

## Prospectus

# Private Equity (Lux) Evergreen Secondary Fund

## December 2022

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# Important information

If you are in any doubt about the contents of this prospectus and the relevant appendix (the “**Prospectus**”) or whether an investment in Private Equity (Lux) Evergreen Secondary Fund (the “**Fund**”) is suitable for you, you should consult your financial adviser, lawyer, accountant or other professional adviser.

The directors of the Fund (the “**Directors**”), whose names appear under “Key Fund Terms”, are the persons responsible for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful, or in which the person making such offer or solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such offer or solicitation. Applicants for shares in the Fund (the “**Shares**”) should inform themselves as to the legal requirements of applying for Shares and of applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

The Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 (the “**1933 Act**”) or the securities laws of any of the states of the US and the Fund has not been, and will not be, registered under the U.S. Investment Company Act of 1940 (the “**1940 Act**”) or the laws of any of the states of the US. Shares will not be offered or sold directly or indirectly from within the United States or to or for the account or benefit of investors who are US Persons. Therefore, shareholders will not benefit from the protections of the 1940 Act. A US Person is any person who:

- (i) is a United States person within the meaning of Section 7701(a)(30) of the US Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder;
- (ii) is a US person within the meaning of Regulation S under the US Securities Act of 1933 (17 CFR § 230.902(k));
- (iii) is not a Non-United States person within the meaning of Rule 4.7 of the US Commodity Futures Trading Commission Regulations (17 CFR § 4.7(a)(1)(iv));
- (iv) is in the United States within the meaning of Rule 202(a)(30)-1 under the US Investment Advisers Act of 1940, as amended; or
- (v) any trust, entity or other structure formed for the purpose of allowing US Persons to invest in the Fund.

The Board of Directors may compulsorily redeem Shares owned by US Persons for any reason whatsoever.

The Fund is an undertaking for collective investment governed by Part II of the Luxembourg law of 17 December 2010 on collective investment undertakings (the “**2010 Law**”) and qualifies as an externally managed AIF in accordance with the AIFMD and the 2013 Law. Shares in the Fund are not being offered to retail investors outside of the European Economic Area. Shares in the Fund may be marketed to retail investors in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4(1) of MiFID II or (ii) a customer within the meaning of Directive 2016/97/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II (a “**Retail Investor**”). Consequently, pursuant to Regulation (EU) N°1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the “**PRIIPs Regulation**”) and the Frequently Asked Questions of the CSSF, undertaking for collective investment governed by Part II of the 2010 Law such as the Fund are required to issue a PRIIPS key information document (“**PRIIPs KID**”) for offering or selling the Shares or otherwise making them available to Retail Investors in EEA Member States. Such PRIIPS KID shall be handed over to future Retail Investors in good time prior to their direct or indirect subscription in the Fund and are (i) provided to the Retail Investor using a durable medium other than paper or (ii) available under <https://www.ubs.com/global/en/assetmanagement/funds.html#fundgate> and can be obtained in paper form free of charge upon request from the AIFM.

UBS Fund Management (Luxembourg) S.A. is licensed by the Commission de Surveillance du Secteur Financier (the “**CSSF**”) in Luxembourg as an alternative investment fund manager (“**AIFM**”) pursuant to the 2013 Law.

This memorandum does not constitute an offer to the public in any EEA Member State. It is not intended to be and does not constitute a prospectus under Regulation (EU) 2017/1129 of 14 June 2017 and the Luxembourg law of 16 July 2019, on prospectuses for securities and has not been notified or submitted to the regulator or other national authority in any EEA Member State for approval. The obligation to publish a prospectus in Luxembourg in accordance with such provisions does not apply to this offer.

The CSSF visa-stamp does not represent a positive appreciation by the CSSF as concerns the quality of the securities offered and the CSSF

visa-stamp may under no circumstances be used as a sales argument.

**It is the responsibility of any person in possession of this Prospectus and any person wishing to apply for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction including any applicable foreign exchange restrictions or exchange control regulations and possible taxation consequences in countries of their respective citizenship, residence or domicile.**

**Important: Shares are offered on the basis of the information and representations contained in this Prospectus or the documents specified herein. No other information or representation relating thereto is authorized and no person has been authorized to give any information or to make representations other than those contained in this Prospectus and the documents mentioned herein.**

**Any information or representation not contained in this Prospectus given or made by any dealer shall not be relied upon. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares of the Fund shall under any circumstances constitute a representation that the information given in this Prospectus is correct as at any time subsequent to the date of this Prospectus.**

**Subject to applicable confidentiality requirements, the latest published annual reports as well as the latest half-yearly report, if published, can be provided to potential investors upon request. Statements made in this Prospectus are based on the law and practice in force in the Grand-Duchy of Luxembourg ("Luxembourg Law") at the date of this Prospectus and are subject to changes in such law.**

**There can be no assurance that the Fund will achieve its investment objective.**

**The Fund is intended for long-term investors who can accept the risks associated with making potentially illiquid investments. Prospective investors should also carefully consider the risk factors and other considerations which are more fully described in the Section 8 "Risk Factors, Regulatory Considerations, Tax Considerations and Conflicts of Interest" of this Prospectus.**

**In addition to such risks factors, the attention of Retail Investors is drawn to the fact that the subscription for and redemption of Shares are subject to various restrictions as may be imposed by the Board of Directors in certain circumstances. The attention of Retail Investors is drawn in particular to the provisions and limitations set out under Section 7.3 "Share Prices", Section 7.4 "Dealing in Shares", 7.5 "Subscriptions", 7.6 "Redemption of Shares" and 7.13 "Suspension of Net Asset Value Calculation and Deferral".**

# 1. Key Fund Terms

The following is a summary of the terms of the Fund. Investors should be aware that the rights and obligations of the Shareholders (as defined below) and the Directors are determined by the Articles of Incorporation and the full terms of this Prospectus, which are governed by Luxembourg Law. The text of the Articles of Incorporation and of this Prospectus should be reviewed in full by prospective investors. The Articles of Incorporation and this Prospectus are both available for inspection at the registered office of the Fund in Luxembourg.

