAT Bonds	3 p.m. on T-3 day	Weekly, each Friday	Up to T+3 days[4]

Sub-Funds	Cut-off time [1] (luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
Short-Term Money Market (EUR)	2 p.m. on T	Daily	Up to T+1 day[4]
Short-Term Money Market (USD)	2 p.m. on T	Daily	Up to T+1 day[4]
Short-Term Money Market (GBP)	2 p.m. on T	Daily	Up to T+1 day[4]
Short-Term Money Market (CHF)	2 p.m. on T	Daily	Up to T+1 day[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier group website (www.loim.com) for the applicable payment date.

13.2 Restrictions applicable to the issue and the holding of Shares in accordance with the Company's FATCA status

Please also refer to paragraph 5.1.14 for further details on FATCA.

The Company, through its Sub-Funds, qualifies as a FFI for FATCA purposes.

According to FATCA and the model 1 IGA entered into between the US and the Grand Duchy of Luxembourg, a FFI can qualify as either a "reporting" FFI or a "non-reporting" FFI.

Annex II of the IGA specifies the legal entities that can qualify as "non-reporting" FFIs on the grounds that such FFIs are deemed to pose a low risk of being used for the purposes of US tax evasion.

With a view to ensuring FATCA compliance and avoiding any punitive withholding tax (FATCA Withholding) on certain US source payments to the Company, the Sub-Funds or the Shareholders, the Company has elected for a non-reporting status under the "Collective Investment Vehicle" category provided for by Annex II of the IGA.

A "Collective Investment Vehicle" status is available to investment entities (as defined by IGA) established in Luxembourg regulated as a collective investment vehicles provided that all of their interests (including shares) are held by or through:

- one or more exempt beneficial owners (as defined under FATCA and the IGA);
- Active Non-Financial Foreign Entities ("Active NFFEs", as described in the Annex I of the IGA);
- US persons which are not Specified US Persons (as defined under FATCA); or
- financial institutions that are not Nonparticipating Financial Institutions for FATCA purposes (as defined under FATCA).

The Company will make all reasonable efforts to fulfill the above requirements in order to comply with the "Collective Investment Vehicle" status under FATCA. Accordingly, (i) the Board shall have the right to reject any application by an investor that does not fall within one of the categories mentioned above; (ii) in order to maintain the Company's "Collective Investment Vehicle" FATCA status, investors shall only subscribe for and hold Shares through a financial institution falling under one of the categories mentioned above; (iii) the Board shall have the right to make proposals, including the compulsory redemption of Shares, to existing Shareholders whose holding of Company's Shares is not in compliance or became non-compliant with the above-mentioned rules in order to take necessary steps to render their holding compliant with the Company's FATCA status; and more generally (iv) the Board shall have the right to compulsorily redeem shares of any Shareholder whose holding of the Company's Shares is not in compliance with the abovementioned rules, in accordance with the Articles.

As a result, the Company shall have no direct individual investors in its register of shareholders, other than entities falling within one of the categories above. The shareholders in the register of shareholders shall notify the Transfer Agent and either the Management Company or the Company (in a manner agreed between the Company and the shareholders) if their FATCA status changes (see below paragraph 14.1 for further detail on a "change of circumstances"). Such notification should be made as soon as practicable and no later than 30 days of such change.

Investors should also refer to section 12 of this Prospectus for more information about the rights of investors holding Shares of the Company through an intermediary or a nominee.

Investors may contact the Company, the Global Distributor or Distributors for more information about how to apply for the Shares of the Company in the context of FATCA.

14. REDEMPTION OF SHARES

14.1 General Provisions

Shares shall be redeemed at the Redemption Price.

The Redemption Price shall be the Net Asset Value per Share calculated in the manner set out in paragraph 16.1, reduced in the case of certain Sub-Funds by a Dealing Charge.

The latest Redemption Prices are made public at the registered office of the Company.

Shareholders' requests for redemption of Shares must be made to the Company in writing or by telex or facsimile, confirmed in writing by no later than the relevant Cut-off time. A request duly made shall be irrevocable, except in case of and during any period of suspension or deferment of redemptions. In all other cases, the Board may approve the withdrawal of a redemption request.

In compliance with the forward pricing principle, requests for redemption received after the Cut-off time will be deferred to the next following Business Day. Upon prior arrangement with the Company, encompassing a mandatory provision for the Global Distributor and the Distributors not to send any order for their own account or any order received from investors on the same day after the Cut-off time, the redemption orders received by the Company later than such Cut-off time may be accepted from the Global Distributor and Distributors.

In case the residual value of the P, R, H or M Shares held by an investor in a Sub-Fund falls below the minimum holding amount mentioned in paragraph 2.2 following a redemption request, the Company may redeem the remaining holding of the investor in the relevant Sub-Fund. In case the residual value of the I Shares or S Shares held by an investor falls below the threshold indicated in paragraph 2.2, the measures indicated under Conversion of Shares (Section 15) may be taken by the Company.

Should the situation arise where Shares are held by a shareholder whose quality is deemed incompatible with the Company's FATCA status as "Collective Investment Vehicle" for the purpose of ensuring compliance with FATCA legislation, the Board shall have discretion to redeem such Shares in accordance with the Prospectus and the Articles.

Similarly, if there is a change of circumstances whereby an investor whose quality under FATCA legislation was previously deemed compatible with the Company's FATCA status as "Collective Investment Vehicle" becomes no longer eligible to hold Shares, such investor shall notify the Transfer Agent and either the Company or the Management Company as soon as practicable and no later than 30 days of such change. A change of circumstances is to be construed broadly so as to mean any event or situation where it appears that the Company can no longer rely on the documentation, declaration, representation or information (from the shareholder or from public sources) previously relied upon in the context of FATCA compliance. Once notified or becoming aware of such change of circumstances, the Board shall have discretion to redeem the Shares in accordance with the Prospectus and the Articles in case it appears that the non-compliance status of the shareholder will not be cured, or is unlikely to be cured, within a reasonable time frame decided discretionarily by the Board, so as to fulfill at all times the requirements relating the Company's status as "Collective Investment Vehicle" under FATCA.

