Prospectus

SEB SICAV 3

with its current Sub-Funds
SEB Asset Selection Defensive (to be renamed "SEB Diversified V8"[1])
SEB Asset Selection Opportunistic

Undertaking for Collective Investment in Transferable Securities under the Luxembourg law of 17 December 2010 on Undertaking for Collective Investment

RCS number B 146.761

August 2018

[1] As from 2 October 2018. For more information, please consult the relevant supplement.

Important information

It is not permitted to supply information or explanation that differs from the Prospectus or the Articles of Incorporation.

Neither the board of directors of SEB SICAV 3 nor the Management Company, SEB Investment Management AB, are liable if and to the extent that such divergent information or explanations are supplied.

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 in those laws or practices.

Copies of the Prospectus, the Articles of Incorporation, the Key Investor Information Documents and the annual report are available, free of charge, at the registered office of the Fund and on the Website of the Branch.

This Prospectus is only valid, when used in connection with the applicable KIID, the Articles of Incorporation of the Fund and the audited annual report of the Fund, the report date of which must not be older than 16 months. This report should be accompanied by the un-audited semi-annual report of the Fund, if the annual report date is older than eight months.

The distribution of the Prospectus and the offering of the Sub-Funds and their Share Classes may be restricted in certain jurisdictions. It is the responsibility of any person in possession of this Prospectus and any person wishing to subscribe to Shares pursuant to this Prospectus to inform himself/herself of, and to observe all applicable laws and regulations of any relevant jurisdictions. Prospective investors should inform themselves as to the legal requirements and consequences of applying for, holding, converting and disposing of Shares and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

This Prospectus does not constitute an offer or solicitation to subscribe to the Shares by anyone in any country in which such offer or solicitation is unlawful or unauthorized, or to any person to whom it is unlawful to make such offer or solicitation.

The distribution of this Prospectus in certain countries may require it to be translated into languages specified by the regulatory authorities of those countries. Should any inconsistency arise between the translated and the English versions of this Prospectus, the English version shall always prevail.

Glossary of terms

The following summary is qualified in its entirety by reference to the more detailed information included elsewhere in this Prospectus.

Articles of Incorporation	The articles of incorporation of SEB SICAV 3
Bank Business Day	Any bank business day in Luxembourg except 24 December and 31 December
Base Currency	The currency of denomination of the different Sub-Funds as defined under each Sub-Fund in part II "The Sub-Funds" of the Prospectus
Board of Directors	The board of directors of the Fund
Branch	SEB Investment Management AB, Luxembourg Branch
Central Administration	The Bank of New York Mellon (Luxembourg) S.A.
Class / Share Class	The Fund may decide to issue, within each Sub-Fund, separate classes of Shares whose assets will be commonly invested but where a specific entry or exit charge structure, minimum investment amount, distribution policy or any other feature may be applied
Collateral Policy	The collateral policy for OTC derivatives & efficient portfolio management techniques for SEB Investment Management AB
Consolidation Currency	The consolidation currency of the Fund being the U.S. dollar
CSSF	The Luxembourg Financial Supervisory Authority "*Commission de Surveillance du Secteur Financier*"
Depositary	Skandinaviska Enskilda Banken S.A.
Directive 2009/65/EC	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended from time to time
EU	European Union
ESMA	European Securities and Markets Authority, previously the Committee of European Securities Regulators

FATCA	US Foreign Account Tax Compliance Act
FATF	Financial Action Task Force
Finansinspektionen	The Swedish Financial Supervisory Authority
Fund	SEB SICAV 3 is organised under the Law as an investment company with variable capital which comprises several Sub-Funds (*SICAV – Société d'Investissement à Capital Variable à compartiments multiples*). The term "Fund" shall be read in the general part of the Prospectus as meaning the whole umbrella SEB SICAV 3 or any of its Sub-Funds, as the case may be
KIID	Key investor information document of a Share Class
Law	The Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended from time to time
Management Company	SEB Investment Management AB, acting directly or through the Branch, as the case may be
Member State	A member state of the EU. The states that are contracting parties to the Agreement creating the European Economic Area other than the Member States of the EU, within the limits set forth by this Agreement and related acts, are considered as equivalent to Member States of the EU
Mémorial C	Luxembourg official gazette, *Mémorial C, Recueil des Sociétés et Associations*
NAV (Net Asset Value per Share)	The value per Share of any Class determined in accordance with the relevant provisions described in this Prospectus and the Articles of Incorporation
OECD	Organisation for Economic Co-operation and Development
Prospectus	The currently applicable prospectus of the Fund, as amended and updated from time to time
RCS	Luxembourg Trade and Companies Register, *Registre de Commerce et des Sociétés*
Reference Currency	The currency of denomination of the relevant Class in the Sub-Funds
Regulated Markets	A regulated market within the meaning of the Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2014 on markets in financial instruments

RESA	*Recueil Electronique des Sociétés et Associations*, new official electronic platform of central publication regarding companies and associations
SEB Group	Skandinaviska Enskilda Banken AB (publ) and its subsidiaries
Share	Share of any Sub-Fund
Shareholders	Holders of Shares in any Sub-Fund
Sub-Fund	A separate portfolio of assets which is invested in accordance with a specific investment objective. The Sub-Funds are distinguished mainly by their specific investment policy, their Base Currency and/or any other specific feature. The particulars of each Sub-Fund are described in part II of the Prospectus "The Sub-Funds". The Board of Directors may, at any time, decide on the creation of further Sub-Funds and in such case, the part II of the Prospectus will be updated. Each Sub-Fund may have one or more Classes
UCI	Undertaking for Collective Investment
UCITS	Undertaking for Collective Investment in Transferable Securities
Valuation Day	The day on which the NAV per Share is determined or calculated. This day is defined as any bank business day in Luxembourg except 24 December and 31 December ("Bank Business Day")
Value at Risk or VaR	The Value at Risk methodology provides an estimate of the maximum potential loss over a specific time period and at a given confidence level, i.e. probability level. Usually for UCITS, the time period is 1 month / 20 business days and the confidence level is 99% For example, a VaR estimate of 3% on a 20-days' time period with a 99% confidence level means that, with 99% certainty, the percentage the Sub-Fund can expect to lose over the next 20 days' period should be maximum 3%
Website of the Branch	www.sebgroup.lu

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I. The Fund

1. General information

SEB SICAV 3 is a Luxembourg open-ended investment company with variable share capital governed by Part I of the Law and of by the law of 10 August 1915 on commercial companies, as amended.

The Fund was incorporated on 4 June 2009 for an unlimited duration as a public limited company ("*société anonyme*"). Before such date, the Fund was a mutual investment fund denominated "SEB Global Hedge", which was established on 27 October 2004.

The Articles of Incorporation were published in the *Mémorial C*, *Recueil Spécial des Sociétés et Associations* (hereafter "*Mémorial C*") on 10 July 2009. The articles were amended several times and the last amendment took place on 11 April 2012 and published in the *Mémorial C* on 16 May 2012.

The Fund is registered with the RCS under the number B 146.761 with its registered office located at 4, rue Peternelchen, L-2370 Howald, Grand Duchy of Luxembourg.

The last version of the Articles of Incorporation relating to the issue of the Fund's shares have been deposited with the RCS where they are available for inspection and where copies thereof can be obtained.

The Fund works as an umbrella structure which means that it is comprised of Sub-Funds, each of which represents a specific class of assets and liabilities and has a distinct investment policy or any other specific feature, as further described in part II "The Sub-Funds" of the Prospectus.

The Fund constitutes a single legal entity, but the assets of each Sub-Fund shall be invested for the exclusive benefit of the shareholders of the corresponding Sub-Fund and the assets of a specific Sub-Fund are solely accountable for the liabilities, commitments and obligations of that Sub-Fund.

2. Involved parties

2.1. Presentation of involved parties

RCS number	B 146.761
Management Company	SEB Investment Management AB SE-106 40 Stockholm Visiting address: Stjärntorget 4 169 79 Solna Sweden
Branch of the Management Company	SEB Investment Management AB Luxemburg Branch 4, rue Peternelchen L-2370 Howald
Board of Directors of the Management Company	
Chairperson	Johan Wigh Advokat, Managing Partner Advokatfirman Törngren Magnell KB Sandemarsvägen 18 12 60 Enskede Sweden
Members	Magnus Wallberg Chief Financial Officer, Life and Investment Management Division SEB Trygg Liv AB (publ), Sweden Karin Thorburn Professor in Finance at the Norwegian School of Economics in Bergen Starefossveien 58 A 5019 Bergen Norway Jenny Askfelt Ruud Advisor to Ratos AB Äppelviksv 5 167 53 Bromma Sweden

Board of Directors of the Fund

Chairperson	Matthias Ewald
Members	Henrik Dahlgren Head of Investment Offering SEB Life & Pension Sweden Alan Ridgway Independent director The Directors' Office, Luxembourg
Central Administration (including administrative, registrar and transfer agent function) and Paying Agent in Luxembourg	The Bank of New York Mellon S.A./N.V., Luxembourg branch 2-4, rue Eugène Ruppert L-2453 Luxembourg
Global Distributor	Skandinaviska Enskilda Banken AB (publ) Kungsträdgårdsgatan 8 SE-106 40 Stockholm
Representatives and paying agents outside Luxembourg	The full list of representatives and paying agents outside Luxembourg can be obtained, free of any charge, at the registered office of the Fund and on the Website of the Branch
Depositary	Skandinaviska Enskilda Banken S.A. 4, rue Peternelchen L-2370 Howald
Approved Statutory Auditor of the Fund (hereafter the "Auditor")	PricewaterhouseCoopers, *Société coopérative* 2, rue Gerhard Mercator L-2182 Luxembourg

2.2. Description of involved parties

2.2.1. Board of Directors

The Board of Directors has overall responsibility for the management and administration of the Fund, its Sub-Funds, for authorising the creation of further Sub-Funds and for establishing and monitoring their investment policies and restrictions.

The Board of Directors is sole responsible for the determination, execution and control of the Fund's investment policies which are applied to the management of all the Sub-Funds.

2.2.2. The Management Company

The Fund has designated SEB Investment Management AB as its management company in accordance with Article 27 of the Law.

The Management Company was established on 19May 1978 in the form of a Swedish limited liability company (AB). The Management Company is authorised by Finansinspektionen for the management of UCITS and for the discretionary management of financial instruments and investment portfolios under the Swedish UCITS Act (SFS 2004:46). The Management Company is also authorised as an alternative investment fund manager to manage alternative investment funds under the Swedish AIFM Act (SFS 2013:561). It has its registered office in Sweden, SE-106 40 Stockholm.

Its subscribed and paid-in capital is SEK 1,500,000.

The objective of the Management Company is the creation, administration, management and distribution of undertakings for collective investment in transferable securities (UCITS) and alternative investment funds (AIF) and ancillary services, as well as discretionary management of financial instruments and investment portfolios.

With regard to the Fund, the Management Company is responsible for the following functions: investment management, administration and marketing. The Management Company may (under its own responsibility, control and coordination) delegate some of its functions to third parties for the purpose of efficient management.

The Management Company conducts its business mainly in Sweden and has established a branch in Luxembourg. Risk management and central administration activities are performed through the Branch. The Management Company may act either directly or through the Branch. The Management Company may be represented either by the board of directors of the Management Company or by the manager of the Branch.

The Management Company acts as Management Company for other funds. The names of such other funds can be found on the Website of the Branch.

2.2.3. The Central Administration any Paying Agent

The Management Company has or will delegated parts of the Central Administration as further detailed hereafter, including the administrative, registrar and transfer agent functions – under its continued responsibility and control – at its own expenses to The Bank of New York Mellon S.A./N.V., Luxembourg branch, 2-4, rue Eugène Ruppert, L-2453 Luxembourg.

The Bank of New York Mellon SA/NV was incorporated in Belgium as a "*société anonyme/naamloze vennootschap*" on 30 September 2008 and its Luxembourg branch is registered with the Luxembourg Trade and Companies Register under Corporate Identity Number B 105 087 (the "Administrative Agent" or "Registrar and Transfer Agent").

In the capacity of Administrative Agent, it will carry out certain administrative duties related to the administration of the Fund, including the calculation of the NAV of the Shares and the provision of accounting services to the Fund.

In the capacity of Registrar and Transfer Agent, it processes all subscriptions, redemptions, transfers and conversions of Shares and will register these transactions in the Shareholders' register of the Fund.

The Bank of New York Mellon S.A./N.V., Luxembourg branch may, subject to the approval of the Management Company and the subsequent update of the Prospectus, as required, sub-delegate parts of its functions to entities all in accordance with Luxembourg laws and regulations.

The Bank of New York Mellon S.A./N.V., Luxembourg branch has been also delegated the function of the paying agent of the Fund. In such capacity The Bank of New York Mellon S.A./N.V., Luxembourg branch shall be responsible for the collection of subscription amounts in relation to the issue of Shares as well as for making payments in relation to the redemption of Shares and to the distribution of dividends.

2.2.4. The Investment Manager

For some Sub-Funds as indicated in part II of the Prospectus "The Sub-Funds", the Management Company may delegate the investment management function to different investment managers.

Each investment manager implements the investment policy of the applicable Sub-Fund, makes investment decisions and continuously adapts them to market developments as appropriate, taking into account the interest of the applicable Sub-Fund.

The investment manager may, for its part, in agreement with the Management Company and subject to prior approval by the supervisory authority, at its own expense and under its own responsibility, entrust sub-managers wholly or in part with the management of each Sub-Fund.

Further details to the investment manager are laid down under each Sub-Fund in part II of the Prospectus "The Sub-Funds".

2.2.5. The Global Distributor

Skandinaviska Enskilda Banken AB (publ) has been appointed as the global distributor of the Fund by the Management Company.

2.2.6. The Depositary

Pursuant to a depositary agreement dated 27 April 2016 (the "Depositary Agreement"), Skandinaviska Enskilda Banken S.A. has been appointed as depositary of the Fund (the "Depositary").

Skandinaviska Enskilda Banken S.A. is a public limited company (*société anonyme*) under the laws of Luxembourg incorporated for an unlimited duration. Its registered and administrative offices are at 4, rue Peternelchen, L-2370 Howald, Luxembourg. It is licensed to engage in all banking operations under Luxembourg law.

The Depositary has been appointed for the safe-keeping of the assets of the Fund which comprises the custody of financial instruments, the record keeping and verification of ownership of other assets of the Fund as well as the effective and proper monitoring of the Fund's cash flows in accordance with the provisions of the Law, as amended from time to time, and the Depositary Agreement.

In addition, the Depositary shall also ensure that (i) the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with Luxembourg law and the Articles of Incorporation; (ii) the value of the Shares is calculated in accordance with Luxembourg law and the Articles of Incorporation; (iii) the instructions of the Fund or the Management Company are carried out, unless they conflict with applicable Luxembourg law and/or the Articles of Incorporation; (iv) in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits; and (v) the Fund's incomes are applied in accordance with Luxembourg law and the Articles of Incorporation.

In carrying out its functions the Depositary acts honestly, fairly, professionally and independently and solely in the interest of the investors. The Depositary is on an ongoing basis analysing, based on applicable laws and regulations as well as its conflict of interest policy potential conflicts of interest that may arise while carrying out its functions. It has to be taken into account that the Management Company and the Depositary are members of the same SEB Group. Thus, both have put in place policies and procedures ensuring that they (i) identify all conflicts of interest arising from that link and (ii) take all reasonable steps to avoid those conflicts of interest. Where a conflict of interest arising out of the group link between the Management Company and the Depositary cannot be avoided, the Management Company or the Depositary will manage, monitor and disclose that conflict of interest in order to prevent adverse effects on the interests of the Fund and of the investors.

When performing its activities, the Depositary obtains information relating to funds which could theoretically be misused (and thus raise potential conflict of interest issues) in relation to e.g. the interests of other clients of the SEB Group, whether engaging in trading in the same securities or seeking other services, particularly in the area of offering services competing with the interests of other counterparties used by the funds/fund managers, and the interests of the Depositary's employees in personal account dealings. Potential conflicts of interest in the SEB Group can be further exemplified as not market equivalent pricing of the depositories' services and the undue influence in the management and board of directors of the funds/fund managers by the Depositary, and *vice versa*.

Consequently, to mitigate the potential conflicts of interest, it has been ensured that the activities of a depositary function are physically, hierarchically and systematically separated from other functions of the Depositary in order to establish information firewalls. Moreover, the depositary function has a mandate and a veto to approve or decline fund clients independent of other functions and has its own committees for escalation of matters connected to its role as a depositary, where other functions with potentially conflicting interests are not represented.

For further details on management, monitoring and disclosure of potential conflicts of interest please refer to Instruction for Handling of Conflicts of Interest in Skandinaviska Enskilda Banken S.A. which can be found on the following webpage:
http://sebgroup.lu/siteassets/about-seb/policies/sebsa_conflict_of_interest.pdf

In compliance with the provisions of the Depositary Agreement and the Law, as amended from time to time, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties in relation to financial instruments that can be held in custody, duly entrusted to the Depositary for custody purposes, and/or all or part of its duties regarding the record keeping and verification of ownership of other assets of the Fund to one or more delegate(s), as they are appointed by the Depositary from time to time.

In order to avoid any potential conflicts of interest, irrespective of whether a given delegate is part of the SEB Group or not, the Depositary exercise the same level of due skill, care and diligence both in relation to the selection and appointment as well as in the on-going monitoring of the relevant delegate. Furthermore, the conditions of any appointment of a delegate that is member of the SEB Group will be negotiated at arm's length in order to ensure the interests of the investors. Should a conflict of interest occur and in case such conflict of interest cannot be neutralized, such conflict of interest as well as the decisions taken will be disclosed to the investors and the Prospectus revised accordingly. An up-to-date list of these delegates can be found on the following webpage:
http://sebgroup.lu/siteassets/corporations-and-institutions/global-custody-network.pdf

Where the law of a third country requires that financial instruments are held in custody by a local entity and no local entity satisfies the delegation requirements of article 34bis, paragraph 3, lit. b) i) of the Law, the Depositary may delegate its functions to such local entity to the extent required by the law of that third country for as long as there are no local entities satisfying the aforementioned requirements.

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

An up-to-date information regarding the Depositary, its duties and the conflicts of interest that may arise, any safekeeping functions delegated by the Depositary, the list of delegates and any conflicts of interest that may arise from such delegation, is available to the investors upon request at the registered office of the Fund.