<b>The Fund</b>	The Fund is a Luxembourg open-ended investment company with variable capital ( <i>Société d'investissement à capital variable – SICAV</i> ) and qualifies as a part II undertaking for collective investment under the 2010 Law. The Fund also qualifies as an alternative investment fund (“ <b>AIF</b> ”) within the meaning of the 2013 Law. The Fund was incorporated on 19 August 2022.
<b>Share Classes</b>	The Share Classes currently available are set out in Appendix 1 of the Prospectus. Additional Share Classes may be issued from time to time by the board of Directors of the Fund (the “ <b>Board of Directors</b> ”).
<b>Shares of the Fund</b>	Shares will be issued fully paid to investors. In the event of any vote (except for a Share Class specific vote), all Share Classes will be entitled to vote and each shareholder of the Fund (a “ <b>Shareholder</b> ”) shall be able to cast one vote for each Share held.
<b>Board of Directors</b>	<p>The Board of Directors consists of the following five Directors:</p> <ul style="list-style-type: none"><li>i. Jan Stig Rasmussen, Independent Director, Luxembourg;</li><li>ii. William Heath, Independent Director, Luxembourg;</li><li>iii. Emmanuelle Ramponi, Independent Director, Luxembourg;</li><li>iv. Dhruv Kochhar, Executive Director, Head of Real Estate &amp; Private Markets Multi-Managers Business Management, UBS Asset Management, United Kingdom; and</li><li>v. Tanja von Ehrlich-Treuenstätt, Executive Director, Investment / Sales Specialist, UBS Asset Management, Switzerland.</li></ul>
<b>Registered Office</b>	33A, avenue J.F. Kennedy, L-1855 Luxembourg
<b>AIFM</b>	UBS Fund Management (Luxembourg) S.A. (the “ <b>AIFM</b> ”) 33A, Avenue J.F. Kennedy, L-1855 Luxembourg
<b>Portfolio Manager</b>	UBS Asset Management Switzerland AG (the “ <b>Portfolio Manager</b> ”) Bahnhofstrasse 45, 8001 Zurich, Switzerland
<b>Principal Distributor</b>	UBS Asset Management Switzerland AG Bahnhofstrasse 45, CH-8098, CH-8001 Zürich
<b>Depository and Principal Paying Agent</b>	UBS Europe SE, Luxembourg Branch 33A, avenue J.F. Kennedy L-1855 Luxembourg
<b>Administrator, Transfer Agent and Listing Agent</b>	Northern Trust Global Services SE 10, rue du Château d’Eau, L-3364 Leudelange
<b>Auditor</b>	Ernst & Young S.A., Luxembourg 35E, avenue J.F. Kennedy, L-1855 Luxembourg
<b>Legal Adviser</b>	Goodwin Procter (UK) LLP 100 Cheapside, London EC2V 6DY  Goodwin Procter (Luxembourg) 36-42 avenue Monterey, L-2163 Luxembourg

<b>Paying Agent in Switzerland</b>	UBS Switzerland AG Bahnhofstrasse 45, CH-8001 Zürich
<b>Representative in Switzerland</b>	UBS Fund Management (Switzerland) AG Aeschenplatz 6, CH-4052 Basel
<b>Fund Term</b>	The Fund is established for an unlimited period.
<b>Base Currency</b>	The base currency of the Fund is Euro.
<b>Fund Investments</b>	<p>The investments of the Fund (the “<b>Investments</b>”) consist predominantly of:</p> <ul style="list-style-type: none"> <li>a) private equity secondary investments in investment funds, including but not be limited to, the acquisition of single fund interests and portfolios, as well as interests in single and multi-asset continuation fund transactions and other deal types (e.g. spin-outs, direct secondaries etc.) (“<b>Secondaries</b>”). The Fund may also make private equity primary investments in investment funds and may participate in direct co-investments alongside investment funds. The Fund will make such investments by acquiring, directly or indirectly shares, units, securities, limited partnership interests or other types of interests, whether listed or unlisted in such vehicles (the “<b>Target Funds</b>”);</li> <li>b) currency and other hedging instruments which may be used to assist in meeting the investment objectives and policy; and</li> <li>c) cash or other near cash liquid investments (including money market funds, managed by UBS AG or any of its affiliates (“<b>UBS</b>”), as the case may be).</li> </ul>
<b>Investment Objective Policy and Investment Guidelines</b>	Investors should refer to Section 4 “Investment Objectives and Strategy” and Section 5 “Investment Guidelines” of this Prospectus which describes the Investment Objective, Policy and Investment Guidelines of the Fund.
<b>Borrowing</b>	The Fund does not incur debt for the primary purpose of enhancing investment returns. However, the Fund has the power to borrow, including for short-term cash management purposes, for example in anticipation of additional subscriptions, to fund redemptions and to fund currency hedges. The Fund may incur maximum borrowing of up to 30% of the Fund Net Asset Value.
<b>Risk Profile</b>	The Fund is intended for long-term investors who can accept the risks associated with making potentially illiquid investments. Prospective investors should also carefully consider the risk factors and other considerations which are more fully described in the Section 8 “Risk Factors, Regulatory Considerations, Tax Considerations and Conflicts of Interest” of this Prospectus.
<b>Fees and Expenses</b>	Fees and expenses borne by the Fund and the respective Share Classes are described in the Section 7.15 “Fees and Expenses” of this Prospectus.
<b>Subscriptions and Redemptions</b>	<p>Investors may subscribe for and redeem Shares on the subscription and redemption days as appropriate, subject to the relevant cut-off times and notice periods, as set out in the Section 7.4 “Dealing in Shares” of this Prospectus.</p> <p>It is the intention of the Board of Directors to offer quarterly subscriptions applications and quarterly liquidity for redemptions, but no assurance can be provided that this will be possible in all market conditions, as further described herein in Sections 7.5, 7.6 and under “Lack of Liquidity of the Fund's Investments” in Section 8.1.</p>