The value of Shares at the time of their redemption may be more or less than the shareholder's cost, depending on the market values of the assets held by the Sub-Fund at such time. The value of Shares issued of a class with an Alternative Currency will also largely depend on the currency fluctuation of the Alternative Currency towards the Reference Currency of the Sub-Fund as well as on the hedging policy used to cover this exchange risk.

At the shareholders' request, the Company may elect to make an in kind distribution, having due regard to all applicable laws and regulations and to all shareholders' interest. Such in kind distribution will be subject to a special audit report confirming the value of any assets distributed and the cost of such report is borne by the shareholder.

Shares shall be cancelled upon their redemption by the Company.

Payments will ordinarily be made in the Reference Currency within the time limit mentioned under "Payment Date" in the table under paragraph 13.1, or on the date the Share Certificate(s) (if issued) have been returned to the Company, if later. For Shares issued of a class with an Alternative Currency, payments of redemption proceeds will ordinarily be made in such currency.

Receipt of the sale proceeds by the Company may, however, be delayed and the amount ultimately received may not necessarily reflect the Net Asset Value calculation made at the time of the relevant transactions because of possible fluctuations in the currency values and difficulties in repatriating funds from certain jurisdictions (see Section 5).

If in exceptional circumstances the liquidity of the portfolio of assets maintained in respect of the class of Shares being redeemed is not sufficient to enable the payment to be made within such a period, such payment shall be made as soon as reasonably thereafter, but without interest.

Payment of redemptions proceeds may be delayed if there are any specific statutory provisions such as foreign exchange restrictions, or any circumstances beyond the Company's control which make it impossible either to obtain payment for the sale or disposal of a Sub-Fund's assets or to transfer the redemption proceeds to the country where the redemption was requested.

Confirmation of the execution of a redemption order will be sent to the shareholder on the next Business Day following execution of the redemption order or, where the confirmation is received by the Management Company from a third party, the first Business Day following receipt of the confirmation from the third party.

14.2 Deferment of Redemptions

In order to ensure that shareholders who do not seek to have their Shares redeemed are not disadvantaged by the reduction of the liquidity of the Company's portfolio as a result of significant redemption applications received over a limited time frame, the Directors may apply the procedures set out below to permit the orderly disposal of securities to meet redemptions.

In case of redemption requests on any Valuation Day for more than 10% of the number of Shares relating to any Sub-Funds, the Company shall not be bound to redeem on any Valuation Day or in any period of seven consecutive Valuation Days more than 10% of the number of Shares of any Sub-Fund in issue on such Valuation Day or at the commencement of such period. Redemption may accordingly be deferred for not more than seven Valuation Days after the date of receipt of the redemption request (but always subject to the foregoing limits). In case of deferral of redemptions, the relevant Shares shall be redeemed at the Net Asset Value per Share on the Valuation Day on which the request is executed.

Excess redemptions will be deferred to the next Valuation Day when they shall be dealt with as a priority.

In case of redemption requests on any Valuation Day for more than 10% of the number of Shares in issue relating to any Sub-Fund the Company, having regard to the fair and equal treatment of shareholders, on receiving the redemption requests may elect to sell assets of that Sub-Fund representing, as nearly as practicable, the same proportion of the Sub-Fund's assets as the Shares for which redemption applications have been received compared to the total of the Sub-Fund's Shares then in issue. If the Company exercises this option, then the amount due to the shareholders who have applied to have their Shares redeemed, will be based on the Net Asset Value per Share calculated after such sale or disposal. Payment will be made forthwith upon completion of the sales and the receipt by the Company of the proceeds of sale in a freely convertible currency.

Deferment of redemptions will also apply to conversions.

15. CONVERSION OF SHARES

As long as all conditions to subscribe in Shares relating to the class of Shares of a Sub-Fund are met and except the case of Short-Term Money Market Sub-Funds as further detailed below, holders of Shares of each Sub-Fund will be entitled to convert (switch) some or all of their holding into Shares of another Sub-Fund by making application to the Company's Transfer Agent in Luxembourg or through the Global Distributor or a Distributor by telex, facsimile, confirmed in writing by no later than the Cut-off time on which the Shares are to be converted provided that the Directors may impose restrictions on the issuance of Shares of a Sub-Fund resulting from conversion requests during a certain period. Such application must include the following information: the name of the holder, the number of Shares to be switched (if it is not the total holding) and, if possible, the reference number on any Share of each Sub-Fund to be switched and the proportion of value of those Shares to be allocated to each new Sub-Fund (if more than one). Shares from one class may be converted into Shares of another class as long as all conditions to subscribe in the new class of Shares are met. However, conversion into a class of Shares in "seeding" form is not allowed unless otherwise decided by the Board. As indicated in paragraph 2.2, shareholders can find the classes of Shares available for each Sub-Fund in the annual and semi-annual reports of the Company and on Lombard Odier Group website (www.loim.com) or can be obtained at the registered office of the Company or of the Foreign Representatives.

In case of conversion concerning Sub-Funds with different Cut-off times, the most restrictive Cut-off time shall apply to the conversion (see paragraph 13.1).

It should be noted that given the Valuation Day applicable to the Short-Term Money Market Sub-Funds, conversions from a Sub-Fund other that a Short-Term Money Market Sub-Fund into a Short-Term Money Market Sub-Fund as well as conversions from a Short-Term Money Market Sub-Fund into another Sub-Fund are not possible. However, conversions amongst Short-Term Money Markets Sub-Funds and conversions amongst other Sub-Funds are possible provided the conditions mentioned above are fulfilled.