The Depositary is liable to the Fund or its investors for the loss of a financial instrument held in custody by the Depositary and/or a delegate. In case of loss of such financial instrument, the Depositary has to return a financial instrument of an identical type or the corresponding amount to the Fund without undue delay. In accordance with the provisions of the Law, the Depositary will not be liable for the loss of a financial instrument, if such loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

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

The Fund, the Management Company and the Depositary may terminate the Depositary Agreement at any time by giving ninety (90) days' notice in writing. In case of a voluntary withdrawal of the Depositary or of its removal by the Fund or the Management Company, the Depositary must be replaced at the latest within two (2) months after the expiry of the aforementioned termination notice by a successor depositary to whom the Fund's assets are to be delivered and who will take over the functions and responsibilities of the Depositary. If the Fund or the Management Company does not name such successor depositary in time the Depositary may notify the CSSF of the situation.

3. Investment Objective and Policy of the Fund

Unless otherwise provided hereafter, references to "Fund" in this section should be read as references to a "Sub-Fund". The provisions of this section apply only insofar to each specific Sub-Fund as they are compatible with its specific investment policy, as disclosed in part II of the Prospectus "The Sub-Funds".

The Board of Directors shall, based upon the principle of risk spreading have power to determine the investment policy for the investments of each Sub-Fund and the course of conduct of the management and business affairs of the Fund.

The main objective of the each Sub-Fund will be to invest in transferable securities and other Eligible Assets, as described under 3.1 here below, with the purpose of spreading investment risks. The investment objectives of the Sub-Funds will be carried out in compliance with the investment restrictions set forth hereafter.

Additionally, some Sub-Funds may invest in instruments issued in another currency than the Base Currency of a respective Sub-Fund. The currency exposure of such instruments may be hedged. In case the currency hedging is applicable, it will be specified in part II of the Prospectus "The Sub-Funds". Considering the practical challenges of doing so, the Management Company does not guarantee how successful such hedging will be. For more details, see Section 4.2 "Risk Factors" and in particular the paragraph "Hedging risk".

The Management Company ensures that the funds managed by it comply with the ethical and/or sustainability principles that the Management Company follows. Investors should note that the criteria for ethical and sustainable funds are subject to change. Investors can read more about the sustainability principles the Management Company follows on the Website of the Branch.

Where a UCITS comprises more than one sub-fund, each sub-fund shall be regarded as a separate UCITS for the purposes of this section.

3.1. Eligible Assets

The Fund may only invest in:

Transferable securities and money market instruments

a) transferable securities and money market instruments admitted to or dealt in on a regulated market within the meaning of the Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments;

b) transferable securities and money market instruments dealt in on another market in a Member State which is regulated, operates regularly and is recognised and open to the public;

c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State of the EU or dealt in on another market in a non-Member State of the EU which is regulated, operates regularly and is recognised and open to the public;

d) recently issued transferable securities and money market instruments, provided that:

- the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or on another regulated market which operates regularly and is recognised and open to the public;
- the admission is secured within one year of issue;

Transferable securities and money market instruments mentioned under c) and d) are listed on a stock exchange or dealt in on a regulated market in North America, Central America, South America, Australia (incl. Oceania), Africa, Asia and/or Europe.

Units of undertakings for collective investment

e) units of UCITS and/or other UCIs, including exchange traded funds ("ETFs"), within the meaning of Article 1, paragraph (2), points a) and b) of the Directive 2009/65/EC, as may be amended from time to time , whether or not established in a Member State, provided that:

- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
- 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 and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the Directive 2009/65/EC;
- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
- no more than 10% of the net assets of the UCITS or the other UCIs, whose acquisition is contemplated, can, according to their management regulations or instruments of incorporation, be invested in aggregate in units of other UCITS or other UCIs;

Deposits with a credit institution

f) deposits with a credit institution which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve (12) months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;

Financial derivative instruments

h) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market mentioned above in sub-paragraphs a), b) and c), and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

- the underlying consists of instruments described in sub-paragraphs a) to h), financial indices, interest rates, foreign exchange rates or currencies, in which the Fund may invest, in accordance with the investment objectives;

- the counterparties to OTC derivative transactions are institutions subject to prudential supervision and belonging to the categories approved by the CSSF; and
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative.

Where the financial derivative instrument is cash-settled automatically or at the Fund's discretion, the Fund will be allowed not to hold the specific underlying instrument as cover. Acceptable cover is described under Section 3.5 below.

The Fund might engage in index related contracts to gain quick and cost-efficient exposure to underlying markets under the condition that the underlying indices for these investments are publicly available, transparent and governed by pre-determined rules and objectives, all in accordance with the ESMA guidelines on ETFs and other UCITS issues (ESMA/2014/937).

Within the limits under g) here above, the Fund may make use of all financial derivative instruments authorised by the Law and/or by circulars issued by the CSSF.

Particular rules apply to the following derivative:

Volatility index futures

If the Fund makes use of volatility index futures the following criteria must be met:
- the volatility index futures must be dealt on a regulated market;
- the underlying stock indices must comply with the diversification rules as set out in 3.2. here below;
- the Fund must employ a risk-management process which enables it to adequately take into account the incurred risks.

Credit default swaps

Credit default swaps may be used, among other things, to hedge credit risks arising from debt securities acquired by the Fund. In this case, the interest rates collected by the Fund from a bond with a comparatively high creditworthiness risk may be swapped for interest rates from a bond having a lower credit risk, for example. At the same time, the contractual partner may be obliged to buy the bond at an agreed price or pay cash settlement when a previously defined event, such as the insolvency of the issuer, occurs.

The Fund shall also be authorised to use such transactions the objectives of which are other than hedging. The contracting partner must be a top-rated financial institution which specialises in such transactions. The credit default swaps must be sufficiently liquid. Both the debt securities underlying the credit default swap and the respective issuer must be taken into account with regard to the investment limits set out here below.

Credit default swaps shall be valued on a regular basis using clear and transparent methods. The Management Company and the Auditor shall monitor the clarity and transparency of the valuation methods and their application. If, within the framework of monitoring activities, differences are detected, the Management Company shall arrange to remedy the situation.

<u>Total Return swaps</u>

A total return swap ("TRS") is a contract in which one counterparty transfers to another party the total economic performance of a reference asset, including income from interest, fees, market gains or losses from price movement as well as credit losses. A Sub-Fund may enter into one or several TRS transactions to gain or reduce exposure to a reference asset as well as to hedge the existing long positions or exposures.

The Fund does not intend to use total return swaps, unless mentioned otherwise in part II of the Prospectus "The Sub-Funds".

None of the Sub-Funds has currently entered into any TRS or financial derivative instruments with similar characteristics. The Prospectus will be updated in accordance with the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse ("SFTR") prior to the use of TRS by any Sub-Fund.

All revenues arising from TRS will be returned to the relevant Sub-Fund.

Counterparties to TRS do not have discretionary power over the composition or management of the investments in the portfolio of any Sub-Fund or over the underlying assets of the derivative financial instruments. Counterparty approval is not required in relation to any investment made by a Sub-Fund.

Money market instruments other than those dealt in on a regulated market

i) money market instruments other than those dealt in on a regulated market and which fall under Article 1 of the Law, if the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that these investments are:

- issued or guaranteed by a central, regional or local authority, a 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 dealt in on regulated markets referred to in sub-paragraphs a), b) or c) 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, or
- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent

to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

The Fund may hold cash and cash equivalent on an ancillary basis, in order to maintain liquidity, all in the best interest of the Shareholders.

In addition, the Fund's assets may be invested in all other Eligible Assets within the scope of legal possibilities and the provisions laid down in the Articles of Incorporation.

However, the Fund shall not invest more than ten (10%) percent of its net assets in transferable securities or money market instruments other than those referred to under this section above.

3.2. Investment restrictions applicable to Eligible Assets

Transferable securities and money market instruments as defined in the Law:

1) The Fund may invest no more than ten (10%) percent of its net assets in transferable securities or money market instruments issued by the same body.

2) Moreover, the total value of the transferable securities and money market instruments held by the Fund in the issuing bodies in each of which it invests more than five (5%) percent of its net assets, shall not exceed forty (40%) percent of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

- Notwithstanding the individual limits laid down in point 1), point 8) and point 9) the Fund shall not combine, where this would lead to investing more than twenty (20%) percent of its net assets in a single body, any of the following:
    - investments in transferable securities or money market instruments issued by that body,
    - deposits made with that body, or
    - exposures arising from OTC derivative transactions undertaken with that body.

3) The limit of ten (10%) percent laid down in point 1) may be raised to a maximum of thirty-five (35%) percent if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its public local authorities, by a non-Member State or by public international bodies of which one or more Member States belong.

4) The limit of ten (10%) percent laid down in point 1) may be raised to a maximum of twenty-five (25%) percent for certain bonds where they are issued by a credit institution whose registered office is situated in a Member State and which is subject by law to

special public supervision designed to protect bondholders. In particular, sums deriving from the issue of those bonds must be invested, in conformity with the law, in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in 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.

If the Fund invests more than five (5%) percent of its net assets in the bonds referred to in this point and issued by a single issuer, the total value of such investments may not exceed 80% of the value of the net assets of the Fund.

The transferable securities and money market instruments referred to in points 3) and 4) are not included in the calculation of the limit of forty (40%) percent stated above in point 2).

The limits set out in points 1), 2) 3) and 4) shall not be combined; thus investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body carried out in accordance with points 1), 2), 3) and 4) shall not exceed in total thirty-five (35%) percent of the net assets of the Fund.

5) Notwithstanding the above limits, the Fund may invest, in accordance with the principle of risk-spreading, up to one hundred (100%) percent of its net assets in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, by a member state of the OECD, G20, Singapore or Hong Kong or public international body to which one or more Member States of the EU belong, provided that (i) such securities and money market instruments are part of at least six (6) different issues and (ii) the securities and money market instruments from any single issue do not account for more than thirty (30%) percent of the total net assets of the Fund.

6) Without prejudice to the limits laid down here below the limits of ten (10%) percent laid down in point 1) above is raised to maximum twenty (20%) percent for investment in units and/or debt securities issued by the same body when the aim of the investment policy of the Fund is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:

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

This limit of twenty (20%) percent is raised to thirty-five (35%) percent 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 point 6) are not included in the calculation of the forty (40%) percent limit mentioned in point 2).

Units of undertakings for collective investment

7) The Fund may acquire units of UCITS and/or other UCIs, including ETFs, referred to under 3.1 e), provided that no more than twenty (20%) percent of its net assets are invested in the units of a single UCITS or other UCI.

For the purpose of applying this investment limit, each sub-fund of a UCITS or UCI with multiple sub-funds shall be considered as a separate issuer, provided that the principle of segregation of the obligations of the different sub-funds is ensured in relation to third parties.

Investments in units of UCIs other than UCITS may not exceed, in aggregate, thirty (30%) percent of the net assets of the Fund.

When the Fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in this section 3.2.

When the Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge entry or exit charges on account of the Fund's investment in the units of such other UCITS and/or other UCIs.

Each Sub-Fund may invest in all kinds of ETFs, provided that the investment policy of these ETFs corresponds widely to the investment policy of the respective Sub-Fund. Such ETFs may be managed actively or passively and are at any time in conformity with the applicable guidelines and provisions in terms of the Directive 2009/65/EC. When investing in open-ended ETFs, the Management Company or investment manager, as the case may be, will at any time comply with the limits for investments in other UCITS and UCI set out in the present section.

Specific rules applicable to:

<u>Cross Sub-Fund investments</u>

Each Sub-Fund may subscribe to, acquire and/or hold Shares of another Sub-Fund ("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
- no more than 10% of the net assets of the Target Sub-Fund whose acquisition is contemplated may be, according to its investment policy, invested in aggregate in units of other UCITS and/or UCIs; and

- voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the concerned Sub-Fund and without prejudice to the appropriate processing in the accounts and periodic reports; and
- in any event, for as long as these securities are held by the Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purpose of verifying the minimum threshold of the net assets imposed by the Law; and
- there is no duplication of management fee/entry or exit charges between those at the level of the Sub-Fund having invested in the Target Sub-Fund, and this Target Sub-Fund.

Master and feeder structures for Sub-Funds

By way of derogation to the above and in accordance with the provisions of the Law, the Fund may, at its discretion (i) create any Sub-Fund qualifying either as a feeder Sub-Fund or as a master or (ii) convert any existing Sub-Fund into a feeder or a master Sub-Fund.

In case applicable, part II of the Prospectus "The Sub-Funds" will be updated accordingly under the respective Sub-Fund.

Deposits with credit institutions

8) The Fund may not invest more than twenty (20%) percent of its net assets in deposits made with the same body.

Financial derivative instruments

9) The risk exposure to a counterparty of the Fund in OTC derivative and efficient portfolio management transactions may not exceed, in aggregate, ten (10%) percent of its net assets when the counterparty is a credit institution as mentioned here before, or five (5%) percent of its net assets in the other cases.

The Fund shall ensure that its global exposure relating to derivative instruments does not exceed the total net asset value of its portfolio.

The risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

The global exposure to the underlying assets shall not exceed in aggregate the investment limits laid down under Article 43 of the Law.

The underlying assets of index based derivative instruments are not combined to the investment limits laid down under sub-paragraphs mentioned here before, under the condition that the index complies with the following criteria:

(i) The index is sufficiently diversified. That implies that:

- the index should be composed in a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index.

If the index is composed of eligible assets, it should be sufficiently diversified, otherwise its underlying assets have to be combined with the other assets of the Sub-Fund for the monitoring of the restrictions in this section 3.2.

If the index is composed of non-eligible assets, it should be sufficiently diversified, in case the derivatives on indices are used to track such an index or to gain high exposure in such an index, in order to avoid undue concentration.

If derivatives on these indices are used for risk diversification purposes this diversification does not apply provided the exposure on the individual indices complies with the 5/10/40 ratios.

(ii) The index represents an adequate benchmark for the market to which it refers.

(iii) The index is published in an appropriate manner.

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.

Maximum exposure to a single body

10) The Fund may not combine, where this would lead to investment of more than twenty (20%) percent of its net assets in a single body, any of the following:

i) investments in transferable securities or money market instruments issued by a single body and subject to the ten (10%) percent limit by body mentioned in point 1), and/or

ii) deposits made with a single body and subject to the twenty (20%) percent limit mentioned in point 8), and/or

iii) a risk exposure to a counterparty of the Fund in an OTC derivative and efficient portfolio management transactions undertaken with a single body and subject to the ten (10%) percent or five (5%) percent limits by body mentioned in point 9) in excess of twenty (20%) percent of its net assets.

The Fund may not combine, where this would lead to investment of more than thirty-five (35%) percent of its net assets in a single body, any of the following:

i) investments in transferable securities or money market instruments issued by the same body and subject to the thirty-five (35%) percent limit by body mentioned under point 3) above, and/or

ii) investments in certain debt securities issued by the same body and subject to the twenty-five (25%) percent limit by body mentioned in point 4), and/or

iii) deposits made with the same body and subject to the twenty (20%) percent limit mentioned in point 8), and/or

iv) a risk exposure to a counterparty of the Fund in an OTC derivative and/or efficient portfolio management transactions with the same body and subject to the ten (10%) percent or five (5%) percent limits by body mentioned in point 9) in excess of thirty-five (35%) percent of its net assets.

Eligible Assets issued by the same group

11) Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with the Directive 83/349/EEC or in accordance with recognised international accounting rules are regarded as a single body for the purpose of calculating the limits described under the Article 43 of the Law.

12) The Fund may cumulatively invest up to twenty (20%) percent of its net assets in transferable securities and money market instruments within the same group.

Acquisition limits by issuer of Eligible Assets

13) The Fund may not acquire any units carrying voting rights, which would enable it to exercise significant influence over the management of an issuing body.

The Fund may not acquire:

i) more than ten (10%) percent of the non-voting units of the same issuer;
ii) more than ten (10%) percent of the debt securities of the same issuer;
iii) more than ten (10%) percent of the money market instruments of any single issuer;
iv) more than twenty-five (25%) percent of the units of a same UCITS or other UCI.

The limits laid down in the second, third and fourth 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/UCIs or the net amount of the securities in issue, cannot be calculated.

The ceilings as set forth above are waived in respect of:

a) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
b) transferable securities and money market instruments issued or guaranteed by a non-Member State of the EU;
c) transferable securities and money market instruments issued by public international bodies of which one or more Member States of the EU are members;
d) shares held by the Fund in the capital of a company incorporated in a non-Member State of the EU which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This derogation, however, shall apply only if in its investment policy the company from the Non-Member State of the EU complies with the limits laid down in Articles 43 and 46 of the Law and Article 48, paragraphs 1) and 2) of the Law. Where the limits set in Articles 43 and 46 of the Law are exceeded, Article 49 of the Law shall apply *mutatis mutandis*;
e) shares held by one or more investment companies in the capital of subsidiary companies which, carry on the business of management, advice or marketing in the country where the subsidiary is established, in regard to the repurchase of units at the request of unitholders exclusively on its or their behalf.

If the limits referred to under this section 3.2. are exceeded for reasons beyond the control of the Management Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

While ensuring observance of the principle of risk-spreading, newly created Sub-Funds may derogate from the limits laid down in this section 3.2. for a period of six months following the date of its authorisation.

The Board of Directors may, from time to time, impose further investment restrictions in order to meet the requirements in such countries, where the Shares are distributed or will be distributed.

3.3. Unauthorized investments

The Fund may not:

i) acquire either precious metals or certificates representing them;

ii) carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in Article 41 § 1 sub-paragraphs e), g) and h) of the Law; provided that this restriction shall not prevent the Fund from making deposits or carrying out other accounts in connection with financial derivative instruments, permitted within the limits referred to above;

iii) grant loans 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 which are not fully paid and (ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan;

iv) borrow amounts in excess of ten (10%) percent of its total net assets., Any borrowing is to be effected only (i) as a temporary measure or (ii) to enable the acquisition of immovable property essential for the direct pursuit of its business. Where the Fund is authorised to borrow under points (i) and (ii), that borrowing shall not exceed fifteen (15%) percent of its assets in total. However, it may acquire foreign currency by means of a back-to-back loan.

3.4. Efficient portfolio management techniques

Each Sub-Fund may, provided that it is specifically mentioned in part II of the Prospectus "The Sub-Funds", for the purpose of generating additional capital or income or for reducing its costs or risks, engage in securities lending transactions and/or enter into repurchase or reverse repurchase agreements.