<b>Commitment Period</b>	Shares are subscribed fully paid and accordingly no commitment period or drawdown system is contemplated with respect to subscriptions to the Fund.
<b>Conversions</b>	<p>Where permitted by the Board of Directors, the procedures and conditions to convert Shares between Share Classes is detailed in the Section 7.8 “Conversion of Shares” of this Prospectus.</p> <p>Conversions will be made on the basis of the relative Net Asset Value (as defined below) of the relevant Shares to be converted.</p>
<b>Transfers</b>	All transfers are subject to the provisions of the Articles of Incorporation and of this Prospectus. In particular, no transfers may be made to a person who is ineligible to hold Shares.
<b>Accumulation</b>	With respect to all initial Share Classes, the policy is generally to retain and reinvest cash which would otherwise be distributed. See Appendix 1 of this Prospectus for further information.
<b>Net Asset Value</b>	<p>The net asset value (the “<b>Net Asset Value</b>”) is generally calculated on a monthly basis, as at the last calendar day of the month and in respect of each Valuation Day as described in the Section 7.10 “Determination of Net Asset Value” of this Prospectus.</p> <p>The Fund may suspend the determination of the Net Asset Value (and, as a consequence, the issue and, if applicable, the redemption or conversion of Shares) under the conditions described under the Section 7.13 “Suspension of Net Asset Value Calculation and Deferral” of this Prospectus.</p>
<b>Accounting Standards</b>	The accounts of the Fund are prepared in accordance with International Financial Reporting Standards (“ <b>IFRS</b> ”) as adopted by the European Union.
<b>Taxation of the Fund</b>	A description of the tax treatment of the Fund is set out in the Section 7.22 “Taxation” of this Prospectus.
<b>Listing</b>	The Board of Directors may, but is not obliged to obtain the listing of any Share Classes on the Luxembourg Stock Exchange or any other regulated exchange.



## 2. Market and Investment Opportunity

### Overview

The Fund seeks to generate risk-adjusted returns by selectively investing into globally diversified and mature private equity assets, predominantly via Secondaries, in an open-ended, fully paid-in, semi-liquid structure. The Fund expects to invest across geographies, strategy types, deal types, and managers to deliver a broadly diversified private equity portfolio with an emphasis on the growth capital and middle market sectors.

The Fund seeks to achieve a return of 12% net IRR with the majority of the return from acquiring assets at a discount, and NAV appreciation.

The secondary market has grown from a small, niche of the private equity asset class with ca. \$2bn in estimated transaction volumes in 2001 into an accepted part of the ecosystem with estimated transaction volumes of \$134 billion in 2021<sup>1</sup>. In the view of the Portfolio Manager, there are several secular tailwinds that have contributed to this strong growth:

Private equity assets under management have grown to record levels as of June 2020, to an estimated \$4.74 trillion according to Preqin<sup>2</sup>, a data provider. The manager believes that this growth was – among other things - driven by strong influx of new capital into the asset class in the wake of strong performance over the last ten years and has accelerated since 2014. However, private equity funds are typically organized in a closed-end fund format and do not offer built-in redemption or liquidity mechanisms. An investor in private equity that needs or wants liquidity thus has little choice but to utilize the secondary market and sell private equity assets.

The Portfolio Manager believes that Secondaries have become a standard, accepted portfolio management tool and are by now being embraced by the investor and fund manager (also referred to as ‘General Partners’ or ‘GP’) communities. The latter in particular have embraced Secondaries in recent years to avail themselves of more resources to work with select assets, expand their investor base, or generate interim liquidity options.

In the early 2000s, the Portfolio Manager experienced that transactions were almost exclusively comprised of ‘LP centric deals’, i.e. the sale of limited partnership interests in private equity funds. However, the market – especially after the financial crisis – has changed with the emergence of GP centric transactions, which in 2021 the Portfolio Manager expects to account for ca. 50% of aggregate transaction volumes.

### 2.1. Motivations for sellers of private equity assets

The reasons to sell private equity assets can be diverse and are often not linked to the quality of the assets. Investors may sell their investments on the secondary market for the following reasons:

- *Portfolio management / re-balancing*: Investors often have target allocations to different asset classes, including private equity. In some cases, investors could become overexposed to private equity or over-allocated in certain sectors or geographies, resulting in the need to sell to re-balance the portfolio.
- *Liquidity needs*: Investors might need or want the cash proceeds from a secondary sale for something else, e.g. to address a recurring or urgent need for cash as they face a sudden change of circumstances.
- *Liability management*: Sometimes, LPs might be motivated to sell private equity assets in order to reduce their overall liabilities, e.g. by selling highly unfunded positions.
- *Administrative burden*: LPs no longer want to deal with the trouble of owning private equity assets, such as reporting, legal and compliance requirements.
- *Strategic shifts*: New leadership, change of regulatory requirements, ESG considerations and other considerations could also motivate divestiture.

GPs may have other reasons to use the secondary market:

- *Extend holding period*: While funds might be coming up to the end of their regular fund terms, GPs may want more time to grow underlying businesses. A secondary transaction offers LPs the option to remain in the fund or cash out, while giving GPs more time to create value.
- *Additional capital*: Fresh capital might be required to stimulate growth in the portfolio.
- *Investor replacement*: GPs actively manage their investor base and replace ‘dead relationships’ with ‘fresh capital’.

<sup>1</sup> Greenhill – Global Secondary Market Review (FY 2021), January 2022, greenhill.com.

<sup>2</sup> Preqin, 2021 Preqin Global Private Equity & Venture Capital Report, February 2021, preqin.com

## 2.2. Advantages of Secondaries for investors

Secondaries offer a number of characteristics that, in the Portfolio Manager's view, address some of the main obstacles private equity investors face, in particular those that are new to the asset class:

- *Acceleration of capital deployment*: Positions acquired on the secondary market are typically fully or close-to-fully invested and committed at the time of purchase, offering buyers and thus investors a quick ramp-up of exposure.
- *Portfolio diversification*: A portfolio is quickly diversified by investment strategy, sectors and vintage years, particularly in a fund-of-funds structure (such as the Fund's).
- *Risk reduction*: By buying into existing commitments with underlying investments, the so-called 'blind pool' risk is reduced and value drivers – or detractors – can be identified in the underwriting process.
- *Shorter holding periods*: Acquired assets are typically at or near their harvesting stage, thus shortening holding periods for secondary buyers.
- *J-curve mitigation*: As assets are often being acquired at discounts to reported net asset values in the secondary market, this can help mitigate the fee drag from setup expenses and management fees typically suffered when investing via primary transactions.