It should be noted that conversion of Shares cannot be made until the Company is in receipt of the relevant Share Certificate (if any).

A shareholder may request the conversion of his R or P class of Shares into the I or S or M class of Shares, respectively the conversion of his I class of Shares into the S class of Shares if the criteria described in paragraph 2.2 to invest in such classes of Shares are met provided that the Directors may impose restrictions on the issuance of Shares of a Sub-Fund resulting from conversion requests during a certain period. The minimum initial investment and holding amount required for the I and S classes of Shares may have been reached after a subsequent subscription or due to market variations.

If a shareholder should request the conversion of only part of his holding of P Shares, respectively R Shares, of the original Sub-Fund and such conversion would if carried out leave the shareholder with less than the minimum holding in respect of P Shares, respectively R Shares, of the original Sub-Fund or the new Sub-Fund the Directors may, if they think fit, refuse the request for conversion or convert the whole of that shareholder's holding of P Shares, respectively R Shares, of the original Sub-Fund.

The Company may convert the S Shares held by an investor into I Shares or P Shares, respectively the I Shares into P Shares, respectively the M Shares into P Shares, respectively the E Shares into P Shares if such investor does not meet any more one of the criteria applying to the relevant class of Shares described in paragraph 2.2. (for example, following a request to redeem part of its holding). However if the residual investment in the I and S classes of Shares of a given Sub-Fund is reduced under the applicable minimum holding amount, by reason of market fluctuations or currency fluctuations, no conversion will be operated.

The Company will request from investors investing in I Shares or S Shares or M Shares or E Shares the provision of all documents or information evidencing that they meet the relevant criteria to invest in such classes of Shares. In addition, the Company may refuse applications to convert into I, S and M Shares as long as all the required information and documents above mentioned are not in its possession or for any other appropriate reasons.

The basis of conversion is related to the respective Net Asset Value per Share of the Sub-Fund concerned. The Company will determine the number of Shares into which a shareholder wishes to convert his existing Shares in accordance with the following formula:

$$A = \frac{(B \times C \times D) - F}{E}$$

The meanings are as follows:

A: the Number of Shares to be issued in the new Sub-Fund

B: the Number of Shares in the original Sub-Fund

C: Net Asset Value per Share to be converted

D: Currency Conversion Factor

E: Net Asset Value per Share to be issued

F: Conversion Charge of up to 0.50%.

Holders of S Shares will also be charged with Dealing Charges (see paragraph 11.4) in case of conversion between Sub-Funds (but not in respect of conversions between classes of Shares within the same Sub-Fund).

The Company will provide a Share Confirmation with details of the conversion to the shareholder concerned and issue new Share Certificates, if so requested by such shareholder.

Any conversion request shall be irrevocable, except in the event of a suspension of the calculation of the Net Asset Value of the class of Shares or of the Sub-Fund concerned or deferment.

In compliance with the forward pricing principle, requests for conversions received after the Cut-off time will be deferred to the next following Business Day. Upon prior arrangement with the Company, encompassing a mandatory provision for the Global Distributor and the Distributors not to send any order for their own account or any order received from investors on the same day after the Cut-off time, the conversion orders received by the Company later than such Cut-off time may be accepted from the Global Distributor and the Distributors.

Delayed payment of redemptions (see paragraph 14.1) and deferment of redemptions (see paragraph 14.2) will also apply to conversions.

16. NET ASSET VALUE

16.1 Net Asset Value Determination

The Net Asset Value of each Sub-Fund and the Net Asset Value per Share of each Sub-Fund will be determined in the relevant Reference Currency and, for the Net Asset Value per Share, in the relevant Alternative Currency, in the case of classes issued in an Alternative Currency, on each Valuation Day, except in case of a suspension as described below.

The Net Asset Value per Share of each Sub-Fund will be calculated in respect of any Valuation Day.

If the total subscriptions or redemptions affecting all the classes of Shares of a Sub-Fund on a single Business Day come to a net capital inflow or outflow, the Net Asset Value per Share of the Sub-Fund may be increased or reduced accordingly. The maximum adjustment amounts to 1% of the Net Asset Value. Estimated transactions costs and tax charges that may be incurred by the Sub-Fund as well as the estimated bid/offer spread of the assets in which the Sub-Fund invests may be taken into account. The adjustment leads to an increase in Net Asset Value per Share if the net movements result in a rise in all Shares of the affected Sub-Fund. It results in a reduction of Net Asset Value per Share if the net movements bring about a fall in the number of Shares. This adjustment is referred to as the "Swinging Single Pricing" [1]. The Swinging Single Pricing will apply to each Sub-Fund individually even though part or all of its assets is co-managed with assets belonging to other Luxembourg collective investment schemes or to other Sub-Funds (see paragraph 7.5).

In addition, in exceptional market conditions, in order to avoid the dilution of the net asset value of a Sub-Fund, the Directors may make any necessary dilution adjustment to the net asset value of any Sub-Fund (a "Dilution Adjustment"). Such dilution adjustment may not exceed 3% of the Net Asset Value.

This calculation of the Net Asset Value, with the use of the Swinging Single Pricing as described above, shall be used to determine the Issue and Redemptions Prices of the Shares of each Sub-Fund.

For the Sub-Funds whose Shares of a certain class can be subscribed and/or redeemed on a weekly basis, a calculation of the Net Asset Value may occur on each Business Day for indicative or reporting purposes (if applicable), but only on each relevant weekly Valuation Day for the determination of the Issue, Redemption and Conversion Prices of the Shares of this Sub-Fund (see Sections 13 and 14).

In case different classes of Shares have been issued within a Sub-Fund, the Net Asset Value per Share of each class of Shares in the relevant Sub-Fund will be determined, on any Valuation Day, by dividing the value of the total assets of that Sub-Fund attributable to such class of Shares less the liabilities of such Sub-Fund attributable to such class of Shares by the total number of Shares, outstanding on such Valuation Day, of such class of Shares.