Such transactions are strictly regulated and shall comply with the rules and limits set forth in (i) Article 11 of the Grand Ducal regulation of 8 February 2008 relating to certain definitions of the Luxembourg Law; (ii) CSSF Circular 08/356 concerning rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments; (iii) ESMA guidelines on

ETFs and other UCITS issues 2014/937, as amended or replaced from time to time ("ESMA/2014/937"); (iv) any other applicable laws, regulations, circulars or CSSF positions.

Where a Sub-Fund is actually engaged in efficient portfolio management technique transactions, in accordance with its investment policy, it will be explicitly expressed in part II of the Prospectus "The Sub-Funds" together with the maximum and the expected proportion of assets under management that are subject to such transactions.

3.4.1. Securities Lending

Securities lending transactions are, in addition to the aforementioned provisions, subject to the main restrictions described below, it being understood that this list is not exhaustive:

- Transactions may be terminated or the return of the securities lent may be requested at any time at the initiative of the Sub-Fund;
- Securities Lending Transactions may not exceed fifty (50%) percent of the net assets of the Sub-Fund;
- A transaction shall be limited to a period of maximum thirty (30) calendar days;
- The borrower must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by European Union law;
- The counterparty exposure *vis-à-vis* a single counterparty arising from such transactions shall not exceed ten (10%) percent of the Sub-Fund's net assets when the counterparty is a financial institution and five (5%) percent of its net assets in all other cases, as set out in section 3.2. (9);
- The Sub-Fund must receive collateral, the value of which shall be equal to at least ninety (90%) percent of the global valuation of the securities lent (interests, dividends and other eventual rights included);
- Collateral received shall meet a range of standards and comply with the collateral policy of the Management Company, as further described in the section 3.5. Collateral Management;
- The Fund may lend securities through a standardised system organised by a recognised securities clearing institution or by financial institutions subject to prudential supervision rules which are recognised by the CSSF as equivalent to those laid down in European Union law and specialised in this type of transactions.

Any income generated by securities lending transactions (reduced by any applicable direct or indirect operational costs and fees arising there from and paid to a securities lending agent, as appointed from time to time) will be payable to the relevant Sub-Fund.

Securities lending aims to generate additional income with an acceptable level of risk. However, there can be no assurance that the objective sought to be obtained from such use be achieved. Additionally, such transactions give rise to certain risks, including but not limited to, valuation and operational risks and market and counterparty risks. For further information, please refer to the section 4.2 Risk Factors.

None of the Sub-Funds has currently entered into any securities lending transactions. The Prospectus will be updated in accordance with the SFTR prior to any Sub-Fund entering into such transaction.

3.4.2. Repurchase and reverse repurchase transactions

"Repurchase Agreement" shall mean a repurchase agreement or reverse repurchase agreement as well as a documented buy-sell-back or sell-buy-back transaction.

Repurchase agreements consist of transactions governed by an agreement whereby a party sells transferable securities or money market instruments to counterparty, subject to a commitment to repurchase them or substituted transferable securities or money market instruments of the same description from the counterparty at a set price and date. Such transactions are commonly referred to as repurchase agreements for the party selling the securities or instruments, or reverse repurchase agreements for the counterparty buying them. For any avoidance of doubt, a documented buy-sell-back or sell-buy-back transactions shall be seen as a repurchase transaction.

Repurchase agreement and sell-buy-back transactions are subject to the following, although non-exhaustive, rules:

- At the maturity, the Fund must have sufficient assets to enable it to settle the amount agreed with the counterparty and continue to comply with the investment policy and restrictions;
- The Fund must ensure that the level of repurchase agreement or sell-buy-back transactions is kept at a level to enable it to meet all redemption obligations;
- The Fund may only enter into repurchase agreement or sell-buy-back transactions provided that it is able at any time (a) to recall the full amount of cash in any securities subject to a repurchase agreement or (b) to terminate the agreement in accordance with applicable regulations. However, fixed-term transactions that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.

Reverse repurchase or sell-buy-back transactions are subject to the following, although non-exhaustive, rules:

- The UCITS may not sell or pledge as security the securities purchased as part of the contract, unless it has other means of coverage;
- The value of the reverse repurchase or buy-sell-back transactions is kept at a level that allows the UCITS to meet its redemption obligations at all times;
- The securities purchased must, when combined with the rest of the Sub-Fund's portfolio comply with the Sub-Fund's investment policy and restrictions;
- Securities acquired under a reverse repurchase agreement or buy-sell-back transactions must be
  - Short-term bank certificates or money market instruments as defined in Directive 2007/16/EC of 19 March 2007;
  - Bonds issued or guaranteed by an OECD Member State, by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope;
  - Shares or units issued by money market UCIs calculating a daily NAV and being assigned a rating of AAA or its equivalent
  - Bonds issued by non-governmental issuers offering adequate liquidity

    - Shares quoted or negotiated on a regulated market of an EU Member State or on a stock exchange of an OECD Member State, on the condition that these shares are included in a main index.
- The Fund may only enter into reverse repurchase agreement or buy-sell-back transactions provided that it is able at any time (a) to recall the full amount of cash in a reverse repurchase agreement or (b) to terminate the agreement in accordance with applicable regulations. However, fixed-term transactions that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.

All revenues arising from Repurchase Agreement transactions, net of direct and indirect operational costs, will be returned to the relevant Sub-Fund.

Direct and indirect costs and fees may be paid to banks, investment firms, broker dealers, or other financial institutions or intermediaries who may be related parties to the Management Company and/or the Depositary.

None of the Sub-Funds has currently entered into any Repurchase Agreements. The Prospectus will be updated in accordance with the SFTR prior to any Sub-Fund entering into such transaction.

3.5. Counterparty selection

The counterparties to OTC financial derivatives and efficient portfolio management techniques will be selected among first class financial institutions specialized in the relevant type of transactions, subject to prudential supervision and belonging to the categories of counterparties approved by the CSSF, having their registered office in one of the OECD countries and with a minimum credit rating of investment grade.

The Fund may enter into TRS and/or Repurchase Agreement with a counterparty belonging to the same group as the Management Company or Investment Manager.

3.6. Collateral management

While entering into OTC financial derivatives and efficient portfolio management techniques, the Fund shall, at all times, comply with the Management Company's collateral policy. Acceptable collateral ("Eligible Collateral Assets") shall meet the requirements provided by applicable laws, regulations, CSSF Circulars and in particular, but not limited to the ESMA/2014/937 and the Commission Delegated Regulation (EU) 2016/2251 of 4 October 2016 supplementing Regulation (EU) No. 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards for risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty ("EMIR 2016/2251").

The collateral policy includes, but is not limited to:

(1) The eligible type of collateral

Eligible Collateral Assets mainly consists of the following liquid assets:

- Cash in an OECD country currency in accordance with Article 4(1)(a) of the EMIR 2016/2251;
- Debt securities, regardless of their maturities, issued or guaranteed by an EU Member States or its local authorities or central banks in accordance with Article 4(1)(c) of EMIR 2016/2251;
- Debt securities, regardless of their maturities, issued by multilateral development banks as listed in Article 117(2) of Regulation (EU) 575/2013 in accordance with Article 4(1)(h) of EMIR 2016/2251;
- Debt securities, regardless of their maturities, issued by international organisations listed in Article 118 of Regulation (EU) 575/2013 in line with Article 4(1)(i) of EMIR 2016/2251; and/or
- Debt securities, regardless of their maturities, issued by third countries (i.e. non - EU countries)' governments or central banks in accordance with Article 4(1)(j) of EMIR 2016/2251.

(2) Collateral diversification

Collateral diversification will be as follows:

- The basket of collateral shall not lead to an exposure to a single issuer greater than 20% of the total net assets of the Sub-Fund (not of the value of the collateral). For the purpose of this limit, collateral issued by a local authority of a member state of the OECD shall be treated as exposure to that member state.
- The basket of collateral can however be fully composed of transferable securities and money market instruments issued or guaranteed by an EU Member State, one or more of its local authorities, a third country to EU, or a public international body (referred hereafter as "Government or government-related issuer") provided that the Sub-Fund receives at least 6 different issues, none of them representing more than 30% of the total net assets of the Sub-Fund. For the avoidance of doubt, the Fund may also be fully collateralised by a single Government or government-related issuer.

(3) Collateral correlation policy

Collateral received shall be issued by an entity that is independent from the collateral provider.

(4) The level of collateral required

The counterparty exposure is limited to ten (10%) percent of the Total Net Assets with regard to OTC derivative instruments and/or efficient portfolio management techniques. As a result, collateral received, after applied haircuts, shall be equal to at least ninety (90) percent of the counterparty exposure.

(5) The haircut policy

The below constitutes the minimum applicable haircut.

Table 1 – Haircut applicable to Cash

Asset Class	Haircut
I. Cash in a OECD country currency and defined as an eligible currency in the relevant governing master agreement or credit support annex	0%
II. Cash in other currencies than define above in (I.) or adjustment for currency mismatch other than those referred to in (I.)	8%

Table 2 – Haircut applicable to debt securities
Haircut will vary within the range set out below depending on the credit quality of the issuer.

Asset Type	Maturity		
	< 1 yr	1 – 5 year(s)	5 – 30 years
All debt securities defined as Eligible Collateral Assets above in section (1) "The eligible type of collateral"	0.5%-1%	2%-3%	4%-6%

(6) Collateral valuation

Collateral received shall be marked to market on a daily basis, using available market prices and taking into account appropriate discounts which will be determined by the Management Company for each asset class based on its haircut policy disclosed above in section "The haircut policy".

(7) Safekeeping of collateral

As long as collateral received is owned by the Fund (i.e. that there has been a transfer of title), it will be held by the Depositary or its appointed sub-custodian. In all other cases, the collateral shall be held by a third party custodian that is subject to prudential supervision and which is fully independent from the collateral provider.

(8) Restriction on reuse of collateral/collateral reinvestment policy

For collateral received in OTC transactions

Collateral received under an OTC transaction, including TRS, shall not be sold, re-invested or pledged.

For collateral received in the use of efficient portfolio management techniques

Non cash-collateral shall not be reused, reinvested or pledged.

Cash collateral received under efficient portfolio management techniques may not be pledged or given as a guarantee.

However, up to one hundred (100%) percent of the cash collateral received may be reinvested in the following:

- shares or units issued by short term money market undertakings for collective investment as defined in the CESR guidelines on a Common Definition of European Money Market Funds (CESR/10-049);
- deposits with credit institutional having its registered office in an EU Member State or with a credit institution situated in a non EU Member State provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;
- high quality government bonds; and
- reverse repurchase agreement transactions provided the transactions are with credit institutions subject to the prudential supervision and the Fund may recall at any time the full amount of cash on accrued basis.

4. Information on risk

4.1. General information

Investing in a Sub-Fund's Share involves financial risks. These can involve amongst others risks associated with equity markets, bond markets, and foreign exchange markets such as changes in prices, interest rates, exchange rates and credit worthiness. Any of these risks may also occur along with other risks. Some of these risk factors are addressed briefly below.

Investors should have a clear picture of the Sub-Fund, of the risks involved in investing in Shares of the Fund and they should not make a decision to invest until they have obtained financial and tax expert advice.

Investors assume the risk of receiving a lesser amount than they originally invested.

4.2. Risk factors

Collateral management risk

Counterparty risk may be mitigated by transfer or pledge of collateral. There is however a risk that the collateral received, when realised, will not raise sufficient cash to settle the counterparty's default. This may be due to factors including inaccurate pricing or improper monitoring of collateral, adverse market movements, deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded where the collateral takes the form of securities (liquidity risk). Besides, collateral accepted by a Sub-Fund, with no title transfer (for example a pledge), will not be held by the Depositary. In the latter case there may be a risk of loss resulting from events such as the insolvency or negligence of such third party custodian or entity holding the collateral. Furthermore, collateral arrangements are entered into on the basis of complex legal document which may be difficult to enforce or may be subject to dispute.

Commodity risk

Investments with exposure to commodities and precious metals involve additional risks compared to traditional investment. In particular, overall market movements, political, economic, regulatory and natural events may strongly influence such investments. Additionally, commodity market is usually very volatile and may be subject to market disruptions.

Counterparty risk

When the Sub-Fund conducts over-the-counter (OTC) transactions or enters into the efficient portfolio management instruments, it may be exposed to risks relating to the credit standing of its counterparties and to their ability to fulfil the conditions and obligations of the contracts it enters into with them.

Concentration risk

A Sub-Fund may concentrate its investment in a limited number of issuers, countries, sectors or instruments. It may result in the Sub-Fund’s assets being more sensitive to adverse movement in a particular economy, sector, and company or instrument type.

Credit risk

The creditworthiness (solvency and willingness to pay) of an issuer may change substantially over time. Debt instruments involve a credit risk with regard to the issuers, for which the issuers’ credit rating can be used as a benchmark. Bonds or debt instruments floated by issuers with a lower rating are generally viewed as securities with a higher credit risk (greater risk of default) than those instruments that are floated by issuers with a better rating. If an issuer of bonds or debt instruments gets into financial or economic difficulties, this can affect the value of the bonds or debt instruments (this value could drop to zero).

Currency risk

If a Sub-Fund holds assets denominated in foreign currencies, it is subject to currency risk. Any depreciation of the foreign currency against the Base Currency of the Sub-Fund would cause the value of the assets denominated in the foreign currency to fall. Exchange rates may change rapidly and unpredictably, and some currencies may be more volatile than others.

Hedging risk

In some Sub-Funds, the Management Company may have an ambition to hedge the currency risk. Considering the practical challenges of doing so, however, the Management Company does not guarantee how successful such currency hedging will be. For example, in case of hedging of a Share Class, unsuccessful currency hedging means that the value of the Share

Class may rise or fall in response to fluctuations in the exchange rate between the Base Currency and the Reference Currency of the Share Class. In case of hedging of instruments, unsuccessful hedging means that the value of the portfolio may rise or fall in response to fluctuations in the exchange rate between the Base Currency and the currency of the instruments.

Risks relating to the investment in financial derivative instruments ("derivative risk")

Financial derivative instrument is a generic name for instruments getting their return from underlying assets. The return of the financial derivative instrument depends on the return of the underlying asset.

Specific risks related to OTC Derivatives

OTC derivatives are private agreements between a fund and one or more counterparties. In general, those transactions are less subject to governmental regulation and supervision, compared to exchange traded derivatives. OTC derivatives carry greater counterparty and liquidity risks. Additionally, the Fund may not be able to find a comparable derivative to be able to offset a certain position.

Specific risks related to exchange traded derivatives

Although exchange traded derivatives are generally considered as less risky than OTC derivatives, there is still the risk that the securities exchange or commodities contract market suspend or limit the trading in derivatives or in their underlying assets.

Specific risks related to Credit Default Swaps ("CDS")

The price at which a CDS trades may differ from the price of the CDS' referenced security. In adverse market conditions, the basis (the difference between the spread on bond and the spread of a CDS) can be significantly more volatile than the CDS' referenced security.

Specific risks related to asset-backed securities and mortgage-backed securities

Some Sub-Funds may have exposure to asset-backed securities ("ABS") or mortgage-backed securities ("MBS"). ABS and MBS are securities that entitle the holders to receive payments that are primarily dependent upon the cash flow arising from a specified pool of financial assets (e.g. residential or commercial mortgages, credit card loans, auto loans). Such instruments may involve higher risks compared to other traditional debt securities, in particular:

(a) Credit risk: certain borrowers may default on their mortgage obligations or the guarantees underlying the mortgage backed securities may default;

(b) Liquidity risk: ABS and MBS may be more difficult to sell than other type of securities;

(c) Interest rate risk: changes in the interest rate may have a significant impact on a Sub-Fund investing in ABS or MBS, since interest rate change usually affects the value of fixed income securities;

(d) Extension and prepayment risk: an interest rate change may induce extension and prepayment risk. In period of interest rate rise, the average maturity of the Sub-Fund's portfolio may lengthen due to borrower's payment obligations occurring at a slower pace than expected. As a result, the duration of the ABS and MBS may be affected which in turn increase the risk for price decline and the Sub-Fund's sensitivity to rising rates. On the other hand, in period of interest rate decline, ABS or MBS are more likely to be prepaid, reducing thereby the potential for price gains. Besides, it requires the Sub-Fund to reinvest the proceeds at lower interest rates, hence potentially reducing the Sub-Fund's return;
(e) Insolvency risk: in case of default, enforcing rights against the underlying assets or collateral may be difficult.

Leverage risk

Leverage is typical for trading in financial derivative instruments. Investment in derivative transactions may potentially magnify losses and result in losses greater than the amount invested for those transactions.

Risks relating to efficient portfolio management techniques

Securities lending

Securities lending involves counterparty risk:
(a) Although the Sub-Fund shall receive sufficient collateral to reduce its counterparty exposure, there is no requirement to have such counterparty exposure fully covered by collateral. Therefore, the Sub-Fund may bear losses in case of default of the relevant counterparty;
(b) If the borrower of securities fails to return securities lent by a Sub-Fund, there is a risk that the collateral received may be realised at a value lower than the value of the securities lent out, whether due to inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of the issuer of the collateral or the illiquidity of the market is which the collateral is traded.

Additionally, delays in the return of securities lent may restrict the ability of a Sub-Fund to meet delivery obligations or payment obligations arising from redemption requests.

Repurchase and reverse repurchase agreement

The principal risk when engaging in Repurchase Agreement transactions is the counterparty risk. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, there are certain risks associated with collateral management, including difficulties in selling collateral and/or losses incurred upon realization of collateral, as described above under the heading "Counterparty risk".

Repurchase Agreement transactions also entail liquidity risks due, inter alia, to locking cash or securities positions in transactions of excessive size or duration relative to the liquidity profile of the Sub-Fund or delays in recovering cash or securities paid to the counterparty. These circumstances may delay or restrict the ability of the Sub-Fund to meet redemption requests. Such risk may be higher for buy-sell-back or sell-buy-back transactions which cannot, in contrast to repurchase and reverse repurchase agreements, be closed at any time. The Sub-fund may also incur operational risks such as, inter alia, non-settlement or delay in settlement of instructions, failure or delays in satisfying delivery obligations under sales of securities, and legal risks related to the documentation used in respect of such transactions.

Finally investors shall note that there is no margin maintenance under Repurchase Agreement transactions. To align the values of cash and collateral, the transaction shall be terminated and simultaneously, a new creation shall be created for the remaining term of maturity. While it may reduce the legal difficulties associated with collateral management, it may also entail higher operational risk.