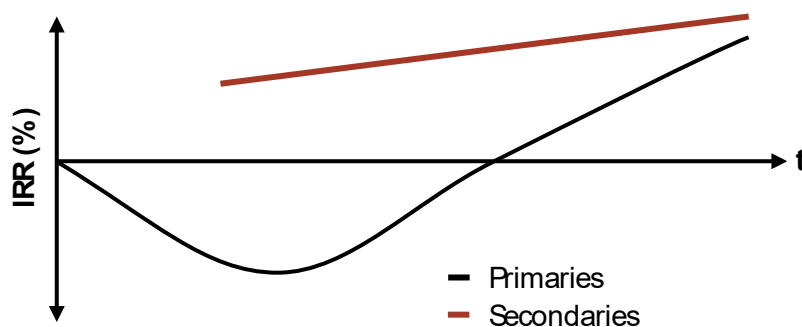


Figure 1: Illustrative IRR profile of primaries vs. Secondaries

The Fund is intended for long-term investors who can accept the risks associated with making potentially illiquid investments in both the Target Funds as well as the other investment categories in which the Fund may be invested.

Generally, investment values can go down as well as up. Past performance is not indicative of future returns which may or may not be the same as or similar to past performance.

## 3. Profile of UBS Asset Management

### 3.1. Introduction

UBS provides financial advice and solutions to wealthy, institutional and corporate clients worldwide, as well as private clients in Switzerland. UBS's strategy is centered on our leading global wealth management business and our premier universal bank in Switzerland, enhanced by Asset Management and the Investment Bank. The bank focuses on businesses that have a strong competitive position in their targeted markets, are capital efficient, and have an attractive long-term structural growth or profitability outlook.

UBS is present in the major financial centers worldwide. It has offices in more than 50 regions and locations, with about 30% of its employees working in the Americas, 30% in Switzerland, 19% in the rest of Europe, the Middle East and Africa and 21% in Asia Pacific. UBS Group AG employs over 73'000 people in more than 50 countries. Its shares are listed on the SIX Swiss Exchange and the New York Stock Exchange (NYSE).

Capital strength is one of UBS' pillars for success and we solidified this position with a fully applied CET1 capital ratio as of 30 September, 2021 of 14.9%, a CET1 leverage ratio of 4.31%, a tier 1 (going concern) leverage ratio of 5.4 %, and total loss-absorbing capacity of USD 101.7 billion as of December 31, 2020.

UBS had total invested assets of USD 4.4 trillion as of 30 September 2021, a shareholder's equity of USD 59 billion and a market capitalization of USD 55.5 billion as of September 30, 2021.

### 3.2. UBS Asset Management

UBS Asset Management ("UBS-AM") is a large-scale asset manager with around 3400 employees, a presence in 23 markets. It offers investment capabilities and investment styles across the major traditional and alternative asset classes as well as platform solutions and advisory support to institutions, wholesale intermediaries and wealth management clients.

UBS-AM's invested assets totaled USD 1.1 trillion as of 30 September 2021. UBS AM has been recognised many times for its successes: 95 Best Fund Awards (Refinitiv Lipper Fund Awards 2020), Best Fund Manager (Citywire Asia 2019, Citywire US 2020) and Index Funds /ETF Provider of the Year (Insurance Asset Risk Awards 2021 Passive Manager of the year, European Pension Awards 2020, Financial news Asset Management Awards Europe 2018).

UBS-AM is a truly global firm with principal offices in Chicago, Frankfurt, Hartford, Hong Kong, London, New York, Shanghai, Singapore, Sydney, Tokyo and Zurich.

### 3.3. Real Estate & Private Markets

UBS Asset Management's Real Estate & Private Markets ("REPM") business actively manages investments of around USD 125 billion (as of 30 September, 2021) globally and regionally within Asia Pacific, Europe and the US, making it one of the largest asset managers (by AuM) in real assets worldwide. REPM's capabilities reach across the risk / return spectrum, ranging from core to value-add and opportunistic strategies. REPM offers both direct real estate and infrastructure equity and debt investments as well as indirect exposure to leading real estate, infrastructure, and private equity managers. Investors can access the diverse product range across open- and closed-ended private funds, investment trusts, listed funds, REITs and bespoke separately managed accounts.

### 3.4. Real Estate & Private Markets Multi-Managers

The Multi-Managers ("MM") business offers indirect real asset investment solutions via fund of fund structures for real estate, infrastructure and private equity – all under one roof. The combined business has a track record of 23 years and manages investments around USD 40 billion globally (as of 30 September, 2021), with a team of around 90 investment professionals operating out of 24 offices across the globe, headed by Eric Byrne.

### 3.5. Multi-Managers Private Equity

In six locations across the globe and with a track record of over 415 fund investments and significant presence in major regions Multi-Managers Private Equity (“**MMPE**”) provides access to and management of unlisted private equity funds carefully selected from a broad universe of managers.

Given that MMPE is part of UBS, MMPE belongs to an important financial services organization and is also part of a large multi-manager platform spanning real estate, private equity, infrastructure and private debt thus benefitting from world-class governance, know-how and shared resources.

According to our internal research, we are one of the largest providers of private equity fund-of-funds and private equity mandates in Switzerland and across all geographies manage over USD 7.6 billion in AuM<sup>3</sup> invested across the globe.

MMPE has access to and additional capacity with some of the best-in-class private equity managers: more than 50% of the funds MMPE invest in are restricted in terms of access. By investing with MMPE, investors gain access to opportunities that may otherwise not be available to newer, smaller investors.

MMPE covers the main regions, stages and investment styles in the private equity universe. MMPE are particularly strong in venture, life science and tech investing as well as discovering new themes that continue to drive returns forward.

According to our internal research, MMPE has consistently delivered outperformance when compared to public markets, both in absolute and relative terms.