The assets will be valued in accordance with principles laid down in the Articles and in accordance with the Valuation Regulations.

The value of all securities which are admitted to an Official Listing or traded on any other Regulated Market is determined on the basis of the last available price of the Valuation Day on the principal market on which such securities are traded, as furnished by a pricing service approved by the Directors. If such prices are not representative of their fair value, such securities as well as any of the portfolio securities which are not so listed and all other investments, including permitted financial futures contracts and options, will be valued on the reasonably foreseeable sales prices determined prudently and in good faith.

The value of money-market instruments will be based either on market data or on valuation models including systems based on amortised costs. Where valuation models are used to value the money-market instruments, the Company will ensure that such models comply with the requirements imposed by Luxembourg law and in particular with the Circular of the CSSF 08/339 as completed by the Circular 08/380. In particular, where an amortization method is used to assess the value of money-market instruments, the Company will ensure that this will not result in a material discrepancy between the value of the money-market instrument and the value calculated according to the amortization method.

Any assets or liabilities expressed in terms of currencies other than the Reference Currency are translated into the Reference Currency at the prevailing market rate at the time of valuation.

The Net Asset Value per Share shall be rounded to four decimal places (except for JPY-denominated Shares).

The Net Asset Value per Share of each Sub-Fund as certified by a Director or by an authorized officer or representative of the Company shall be conclusive, except in the case of manifest error.

The Company shall include in the financial reports its audited consolidated accounts expressed in USD.

[1] Shareholders of the Company will be informed in advance of the date of implementation of the Swinging Single Pricing.

During the existence of any state of affairs which, in the opinion of the Directors, makes the determination of the Net Asset Value of a Sub-Fund in the designated currency either not reasonably practical or prejudicial to the shareholders of the Company, the Net Asset Value and the Issue Price and Redemption Price may be temporarily determined in such other currency as the Directors may determine.

The Issue Prices and Redemption Prices of any classes of Shares of the Sub-Funds which equal the Net Asset Value per Share in the Reference Currency and in the Alternative Currency, in the case of classes issued in an Alternative Currency, may be obtained at the registered office of the Company, at the offices of the Foreign Representatives and will be available on the Lombard Odier Group website (www.loim.com). At the discretion of the Directors, but always in compliance with regulatory requirements applying in each country of registration of the Company, this information may be published daily in various newspapers and financial journals as the Directors may determine. The Directors may also freely choose different newspapers and financial journals for each class of Shares. Each P, R, S, I, M and E class of Shares shall be impacted by its respective costs of publication of Issue/Redemption Prices.

16.2 Suspension of the Calculation of the Net Asset Value, and of Issue, Redemption and Conversion of Shares

The Company may suspend the calculation of the Net Asset Value of any Sub-Fund and may suspend the issue, redemption and conversion of Shares of any relevant Sub-Fund:

(a) during any period when the dealing of the units/shares of an investment vehicle in which any substantial portion of assets of the relevant Sub-Fund is invested or the calculation of the net asset value of such investment vehicle is restricted or suspended;

(b) during any period when any market or stock exchange, which is the principal market or stock exchange on which a material part of a Sub-Fund’s investments for the time being are quoted, is closed, otherwise than for ordinary holidays, or during which dealings are substantially restricted or suspended;

(c) during any period when a material part of a Sub-Fund's investments may not, using the standard valuation procedures, be promptly or accurately valued or is not valued at a fair market value;

(d) during any period when the net asset value of any subsidiary of the Company may not be determined accurately;

(e) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of the Company’s assets attributable to any Sub-Fund is not reasonably practical;

(f) during any breakdown in the means of communication normally employed in determining the price or value of any of the investments attributable to any Sub-Fund or the current prices on any market or stock exchange;

(g) during any period when remittance of monies which will or may be involved in the realization of, or in the payment for, any investments attributable to any Sub-Fund is not possible;

(h) during any period when, in the opinion of the Directors there exist unusual circumstances where it would be impracticable or unfair towards the shareholders to continue dealing with Shares of any Sub-Fund;

(i) in the event of (i) the publication of the convening notice to a general meeting of shareholders the purpose of which is to propose the winding up of the Company or a Sub-Fund thereof or (ii) the decision of the Board to wind up one or more Sub-Funds;

(j) during any relevant period when a Sub-Fund merges with another Sub-Fund or with another UCITS (or a sub-fund of such other UCITS) provided any such suspension is justified for the protection of the shareholders.

The Articles provide that the Company may suspend the issue, redemption and conversion of the Shares forthwith, upon the occurrence of an event causing it to enter into liquidation.

Shareholders having requested issue, redemption or conversion of their Shares will be notified in writing of any such suspension within seven days of their request. Shareholders will be promptly informed of the termination of such suspension by (i) a notification in the same form as the notification of the suspension described above and/or (ii) any other alternative or additional means of conveyance of information the Directors may deem more appropriate given the circumstances and the interest of the Shareholders (e.g. via a website).

17. LIQUIDATION, COMPULSORY REDEMPTION AND AMALGAMATION OF SUB-FUNDS

(a) The Company can be liquidated by a shareholders' decision in accordance with the provisions of the 1915 Law. The same quorum and majority requirements for the shareholders' decision shall apply in case of merger, if as a result of such merger the Company will cease to exist.

(b) In the event that the Net Asset Value of the Company falls below USD 100 million or in case the Board deems it appropriate because of changes in the economical or political situation affecting the Company, or if the Board deems it to be in the best interests of the shareholders, the Board may, by giving notice to all holders of Shares, redeem on the Valuation Day indicated in such notice all (but not some) of the Shares not previously redeemed, at the Net Asset Value without any redemption charges. The Directors shall, after the end of the notice period, forthwith convene an extraordinary shareholders' meeting to appoint a liquidator to the Company.