Interest rate risk

To the extent that the Fund invests in debt instruments, it is exposed to risk of interest rate changes. These risks may be incurred in the event of interest-rate fluctuations in the denomination currency of such debt instruments.

If the market interest rate increases, the price of the interest bearing securities included in the Sub-Funds may drop. This applies to a larger degree, if the Sub-Funds should also hold interest bearing securities with a longer time to maturity and a lower nominal interest return.

Risks relating to the investments in UCIs and UCITS

The investors shall be aware of the fact that the fees charged by the target UCI or UCITS will have to be borne on a pro rata basis by the investing Sub-Fund and that in consequence the NAV of the investing Sub-Fund will be affected. This might lead in respect of the Fund to a duplication of fees.

Liquidity risk

Liquidity risks arise when a particular security is difficult to dispose of. In principle, the Fund may only acquire securities that can be unwound promptly. Nevertheless, it may be difficult to sell, at a reasonable price, particular securities at certain points in time during certain phases or in certain markets.

Market risk

This risk is of general nature and exists in all forms of investment. The principal factor affecting the price performance of securities is the performance of capital markets and the economic performance of individual issuers, which in turn are influenced by the general situation of the world economy, as well as the basic economic and political conditions in the particular countries or sectors.

Operational risk

Operational risk refers to the potential losses resulting from unforeseen events, business disruption, inadequate controls and control or system failure.

Risk relating to the reuse of collateral

The relevant Sub-Fund may incur losses when reinvesting cash collateral received. Such a loss would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty as required by the terms of the transaction. In such a case, the Sub-Fund would need to cover the shortfall.

Risk of default

In addition to the general trends on capital markets the particular performance of each individual issuer also affects the price of an investment. The risk of a decline in the assets of issuers, for example, cannot be entirely eliminated even by the most careful selection of securities.

Country risk / Geographical risk

Investments in a limited geographical market may be subject to a higher than average risk due to a higher degree of concentration, less market liquidity, or greater sensitivity to changes in market conditions.

Investments in developing markets are often more volatile than investments in mature markets. Some of these economies and financial markets may from time to time be extremely volatile. Many of the countries in such regions may be developing, both politically and economically.

4.3. Risk management process

The Fund employs a risk management process, which enables it to monitor and measure at any time the risk of the positions, including derivative positions, and their contribution to the overall risk profile of the portfolio.

The global exposure may be measured using the Value-At-Risk ("VaR") approach or the commitment approach.

Where a Sub-Fund's use of derivatives is limited to hedging and efficient portfolio management, the commitment method is likely to be used. The commitment method calculates all derivatives exposure as if they were direct investments in the underlying positions. The commitment allows for hedging and netting. A Sub-Fund using this approach must ensure that its overall market exposure does not exceed two hundred (200%) percent of the total assets (one hundred (100%) percent from direct investment and one hundred (100%) percent from derivatives).

Where a Sub-Fund may use derivatives to seek investment returns, the VaR approach is likely to be used. VaR is a means of measuring the potential loss of a Sub-Fund due to market risk and is expressed as the maximum potential loss measured at a ninety-nine (99%) percent confidence level over a one month time horizon. The VaR may use the absolute or the relative approach. The absolute VaR approach calculates a Sub-Fund's VaR as a percentage of the Net Asset Value of the Sub-Fund and is measured against an absolute limit of 20% in accordance with CESR 10-788 ("CESR's Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS"). The absolute VaR is generally an appropriate approach in the absence of an identifiable reference portfolio or benchmark. The relative VaR approach is used for Sub-Funds where a benchmark reference portfolio is defined reflecting the investment strategy which the Sub-Fund is pursuing. The relative VaR of a Sub-Fund is expressed as a multiple of the VaR of a benchmark or reference portfolio and is limited to no more than twice the VaR of the comparable benchmark or reference portfolio.

Sub-Funds using the VaR approach are required to disclose their expected level of leverage. The expected level of leverage is an indicative level and is not a regulatory limit.

Specific information on:

(a) global exposure determination methodology
(b) the expected level of leverage, as well as the possibility of higher leverage levels and
(c) the reference portfolio, in case applicable

are laid down under each Sub-Fund in part II of the Prospectus "The Sub-Funds".

5. Share Capital

5.1. General

The capital of the Fund shall, at all times, be equal to the net asset value of all the Sub-Funds. The Fund shall establish segregated opposable accounts, each constituting a Sub-Fund within the meaning of Article 181 of the Law, the assets of which are invested in accordance with the particular investment features applicable to the Sub-Fund and which is represented by specific class or classes of shares.

Pursuant to Article 181 (5) of the Law, the rights of investors and creditors regarding a Sub-Fund or raised by the incorporation, daily operation and liquidation of a Sub-Fund are limited to the assets of this Sub-Fund.

In the relation between investors, each Sub-Fund will be deemed to be a separate entity.

The capital of the Fund is represented by shares issued with no face value and fully paid-up. Variations in the capital shall be effected ipso jure and there are no provisions requesting publication and entry of such in the RCS.

The Fund may provide for the issuance of fractional shares. Fractional shares may be issued up to three decimal places.

The Fund’s capital is expressed in euro (“EUR”).

The minimum capital of the Fund is EUR 1,250,000 (one million two hundred and fifty thousand euro).

5.2. Share classes

The Sub-Funds may offer several Share Classes, which differ in their charges, dividend policy, persons authorised to invest, minimum investment amount, minimum holding, eligibility requirements, reference currency or other characteristics. Some types of Classes are described more in detail here below.

<u>5.2.1. Dividend policy</u>

Unless otherwise laid down in part II of the Prospectus ‘The Sub-Funds”, the Fund may decide to issue, for each Sub-Fund, capitalisation Shares (“C” Shares) and distribution Shares (“D” Shares).

The “C” Shares will reinvest their income, if any. The “D” shares may pay a dividend to its Shareholders, upon decision of the Fund. Dividends are paid annually, except for those Sub-Funds where the Fund would decide on a monthly, quarterly or semi-annual dividend payment.

<u>5.2.2. Hedging policy</u>

The Fund may issue Share Classes which Reference Currency is not the Base Currency of the respective Sub-Fund. With regard to such Share Classes, the Fund has the ambition to hedge the currency exposure from the Base Currency into the currency exposure of the Reference Currency. Considering the practical challenges of doing so, the Fund does not guarantee how successful such currency hedging of Share Classes will be. For more details, see Section 4.2. “Risk Factors” and in particular the paragraph “Hedging Risk”.

For Share Classes where the Fund has an ambition to currency-hedge the Share Class, an “H-“ will precede the currency denomination of the Share Class. For example “(H-SEK)” means that there is an ambition by the Fund to hedge the currency exposure from a Base Currency into a SEK-exposure for the Share Class. The ambition of such hedging activity is to limit the performance impact related to fluctuations in the exchange rate between the Base Currency and the Reference Currency of the Share Class. The profit and loss effects related to currency hedging of a particular Share Class, will be allocated to the relevant Share Class.

Hedging costs will be borne by the respective Share Class.

Hedging transactions may be entered into whether the reference currency is declining or increasing in value relative to the relevant Sub-Fund’s Base Currency. Where such hedging is undertaken it may substantially protect investors in the relevant Share Class against a decrease in the value of the Sub-Fund’s Base Currency relative to the reference currency of the Share Class, but it may also preclude investors from benefiting from an increase in the value of the Sub-Fund's currency.

5.2.3. Target investors

The Fund may issue Shares taking into account the target investors. The Share Classes in the Sub-Funds may therefore be:

(a) Shares which may be acquired by all kinds of investors;
(b) Shares which may only be acquired by institutional investors as defined by Article 174 paragraph (2) c) of the Law; ("I" Share Class); or
(c) Shares which may only be acquired by high net worth individuals ("HNW" Share Class); or
(d) Shares which may only be acquired by a limited number of authorized investors ("LTD" Share Class); or
(e) Shares which may only be acquired by super institutional investors, as defined by Article 174 paragraph (2) c) of the Law, having access to lower management fee in exchange for higher minimum investment ("SI" Share Class or super-institutional share class); or
(f) Shares which are compliant with the Retail Distribution Review ("RDR" Unit Class) rules of the United Kingdom (UK). As a result, neither the Investment Manager nor the Global Distributor will be permitted to pay initial or renewal commission or rebate of the annual management fee to authorised intermediaries or to third party distributors or agents in respect of any subscriptions for, or holdings of, units for any UK retail investors in respect of investments made as a result of the investor having received a personal recommendation.

5.2.4. Registered Shares

Shares may be issued as registered Shares which will be recorded in a nominal account.

Shares that are not issued as registered shares will be made available through securities settlement systems.

5.3. Issue of Shares

Shares are issued on each Valuation Day at their net asset value plus an entry charge as indicated in part II "The Sub-Funds". This issue price includes all commissions payable to banks and financial institutions taking part in the placement of shares, but not the charges taken by intervening correspondent banks for the execution of electronic transfers. Where shares are issued in countries where stamp duties or other charges apply, the issue price increases accordingly.

The Board of Directors is authorized to issue new shares continuously. Nevertheless, the Board of Directors reserves the right to reject, at its discretion, in the Fund's and the Shareholders' interest, any subscription application. Any payments already made shall in such instances be immediately refunded without interest and at the risks and costs of the applicant. The Depositary shall immediately pay back incoming payments for applications for subscriptions which are not carried out.

At its discretion, the Fund may, upon application from a Shareholder, issue shares in return for contribution in kind of securities, provided that such securities comply with the investment objectives and investment policy of the Fund. The Auditor of the Fund shall generate a valuation report, which shall be available for inspection to all investors at the registered office of the Fund. The costs of such contribution in kind shall be borne by the investor in question.

Unless otherwise provided for in part II of the Prospectus "The Sub-Funds", payment for subscriptions must be made by electronic transfer and must reach the Registrar and Transfer Agent within five (5) Business Days following the applicable Valuation Day. The payment must be made in the Reference Currency of the respective Class, Euro or Swedish Krona. The Board of Directors may however accept payments in other major currencies. Any cost relating to the foreign exchange transaction will have to be borne by the Shareholder. Investors must note, that the Fund reserves the right to postpone subscriptions where there is no certainty that payment will reach the account by due date.

In order to avoid the repayment to subscribers of small surplus amounts, the Fund will round up at its own expense each subscription to the next immediately higher whole number of shares or issue fractions up to three decimal places per Share.

Confirmation of the execution of a subscription will be made by the dispatch of an advice to the shareholder indicating the name of the Sub-Fund, the number and class of shares subscribed for, and the relevant net asset value.

5.3.1. Restriction on issue

Shares of the Fund may not be offered, sold or otherwise distributed to Prohibited Persons (the "Prohibited Persons").

Prohibited Persons means any person, firm or corporate entity, determined in the sole discretion of the Board of Directors, as being not entitled to subscribe for or hold Shares:

1. if in the opinion of the Board of Directors such holding may be harmful/damaging to the Fund and its Shareholders,
2. if it may result in a breach of any law or regulation, whether Luxembourg or foreign, or if any contractual or statutory condition or condition provided in the Prospectus is no longer met by such person to participate in a Sub-Fund, or if such person fails to provide information or documentation as requested by the Fund,
3. if as a result thereof the Fund may become exposed to disadvantages of a tax, legal or financial nature that it would not have otherwise incurred,
4. if the participation of the investors in a Sub-Fund is such that it could have a significant detrimental impact on the economic interests of the investors, in particular in cases where individual investors seek by way of systematic subscriptions and immediate redemptions

to realise a pecuniary benefit by exploiting the time differences between the setting of the closing prices and the valuation of the Sub-Fund's assets (market timing) or
5. if such person would not comply with the eligibility criteria for Shares (e.g. in relation to "U.S. Persons" as described below).

The Fund has not been and will not be registered under the United States Investment Company Act of 1940 as amended (the "Investment Company Act"). The Shares of the Fund have not been and will not be registered under the United States Securities Act of 1933 as amended (the "Securities Act") or under the securities laws of any state of the US and such Shares may be offered, sold or otherwise transferred only in compliance with the Securities Act of 1933 and such state or other securities laws. The Shares of the Fund may not be offered or sold within the US or to or for the account, of any US Person. For these purposes, US Person is as defined in Rule 902 of Regulation S under the Securities Act.

Rule 902 of Regulation S under the Securities Act defines US Person to include inter alia any natural person resident of the United States and with regards to investors other than individuals, (i) a corporation or partnership organised or incorporated under the laws of the US or any state thereof; (ii) a trust (a) of which any trustee is a US Person except if such trustee is a professional fiduciary and a co-trustee who is not a US Person has sole or shared investment discretion with regard to trust assets and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person or (b) where a court is able to exercise primary jurisdiction over the trust and one or more US fiduciaries have the authority to control all substantial decisions of the trust and (iii) an estate (a) which is subject to US tax on its worldwide income from all sources; or (b) for which any US Person is executor or administrator except if an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with regard to the assets of the estate and the estate is governed by foreign law.

The term "US Person" also means any entity organised principally for passive investment (such as a commodity pool, Investment Company or other similar entity) that was formed:

(a) for the purpose of facilitating investment by a US Person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the regulations promulgated by the United States Commodity Futures Trading Commission by virtue of its participants being non-US Persons or
(b) by US Persons principally for the purpose of investing in securities not registered under the Securities Act, unless it is formed and owned by "accredited investors" (as defined in Rule 501 (a) under the Securities Act) who are not natural persons, estates or trusts.

Applicants for the subscription to Shares will be required to certify that they are not US Persons and might be requested to prove that they are not Prohibited Persons.

Shareholders are required to notify the Registrar and Transfer Agent of any change in their domiciliation status.

Prospective investors are advised to consult their legal counsel prior to investing in Shares of the Fund in order to determine their status as non US Persons and as non-Prohibited Persons.

The Board of Directors may refuse to issue Shares to Prohibited Persons or to register any transfer of Shares to any Prohibited Person.

Moreover the Board of Directors may at any time forcibly redeem/repurchase the Shares held by a Prohibited Person and may take any other required action (e.g. such as blocking the accounts within the Fund of such Prohibited Person) in accordance with laws and regulation and in the best interest of the Fund and its investors.

The Board of Directors can furthermore reject an application for subscription at any time at its discretion, or temporarily limit, suspend or completely discontinue the issue of Shares, in so far as this is deemed to be necessary in the interests of the Shareholders as an entirety, to protect the Fund, in the interests of the investment policy or in the case of endangering specific investment objectives of the Fund.

5.3.2. Anti-Money Laundering Procedures

The applicants wanting to subscribe Shares must provide the Registrar and Transfer Agent with all necessary information, which the Registrar and Transfer Agent may reasonably require to verify the identity of the applicant. Failure to do so may result in the Registrar and Transfer Agent refusing to accept the subscription for Shares in the Fund.

Applicants must indicate whether they invest on their own account or on behalf of a third party. Except for applicants applying through juridical persons 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 or applying through companies established in non FATF countries, is obliged to submit to the Registrar and Transfer Agent in Luxembourg all necessary information, which the Registrar and Transfer Agent may reasonably require to verify.

Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations. Failure to provide such additional or updated documents may result in the respective Shareholder to qualify as a Prohibited Person as defined in the section "Restriction on issue" hereof.

5.3.3. Late Trading and Market Timing

The Fund does not permit late trading, market timing or related excessive, short-term trading practices. In order to protect the best interests of the Shareholders, the Board of Directors reserves the right to reject any application to subscribe for Shares from any investor engaging in such practices or suspected of engaging in such practices and to take such further action as it, in its discretion, may deem appropriate or necessary, such as the charge of higher redemption fee, as laid down hereafter.

5.4. Redemption of Shares

Shares are redeemed, on each Valuation Day at their NAV, decreased by an exit charge, as indicated in part II of the Prospectus "The Sub-Funds" which is payable to banks and financial institutions taking part in the redemption of shares. Where shares are redeemed in countries where stamp duties or other charges apply, the redemption price decreases accordingly.

Payment will be made by the Depositary or the paying agents in the Reference Currency of the respective Class, Euro or Swedish Krona, or any other major currencies as accepted by the Board of Directors, according to the choice of the Shareholder. Electronic transfer will be made with a value date within ten Bank Business Days following the corresponding Valuation Day. Any cost relating to the foreign exchange will have to be borne by the Shareholder. Confirmation of execution of redemption will be made by dispatching a contract note to the Shareholder.

Furthermore, in relation to suspected market timing practices, the Fund may charge an additional exit charge of up to two (2%) percent of the NAV on the Shares redeemed within six (6) months of their issue. Such exit charge will be payable to the relevant Sub-Fund or share class. The same redemption fee for every redemption request executed on the same Valuation Day will be applicable if the redemption is based on market timing in order to ensure the equal treatment of investors.

If redemption requests for more than ten (10%) percent of the NAV of a Sub-Fund are received, then the Fund shall have the right to limit redemptions so they do not exceed this threshold amount of ten (10%) percent. Redemptions shall be limited with respect to all Shareholders seeking to redeem Shares as of a same Valuation Day so that each such Shareholder shall have the same percentage of its redemption request honoured; the balance of such redemption requests shall be processed by the Fund on the next day on which redemption requests are accepted, subject to the same limitation. On such day, such requests for redemption will be complied with in priority to subsequent requests.

5.4.1. Compulsory redemption of shares

The Fund may at any time forcibly redeem / repurchase the shares held by a Prohibited Person, as defined under the section "Restriction on issue".

If a Shareholder's holding falls below the minimum initial subscription amount or holding for a Sub-Fund or Share Class due to redemption or conversion, the Board of Directors may at its sole discretion compulsorily redeem / repurchase or convert, as the case may be, all Shares held by the relevant Shareholder in this Sub-Fund or Share Class.

The minimum initial subscription amounts and holdings, if any, for a Sub-Fund or a Share Class are mentioned in the part II of the Prospectus "The Sub-Funds".

Any person who becomes aware that he is holding Shares in contravention of any of the provisions set out in the section "Restriction on issue" or the present section and who fails to transfer or redeem his Shares pursuant to such provisions shall indemnify and hold harmless the Management Company, its directors, the Fund, its directors, the Depositary, the Central Administration, the investment manager, if any, and the Shareholders of the Fund (each an "Indemnified Party") from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to any of the above provisions.

In case of a compulsory redemption in accordance with this section, the Board of Directors shall notify the respective investor by a written notice about the compulsory redemption, specifying the Shares to be redeemed, the date of the redemption and the price applicable to such Shares concerned as well as the place at which the redemption price in respect of such Shares is payable. Such notice shall be addressed to the respective investor at his last address known to or appearing in the Fund's register. The Shares concerned by such redemption shall be cancelled immediately after the date specified in the redemption notice.