ESG investing is an important part of MMPE’s due diligence process and has been part of MMPE’s investment decision making since 2012.

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<sup>3</sup> As of 30.06.2021, UBS Asset Management

## 4. Investment Objectives and Strategy

### 4.1 Investment Objective and Strategy

The Portfolio Manager's investment philosophy, which has been proven over the last 20 years, is characterized by a focus on asset and fund manager quality and on ensuring appropriate alignment of interests. As a value-oriented and conservative investor, the Portfolio Manager will emphasize investment in sectors that it believes benefit from long-term secular tailwinds, such as Healthcare and parts of the Information Technology universe. Most importantly, the Fund will focus on strategies that have a demonstrated, sustainable value creation model as opposed to relying solely on financial engineering or multiple arbitrage.

The Fund will aim to provide investors with attractive net returns by providing exposure to a broadly diversified portfolio of private equity assets. The Fund will either acquire assets on the private equity secondary market or commit to private equity funds or co-investment opportunities alongside private equity funds. The focus of the Fund's investment activities will be on the acquisition of private equity assets on the secondary market, which the Portfolio Manager expects to account for the vast majority of invested capital. The remainder will be allocated to select primary opportunities that the Portfolio Manager considers to be accretive to performance, as well as to co-investments alongside other GPs that the Portfolio Manager considers to be of high quality. Within the secondaries allocation, the Portfolio Manager will build a balanced portfolio and provide exposure to so-called 'traditional secondary transactions', 'GP-centric transactions', and other, more opportunistic transactions:

- In traditional secondary transactions, the Fund will purchase private equity fund interests via privately negotiated transactions from investors, leveraging the Portfolio Manager's expertise, network and access to information. Within that segment, the Fund will focus on the smaller transaction segment, *i.e.* transactions that offer Exposure (defined as purchase price paid + open commitments assumed) of typically less than \$100m. The Portfolio Manager believes that smaller transactions offer the most attractive purchase opportunities given a large universe of potential sellers and thus more attractive pricing opportunities than other market segments.
- 'GP-centric transactions' are typically initiated by a GP to provide more flexibility to work with an underlying asset base, *e.g.* by providing more time and capital to work with a specific company that has yet to reach its full potential. These transaction types are often characterized by a high-quality asset base and strong alignment of interest between all parties involved. Within that segment, the Fund will invest across the entire transaction size spectrum and focus its investment activities on the buyout and growth capital space.
- Opportunistic transactions will comprise a smaller portion of invested capital and are transactions that fall outside of the two aforementioned categories. These can entail, but are not limited to, purchasing private company securities in order to provide liquidity to current or former employees, preferred equity transaction whereby the Fund would provide follow-on investment capital for an asset in exchange for a preferred return and other transactions.

Geographically, the Fund will focus on investing in the mature private equity markets of North America and Western Europe, with an opportunistic allocation to the most mature private equity markets in Asia and other geographies to round out the portfolio. The Fund will emphasize an allocation to buyout and growth capital assets, which will be complemented, with opportunistic add-ons of mature venture capital assets where technology, market and business model risk have been mitigated.

The Fund is not intended to become a "feeder fund" as such term is defined under the AIFMD. Should the Fund become a "feeder fund" as such term is defined under the AIFMD, this Prospectus shall, subject to CSSF prior approval, be amended accordingly.

### 4.2 Target return

The Fund will target an annual net internal rate of return of over 12% (net of management fee, performance fee and expenses) over an investment cycle.

### 4.3 Borrowing and hedging

Non-Euro denominated investments are not hedged back to Euro, the reference currency of the Fund. Each Share Class which is not denominated in Euro may be hedged against the Euro, as further described in Section 7.2 of this Prospectus.

The Fund does not intend to use leverage for the primary purpose of enhancing investment returns. However, the Fund has the power to borrow, including for short-term cash management purposes, for example in anticipation of additional subscriptions, to fund

redemptions and to fund currency hedges. The Fund may incur a maximum leverage of up to 30% of the Fund Net Asset Value.

However, the AIFMD requires the Fund to calculate and disclose the level leverage calculated in accordance with both the gross method and commitment method. As a consequence, the total leverage employed by the Fund shall not exceed 235% (expressed as a percentage and calculated in accordance with the gross method) or 185% (expressed as a percentage and calculated in accordance with the commitment method). For the purposes of this disclosure, leverage is any method by which the Fund's exposure is increased, whether through borrowing of cash or securities, reinvestment of collateral received (in cash) or any other use of collateral, leverage embedded in derivative positions or by any other means.

For the avoidance of doubt, these maximum levels of leverage only apply at the level of the Fund and, subject to applicable restrictions under the AIFM Rules, do not include leverage at the level of the Target Funds or the Fund's subsidiaries.

For more information on the risks associated with borrowing, see Appendix 3 "AIFMD Disclosure" of this Prospectus.

## 5. Investment Guidelines

The following Investment Guidelines shall apply to the Fund. The assessment of the compliance with the investment guidelines is determined as at the time the relevant investment is made, subject to the Ramp-Up Period as described below in Section 5.3.

### 5.1 Investments in Target Funds

The Fund shall commit at least 70% of its Net Asset Value (as at the time of investment) to investments in Target Funds. The Fund may make such investments by acquiring, directly or indirectly shares, units, securities, limited partnership interests, preferred equity investments, or other types of interests (including debt instruments), whether listed or unlisted in such vehicles.

The Fund shall not invest more than 50% of its Net Asset Value in non-Secondaries.

No more than 20% of the Net Asset Value of the Fund (as at the time of investment) may be invested in securities issued by a single issuer (including a single Target Fund). However, the foregoing limitation does not prevent the Fund from investing a higher proportion in special purpose vehicles (i.e. vehicles that will be controlled by the Fund and that may be established to directly or indirectly hold Target Funds) that are pooling assets, in which case a look through approach will be applied to assess compliance with the foregoing limitation.

The Fund may invest and commit up to 120% of Fund Capital at any point in time, it being understood that such limit shall not include or imply any recourse of the Fund to leverage or borrowing. For the purpose of this paragraph, "Fund Capital" shall mean the Net Asset Value of the Fund plus any outstanding commitments to the Target Funds, if any.