(c) In the event that the Net Asset Value of any particular Sub-Fund falls below USD 50 million or the equivalent in the Reference Currency of a Sub-Fund or if a redemption request is received that would cause any Sub-Fund's assets to fall under the aforesaid threshold, or if the Board deems it appropriate to rationalize the Sub-Funds offered to investors, or in case the Board deems it appropriate because of changes in the economic or political situation affecting the relevant Sub-Fund or if the Board deems it to be in the best interest of the shareholders concerned, the Board may, after giving notice to the shareholders concerned, to the extent required by Luxembourg laws and regulations, redeem all (but not some) of the Shares of that Sub-Fund on the Valuation Day provided in such notice at the Net Asset Value without any redemption charges. Unless the Board decides otherwise in the interest of, or in order to ensure equal treatment of, the shareholders, shareholders of the relevant Sub-Fund may continue to request redemption or conversion of their Shares free of any redemption or conversion charge, but taking into account actual realization prices of investments and realization expenses.

(d) If a Sub-Fund qualifies as a Feeder of another UCITS or of one of its sub-funds, the merger, split or liquidation of its Master, triggers liquidation of the Feeder, unless the Board decides, in accordance with article 16 of the Articles and the 2010 Law, to replace the Master with another Master or to convert the Feeder into a standard UCITS Sub-Fund.

(e) Termination of a Sub-Fund with compulsory redemption of all relevant Shares for other reasons than set out in the preceding paragraph, may be effected only upon its prior approval by the shareholders of the Sub-Fund to be terminated at a duly convened general meeting of the Sub-Fund concerned which may be validly held without quorum and decided by a simple majority of the Shares present or represented.

Liquidation proceeds not claimed by shareholders at the close of liquidation of a Sub-Fund will be deposited at the *Caisse de Consignation* in Luxembourg and shall be forfeited after thirty years.

(f) The provision for anticipated realization costs will be accounted for in the Net Asset Value from such date as may be defined by the Board and at the latest on the date of dispatch of the notice mentioned sub-paragraphs (b), (c), (d) and (e).

(g) In compliance with the provisions of the 2010 Law, the Board may decide to merge any Sub-Fund with another Sub-Fund or with another UCITS or a sub-fund thereof (whether established in Luxembourg or another Member State or whether such UCITS is incorporated as a company or is a contractual type fund) using any of the merger techniques set forth in the 2010 Law.

(h) Alternatively, the Board may propose to the shareholders of any Sub-Fund to merge the Sub-Fund with another Sub-Fund or with another UCITS or a sub-fund thereof (whether established in Luxembourg or another Member State or whether such UCITS is incorporated as a company or is a contractual type fund) under the provisions of the 2010 Law. In such case, the duly convened general meeting of the Sub-Fund concerned may be validly held without quorum and may decide by a simple majority of the Shares present or represented.

(i) In case of a merger of a Sub-Fund, the Board will give notice to shareholders concerned, as required by Luxembourg laws and regulations. Such notice shall be provided to the shareholders concerned at least thirty days before the last date for exercising their right to request the repurchase or redemption or conversion of their Shares without any charge other than those retained to meet disinvestment costs; such right shall cease to exist five working days before the date for calculating the exchange ratio referred to in article 75, paragraph (1) of the 2010 Law.

(j) If the Board determines that it is in the interests of the shareholders of the relevant Sub-Fund or that a change in the economic or political situation relating to the Sub-Fund concerned has occurred which would justify it, the reorganisation of one Sub-Fund, by means of a division into two or more Sub-Funds, may take place. This decision will be notified to shareholders as required. The notification will also contain information about the two or more new Sub-Funds. The notification will be made at least one month before the date on which the reorganisation becomes effective in order to enable the shareholders to request the redemption of their shares, free of any dealing or redemption charge, before the operation involving the division into two or more Sub-Funds becomes effective.

18. TAXATION

The following summary is based on the law and practice currently in force in the Grand Duchy of Luxembourg and is subject to changes therein.

1) The Company

(a) __Luxembourg__

The Company is not liable for any Luxembourg income tax, nor are dividends paid by the Company liable to any Luxembourg withholding tax. No stamp or other tax is payable in Luxembourg on the issue of Shares.

In relation to each Sub-Fund, P, R, I, H, S, M and E classes of Shares may be issued. The P, R, I, H, M and E classes of Shares are subject (except as indicated below) to a *taxe d'abonnement* of 0.05% per annum and the S class of Shares, which is restricted to Institutional Investors, is liable in Luxembourg to a *taxe d'abonnement* of 0.01% per annum, pursuant to articles 174 and following of the 2010 Law. The *taxe d'abonnement* is calculated on the Net Asset Value of the Sub-Funds represented by those Shares. Such tax shall be paid by the Company quarterly on the basis of the Net Asset Values at the end of the relevant calendar quarter.

The benefit of the 0.01% *taxe d'abonnement* is available to Institutional Investors on the basis of the Luxembourg legal, regulatory and tax provisions as these are known to the Company at the date of the Prospectus and at the time of admission of subsequent investors. However, such assessment is, for the past and for the future, subject to such interpretations on the status of an institutional investor by any competent authorities as will exist from time to time. Any reclassification made by an authority as to the status of an investor may submit the entire S class of Shares of a Sub-Fund to a *taxe d'abonnement* of 0.05% per annum.

P, R, I, H and M classes of Shares may be liable to the reduced 0.01% tax d'abonnement if held by Institutional Investors pursuant to articles 174 and following of the 2010 Law.

In relation to the Short-Term Money Market (EUR), Short-Term Money Market (USD), Short-Term Money Market (GBP) and Short-Term Money Market (CHF), Sub-Funds, the Shares are liable in Luxembourg to a *taxe d'abonnement* of 0.01% per annum. The benefit of the 0.01% *taxe d'abonnement* is available for all investors (with or without the status of Institutional Investors) on the basis of article 174 (2) (a) of the 2010 Law.