5.5. Conversion of shares

Unless otherwise provided for in the part II of the Prospectus "The Sub-Funds", a Shareholder may convert all or part of the Shares he holds in a Sub-Fund into Shares in another Sub-Fund or Shares of one Class into Shares of another Class of the same or another Sub-Fund.

Conversions are executed free of commission.

In case of the conversion, the number of Shares allotted in a new Sub-Fund or in the new Class is determined by means of the following formula:

$$\frac{A \times B \times C)}{D} = N$$

where:

A is the number of Shares presented for conversion

B is the NAV per Share in that Sub Fund/Share Class of which the Shares are presented for conversion, on the day the conversion is executed

C is the conversion factor between the Base Currencies of the two Sub Funds or Share Classes, as applicable, on the day of execution. If the Sub Funds or Share Classes have the same Base Currency, this factor is one

D is the NAV per share of the new Sub Fund/Share class on the day of execution

N is the number of Shares allotted in the new Sub Fund and/or class

5.6. Cut-off Time

All subscription, redemption and conversion orders are made on the basis of the unknown NAV per Share.

Unless otherwise provided in part II of the Prospectus "The Sub-Funds", orders received by the Registrar and Transfer Agent before 15:30 (CET) on a Valuation Day are processed on the basis of the NAV per share on that Valuation Day. Orders received after 15:30 (CET), are processed on the basis of the NAV per share on the next Valuation Day.

In order to ensure a placement of orders in due time, earlier cut-off times may be applicable for orders placed with distributors (or/and any of their agents) in Luxembourg or abroad. The corresponding information may be obtained from the respective distributor (or/and any of its agents).

6. Charges

Each Sub-Fund will, in principle, bear the following charges:

1. Management fee, payable to the Management Company
The applicable amount and the way it is calculated are laid down in part II of the Prospectus "The Sub-Funds" under the applicable Sub-Fund. This fee shall in particular serve as compensation for the Central Administration, the Investment Managers and the Global Distributor as well as for the services of the Depositary.

2. Performance fee, if any, payable to the Management Company
The applicable amount and the way it is calculated are laid down in part II of the Prospectus "The Sub-Funds" under the applicable Sub-Fund.

3. Transaction related fees
   - Execution fees for brokerage
   - Settlement fees incurred by the Sub-Fund's business transactions
   - Collateral fees

4. Other expenses
   - A fee for research costs. The research costs, if any, amount to a maximum of 0,20 % p.a. of the net assets of the relevant Sub-Fund.
   - All taxes and duties owed on the Sub-Fund's assets and income
   - Audit fees
   - Fees for country specific tax reporting and / or the audit thereof, depending on the countries of distribution
   - Expenses connected with publications and supply of information to investors, specifically for the disclosure of the NAV, for the provision of the Prospectus as well as for the production and provision of the KIIDs
   - CSSF fees

All specific fees and expenses of each Sub-Fund are payable by that Sub-Fund. All other fees and expenses shall be shared by the Sub-Funds in proportion to their net assets at that time.

Investment in target funds may lead to duplicate costs, in particular to double management fees (excluding SEB labelled target funds), since fees are incurred both on the side of the Sub-Fund as well on the side of the target fund.

7. NAV calculation

In order to calculate the NAV per Share, the value of the assets belonging to each Sub-Fund less its liabilities is calculated on each day that constitutes a Valuation Day and the result is divided by the number of the Shares issued.

Particulars on the calculation of the NAV per Share and on asset valuation are provided in the Articles of Incorporation.

When substantial sums flow in or out of a Sub-Fund, the Investment Manager has to make adjustments, such as trading on the market, in order to maintain the desired asset allocation for the Sub-Fund. Trading can incur costs that affect the Share price of the Sub-Fund and the value of existing Shareholders' investments. Swing pricing is designed to protect Shareholders' investments in this kind of situation.

The Share price of the Sub-Fund may thus be adjusted upwards in case of large inflows and downwards in case of large outflows on a certain Business Day. The thresholds that trigger swing pricing as well as the size of the adjustments ("swing factor") are set by the Board of Directors or by a swing price committee appointed by the Board of Directors. The Board of Directors or swing price committee may also decide a maximum swing factor to apply to a specific Sub-Fund. None of the Sub-Funds will have a higher maximum swing factor than one (1%) percent. The list of Sub-Funds that currently apply swing pricing, including the size of a maximum swing factor of the respective Sub-Funds, is available on the Website of the Branch. Investors may also request this information, free of charge.

7.1. Suspension of the calculation of the Net Asset Value

The Board of Directors is entitled to suspend the calculation of a respective Sub-Fund's net asset value, if and for as long as there are circumstances which make this suspension necessary and if the suspension is justifiable, taking into account the interests of the shareholders, in particular:

1. during the time in which a stock exchange or another market, where a considerable part of a respective Sub-Fund's assets is officially quoted or traded, is closed (except at the usual weekends or on bank holidays) or the trading on this stock exchange or corresponding market ceases or is limited;

2. where a major part of the securities and instruments in the Sub-Fund are not listed or otherwise not subject to orderly pricing entailing that the net asset value cannot be satisfactorily determined in a manner that safeguards the equal right of the shareholders;

3. in periods, where the political, economic, military, monetary or social circumstances or any case of force majeure, beyond the responsibility or power of the Board of Directors, make it impossible to dispose of a respective Sub-Fund's assets by reasonable and normal means, without causing serious prejudice to its shareholders;

4. during the time in which the exchange market(s) forming the basis of the valuation of a major part of the Sub-Fund's assets is (are) closed for legal holidays;

5. in an emergency, when the Board of Directors may not dispose of a respective Sub-Fund's investments or it is impossible for it to freely transfer the transaction value resulting from purchases and sales of investment, or to carry out the calculation of the net asset value in an orderly manner.

In case of a suspension for reasons as stated above, shareholders will be informed accordingly.

Investors who have applied for redemption of shares will be informed promptly of the suspension and will then be notified immediately once the calculation of the net asset value per share is resumed. After resumption, investors will receive the then current redemption price.

8. Mergers

For the purposes of this section, the term UCITS also refers to a sub-fund of a UCITS.

Any merger between Sub-Funds or between a Sub-Fund or the Fund and another UCITS and the effective date shall be decided by the Board of Directors except for any merger where the Fund would cease to exist, in the latter case the effective date of the merger must be decided by a meeting of Shareholders of the Fund deciding in accordance with the quorum and majority requirements provided in the Articles of incorporation.

In the case required by the Law, the Fund shall entrust either an authorised auditor or, as the case may be, an independent auditor to perform the necessary validations prescribed by the Law.

Practical terms of mergers will be performed and will have the effect in accordance with the Articles of Incorporation and Chapter 8 of the Law.

Information on the merger shall be made available to the investors of the merging and/or receiving UCITS on the Website of the Branch and, as the case may be, in all other forms prescribed by laws or related regulations of the countries, where the relevant Shares are sold.

9. Duration and liquidation of the Sub-Funds and of the Fund

9.1. Duration and liquidation of the Fund

The Fund is created for an unlimited period. Should the capital of the Fund fall below two thirds of the minimum capital, an extraordinary general meeting of Shareholders must be convened to consider the dissolution of the Fund. Any decision to liquidate the Fund must be taken by a majority of the shares present or represented at the meeting. Where the Share capital falls below one quarter of the minimum capital, the Board of Directors must convene an extraordinary general meeting of Shareholders to decide upon the liquidation of the Fund. At that meeting, the decision to liquidate the Fund may be taken by Shareholders holding together one quarter of the Shares present or represented.

The Fund may be dissolved by the general meeting of Shareholders in the conditions that are required by law to amend the Articles of Incorporation. Any decision to wind up the Fund will be published in accordance with the legal requirements.

As soon as the decision to wind up the Fund is taken, the issue of Shares in all Sub-Funds is prohibited and shall be deemed void; the redemption of Shares remains possible, if the equal treatment of the shareholders is ensured.

In the case of dissolution of the Fund, the liquidation will be conducted by one or more liquidators, who may be individuals or legal entities and who will be appointed by a meeting of Shareholders. This meeting will determine their powers and compensation.

The liquidation will be carried out in accordance with the Law specifying how the net proceeds of the liquidation, less related costs and expenses, are to be distributed; such net proceeds will be distributed to the shareholders in proportion to their entitlements.

The closure of the liquidation of the Fund and the deposit of any unclaimed amounts with the *Caisse de Consignation* in Luxembourg shall in principle take place within a period of time not exceeding nine months from the Shareholders' decision to liquidate the Fund.

Any unclaimed liquidation proceeds not distributed to Shareholders after closure of the liquidation procedure shall be deposited by the Depositary on behalf of entitled Shareholders with the Luxembourg *Caisse de Consignation* in accordance with applicable laws and regulations. The liquidation proceeds deposited with the *Caisse de Consignation* in Luxembourg will be available to the persons entitled thereto for the period established by law. At the end of such period unclaimed amounts will revert to the Luxembourg State.

9.2. Duration and liquidation of the Sub-Fund

Unless otherwise stipulated in part II of the Prospectus "The Sub-Funds", each Sub-Fund is created for an unlimited period. A general meeting of Shareholders of a Sub-Fund, acting under the same majority and quorum requirements as are required to amend the Articles of Incorporation, may decide to cancel shares in a given Sub-Fund and refund shareholders for the value of their shares. As soon as the decision to wind up one of the Fund's Sub-Fund is taken, the issue of shares in this Sub-Fund and the conversion of shares into this Sub-Fund are prohibited and shall be deemed void; the redemption of shares remains possible, if the equal treatment of the shareholders is ensured.

If the net assets of a Sub-Fund fall below a certain level to be determined by the Board of Directors which will not allow an efficient and rational management or if a change in the economic, political or monetary situation relating to the Sub-Fund concerned would justify the liquidation, or if required in the interest of the shareholders of the relevant Sub-Fund, the Board of Directors may decide on a forced redemption of the remaining shares in the Sub-Fund concerned without approval of the shareholders being necessary. Shareholders will be notified of the decision to liquidate, prior to the effective date of the liquidation, in a form permitted by laws or related regulations of the countries, where shares of the Sub-Fund are sold. This notification will indicate the reasons for, and the procedures of the liquidation operations. Unless the Board of Directors otherwise decides in the interests of, or to keep equal treatment between the shareholders, the shareholders of the Sub-Fund concerned may continue to request redemption or conversion of their shares free of charge, but the redemption or conversion prices will take into account liquidation expenses.

The closure of the liquidation of a Sub-Fund and the deposit of any unclaimed amounts with the *Caisse de Consignation* in Luxembourg shall in principle take place within a period of time not exceeding nine months from the Board of Directors' decision to liquidate the relevant Sub-Fund.

Any unclaimed liquidation proceeds not distributed to Shareholders after closure of the liquidation procedure shall be deposited by the Depositary on behalf of entitled Shareholders with the Luxembourg *Caisse de Consignation* in accordance with applicable laws and regulations. The liquidation proceeds deposited with the *Caisse de Consignation* in Luxembourg will be available to the persons entitled thereto for the period established by law. At the end of such period unclaimed amounts will revert to the Luxembourg State.

Under the same circumstances as described above, the Board of Directors may also decide upon the reorganisation of any Sub-Fund by means of a division into two or more separate Sub-Funds. Such decision will be notified in the same manner as described above and, in addition, the notification will contain information in relation to the two or more separate Sub-Funds resulting from the reorganisation. Such notification will be made at least one month before the date on which the reorganisation becomes effective in order to enable shareholders to request redemption or switch of their shares, free of charge, before the reorganisation becomes effective.

10. Taxation of the Fund and its Shareholders

The following summary is based on the law and practice currently in force and is subject to any future changes. The information is not exhaustive and does not constitute legal or tax advice.

It is expected that Shareholders of the Fund will be resident in many different countries. Consequently, no attempt is made in this Prospectus to summarize the taxation consequences for each investor of subscribing, converting, holding, redeeming or otherwise acquiring or disposing of Shares of the Fund. These consequences will vary in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances.

10.1. Taxation of the Fund

Taxation in Luxembourg

The Fund is subject to Luxembourg legislation. Buyers of the Fund's shares should inform themselves about the legislation and rules applicable to the purchase, holding and possible sale of Shares with regard to their residence or nationality.

In accordance with current legislation in Luxembourg, neither the Fund nor the Shareholders, except those whose domicile, residence or permanent establishment is Luxembourg, are subject to any tax on income or capital gains in Luxembourg. The Fund's income may however be subject to withholding tax in the countries where the Fund's assets are invested.

The net assets of the Fund are subject to a Luxembourg tax ("*taxe d'abonnement*") at an annual rate of 0.05% payable at the end of that quarter. Shares of institutional classes, if applicable, as defined in Article 174 (2) (c) of the 2010 Law are subject to a "*taxe d'abonnement*" of 0.01% per annum. The Management Company ensures that such institutional share classes are only acquired by investors complying with rules set out in the afore-mentioned article. The value of the assets represented by the shares/units held in other Luxembourg undertakings for collective investment already subject to a "*taxe d'abonnement*" is exempt from the payment of such tax.

The investment into a master fund has no specific Luxembourg tax impact for a Feeder Sub-Fund.

Common Reporting Standard

The Fund is subject to the Standard for Automatic Exchange of Financial Account Information in Tax matters (the "Standard") and its Common Reporting Standard (the "CRS") as set out in the Luxembourg law dated 18 December 2015 on the Common Reporting Standard (*loi relative à l'échange automatique de renseignements relatifs aux comptes financiers en matière fiscale*) (the "CRS Law").

The CRS Law is based on the European Directive 2014/107/EU of 9 December 2014 amending provisions of Directive 2011/16/EU on administrative cooperation in the field of taxation and the OECD's multilateral agreements. Consequently, to eliminate the overlap of reporting obligations created between the EU Savings Directive (the "EUSD") and the Directive 2014/107/EU, the EUSD directive has been repealed with effect from 31 December 2015 and the last reporting in accordance with the EUSD directive, will be effected in 2016 for the calendar year 2015. Further, the first reporting to the Luxembourg tax authority (the "LTA") under the CRS Law, will be applied in 2017 for the calendar year 2016. The LTA will onward report to participating foreign tax authorities by 30 September 2017.

The intention of CRS is to safeguard against tax evasion. Accordingly, under the terms of the CRS Law, the Fund is likely to be treated as a Luxembourg Reporting Financial Institution. Consequently, the Fund is required to collect personal and financial information as described in Annex I of the CRS Law with effect from 1 January 2016 and without prejudice to other applicable data protection provisions as set out in the Fund documentation, the Fund will be required to annually report this information to the LTA as from 2017.

The Fund's ability to satisfy its reporting obligations under the CRS Law will depend on each investor providing the Fund with the Information, along with the required supporting documentary evidence. In this context, the investors are hereby informed that, the Fund will process the Information for the purposes as set out in the CRS Law. The investors undertake to inform the fund or the fund management company, if applicable, of the processing of their Information by the Fund.

The investors are further informed that the Information related to Reportable Persons within the meaning of the CRS Law will be disclosed to the LTA annually for the purposes set out in the CRS Law.

The investors undertake to immediately inform the Fund of, and provide the Fund with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Any investor that fails to comply with the Fund's Information or documentation requests may be held liable for penalties imposed on the Fund and attributable to such investor's failure to provide the Information or subject to disclosure of the Information by the Fund to the LTA.

If investors are in doubt, they should consult their tax advisor, stockbroker, bank manager, solicitor, account or other financial advisor regarding the possible implications of CRS on an investment in the Fund.

Foreign Account Tax Compliance Act ("FATCA")

The Hiring Incentives to Restore Employment Act (the "Hire Act") was signed into US law in March 2010. It includes special provisions laid down in the Foreign Account Tax Compliance Act, generally known as "FATCA". The intention of FATCA is that details of US investors holding assets outside the US will be reported by financial institutions to the Internal Revenue Service (IRS), as a safeguard against US tax evasion.

This regime will become effective in phases between 1 July 2014 and 15 March 2018. Based on the Treasury Regulations §1.1471-§1.1474 issued on 17 January 2013 (the "Treasury Regulations") the Fund is a "Financial Institution". As a result of the Hire Act, and to discourage non-US Financial Institutions from staying outside this regime, on or after 1 July 2014, a Financial Institution that does not enter and comply with the regime will be subject to a US withholding tax of 30% on gross proceeds as well as on income from the US and, on or after 1 January 2017, also potentially on non-US investments.

Luxembourg has entered into a Model I Intergovernmental Agreement ("IGA") with the United States. Under the terms of the IGA, the Fund will be obliged to comply with the provisions of FATCA under the terms of the IGA and under the terms of Luxembourg legislation implementing the IGA (the "Luxembourg IGA legislation"), rather than under the US Treasury Regulations implementing FATCA.

In order to protect Shareholders from the effect of any penalty withholding, it is the intention of the Fund to be compliant with the requirements of the FATCA regime and hence, qualify as a so-called "participating financial institution" as defined in the IGA.

The Fund qualifies as a so-called "sponsored financial institution" as defined in the IGA. The Branch of the Management Company qualifies as a so-called "sponsoring financial institution". The Branch of the Management Company agrees to sponsor the Fund for the purpose and within the meaning of the IGA. The Fund intends not to register with the IRS and intends to be so-called "non-reporting sponsored financial institutions" within the meaning of the IGA. In case the Fund would be subject to reporting obligations under the FATCA regulation, the Branch will register the Fund as its sponsoring entity with the IRS and hence, the Branch of the Management Company will comply as set out in Article 2 and 4 as well as Annex II, Chapter IV, section A. 3 of the IGA in due time (i.e. not later than ninety (90) calendar days after the reportable event has first been identified) with all due diligence, withholding, registration and reporting obligations on behalf of the Fund regarding certain holdings by and payments made to (a) certain US investors, (b) certain US controlled foreign entity investors and (c) non-US financial institution investors that do not comply with the terms of the Luxembourg IGA legislation. Further, the Branch of the Management Company will perform any requirements that the Fund would have been required to perform if it were a reporting Luxembourg financial institution as defined in the IGA. Under the Luxembourg IGA, such information will be onward reported by the Luxembourg tax authorities to the IRS under the general information exchange provisions of the US-Luxembourg Income Tax Treaty. The Branch of the Management Company is required to monitor its own and the Fund's status as being a participating financial institution and a non-reporting entity on an ongoing basis and has to ensure that the Branch of the Management Company and the Fund meet the conditions for such status over the time.