### 5.2 Other investment

#### 5.1.1 For Investments other than Target Funds ("**Other Investments**"):

The Fund shall not invest more than 30% of its Net Asset Value in Other Investments, it being understood that investments in cash and money market investments are excluded from this restriction.

#### 5.1.2 Restrictions applicable to Derivatives

The Fund may invest in derivatives for hedging purposes only.

#### 5.1.3 Restrictions applicable to lending and repurchase transactions

- a) The Fund may not engage in securities lending transactions; and
- b) The Fund may not enter, either as purchaser or seller, into repurchase agreements.

### 5.3 Ramp-Up Period

Subject to compliance with CSSF Circular 02/80, the Fund shall not be required to meet the restrictions contained in this Section 5 until: (i) the second anniversary of the date on which the first external Shareholders are admitted to the Fund (the "**Initial Closing**"), or (ii) such later date as may be determined by the Board of Directors; provided that such date is no later than the fourth anniversary of the initial closing. For the avoidance of doubt, the investment guidelines shall not apply to the Fund's holdings in its holding subsidiaries.

If any of the percentages set forth under 5.1, 5.2 and 5.3 above are exceeded as a consequence of the exercise of the rights attached to the investments, or as a result of a significant cash flow event such as a subscription or redemption or otherwise than by the purchase or disposal of investments, the Fund shall regularize the position of the portfolio as soon as the Board of Directors considers it to be in the best interests of the Shareholders.

# 6. Management, Governance & Administration of the Fund

## 6.1 Board of Directors

Pursuant to and subject to the limitations contained in this Prospectus and the prerogatives of the AIFM, the Board of Directors or its designee shall manage the Fund for the account and in the best and exclusive interest of the Shareholders. The Board of Directors has responsibility for managing the Fund in accordance with this Prospectus, the Articles of Incorporation and Luxembourg law. The Board of Directors is ultimately responsible for any decisions concerning the Fund.

The Board of Directors is also responsible for appointing the AIFM and other services providers (Administrator, Depositary, etc.) which will be responsible for implementing the Investment Objectives and Strategy subject to the restrictions set out in Article 16 of the Articles of Incorporation and this Prospectus.

## 6.2 Biographies

Biographies of the Directors are set out below:

### Jan Stig Rasmussen

Independent Director since the incorporation of the Fund.

Jan Stig Rasmussen is an ILA Certified Director and has completed the requirements to be awarded the Certificate in Corporate Governance by INSEAD (IDP-C). He holds numerous non-executive directorships in Denmark, Luxembourg, and Switzerland.

Jan Stig embarked on his career in the financial industry with Nordea Bank in Denmark in 1980 but has worked and lived in Luxembourg since 1987. Since then, he has developed key competences within the Asset Management industry, including Investment Funds following various investment strategies. Formerly, Jan Stig was Managing Director and CEO of Sparinvest S.A. (2005-2013) and Managing Director of Nordea Investment Funds S.A. (2000-2005). He was responsible for developing the Group's international business model in both companies<sup>4</sup>.

Before this, Jan Stig was an Executive Director at Nordea Bank S.A.'s Private Banking Department (1992-1999). He was an Associate Director and headed the bank's International Bank Services Department from 1989-1992. And from 1987-1989, Jan Stig was a Credit Officer and Deputy Head of the bank's Credit Department in Luxembourg.

### William H. Heath

Independent Director since the incorporation of the Fund.

Prior to becoming an independent Director William Heath was a Client Relationship Manager in the Asset Servicing unit of UBS Luxembourg. In this role William worked closely with fund sponsors, portfolio managers, board members, key operations and control functions to ensure a smooth setup and running of Luxembourg-domiciled UBS funds. These range from the flagship UBS AM UCITS products, to SIF structures set up for single institutional investors and more alternative commitment-based products. The demands of the job had required William to liaise frequently with senior UBS personnel as well as adopting a proactive, problem-solving stance towards many issues to which he has been confronted. William joined UBS Asset Management in January 2007.

Prior to this position William held relationship management roles with Internaxx Luxembourg an online brokerage firm (2003-2006), Schroder & Co Private Bank, UK, as an assistant in international private banking (2000-2002), State Street Global Custody, UK as client service officer to portfolio managers (1999-2002) and Nomura Fund Services Luxembourg in administration and then portfolio manager relationship (1996-1999).

### Emmanuelle Ramponi

Independent Director since the incorporation of the Fund.

As well as serving as an independent Director of the Fund, Emmanuelle Ramponi is an independent director for various funds in Luxembourg.

Emmanuelle started her career with KPMG France as an auditor and moved to KPMG Luxembourg in 1997. She became a Luxembourg Réviseur d'Entreprises and acted as an audit partner from 2011 to 2020. She mainly worked with alternative audit clients in the Luxembourg fund industry. Amongst others, she audited a multi-billionaire Pan-European fund, as well as listed entities. While working

<sup>4</sup> Jan Stig's accomplishments at Sparinvest S.A. and Nordea Investment Funds S.A. involved material assistance from others.



with KPMG, Emmanuelle also contributed to various technical committees at ALFI and IRE.

In December 2020, Emmanuelle created her own business. Since then, she has been proposing consulting services to investment managers as well as non-executive director services to alternative investment funds in the Grand-Duchy of Luxembourg.

Emmanuelle is also acting as Executive Board member and Vice-President of LuxReal – Real Estate Association of Luxembourg a.s.b.l., a Luxembourg non-profit association.

#### **Dhruv Kochhar**

Director since the incorporation of the Fund.

Dhruv Kochhar holds an MBA from the International Management Institute. Prior to joining UBS Asset Management, he worked within the asset management practice at McKinsey & Company. Dhruv Kochhar joined UBS Asset Management in May 2010 as Senior Strategist and now works as the Head of Business Management for Multi-Managers (MM), a business which forms part of REPM within UBS.

#### **Tanja von Ehrlich-Treuenstätt**

Director since the incorporation of the Fund.