No Luxembourg tax is payable on the realized or unrealized capital appreciation of the assets of the Company.

(b) __General__

Dividends and/or interest received by the Company on its investments may be subject to non-recoverable withholding taxes in the countries of origin.

2) Shareholders

(a) __Luxembourg__

Shareholders are not subject to any capital gains, income, withholding, gift, estate, inheritance or other tax in Luxembourg (except for shareholders domiciled, resident or having a permanent establishment in Luxembourg).

(b) __General__

Investors should ascertain from their professional advisers the consequences of their acquiring, holding, redeeming, converting, transferring or selling shares under the laws of the jurisdictions to which they are subject, including the tax consequences and any foreign-exchange-control requirements.

3) EUSD and automatic exchange of information in the field of taxation

Under the EUSD, EU Member States are required to provide the tax authorities of another Member State with information on payments of interest or other similar income (within the meaning of the EUSD) paid by a paying agent (within the meaning of the EUSD) to an individual beneficial owner who is a resident, or to certain residual entities (within the meaning of the EUSD) established, in that other Member State.

Under the Luxembourg laws dated 21 June 2005 (the “Laws”), implementing the EUSD, as amended by the Law of 25 November 2014, and several agreements concluded between Luxembourg and certain dependent or associated territories of the EU (“Territories”), a Luxembourg-based paying agent is required as from 1 January 2015 to report to the Luxembourg tax authorities the payment of interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual or certain residual entities resident or established in another Member State or in the Territories, and certain personal details on the beneficial owner. Such details will be provided by the Luxembourg tax authorities to the competent foreign tax authorities of the state of residence of the beneficial owner (within the meaning of the EUSD).

Under the directive 2015/2060/EU repealing the EUSD, the EUSD will no longer apply once all the reporting obligation concerning year 2015 will have been complied with.

In addition, the OECD received a mandate by the G8/G20 countries to develop 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. Investors in the Company 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 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 member States of the European Union. Under the Euro-CRS Directive, the first AEOI must be applied by 30 September 2017 within the limit of the member States of the European Union for the data relating to calendar year 2016.

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

Under the Luxembourg law dated 18 December 2015 (the "2015 Law"), implementing the Euro-CRS, the first exchange of information is expected to be applied by 30 September 2017 for information related to the year 2016. Accordingly, the Company would be committed as of 1 January 2016 to run additional due diligence process on its investors 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.

It is also possible that AEOI would occur at a later stage among non EU member States.

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

19. DOCUMENTS AVAILABLE TO INVESTORS

19.1 Documents available for inspection

Copies of the following documents are available for inspection during usual business hours on any weekday (Saturdays and public holidays excepted) at the registered office of the Company:

(a) Management Company Agreement;

(b) Investment Management Agreements plus amendments thereto;

(c) Asset Allocation Agreement;

(d) Custodian and Central Administration Agreements;

(e) Co-management Agreements;

(f) Agreements with Nominees;

(g) the Articles.

The agreements under (a) to (f) above may be amended by mutual consent of the parties thereto.

19.2 Key investor information document

An up to date key investor information document relating to each Sub-Fund is available on the Lombard Odier Group website (www.loim.com). A hard copy can be supplied to investors on request and free of charge.

19.3 Other documents

The following documents are available on the Lombard Odier Group website (www.loim.com):

- Index Rule Book of the LOIM Commodity Index and the Family Index Rule Book of the Mono Indices (a copy may be obtained at the registered office of the Company on request free of charge);
- Index Rule Book of the LOIM Long/Short Commodity Backwardation Index (a copy may be obtained at the registered office of the Company on request free of charge);
- the list of applicable payment date as mentioned in the table in paragraph 13.1;
- summary description of the strategies for the exercise, to the exclusive benefit of the Sub-Funds concerned, of voting rights attached to instruments held in the portfolios managed by the Management Company.

20. MEETINGS, REPORTS AND INFORMATION TO SHAREHOLDERS

The annual general meeting of shareholders of the Company will be held in Luxembourg at 11.30 a.m. on the last Thursday in February in each year (or if such day is a legal holiday, on the next following Business Day). Other general meetings or special Sub-Fund meetings of shareholders may be held at such time and place as are indicated in the notices of such meetings. Notices of general meetings and other notices shall be given in accordance with Luxembourg Law.

Notices will specify the place and time of the meeting, the conditions of admission, the agenda, the quorum and voting requirements, including that the quorum and majority rules of the meeting will be determined in respect of the Shares as issued at 12.00 p.m. Luxembourg time, five days preceding such meeting. Notices of all meetings shall be sent to holders of registered Shares at their address indicated in the Share Register of the Company.

All other notices are sent to registered shareholders and, if required, are published on Lombard Odier Group website (www.loim.com) and/or published in such newspapers as the Directors may determine. In the case of publication in foreign jurisdictions the Directors may apply the "home country rule" according to which a publication will be made in the relevant jurisdictions as long as such publication is required under Luxembourg law. In the absence of such requirement under Luxembourg law, the Directors may choose not to publish in foreign jurisdictions to the extent that this alternative is permitted under the local laws of the relevant foreign jurisdictions. In addition, the Directors may, given the circumstances and having regard to the interest of the Shareholders, adopt complementary means of communication, including the Lombard Odier Group website (www.loim.com), to ensure a prompter and more efficient information of the shareholders.

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, notably the right to participate in general shareholders’ meetings if the investor is registered himself and in his own name in the shareholders’ register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company 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 Company. Investors are advised to take advice on their rights.

The financial period of the Company ends on 30 September of each year. The annual report containing the audited consolidated financial accounts expressed in USD of the Company in respect of the preceding financial period will be made available at the registered office of the Company at least 15 days before the annual general meeting. Unaudited semi-annual reports as at 31 March will be made available within two months of the end of the relevant date. Copies of all financial reports will be available at the registered office of the Company and from the Foreign Representatives.