In cases where investors invest in the Fund through an intermediary, investors are reminded to check whether such intermediary is FATCA compliant and hence, qualifies as a participating financial institution as defined in the IGA. In case any of the Fund's distributor should change its status as participating financial institution, such distributor will notify the Branch of the Management Company within ninety (90) days from the change in status of such change and the Branch of the Management Company is entitled a) to redeem all Shares held through such distributor, b) to convert such Shares into direct holdings of the Fund, or c) to transfer such Shares to another nominee within six (6) months of the change in status. Further, any agreement with a distributor can be terminated in case of such change in status of the distributor within ninety (90) days of notification of the distributor's change in status.

Although the Fund and the Branch of the Management Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the US withholding tax, no assurance can be given that the Fund and the Branch of the Management Company will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by the Shareholders may suffer material losses.

Other jurisdictions currently are in the process of adopting tax legislation concerning the reporting of information. The Fund also intends to comply with such other similar tax legislation that may apply to the Fund, although the precise requirements are not fully known yet. As a result, the Fund may need to seek information about the tax status of investors under the laws of such jurisdictions for disclosure to the relevant governmental authorities.

If you are in any doubt, you should consult your tax advisor, stockbroker, bank manager, solicitor, accountant or other financial adviser regarding the possible implications of FATCA on an investment in the Fund.

11. General Shareholders meetings and information to Shareholders

11.1. General Shareholders meetings

The annual general meeting of Shareholders ("AGM") is held every year on the last bank Business Day of April at 16:00 (CET) at the Fund's registered office, or at any other address in Luxembourg stipulated in the convening notice.

Notices of all general meetings are sent by mail to all registered shareholders, to their address indicated in the register of shareholders, in accordance with legal requirements. If legally required, notices will be published in the RESA and in a Luxembourg newspaper and in such other newspapers as the Board of Directors may decide.

These notices shall indicate the time and place of the general meeting, the admission conditions, the agenda and the Luxembourg legal quorum and majority requirements. The shareholders of a specified Sub-Fund may, at any time, hold general meetings with the aim to deliberate on a subject which concerns only their Sub-Fund.

Unless otherwise stipulated by law or in the Articles of Incorporation, the decisions of the general meeting of a specified Sub-Fund will be reached by a simple majority of the shareholders present or represented.

At general meetings, each Shareholder has the right to one vote for each whole Share held.

A Shareholder of any particular Sub-Fund will be entitled at any separate meeting of the Shareholders of that Sub-Fund to one vote for each whole Share of that Sub-Fund held.

The AGM shall decide, on the recommendation of the Board of Directors, on the use of income.

11.2. Information to Shareholders

11.2.1. Prospectus, Articles of Incorporation and KIID

Copies of the Prospectus, the Articles of Incorporation and the Key Investor Information Documents are available, free of charge, at the registered office of the Fund, at the address of the Branch and on the Website of the Branch.

11.2.2. Reports and financial statements

The financial year of the Fund starts on 1 January and ends on 31 December each year. The audited annual and unaudited semi-annual reports of the Fund may be obtained, free of charge at the registered office of the Fund, at the address of the Branch and on the Website of the Branch.

11.2.3. Issue and redemption prices

The last known issue and redemption prices may be downloaded from the Website of the Branch and/or requested at any time from the registered offices of the Fund, at the address of the Management Company, at the address of the Branch, at the registered office of the Depositary as well as from the paying agents.

11.2.4. Notices to Shareholders

All notices to Shareholders may be downloaded from the Website of the Branch and/or, as the case may be, made available to investors in any other form required by laws or related regulations of the countries, where Shares are sold, and/or may be requested at any time, free of charge, at the registered office of the Fund, at the address of the Management Company and at the address of the Branch.

11.2.5. Shareholders' rights against the Fund

The Board of Directors of the Fund draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund, notably the right to participate in general shareholders' meetings if the investor is registered himself and in his own name in the shareholders' register of the Fund. In cases where an investor invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Fund. Investors are advised to take advice on their rights.

11.3. Policies

11.3.1. Best execution

The Management Company acts in the best interest of the Fund when executing investment decisions, For that purpose, the Management Company shall monitor that the Investment

Manager, if any, takes all reasonable steps to obtain the best possible result for the Fund, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution and settlement of the order in accordance with its Instructions for Ensuring a Proper Execution, Handling and Transmission of orders in Financial Instruments.

Information relating to the instructions for ensuring a proper execution, handling and transmission of orders in financial instruments will be made available to Shareholders, free of charge, upon request at the address of the Management Company and at the registered address of the Fund as well as at the address of the Branch and on the Website of the Branch.

11.3.2. Exercise of voting rights

A summary of the strategy for determining when and how voting rights attached to the Sub-Fund's investments are to be exercised shall be made available to investors. The information related to the actions taken on the basis of this strategy in relation to each Sub-Fund shall be made available to investors upon request at the registered office of the Fund.

Information on the Organization and exercise of voting rights' policy is available, free of charge, upon request at the address of the Management Company, at the address of the Branch and on the Website of the Branch.

11.3.3. Complaints' handling

Information relating to the complaints' handling procedure will be made available to investors, free of charge, upon request at the address of the Fund, at the registered office of the Management Company, at the address of its Branch and on the Website of the Branch.

11.3.4. Conflicts of interest

The Board of Directors, the Management Company, the investment manager(s), the Depositary, and the other service providers of the Fund, and/or their respective affiliates, members, employees or any person connected with them may be subject to various conflicts of interest in their relationships with the Fund.

The Board of Directors has adopted and implemented a conflicts of interest policy in accordance with its Code of Conduct.

The Management Company, the Fund, the investment manager(s), and the Depositary have adopted and implemented a conflicts of interest policy and have made appropriate organisational and administrative arrangements to identify and manage conflicts of interest so as to minimise the risk of the Fund's interests being prejudiced, and if they cannot be avoided, ensure that the Fund's investors are treated fairly.

The Management Company, the Depositary and certain distributors are part of the SEB Group (the "Affiliated Person").

The Affiliated Person is a worldwide, full-service private banking, investment banking, asset management and financial services organization and a major participant in the global financial markets. As such, the Affiliated Person is active in various business activities and may have other direct or indirect interests in the financial markets in which the Fund invests.

Entities of the Affiliated Person act as counterparty and in respect of financial derivative contracts entered into by the Fund.

Potential conflicts of interest or duties may arise because the Affiliated Person may have invested directly or indirectly in the Fund. The Affiliated Person could hold a relatively large proportion of Shares in the Fund. Furthermore, a potential conflict may arise because the Depositary is related to a legal entity of the Affiliated Person which provides other products or services to the Fund.

In the conduct of its business the Management Company and the Affiliated Person's policy is to identify, manage and where necessary prohibit any action or transaction that may pose a conflict between the interests of the Affiliated Persons' various business activities and the Fund or its investors. The Affiliated Person, as well as the Management Company strives to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing. For this purpose, both have implemented procedures that shall ensure that any business activities involving a conflict which may harm the interests of the Fund or its investors, are carried out with an appropriate level of independence and that any conflicts are resolved fairly. Details can be found on the following webpages:
http://sebgroup.lu/siteassets/about-seb/policies/sebsa_conflict_of_interest.pdf
for the Depositary; and
http://sebgroup.lu/siteassets/asset-management/information-for-investors/policies/english/2015_04_01_sebam_conflicts_of_interest.pdf
for the Management Company.

Notwithstanding its due care and best effort, there is a risk that the organizational or administrative arrangements made by the Management Company for the management of conflicts of interest are not sufficient to ensure with reasonable confidence, that risks of damage to the interests of the Fund or its Shareholders will be prevented. In such case these non-neutralized conflicts of interest as well as the decisions taken will be reported to investors in an appropriate manner (e.g. in the notes to the financial statements of the Fund). Respective information will also be available free of charge at the address of the Management Company.

11.3.5. Preferential treatment of investors

Shareholders are being given a fair treatment by ensuring that they are subject to the same rights and, as the case may be, the same obligations *vis-à-vis* the Fund (as such rights are obligations notably result from the articles of incorporation and this Prospectus) as those to which other Shareholders, having invested in, and equally or similarly contributed to, the same class of Shares, are subject to. Notwithstanding the foregoing paragraph, it cannot be excluded that a Shareholder be given a preferential treatment in the meaning of, and to the widest extent, allowed by, the articles of incorporation. Whenever a Shareholder obtains preferential treatment or the right to obtain a preferential treatment, a description of that preferential treatment, the type of Shareholder who obtained such preferential treatment and, where relevant, their legal or economic links with the Fund or the Management Company will be made available at the address of the Management Company and the address of the Branch within the same limits required by the Law.

11.3.6. Inducements

Third parties, including Affiliated Person, may be remunerated or compensated by the Management Company in monetary/non-monetary form in relation to the provision of a covered service as defined in the Instruction relating to Inducements in SEB Investment Management AB. The Management Company strives to ensure that in providing services to its investors, it acts at all times in an honest, fair and professional manner, and in the best interests of the investors. The Instruction relating to Inducements in SEB Investment Management AB is available, free of charge, upon request at the address of the Management Company and at the address of the Branch.

11.3.7. Remuneration Policy

The Management Company has implemented a remuneration policy, which is reviewed at least annually, that is designed to encourage good performance and behaviour, and seeks to achieve a balanced risk-taking that goes in line with Shareholders' expectations.

In SEB Group, there is clear distinction between the criteria for setting fixed remuneration (e.g. base pay, pension and other benefits) and variable remuneration (e.g. short- and long-term variable remuneration). The individual total remuneration corresponds to requirements on task complexity, management and functional accountability and is also related to the individual's performance.

SEB Group provides a sound balance between fixed and variable remuneration and aligns the pay-out horizon of variable pay with the risk horizon. This implies that certain maximum levels and deferral arrangements apply for different categories of employees.

Details of the up-to-date remuneration policy are available to investors, free of charge, upon request at the address of the Management Company, and on the Website of the Management Company.

The policy shall secure that remuneration is in line with the business strategy, objectives, values and long term interest of the Shareholders, and includes measures to avoid conflicts of interests.

The assessment process of performance is based on the longer term performance of the Fund and its investment risks and the actual payment of performance-based components of remuneration is spread over the same period.

The remuneration policy is available on http://sebgroup.lu/siteassets/asset-management/information-for-investors/policies/english/remuneration_policy.pdf

12. Data Protection

The Fund or the Management Company may collect information from a Shareholder or prospective Shareholder from time to time in order to develop and process the business relationship between the Shareholder or prospective Shareholder and the Fund or the Management Company and for other related activities.

Any and all information concerning the Shareholder as an individual or any other data subject (the “Personal Data”), contained in the application form or further collected in the course of the business relationship with the Fund will be processed by the Fund and the Management Company acting as joint data controllers (the “Controllers”) in compliance with (i) Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (the "Data Protection Directive") as transposed in applicable local laws, (ii) the Regulation (EU) 2016/679 of 27 April 2016 (the “General Data Protection Regulation”) as well as any applicable law or regulation relating to the protection of personal data (collectively the “Data Protection Law”).
Shareholders acknowledge that their Personal Data provided or collected in connection with an investment in the Fund may be processed by the Investment Manager, the Depositary, the Central Administration, the Global Distributor, the Paying Agents, the Paying and Information Agent, the Auditor, legal and financial advisers and other service providers of the Fund (including its information technology providers) and, any of the foregoing respective agents, delegates, affiliates, subcontractors and/or their successors and assigns (the “Processors”).
Personal Data will in principle not be transferred outside the European Economic Area (the “EEA”). If Personal Data were ever to be transferred outside the EEA, the Fund and the Management Company are required to ensure that the processing of Shareholders’ Personal Data is in compliance with the Data Protection Law and, in particular, that appropriate measures are in place such as entering into model contractual clauses (as published by the European Commission) or ensuring that the recipient is “Privacy Shield” certified, if appropriate. Data subjects should refer to the privacy notice of the Controller and/or Processors for more information.
Insofar as Personal Data provided by the Shareholder concerns individuals other than itself, the Shareholder represents that it has authority to provide such Personal Data to the Controllers. If the Shareholder is not a natural person, it must undertake to (i) inform any other data subject about the processing of its Personal Data and their related rights and (ii) where necessary and appropriate, obtain in advance any consent that may be required for the processing of such Personal Data.
Shareholders should note that the Processors may also act as independent data controllers for their own purpose. In this case Shareholders should consult the data privacy policies of the service providers acting as independent data controllers.
Such Personal Data will be processed for the purposes of offering investment in shares and performing the related services. Personal Data will also be processed for the purposes of

fraud prevention such as anti-money laundering and counter-terrorist financing identification and reporting, tax identification and reporting (including but not limited to compliance with the CRS Law, FATCA) or similar laws and regulations (e.g. on OECD level).
The Fund reserves the right to refuse to issue shares to Shareholders who do not provide the necessary Personal Data (including records of their transactions) to the Central Administration.
The Fund, Management Company and the Depositary shall be held harmless and indemnified against any loss arising as a result of the restriction or prevention of the ownership of Units.

Personal Data will not be held for longer than necessary with regard to the purposes for which it is processed, subject to applicable legal minimum retention periods.
Shareholders may also exercise their rights as set out in the General Data Protection Regulation such as: the right to access to or have their Personal Data rectified in cases where such data is incorrect or incomplete, the right to have their Personal Data deleted, the right to ask for a restriction of processing or object thereto, the right to data portability and the right to lodge a complaint with the relevant data protection supervisory authority.
More details regarding the rights described above and how to exercise them, as well as the purposes of such processing, the different roles of the recipients of the Shareholder's Personal Data, the affected categories of Personal Data as well as any other information required by the Data Protection Law can also be found in the privacy notice accessible under the following link: https://sebgroup.lu/site-assistance/legal-notice/data-protection-notice-for-seb-investment-management-ab.

13. Applicable law, jurisdiction and governing language

Disputes arising between the Shareholders, the Fund, the Management Company and the Depositary shall be settled according to Luxembourg law and subject to the jurisdiction of the District Court of Luxembourg, provided however that the Fund, the Management Company and the Depositary may subject themselves to the jurisdiction of courts of the countries, in which the Shares of the Fund are offered and sold, with respect to claims by investors resident in such countries and, with respect to matters relating to subscriptions, redemptions and conversions by Shareholders resident in such countries, to the laws of such countries.

English shall be the governing language for this Prospectus, provided however that the Fund, the Management Company and the Depositary may, on behalf of themselves, consider as binding the translation in languages of the countries in which the Shares of the Fund are offered and sold, with respect to Shares sold to investors in such countries.

II. The Sub-Funds

SEB SICAV 3 – SEB Asset Selection Defensive

(*Previously "SEB Global Hedge – I SEK", a sub-fund of the Luxembourg mutual investment fund "SEB Global Hedge", which was converted into the Company*)

The attention of investors is drawn to the fact that the SEB Asset Selection Defensive sub-fund is due to change its denomination and investment strategy as from 2 October 2018, as described on pages 68 to 76 hereafter. Until 1 October 2018 (included), the following remains applicable.

1. Investment objective and policy

SEB Asset Selection Defensive (the "Sub-Fund") may invest in transferable securities from any part of the world without being restricted to a specific geographical area or industrial sector. The portfolio may be invested in equities and equity related transferable securities, as well as in fixed interest securities, floating-rate notes, convertible bonds and bonds with warrants to subscribe for transferable securities, zero-coupon bonds and profit-participation certificates, units / shares of other UCIs or UCITS. The Sub-Fund may furthermore seek to have exposure to commodity indices as well as currencies.

The Sub-Fund will not invest more than 5% of its net assets in units / shares of other UCITS or UCIs.

The Sub-Fund may include active decisions on currency exposures in order to increase the Sub-Fund's income or gain.

The Sub-Fund may use futures contracts, forwards, options, swaps, contracts for difference (CFD), credit default swaps and other derivatives as part of the investment strategy. It may also use derivatives to hedge various investments, for risk management and to increase the Sub-Fund's income or gain. In order to maximize returns, the Sub-Fund may also initiate synthetic short positions through the use of derivatives. The underlying assets of the above mentioned derivatives consist of instruments as described in the Prospectus under section 3.1 "Eligible Assets" a) to g) as well as financial indices, interest rates, foreign exchange rates and commodity indices.

A commodity index may regroup different financial sub-indices representing one specific sector.

The exposure to a financial sub-index representing one specific commodity sector may not exceed 15% of the net asset value of the Sub-Fund.

Commodity indices and commodity sub-indices must fulfil the following conditions:

- the composition of the index is sufficiently diversified

- the index represents an adequate benchmark to the market to which it refers
- the index is published in an appropriate manner

The Sub-Fund is not allowed to enter into commitments to take over or to deliver physical commodities, nor will the Sub-Fund be allowed to acquire commodities or certificates representing them. All investments having an exposure to commodity must be cash settled.

Under no circumstances will the Sub-Fund be permitted to derogate from its investment policy by using the aforementioned derivatives.

The Sub-Fund may invest up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by any Member State of the EU, its local authorities, or public international bodies of which one or more of such Member States are members, or by any other member state of the OECD. The Sub-Fund can only make use of this provision if it holds securities and money market instruments from at least six different issues, and if securities and money market instruments from any one issue may not account for more than 30% of the Sub-Fund's total net assets.

2. Risk profile and risk management process

2.1. Risk profile

The Sub-Fund faces the following specific risks:

- Counterparty risk: if a counterparty does not fulfil its obligations to the Fund (e.g. not paying an agreed amount or not delivering securities as agreed);

- Credit risk: the Sub-Fund invests directly or indirectly in bonds or other fixed income related instruments. If an issuer of a bond fails to pay the interest and principal amount on time, the bond could lose up to its entire value;

- Currency risk: the Sub-Fund invests in securities that are issued in currencies other than the base currency of the Fund. As a result the Fund is subject to currency risk, which arises from changes in the exchange rates;

- Derivatives: the Sub-Fund uses derivatives, these are financial instruments whose value depends on the value of an underlying asset. Small price changes in the underlying asset can result in large price changes of the derivative;

- Interest risk: the Sub-Fund invests in directly or indirectly in bonds or other fixed income related instruments, whose value is affected by changes in the interest rates;

- Liquidity risk: some of the assets of the Fund may become difficult to sell at a certain time and for a reasonable price;

- Market risk: The value of the Fund is influenced by the general situation in world economy, local markets and individual companies;

- Operational risk: the risk of loss resulting from e.g. system breakdowns, human errors or from external events.