Tanja von Ehrlich is Head of Wholesale for Real Estate & Private Markets with the mandate to drive the product shelf for the wholesale distribution channel and lead sales efforts with wholesale distribution partners globally across real estate, infrastructure, private equity and private credit solutions.

Prior to joining REPM in 2021, Tanja was Head of Sales & Distribution for UBS Partner, based in Zurich and San Francisco (CA). UBS Partner is a FinTech providing market-leading investment advisory technology to private banking institutions. Previously, she was a member of UBS Asset Management's lead product offering committee that steers regional sales efforts across all asset classes. Before that, Tanja was working in M&A as well as business development for financial intermediaries with UBS Global Wealth Management in Switzerland and Singapore.

Before joining UBS in 2012, Tanja was a researcher at the Economics department of the University of Munich, Germany. She holds a PhD in Applied Game Theory, a Master in Economics and a Bachelor in Communications.

### **6.3 AIFM**

The Board of Directors has appointed UBS Fund Management (Luxembourg) S.A. as alternative investment fund manager ("AIFM") to the Fund to act as manager within the meaning of the 2013 Law, pursuant to an appointment agreement entered into between the Fund and UBS Fund Management (Luxembourg) S.A. and effective as of 19 August 2022 (the "**Management Agreement**").

UBS Fund Management (Luxembourg) S.A. was established as a public limited company in Luxembourg for an unlimited duration on 1 July 2010 and is regulated and authorized by the *Commission de Surveillance du Secteur Financier* ("**CSSF**") to act as AIFM to the Fund.

The board of directors of the AIFM is currently composed as follows:

#### **Chairman**

**Michael Kehl,**  
Head of Products, UBS Asset Management Switzerland AG,  
Zurich, Switzerland

#### **Members**

**Francesca Prym,**  
CEO, UBS Fund Management (Luxembourg) S.A.,  
Luxembourg, Grand Duchy of Luxembourg

**Miriam Uebel**  
Institutional Client Coverage, UBS Asset Management (Deutschland)  
GmbH,  
Frankfurt, Germany

**Ann-Charlotte Lawyer,**  
Independent Director,  
Luxembourg, Grand Duchy of Luxembourg

**Eugène Del Cioppo**  
CEO, UBS Fund Management (Switzerland) AG,  
Basel, Switzerland

The following persons have been appointed as Conducting Officers of the AIFM:

**Valérie Bernard,**  
UBS Fund Management (Luxembourg) S.A.,  
Luxembourg, Grand Duchy of Luxembourg

**Geoffrey Lahaye,**  
UBS Fund Management (Luxembourg) S.A.,  
Luxembourg, Grand Duchy of Luxembourg

**Federica Ghirlandini,**  
UBS Fund Management (Luxembourg) S.A.,  
Luxembourg, Grand Duchy of Luxembourg

**Olivier Humbert,**  
UBS Fund Management (Luxembourg) S.A.,  
Luxembourg, Grand Duchy of Luxembourg

**Barbara Chamberlain,**  
UBS Fund Management (Luxembourg) S.A.,  
Luxembourg, Grand Duchy of Luxembourg

**Andrea Papazzoni,**  
UBS Fund Management (Luxembourg) S.A.,  
Luxembourg, Grand Duchy of Luxembourg

**Stéphanie MINET**  
UBS Fund Management (Luxembourg) S.A.,  
Luxembourg, Grand Duchy of Luxembourg

#### **Duties of the AIFM**

In its capacity as AIFM of the Fund, UBS Fund Management (Luxembourg) S.A. will manage the portfolio of the Fund in accordance with article 12 of AIFMD and articles 17 and following of the AIFM Regulation. In addition, UBS Fund Management (Luxembourg) S.A., in its capacity as AIFM of the Fund, will be responsible for (i) the risk management of the Fund pursuant to article 15 of the AIFMD and 38 and following of the AIFM Regulation and (ii) the valuation of the assets of the Fund, as more specifically detailed in the Appendix 3 of this Prospectus.

The AIFM shall cover its potential professional liability risks arising from professional negligence, resulting from activities it carries out as AIFM, through the provision of own funds in accordance with the 2013 Law or through the use of suitable professional insurance.

The AIFM receives a fee out of the net assets of the Fund, payable and determined as agreed from time to time between the Fund and the AIFM, and calculated in accordance with usual banking practice in Luxembourg for the provision of similar services. Such fee is further described in Section 7.15 “Fees and Expenses” below.

The Management Agreement may be terminated by either the Fund or the AIFM giving not less than 60 Business days’ notice (or earlier on certain material breaches of the Management Agreement, including the insolvency of either of them).

#### 6.4 Portfolio Manager

The AIFM has appointed UBS Asset Management Switzerland AG to act as Portfolio Manager of the Fund in accordance with article 20 of the AIFMD and articles 75 and following of the AIFM Regulation, as may be amended from time to time and as may be supplemented by circulars and regulations issued from time to time by the CSSF and pursuant to a portfolio management agreement to be entered into between the Fund, the AIFM and the Portfolio Manager (the “**Portfolio Management Agreement**”). In conducting the portfolio management of the Fund, the Portfolio Manager utilizes the services of senior executives from the Real Estate & Private Markets, Multi-Managers Private Equity team as well as, where appropriate, the wider Real Estate & Private Markets group located in Asia Pacific, Europe and the US.

The portfolio management activity of the Portfolio Manager will be carried out under the Board of Director’s and the AIFM’s overall supervision and responsibility. The Board of Directors and the AIFM receive regular reports from the Portfolio Manager detailing the performance of the Investments, analyzing the Investment portfolios and making recommendations as to strategy. The Portfolio Manager provides such other information as may from time to time be required by the Board of Directors and the AIFM. Within the investment parameters specified by the Board of Directors, which include the Investment Objectives, Policy and Investment Guidelines, the Portfolio Manager is responsible for making and executing acquisition and disposal decisions in respect of Investments.

The Portfolio Manager may, from time to time, delegate to one or more affiliates the responsibility to provide the services described above pursuant to one or more sub-portfolio management or other agreements between the Portfolio Manager, on the one hand, and such affiliate, on the other hand. Investment decisions will be taken by the investment committee of the Portfolio Manager (the “**Investment Committee**”) in accordance with the Investment Objectives, Policy and Investment Guidelines as well as with laws and regulations.