The Directors may, at their discretion, decide that information regarding the Sub-Funds investments may be available for some or all investors of the Company. If this information is only provided to some investors, the Directors will ensure that (i) such investors need the information to comply with legal, regulatory, tax or other mandatory requirements, (ii) investors will keep the information confidential and (iii) investors will not use the information to take advantage of the expertise of the Investment Managers of the Company.

In compliance with the provisions of the 2010 Law, CSSF Regulation 10-4 and CSSF Circular 12/546, the Management Company has implemented and maintains effective certain procedures and strategies including:

- a procedure for the reasonable and prompt handling of complaints received from shareholders: in this context, shareholders are given the opportunity to file complaints free of charge, in the official language(s) of their country of residence, to their respective local representatives or directly to the Management Company using the addresses and contact details provided in Section 1; the latter will take care of handling of clients complaints in the most diligent, transparent and objective manner possible;
- strategies for the exercise, to the exclusive benefit of the Sub-Funds concerned, of voting rights attached to instruments held in the portfolios managed by the Management Company: a summary description of these strategies are available on the Lombard Odier Group website www.loim.com and the details of the actions taken on the basis of those strategies can be supplied free of charge to investors upon request made to the Management Company;
- inducements: the essential terms of the arrangements relating to the fees, commissions or non-monetary benefits, the Management Company may receive in relation to the activities of investment management and administration of the Fund are disclosed in this Prospectus and/or in periodic reports, as the case may be. Further details can be supplied free of charge to investors upon request made to the Management Company;
- procedures relating to the management of conflicts of interest - details of this procedure are available on the Lombard Odier Group website (www.loim.com).

21. APPLICATION PROCEDURE

Provided the conditions set forth in paragraph 13.2 are fulfilled, application may be made by investors in accordance with either of the methods described below:

(a) written application to the Company in Luxembourg c/o its Transfer Agent:

CACEIS Bank Luxembourg
5, allée Scheffer
2520 Luxembourg
Grand Duchy of Luxembourg
Telephone Number: (352) 47 67 26 42
Facsimile Number: (352) 47 67 70 63, or

(b) written application to the Global Distributor or any Distributor containing the required information.

In compliance with the forward pricing principle, written applications must be received by the Company not later than the Cut-off time (see Section 13). Written applications must be accompanied by either a Bankers draft or a notification of a completed Swift transfer form, except otherwise agreed in writing with the Company. All deals will be effected on a forward pricing basis. Payment of the Issue Price must be made in full for value the Payment Date mentioned in paragraph 13.1, except otherwise agreed in writing with the Company. Other methods of payment are subject to the prior agreement by the Company. The allotment of Shares is conditional upon receipt by the Custodian of cleared monies within the time limit mentioned under "Payment Date" in paragraph 13.1 (or within such deadline previously agreed with an investor). If timely settlement is not made, an application may lapse and be cancelled.

Shares can only be held by or through FATCA compliant financial institutions listed in paragraph 13.2.

Payment should be made in the Reference Currency or the Alternative Currency, in the case of classes issued in an alternative currency, of the relevant Sub-Fund in which Shares are subscribed by a telegraphic transfer in favor of CACEIS Bank Luxembourg on the following accounts:

USD JP Morgan Chase
Swift code: CHASUS33
Account Name: CACEIS Bank Luxembourg
Account Number: 796706786
Chips number: 0002
ABA number: 021000021

EUR	Direct via TARGET II Swift code: BSUILULLXXX Account Name: CACEIS Bank Luxembourg
GBP	HSBC Bank Plc, International Swift code: MIDLGB22 IBAN: GB63MIDL40051535210915 Sort Code: 40-05-15 Account Number: 35210915 - CACEISBL
JPY	Bank of Tokyo-Mitsubishi UFJ, Tokyo Swift code: BOTKJPJT Account Number: 653-0418285
CHF	UBS Zürich Swift code: UBSWCHZH80A Account Number: 02300000060737050000Z IBAN: CH540023023006073705Z
HKD	Standard Chartered Bank, Hong Kong Swift code: SCBLHKHH Account Number: 44709404622
SEK	Skandinaviska Enskilda Banken Swift code: ESSESESS Account Number: 52018532790 IBAN: SE5350000000052018532790
NOK	Nordea Bank Norge Swift code: NDEANOKK Account Number: 60010209253 IBAN: NO4560010209253
CAD	Canadian Imperial Bank of Commerce Swift code: CIBCCATT Account Number: 1811118
AUD	Westpac Banking Corporation Intl Div. Swift code: WPACAU2S Account Number: AIS0020979

indicating the proper identity of the applicant(s) and the name of the relevant Sub-Fund in which Shares are subscribed.

21.1 Applications and Confirmations

(i) A corporation must execute any application under its common seal or under the hand of a duly authorized officer whose capacity should be stated;

(ii) if any application or confirmation is signed by proxy, the power of attorney must accompany the application;

(iii) notwithstanding i) and ii) above, an application signed by a bank or any other person on behalf of, or purportedly on behalf of, a corporation may be accepted.

21.2 General

The Company reserves the right to reject, at its sole discretion, any subscription request for Shares and to accept any application in part only.

The Directors may, at any time and in their discretion, impose restrictions on the issuance of Shares of a Sub-Fund (also resulting from conversion requests) for any period of time. In addition, the Directors may, in their discretion, decide to apply such restrictions to all investors or a determined category of investors. In these cases, the investors whose subscription request has been rejected will be properly informed.

Similarly, the Directors may, at any time and in their discretion, revoke totally or partially any restrictions taken by virtue of the preceding paragraph. In such event, the public may be informed by way of a publication on the Lombard Odier Group website (www.loim.com) of the decision taken by the Board in this respect.