For further descriptions of risks involved for the Sub-Fund, please refer to Chapter 4 “Information on risk” in part I of the Prospectus.

2.2. Risk management process

a) Global exposure

For the determination of the global exposure, this Sub-Fund uses the VaR (Value at Risk) methodology, measured with the **absolute** VaR (Value at Risk) approach.

In accordance with applicable regulations, the absolute VaR must not be greater than 20% based on a 99% confidence level and a holding period of 1 month / 20 business days.

b) Leverage

Based on the sum of the notional approach (which defines the leverage as the sum of the absolute value of the notional of all financial derivative instruments in the Sub-Fund’s portfolio), the Sub-Fund’s expected level of leverage over time amounts to 600% of the Sub-Fund’s Net Asset Value. The Sub-Fund’s expected maximum level of leverage is 850% of the Sub-Fund’s Net Asset Value. The Sub-Fund is managed using the VaR approach. In environments with low market volatility, the Sub-Fund's level of leverage may be higher than the expected maximum leverage.

The above-stated expected level of leverage and expected maximum level of leverage are not intended to constitute additional exposure limits for the Sub-Fund. The leverage information only serves the purpose of increasing investors’ understanding of the Sub-Fund.

3. Typical Investor

The Sub-Fund is intended for investors who seek capital growth over the long-term. This Sub-Fund is suitable to investors who can afford to set aside the capital invested for at least two years.

4. Base Currency of the Sub-Fund

The Base Currency of the Sub-Fund is expressed in euro (EUR).

5. Classes available

Class	ISIN Code	Initial subscription	Max Entry fee	Minimum initial investment *

		price		
C (H-SEK) LTD***	LU0204772700	SEK 100	0%	N/A
C (H-SEK)	LU0425992632	SEK 100	0%	N/A
C (EUR)	LU0425992988	EUR 100	5%	N/A
HNWC (EUR)**	LU1312080226	EUR 10	0%	EUR 100,000
HNWC (H-SEK)**	LU1312080572	SEK 100	0%	SEK 1,000,000.-
HNWD (H-SEK)**	LU1312080739	SEK 100	0%	SEK 1,000,000.-
IC (EUR)**	LU0425993010	EUR 100	0%	EUR 10,000,000.-
IC (H-SEK)**	LU1312081034	SEK 100	0%	SEK 100,000,000.-
IC (H-USD)**	LU0425993796	USD 100	0%	USD 10,000,000
ID (H-SEK)**	LU0425992715	SEK 100	0%	SEK 100,000,000
RDRC (H-GBP)**	LU1312081208	GBP 10	0%	GBP 10,000,000.-
SIC (EUR)**	LU1312081463	EUR 10	0%	EUR 50,000,000.-
SIC (H-USD)**	LU1312081620	USD 10	0%	USD 50,000,000.-

* At the discretion of the Management Company, this minimum initial investment may be waived.

****** To be launched at the discretion of the management company (subject to the normal subscription and payment procedure as described in this Prospectus).

******* The Class C (H-SEK) LTD has been issued on the date of incorporation of the Fund only to (i) Shareholders who have previously been holders of units of the C (SEK) Class of units of SEB Global Hedge – I SEK and (ii) in replacement for the C(SEK) units held by such investors in SEB Global Hedge – I SEK. No additional C (H-SEK) LTD Shares have been or will be offered for subscription in the Sub-Fund.

******** The initial offer price per Share of C (H-SEK) LTD was equal to the NAV per unit of the C (SEK) Class of units of SEB Global Hedge – I SEK on the date of incorporation of the Fund.

There is no exit fee charged to the above share classes.

6. Charges

In accordance with Chapter 6 “Charges” in part I “The Fund” of the Prospectus, the Sub-Fund will, in principle, bear all the charges mentioned therein. More details on management and performance fees are provided hereafter.

6.1. Management fee

The management fee will amount to a maximum of 0.95% per annum of the Sub-Fund’s net asset. For details of the management fee per share class, please see below:

Class	ISIN Code	Maximum management fee
C (H-SEK) LTD****	LU0204772700	0.95% p.a.
C (H-SEK)	LU0425992632	0.95% p.a.
C (EUR)	LU0425992988	0.95% p.a.
HNWC (EUR)**	LU1312080226	0.70% p.a.
HNWC (H-SEK)**	LU1312080572	0.70% p.a.
HNWD (H-SEK)**	LU1312080739	0.70% p.a.
IC (EUR)**	LU0425993010	0.50% p.a.
IC (H-SEK)**	LU1312081034	0.50% p.a.
IC (H-USD)**	LU0425993796	0.50% p.a.
ID (H-SEK)**	LU0425992715	0.50% p.a.
RDRC (H-GBP)**	LU1312081208	0.50% p.a.
SIC (EUR)**	LU1312081463	0.25% p.a.
SIC (H-USD)**	LU1312081620	0.25% p.a.

This commission is being payable at the end of each month and based on the average net assets of the Sub-Fund calculated daily for the relevant month.

6.2. Performance Fee

In addition, the Management Company is entitled to receive a performance fee, payable out of the assets attributable to the relevant share class.

The performance fee for all the share classes of the Sub-Fund will be calculated, accrued and crystallised daily as described below and paid out monthly in arrears.

The performance fee in a particular share class will be calculated by taking the number of shares in the share class times the Performance Fee Rate times any positive excess performance per share recorded on that day. The Sub-Fund uses the principle of High Water Mark and the Risk Free Rate as a hurdle. The “3 Month Treasury Bill” Return Index is used as the Risk Free Return Index, also referred to as "Index".

The definitions and calculations are as follows:

Performance fee = No of shares * Performance Fee Rate * Excess Performance per share.

No of shares = Number of shares of the relevant Share class on the relevant Valuation Day calculated before any subscriptions and redemptions with trade date equal to the Valuation Day.

Performance Fee Rate = 15% for SIC class and 20% for the C, HNWC, HNWD, IC, ID and RDRC classes

Excess performance = Base NAV – Hurdle Value. If the difference is negative, excess performance is set to zero. The calculation is taking dividends and other corporate actions in the share class into account.

Base NAV = Base Net Asset Value per share of the relevant share class on the Valuation Day, is calculated after deduction of the management fee but prior to the deduction of any performance fee and any dividends or corporate actions on the relevant Valuation Day.

Hurdle Value = The larger value of $NAV_{\mathbf{HWM}}$ * Index(t) / Index(t_{HWM}) and $NAV_{\mathbf{HWM}}$

$NAV_{\mathbf{HWM}}$ = the highest Net Asset Value (High Water Mark) per share previously achieved (in the relevant share class) and for which a performance fee was accrued and crystallised; or the Net Asset Value at inception, if that was higher. $NAV_{\mathbf{HWM}}$ is adjusted to reflect dividends and other corporate actions in the share class. For "C(H-SEK) LTD" and "D(H-SEK) LTD" share classes, the first High Water Mark shall be the highest Net Asset Value per unit, for which a performance fee was paid, of the "C(SEK)" respectively the "D(SEK)" unit class of "SEB Global Hedge – I SEK".

Index (t_{HWM}) = the “3 Month Treasury Bill” Return Index value for the specific share class on the Valuation Day when the most recent (current) $NAV_{\mathbf{HWM}}$ was achieved.

Index (t) = the “3 Month Treasury Bill” Return Index value for the specific share class on the current Valuation Day.

Index (t+1) = Index (t) * (1 + Risk Free Rate / 360 * Number of Calendar Days since Last Valuation Day)

Risk Free Rate = the "3 Month Treasury Bill" Rate of the same currency as the reference currency of the relevant share class, i.e. EUR, SEK, GBP and USD.

The Management Company will use a "3 Month Treasury Bill" Return Index constructed and supplied by an external data provider. Failing to find an appropriate external data provider the Management Company will choose to calculate the "3 Month Treasury Bill" Return Index itself. In case the 3 Month Treasury Bill does not exist for a specific share class at a specific point in time, it will be substituted by the Debt Instrument that the Management Company deems to resemble the 3 Month Treasury Bill the most.

***

SEB Asset Selection Defensive to become, as from 2 October 2018 :

SEB SICAV 3 – SEB Diversified V8

1. Investment objective and policy

SEB Diversified V8 (the "Sub-Fund") is actively managed, targeting absolute returns. Consequently the Sub-Fund has no benchmark. The Sub-Fund may invest in transferable securities from any part of the world without being restricted to a specific geographical area or industrial sector.

The portfolio may be invested in equities and equity related transferable securities, fixed income instruments (including, but not limited to floating-rate notes, convertible bonds and bonds with warrants to subscribe for transferable securities, zero-coupon bonds and profit-participation certificates), and units / shares of other UCIs or UCITS, including ETFs. The Sub-Fund may furthermore seek to have exposure to commodities as well as currencies.

The Sub-Fund targets an average volatility of eight (8%) percent. However, the Sub-Fund will have a more varying volatility level over time, meaning the volatility may be higher during the investment period.

The Sub-Fund will not invest more than 5% of its net assets in units / shares of other UCITS or UCIs, including ETFs.

The Sub-Fund may include active decisions on currency exposures in order to increase the Sub-Fund's income or gain.

The Sub-Fund may use futures contracts, forwards, options, swaps, contracts for difference (CFD), credit default swaps and other derivatives as part of the investment strategy. It may also use derivatives to hedge various investments, for risk management and to increase the Sub-Fund's income or gain. In order to maximize returns, the Sub-Fund may also initiate synthetic *short positions through the use of derivatives. The underlying assets of the above mentioned derivatives consist of instruments as described in the Prospectus under section 3.1 "Eligible Assets" a) to g) as well as financial indices, interest rates, foreign exchange rates and commodities.*

The Sub-Fund may not invest more than one (1%) percent of its NAV in contingent convertible bond ("CoCos") and no more than ten (10%) percent in distressed debt securities. Investment in ABS and MBS might not exceed twenty (20%) percent of the total net assets of the Sub-Fund's portfolio.

The Sub-Fund may seek to have a maximum net exposure of twenty (20%) percent of its NAV to commodities through:

a) commodity index derivatives;
b) commodity funds;
c) transferrable securities with embedded commodity index exposures; and
d) other commodity related instruments and derivatives on a global basis;

provided that the instrument is compliant with the Law. Commodities include, but are not restricted to, different kinds of energy commodities, precious metals, industrial metals, live-stock and agriculture commodities.

The exposure to a financial sub-index representing one specific commodity sector may not exceed fifteen (15%) percent of the net asset value of the Sub-Fund.

Commodity indices and commodity sub-indices must fulfil the following conditions:

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

The Sub-Fund is not allowed to enter into commitments to take over or to deliver physical commodities, nor will the Sub-Fund be allowed to acquire commodities or certificates representing them. All investments having an exposure to commodity must be cash settled.

The weighting of each financial index and sub-index is adjusted at least on an annual basis in order to guarantee the clarity and balance of such index. No specific fees will be charged to the Sub-Fund as a result of the rebalancing. Any index rebalancing costs are already priced into the applicable (transaction costs and fees). The composition of the financial index is reviewed at least on an annual basis.

Further information on the financial indices and sub-indices, including the list of financial indices and sub-indices, index methodology and composition, as well as the performance of indices can be found at https://sebgroup.lu/private/our-funds

Under no circumstances will the Sub-Fund be permitted to derogate from its investment policy by using the aforementioned derivatives.

The Sub-Fund may invest up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by any Member State of the EU, its local

authorities, or public international bodies of which one or more of such Member States are members, or by any other member state of the OECD. The Sub-Fund can only make use of this provision if it holds securities and money market instruments from at least six different issues, and if securities and money market instruments from any one issue may not account for more than 30% of the Sub-Fund's total net assets.

2. Risk profile and risk management process

2.1. Risk profile

The Sub-Fund faces the following specific risks:

- *Counterparty risk;*
- *Credit risk;*
- *Currency risk;*
- *Risk related to investments in financial derivative instruments;*
- *Interest rate risk;*
- *Liquidity risk;*
- *Market risk;*
- *Operational risk;*
- *Leverage risk; and*
- *Commodity risk.*

For further descriptions of risks involved for the Sub-Fund, please refer to Chapter 4 "Information on risk" in part I of the Prospectus.

- *Additional risks:*

  This Sub-Fund may have risks that may differ from the risks of traditional funds. The Sub-Fund may not only have exposures to one asset class, but to several asset classes. The Sub-Fund may have exposures, for example, to fixed income, equities, currencies, commodities, volatility indices and/or other financial indices.

  The Sub-Fund may have long exposures (directly or via derivatives) as well as short exposures (directly or via derivatives) to any of the assets mentioned in the investment policy above, and/or in the general part of the Prospectus section 3.1 "Eligible Assets".

  Since the Sub-Fund may be risk exposed to one, several or all of the above asset classes, the risk may vary from high to low.

  As the Sub-Fund may be risk exposed to one, several or all of the above asset classes over time; as the direction of the positions in the Sub-Fund may be short and/or long in the different asset classes and over time and as the position sizes may be varying from small to large in the different asset classes and over time, the performance behaviour of the Sub-Fund may be hard to forecast and/or understand for investors in the Sub-Fund.

  Investors in an absolute return fund, such as this Sub-Fund, are handing over all investment decisions to the Investment Manager. This includes asset allocation decisions and, when relevant, the security selection decisions. Prior to investing in the Sub-Fund, it is therefore important to establish a view whether the fund manager and his/her investment team is likely to deliver appropriate returns or not in the Sub-Fund.

The Sub-Fund's return depends on the fund manager's ability to forecast future events and to take appropriate long and/or short positions. This differs from traditional funds, whose return is predominantly determined by the development of the relevant benchmark market.

2.2. Risk management process

a) Global exposure

For the determination of the global exposure, this Sub-Fund uses the VaR (Value at Risk) methodology, measured with the ***absolute*** *VaR (Value at Risk) approach.*

In accordance with applicable regulations, the absolute VaR must not be greater than twenty (20%) percent based on a ninety-nine (99%) percent confidence level and a holding period of one (1) month / twenty (20) business days.

b) Leverage

Based on the sum of the notional approach (which defines the leverage as the sum of the absolute value of the notional of all financial derivative instruments in the Sub-Fund's portfolio), the Sub-Fund's expected level of leverage over time amounts to 800% of the Sub-Fund's Net Asset Value. The Sub-Fund's expected maximum level of leverage is 1600% of the Sub-Fund's Net Asset Value. The Sub-Fund is managed using the VaR approach. In environments with low market volatility, the Sub-Fund's level of leverage may be higher than the expected maximum leverage.

The above-stated expected level of leverage and expected maximum level of leverage are not intended to constitute additional exposure limits for the Sub-Fund. The leverage information only serves the purpose of increasing investors' understanding of the Sub-Fund.

Particular attention shall be drawn to the fact that the Sub-Fund may from time to time have a high leverage. Thus, investors shall carefully consider the risks associated with such a high leverage, in particular derivative risks and leverage risks as described in section 4.2 "Risk factors" in part I of the Prospectus, when investing in the Sub-Fund.

3. Typical Investor

The Sub-Fund is intended for investors who seek capital growth over the long-term and who understand the nature of absolute return funds, as described above. Investors must be able to accept substantial year-to-year volatility and significant decreases in the value of the Sub-Fund from time to time. These factors make the Sub-Fund suitable for investors who can afford to set aside the capital they invest for at least three (3) to five (5) years.

4. Base Currency of the Sub-Fund

The Base Currency of the Sub-Fund is euro (EUR). For Share Classes marked with an "H", see the Share Class table below, the Investment Manager aims to minimise unwanted performance differentials (in local currency terms) between the relevant Share Class and the Base Currency Unit Class by pursuing currency hedging. Currency hedging is done on a best effort basis.

5. Classes available

Class	ISIN Code	Initial subscription price	Minimum initial investment*	Maximum entry fee	Maximum exit fee
C (EUR) LTD***	LU0425992988	EUR 100	None	5%	None
C (EUR)	LU1524802888	EUR 10	None	5%	None
D (EUR)**	LU1524803183	EUR 10	None	5%	None
C (H-SEK) LTD***	LU0204772700	SEK 100	None	None	None
C (H-SEK)	LU0425992632	SEK 100	None	None	None
C (H-CHF)**	LU1524802961	CHF 10	None	None	None
RDRC (H-GBP)**	LU1312081208	GBP 10	None	0%	None
HNWC (EUR)**	LU1312080226	EUR 10	EUR 10,000	None	None
HNWC (H-SEK)**	LU1312080572	SEK 100	SEK 100,000	None	None
HNWD (H-SEK)**	LU1312080739	SEK 100	SEK 100,000	None	None
IC (EUR)**	LU0425993010	EUR 100	EUR 1,000,000	None	None
ID (EUR)**	LU1524803779	EUR 10	EUR 1,000,000	None	None
IC (H-SEK)**	LU1312081034	SEK 100	SEK 10,000,000	None	None
ID (H-SEK)**	LU0425992715	SEK 100	SEK 10,000,000	None	None
IC (H-USD)**	LU0425993796	USD 100	USD 10,000,000	None	None
IC (H-CHF)**	LU1524803936	CHF 10	CHF 1,000,000	None	None
SIC (EUR)**	LU1312081463	EUR 10	EUR 10,000,000	None	None
SIC (H-USD)**	LU1312081620	USD 10	USD 10,000,000	None	None

** This minimum initial investment may be waived at the discretion of the Management Company.*
******** *Share Classes will be launched upon the decision of the Management Company.*
********* *The Class C (H-SEK) LTD has been issued on the date of incorporation of the Sub-Fund only to (i) Shareholders who have previously been holders of units of the C (SEK) Class of units of SEB Global Hedge – I SEK and (ii) in replacement for the C(SEK) units held by such investors in SEB Global Hedge – I SEK. No additional C (H-SEK) LTD Shares have been or will be offered for subscription in the Sub-Fund.*

***** The initial offer price per Share of C (H-SEK) LTD was equal to the NAV per unit of the C (SEK) Class of units of SEB Global Hedge – I SEK on the date of incorporation of the Fund.*

6. Charges

6.1. Management fee

The management fee will amount to a maximum of 0.85% per annum of the Sub-Fund's net assets. This commission is being payable at the end of each month and based on the average net assets of the Sub-Fund calculated daily for the relevant month. Below details per Share Classes:

Class	ISIN Code	Maximum management fee
C (H-SEK) LTD	LU0204772700	0.85% p.a.
C (H-SEK)	LU0425992632	0.85% p.a.
C (EUR) LTD	LU0425992988	0.85% p.a.
C (EUR)	LU1524802888	0.85% p.a.
C (H-CHF)	LU1524802961	0.85% p.a.
D (EUR)	LU1524803183	0.85% p.a.
HNWC (EUR)	LU1312080226	0.65% p.a.
HNWC (H-SEK)	LU1312080572	0.65% p.a.
HNWD (H-SEK)	LU1312080739	0.65% p.a.
IC (EUR)	LU0425993010	0.45% p.a.
IC (H-SEK)	LU1312081034	0.45% p.a.
IC (H-USD)	LU0425993796	0.45% p.a.
ID (H-SEK)	LU0425992715	0.45% p.a.
IC (H-CHF)	LU1524803936	0.45% p.a.
RDRC (H-GBP)	LU1312081208	0.50% p.a.
SIC (EUR)	LU1312081463	0.25% p.a.
SIC (H-USD)	LU1312081620	0.25% p.a.