If any application is not accepted in whole or in part, the application monies or the balance thereof will be posted forthwith to the applicant, at the risk of the person(s) entitled thereto.

The Company reserves the right to withhold Share Certificates and, if applicable, any excess application monies pending clearance of the application monies.

The applicant must provide the Global Distributor, the Distributor or the Central Administration Agent with all necessary information which the Global Distributor, the Distributor or the Central Administration Agent may reasonably require to verify the identity of the applicant and his/her eligibility to subscribe or hold Shares. Applicant is required to provide evidence of its status under FATCA by means of any relevant tax documents, such as a "W-8BEN" form of the US Internal Revenue Service (or an equivalent acceptable form, document or certification) that must be renewed on a regular basis according to applicable regulation and/or a global intermediary identification number as the case may be. Failure to do so may result in the Company refusing to accept the subscription for Shares in the Sub-Funds. The Company shall not be held liable for the consequences arising from any delay or rejection of a subscription order resulting from the applicant's failure to produce satisfactory information or documents in a timely fashion.

Applicants must indicate whether they invest on their own account or on behalf of a third party. Investments in I Shares and S Shares are subject to the conditions mentioned in paragraph 2.2. The Company may request from investors subscribing in I Shares or S Shares the provision of all documents or information evidencing that they meet the relevant criteria to invest in such classes of Shares. In addition, the Company may refuse applications to invest in I and S Shares as long as all the required information and documents abovementioned are not in its possession or for any other appropriate reasons.

Except for companies who are regulated professionals of the financial sector, bound in their country by rules on the prevention of money laundering equivalent to those applicable in Luxembourg, any applicant applying in its own name is obliged to submit to the Global Distributor, the Distributor or the Central Administration Agent all necessary information which the Global Distributor, the Distributor or the Central Administration Agent may reasonably require to verify the identity of the applicant and in the case of it acting on behalf a third party, of the beneficial owner(s). Furthermore, any such applicant hereby undertakes that it will notify the Global Distributor, the Distributor or the Central Administration Agent prior to the occurrence of any change in the identity of any such beneficial owner. Also, such applicant hereby undertakes that it will notify the Transfer Agent and either the Company or the Management Company of a change of circumstances as further explained in paragraph 14.1 in the manner agreed between the Company and the applicant or disclosed in the Prospectus.

21.3 Key investor information document

According to the 2010 Law, the key investor information document must be provided to investors in good time before their proposed subscription for Shares.

Before investing, investors are invited to visit the Lombard Odier Group website (www.loim.com) and download the relevant key investor information document prior to his/her application. The same diligence is expected from the investor wishing to make additional subscriptions in the future since updated versions of the key investor information document will be published from time to time.

In case of written applications made directly to the Company in Luxembourg c/o its Transfer Agent, the Company and/or its Transfer Agent may require confirmation from the investor that he/she has consulted the relevant key investor information document before subscription.

The above shall apply *mutatis mutandis* in case of conversion.

21.4 Personal Data

Shareholders are informed that their personal data (as defined in the 2002 Law) given in the subscription documents or otherwise in connection with an application to subscribe for Shares, as well as details of their shareholding, will be stored in digital form as well as in hard copies and processed in compliance with the provisions of the 2002 Law.

Shareholders must also be aware that telephone conversations with the Management company, the Custodian and the Central Administration Agent may be recorded. Recordings are considered as personal data and will be conducted in compliance with the 2002 Law. Recordings may be produced in court or other legal proceedings with the same value in evidence as a written document.

Shareholders have a right of access and of rectification of the personal data in cases where such data is incorrect or incomplete.

The personal data shall not be held for longer than necessary with regard to the purpose of the data processing. The personal data shall be stored during the time required by law.

Pursuant to articles 18 and 19 of the 2002 Law, shareholders are giving their express consent to the transfer, if applicable, of their data to a third country, which may or may not ensure an adequate level of protection. Reasonable measures are taken to ensure confidentiality of the data transmitted.

The provision of personal data in relation to shareholders is required to enable the Management Company, among others, to fulfill the services required by Shareholders and to comply with its legal and regulatory obligations. By completing and returning an application form, shareholders consent to the processing of personal data by the Management Company, any other member of the Group of the Management Company and any other parties which assist the Management Company with undertaking its duties.

Investors should be aware that their personal data may be disclosed to the Management Company and any other companies affiliated to the Management Company for the purpose of developing and processing a business relationship with the shareholders.

Investors should be aware that their personal data will be disclosed to CACEIS Bank Luxembourg and may be disclosed to any other member of the CACEIS Group and other parties which assist CACEIS Bank Luxembourg with undertaking its duties to the Company.

22. SPECIFIC INFORMATION FOR INVESTORS IN FOREIGN COUNTRIES

22.1 Specific Information for Investors in France

For investors in France, the Eurozone Small & Mid Caps and the Europe High Conviction Sub-Funds (individually a "PEA Eligible Sub-Fund" and collectively the "PEA Eligible Sub-Funds") are eligible investment for a PEA (Plan d'épargne en actions). This means the PEA Eligible Sub-Funds have at least 75% of their Net Asset Value invested in the equity of corporate issuers with their registered office in an EEA country.

The Directors reserve the right to cease managing any of the PEA Eligible Sub-Funds according to PEA requirements should they determine that maintaining the PEA compliance status of the relevant PEA Eligible Sub-Fund would (i) no longer enable the PEA Eligible Sub-Fund to comply with its investment objectives, (ii) not be in the interests of the Shareholders in the PEA Eligible Sub-Fund or (iii) be impractical due to changing market conditions. Should the Directors decide to cease managing the PEA Eligible Sub-Fund so it is eligible for investment through a PEA, the Directors will notify the registered Shareholders resident in France at least one month in advance of the relevant PEA Eligible Sub-Fund ceasing to be managed to be eligible for investment through a PEA.