6.2. Performance Fee

In addition, the Management Company is entitled to receive a performance fee, payable out of the assets attributable to the relevant Share Class.

The performance fee will be calculated, accrued and crystallised on each Valuation Day as described below and paid out monthly in arrears.

The performance fee in the relevant Share Class will be calculated by taking the number of shares in the Share Class times the Performance Fee Rate times any positive excess performance per share recorded on that day. The Sub-Fund uses the principle of High Water Mark and the Risk Free Rate as a hurdle. The "3 Month Treasury Bill" Return Index is used as the Risk Free Rate.

The definitions and calculations are as follows:

*Performance fee = No of shares * Performance Fee Rate * Excess Performance per share.*

Performance Fee Rate = 7.5% for SIC class and 10% for the C, HNWC, HNWD, IC, ID and RDRC classes.

No of shares = Number of shares of the relevant Share class on the relevant Valuation Day calculated before any subscriptions and redemptions with trade date equal to the Valuation Day.

Excess performance = Base NAV – Hurdle Value. If the difference is negative, excess performance is set to zero. The calculation is taking dividends and other corporate actions in the share class into account.

Base NAV = Base Net Asset Value per share of the relevant Share Class on the Valuation Day, is calculated after deduction of the management fee but prior to the deduction of any performance fee and any dividends or corporate actions on the relevant Valuation Day.

Hurdle Value = The larger value of NAV_{HWM} * *Index(t) / Index*(t_{HWM}) *and* NAV_{HWM}

NAV_{HWM} *= The highest Net Asset Value (High Water Mark) per share previously achieved (in the relevant Share Class) and for which a performance fee was accrued and crystallised; or the Net Asset Value at inception, if that was higher.* NAV_{HWM} *is adjusted to reflect dividends and other corporate actions in the share class.*

For "C(H-SEK) LTD" Share Class, the first High Water Mark shall be the highest Net Asset Value per share, for which a performance fee was paid, of the "C(SEK)" Share Class of "SEB Global Hedge – I SEK".

Index (t_{HWM}) *= The "3 Month Treasury Bill" Return Index value for the specific Share Class on the Valuation Day when the most recent (current)* NAV_{HWM} *was achieved.*

Index (t) = The "3 Month Treasury Bill" Return Index value for the specific Share Class on the current Valuation Day.

*Index (t+1) = Index (t) * (1 + Risk Free Rate / 360 * Number of Calendar Days since Last Valuation Day).*

Risk Free Rate = The "3 Month Treasury Bill" Rate of the same currency as the reference currency of the relevant Share Class, i.e. CHF, EUR, SEK, GBP and USD.

The Management Company will use a "3 Month Treasury Bill" Return Index constructed and supplied by an external data provider. Failing to find an appropriate external data provider the Management Company will choose to calculate the "3 Month Treasury Bill" Return Index itself. In case the 3 Month Treasury Bill does not exist for a specific share class at a specific point in time, it will be substituted by the Debt Instrument that the Management Company deems to resemble the 3 Month Treasury Bill the most.

Regulation (EU) 2016/1011 (also known as the "EU Benchmark Regulation") requires the Management Company to produce and maintain robust written plans setting out the actions that it would take in the event that a benchmark (as defined by the EU Benchmark Regulation) materially changes or ceases to be provided. The Management Company shall comply with this obligation. Further information on the plan is available on request and free of charge at the registered office of the Management Company.

Unless otherwise disclosed in this Prospectus, the "3 Month Treasury Bill" Return Index used by the Sub-Fund for the purpose of performance fee calculation is, as at the date of this Prospectus, provided by a benchmark administrator who benefits from the transitional arrangements afforded under the EU Benchmark Regulation and accordingly may not appear yet on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the EU Benchmark Regulation. Benchmark administrators have to apply for authorisation or registration as an administrator under the EU Benchmark Regulation by the end of such grandfathering period, i.e. before 1 January 2020. The inclusion of the administrator of the "3 Month Treasury Bill" Return Index used by the Sub-Fund within the meaning of the EU Benchmark Regulation in the ESMA register of benchmark administrators will be reflected in the Prospectus at its next update. The "3 Month Treasury Bill" Return Index used by the Sub-Fund is provided by an administrator which is currently not included in the ESMA register of benchmark administrators.

SEB SICAV 3 – SEB Asset Selection Opportunistic

1. Investment objective and policy

SEB Asset Selection Opportunistic (the “Sub-Fund”) may invest in transferable securities from any part of the world without being restricted to a specific geographical area or industrial sector. The portfolio may be invested in equities and equity related transferable securities, as well as in fixed interest securities, floating-rate notes, convertible bonds and bonds with warrants to subscribe for transferable securities, zero-coupon bonds and profit-participation certificates, units / shares of other UCI or UCITS. The Sub-Fund may furthermore seek to have exposure to commodity indices as well as currencies.

The Sub-Fund will not invest more than five (5%) percent of its net assets in units / equities of other UCITS or UCIs.

The Sub-Fund will include active decisions on currency exposures in order to increase the Sub-Fund's income or gain.

The Sub-Fund may use futures contracts, forwards, options, swaps, contracts for difference (CFD), credit default swaps and other derivatives as part of the investment strategy. It may also use derivatives to hedge various investments, for risk management and to increase the Sub-Fund’s income or gain. In order to maximize returns, the Sub-Fund may also initiate synthetic short positions through the use of derivatives. The underlying assets of the above mentioned derivatives consist of instruments as described in the Prospectus section 3.1. “Eligible Assets” a) to g) as well as financial indices, interest rates, foreign exchange rates and commodity indices.

A commodity index may regroup different financial sub-indices representing one specific sector.

The exposure to a financial sub-index representing one specific commodity sector may not exceed fifteen (15%) percent of the net asset value of the Sub-Fund.

Commodity indices and commodity sub-indices must fulfil the following conditions:

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

The Sub-Fund is not allowed to enter into commitments to take over or to deliver physical commodities, nor will the Sub-Fund be allowed to acquire commodities or certificates representing them. All investments having an exposure to commodity must be cash settled.

Under no circumstances will the Sub-Fund be permitted to derogate from its investment policy by using the aforementioned derivatives.

The Sub-Fund may invest up to one hundred (100%) percent of its assets in different transferable securities and money market instruments issued or guaranteed by any Member State of the EU, its local authorities, or public international bodies of which one or more of such Member States are members, or by any other member state of the OECD. The Sub-Fund can only make use of this provision if it holds securities and money market instruments from at least six different issues, and if securities and money market instruments from any one issue may not account for more than 30% of the Sub-Fund's total net assets.

2. Risk profile and risk management process

2.1. Risk profile

The Sub-Fund faces the following specific risks:

- Counterparty risk;
- Credit risk;
- Currency risk;
- Risks related to the investment in financial derivative instruments;
- Interest rate risk;
- Liquidity risk;
- Market risk;
- Operational risk;
- Leverage risk;
- Commodity risk.

For further descriptions of risks involved for the Sub-Fund, please refer to Chapter 4 "Information on risk" in part I of the Prospectus.

- Additional Risks

This Sub-Fund may have risks that may differ from the risks of traditional funds. The Sub-Fund may not only have exposures to one asset class, but to several asset classes. The Sub-Fund may have exposures, for example, to fixed income, equities, currencies, commodity indices, volatility indices and/or other financial indices.

The Sub-Fund may have long exposures (directly or via derivatives) as well as short exposures (directly or via derivatives) to any of the assets mentioned in the investment policy above and/or in the Prospectus section 3.1 "Eligible Assets".

Since the Sub-Fund may be risk exposed to one, several or all of the above asset classes, the risk may vary from high to low.

As the Sub-Fund may be risk exposed to one, several or all of the above asset classes over time; as the direction of the positions in the Sub-Fund may be short and/or long in the different asset classes and over time and as the position sizes may be varying from small to large in the different asset classes and over time, the performance behaviour of the Sub-Fund may be hard to forecast and/or understand for investors in the Sub-Fund.

Investors in an absolute return fund, such as this Sub-Fund, are handing over all investment decisions to the Investment Manager. This includes asset allocation decisions and, when relevant, the security selection decisions. Prior to investing in the Sub-Fund, it is therefore important to establish a view whether the fund manager and his/her investment team is likely to deliver appropriate returns or not in the Sub-Fund.

The Sub-Fund's return depends on the fund manager's ability to forecast future events and to take appropriate long and/or short positions. This differs from traditional funds, whose return is predominantly determined by the development of the relevant benchmark market.

2.2. Risk management process

a) Global exposure

For the determination of the global exposure, this Sub-Fund uses the VaR (Value at Risk) methodology, measured with the **absolute** VaR (Value at Risk) approach.

In accordance with applicable regulations, the absolute VaR must not be greater than twenty (20%) percent based on a ninety-nine (99%) percent confidence level and a holding period of one (1) month / twenty (20) business days.

b) Leverage

Based on the sum of the notional approach (which defines the leverage as the sum of the absolute value of the notional of all financial derivative instruments in the Sub-Fund's portfolio), the Sub-Fund's expected level of leverage over time amounts to 1700% of the Sub-Fund's Net Asset Value. The Sub-Fund's expected maximum level of leverage is 2500% of the Sub-Fund's Net Asset Value. The Sub-Fund is managed using the VaR approach. In environments with low market volatility, the Sub-Fund's level of leverage may be higher than the expected maximum leverage.

The above-stated expected level of leverage and expected maximum level of leverage are not intended to constitute additional exposure limits for the Sub-Fund. The leverage information only serves the purpose of increasing investors' understanding of the Sub-Fund.

Particular attention shall be drawn to the fact that the Sub-Fund has a high leverage. Thus, investors shall carefully consider the risks associated with such a high leverage, in particular derivative risk and leverage risk as described in section 4.2 "Risk factors" in part I of the Prospectus.

3. Typical Investor

The Sub-Fund is intended for investors who seek capital growth over the long-term and who understand the nature of absolute return funds, as described above. Investors must be able to accept substantial year-to-year volatility and significant decreases in the value of the Sub-Fund from time to time. These factors make the Sub-Fund suitable for investors who can afford to set aside the capital they invest for at least five (5) years.

4. Base Currency of the Sub-Fund

The Base Currency of the Sub-Fund is euro (EUR). For Share Classes marked with an "H", see the Share Class table below, the Investment Manager aims to minimise unwanted performance differentials (in local currency terms) between the relevant Share Class and the Base Currency Unit Class by pursuing currency hedging. Currency hedging is done on a best effort basis.

5. Share Classes available

Class	ISIN Code	Initial subscription price	Minimum initial investment*	Maximum entry fee	Maximum exit fee
C (H-SEK)	LU0425994331	SEK 100	None	None	None
C (EUR)	LU0425994844	EUR 100	None	5%	None
C (H-CHF)**	LU0425995650	CHF 100	None	None	None
C (H-NOK)	LU0425995817	NOK 100	None	None	None
HNWC (H-SEK)**	LU0425994505	SEK 100	SEK 100,000	None	None
HNWD (H-SEK)		SEK 100	SEK 100,000	None	None
HNWC (EUR)	LU1312081976	EUR 10	EUR 10,000	None	None
ID (H-SEK)	LU0425994414	SEK 100	SEK 10,000,000	None	None
IC (EUR)	LU0425994927	EUR 100	EUR 1,000,000	None	None
IC (H-USD)**	LU0425995494	USD 100	USD 10,000,000	None	None
IC (H-JPY)**	LU0425995577	JPY 10,000	JPY 100,000,000	None	None
IC (H-CHF)**	LU0425995734	CHF 100	CHF 1,000,000	None	None
IC (H-NOK)**	LU0425995908	NOK 100	NOK 10,000,000	2.50%	None
IC (H-SEK)	LU1312082271	SEK 100	SEK 10,000,000	None	None

RDRC (H-GBP)*	LU1312082438	GBP 10	None	None	None
SIC (EUR)*	LU1312082602	EUR 10	EUR 10,000,000	None	None
SIC (H-USD)*	LU1312082867	USD 10	USD 10,000,000	None	None

* This minimum initial investment and holding may be waived at the discretion of the Management Company
** Share classes will be launched upon decision of the Management

6. Charges

6.1. Management fee

The management fee will amount to a maximum of 1.50% per annum of the Sub-Fund's net assets. This commission is being payable at the end of each month and based on the average net assets of the Sub-Fund calculated daily for the relevant month. Below details per Share Classes:

Class	ISIN Code	Maximum management fee
C (H-SEK)	LU0425994331	1.50% p.a.
C (EUR)	LU0425994844	1.50% p.a.
C (H-CHF)**	LU0425995650	1.50% p.a.
C (H-NOK)	LU0425995817	1.50% p.a.
HNWC (H-SEK)**	LU0425994505	1.00% p.a.
HNWD (H-SEK)		1.00% p.a.
HNWC (EUR)	LU1312081976	1.00% p.a.
ID (H-SEK)	LU0425994414	0.75% p.a.
IC (EUR)	LU0425994927	0.75% p.a.
IC (H-USD)**	LU0425995494	0.75% p.a.
IC (H-JPY)**	LU0425995577	0.75% p.a.
IC (H-CHF)**	LU0425995734	0.75% p.a.
IC (H-NOK)**	LU0425995908	0.75% p.a.
IC (H-SEK)	LU1312082271	0.75% p.a.
RDRC (H-GBP)*	LU1312082438	0.75% p.a.
SIC (EUR)*	LU1312082602	0.40% p.a.
SIC (H-USD)*	LU1312082867	0.40% p.a.

6.2. Performance Fee

In addition, the Management Company is entitled to receive a performance fee, payable out of the assets attributable to the relevant Share Class.

The performance fee will be calculated, accrued and crystallised on each Valuation Day as described below and paid out monthly in arrears.

The performance fee in the relevant Share Class will be calculated by taking the number of shares in the Share Class times the Performance Fee Rate times any positive excess performance per share recorded on that day. The Sub-Fund uses the principle of High Water Mark and the Risk Free Rate as a hurdle. The "3 Month Treasury Bill" Return Index is used as the Risk Free Rate.

The definitions and calculations are as follows:

Performance fee = No of shares * Performance Fee Rate * Excess Performance per share.

Performance Fee Rate = 15% for SIC classes and 20% for the C, HNWC, HNWD, IC, ID and RDR classes.

No of shares = Number of shares of the relevant Share class on the relevant Valuation Day calculated before any subscriptions and redemptions with trade date equal to the Valuation Day.

Excess performance = Base NAV – Hurdle Value. If the difference is negative, excess performance is set to zero. The calculation is taking dividends and other corporate actions in the share class into account.

Base NAV = Base Net Asset Value per share of the relevant Share Class on the Valuation Day, is calculated after deduction of the management fee but prior to the deduction of any performance fee and any dividends or corporate actions on the relevant Valuation Day.

Hurdle Value = The larger value of $NAV_{\mathbf{HWM}}$ * Index(t) / Index(t_{HWM}) and $NAV_{\mathbf{HWM}}$

$NAV_{\mathbf{HWM}}$ = The highest Net Asset Value (High Water Mark) per share previously achieved (in the relevant Share Class) and for which a performance fee was accrued and crystallised; or the Net Asset Value at inception, if that was higher. $NAV_{\mathbf{HWM}}$ is adjusted to reflect dividends and other corporate actions in the share class.

Index (t_{HWM}) = The "3 Month Treasury Bill" Return Index value for the specific Share Class on the Valuation Day when the most recent (current) $NAV_{\mathbf{HWM}}$ was achieved.

Index (t) = The "3 Month Treasury Bill" Return Index value for the specific Share Class on the current Valuation Day.

Index (t+1) = Index (t) * (1 + Risk Free Rate / 360 * Number of Calendar Days since Last Valuation Day).

Risk Free Rate = The "3 Month Treasury Bill" Rate of the same currency as the reference currency of the relevant share class, i.e. CHF, EUR, GBP, JPY, NOK, SEK and USD.

The Management Company will use a "3 Month Treasury Bill" Return Index constructed and supplied by an external data provider. Failing to find an appropriate external data provider the Management Company will choose to calculate the "3 Month Treasury Bill" Return Index itself. In case the 3 Month Treasury Bill does not exist for a specific share class at a specific point in time, it will be substituted by the Debt Instrument that the Management Company deems to resemble the 3 Month Treasury Bill the most.

Regulation (EU) 2016/1011 (also known as the "EU Benchmark Regulation") requires the Management Company to produce and maintain robust written plans setting out the actions that it would take in the event that a benchmark (as defined by the EU Benchmark Regulation) materially changes or ceases to be provided. The Management Company shall comply with this obligation. Further information on the plan is available on request and free of charge at the registered office of the Management Company.

Unless otherwise disclosed in this Prospectus, the "3 Month Treasury Bill" Return Index used by the Sub-Fund for the purpose of performance fee calculation is, as at the date of this Prospectus, provided by a benchmark administrator who benefits from the transitional arrangements afforded under the EU Benchmark Regulation and accordingly may not appear yet on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the EU Benchmark Regulation. Benchmark administrators have to apply for authorisation or registration as an administrator under the EU Benchmark Regulation by the end of such grandfathering period, i.e. before 1 January 2020. The inclusion of the administrator of the "3 Month Treasury Bill" Return Index used by the Sub-Fund within the meaning of the EU Benchmark Regulation in the ESMA register of benchmark administrators will be reflected in the Prospectus at its next update. The "3 Month Treasury Bill" Return Index used by the Sub-Fund is provided by an administrator which is currently not included in the ESMA register of benchmark administrators.