#### 6.5 Auditor

Ernst & Young S.A. was appointed as the auditor of the Fund. The Shareholders may appoint any other internationally recognized independent auditor in replacement.

#### 6.6 Administrator

The AIFM has appointed Northern Trust Global Services SE to act as administrator, registrar and transfer agent of the Fund (the “**Administrator**”) to provide share issue, redemption, conversion, transfer, accounting, calculation of Net Asset Value and certain other administrative services, pursuant to the central administration agreement entered into between the Administrator and the AIFM on behalf of the Fund (the “**Central Administration Agreement**”).

The Central Administration Agreement may be terminated by either party giving not less than three months’ notice (or earlier in certain circumstances). In addition, the Central Administration Agreement may be terminated by the AIFM with immediate effect when this is in the interest of the Shareholders.

The Administrator receives a fee out of the net assets of the Fund, payable and determined as agreed from time to time between the Fund and the Administrator, and calculated in accordance with usual banking practice in Luxembourg for the provision of similar services. Such fee is further described in Section 7.15 “Fees and Expenses” below.

The Administrator shall not be liable for any claim, damage, expense, loss or liability arising in any way out of or in connection with the Central Administration Agreement except to the extent that such claim, damage, expense, loss or liability results from the fraud, willful misconduct or gross negligence of the Administrator.

The Administrator has no decision-making discretion relating to the Fund's investments. The Administrator is a delegate to the Fund and is not responsible for the preparation of this Prospectus or the activities of the Fund and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus, which is not related to the performance of its duties under the Central Administration Agreement and Luxembourg laws and regulations, or the validity of the structure and investments of the Fund.

#### 6.7 Depositary and Principal Paying Agent

The Fund has appointed UBS Europe SE, Luxembourg Branch, to act, subject to the overall supervision of the Board of Directors, as depositary and principal paying agent of the Fund (the “**Depositary**”) pursuant to the depositary and paying agent agreement to be

entered into between the Fund, the Depositary and the AIFM (the “**Depositary and Paying Agent Agreement**”).

The Depositary is a Luxembourg established branch of UBS Europe SE, a European Company (*Societas Europaea*), having its registered office in Frankfurt am Main, Germany, registered with the German Trade Register under number HRB 107046. UBS Europe SE, Luxembourg Branch has its address at 33A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Trade and Company Register under number B 209.123.

The relationship between the Fund, the AIFM and the Depositary is subject to the terms of the Depositary and Paying Agent Agreement. Under the terms of the Depositary and Paying Agent Agreement, the Depositary has been appointed for the safe-keeping of financial instruments that can be held in custody, for the record keeping and verification of ownership of other assets of the Fund as well as to ensure for the effective and proper monitoring of the Fund’s cash flows in accordance with the provisions of the 2010 Law, the 2013 Law and the Depositary and Paying Agent Agreement.

In addition, the Depositary shall also:

- (a) ensure that the sale, issue, redemption and cancellation of Shares effected on behalf of the Fund are carried out in accordance with the 2010 Law, the 2013 Law, the AIFM Regulation, and the Articles of Incorporation;
- (b) ensure that the value of the Shares is calculated in accordance with the 2010 Law, the 2013 Law, the AIFM Regulation, the Articles of Incorporation and the procedures laid down in Article 17 of the 2013 Law;
- (c) carry out the instructions of the AIFM, unless they conflict with the 2010 Law, the 2013 Law, the AIFM Regulation, or any other applicable law or the Articles of Incorporation;
- (d) ensure that, in transactions involving the assets of the Fund, any consideration is remitted to it within the usual time limits in respect of the specified assets; and
- (e) ensure that the Fund’s income is applied in accordance with the 2010 Law, the 2013 Law and the Articles of Incorporation.

The Depositary shall assume its duties and responsibilities in accordance with the provisions of the 2010 Law and the 2013 Law. The Depositary must act honestly, fairly, professionally, independently and in the interest of the Fund and its shareholders.

Financial instruments will be held in custody either directly or through other financial institutions (including any affiliates of UBS AG) to which the Depositary has delegated in accordance with the 2013 Law all or part of its safe-keeping duties according to the Depositary and Paying Agent Agreement.

Prior to the appointment of any sub-custodian and sub-delegate and on an ongoing basis based on applicable laws and regulations as well as its conflict of interests policy, the Depositary shall assess potential conflicts of interests that may arise from the delegation of safekeeping functions.

The Depositary shall exercise all due skill, care and diligence both in relation to the selection and appointment as well as in the ongoing monitoring of the relevant sub-custodian or sub-delegate.

The Depositary shall also act as the domiciliation agent of the Fund.

An up-to-date description of any safe-keeping functions delegated by the Depositary and an up-to-date list of these delegates and sub-delegate(s) can be found on the following webpage: <https://www.ubs.com/global/en/legalinfo2/luxembourg.html>. The Fund has also appointed the Depositary as Paying Agent.

The Depositary and Paying Agent Agreement has no fixed duration and each party may, in principle, terminate it on not less than three (3) months’ prior written notice. The Depositary and Paying Agent Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. Pending the appointment of a new depositary, which must take place at the latest within a period of two (2) months after the termination of the Depositary and Paying Agent Agreement becomes effective, the Depositary shall take all necessary steps to ensure good preservation of the interests of the Fund's investors. If the Fund does not name the successor depositary in time, the Depositary may notify the CSSF of the situation.

#### Liability

The Depositary shall be liable for any loss or damage suffered by the Fund resulting directly from the Depositary's fraud, gross negligence or wilful misconduct in the execution of the services under the Depositary and Paying Agent Agreement, except in respect of the Depositary's duties under 2013 Law for which the Depositary shall be liable for any loss or damage suffered by the Fund resulting directly

from the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the 2013 Law.

The Depositary's liability shall not be affected by any delegation, unless otherwise stipulated in the 2013 Law, the 2010 Law and/or the Depositary and Paying Agent Agreement.

#### Fees

The Depositary is entitled to receive out of the net assets of the Fund remuneration for its services as agreed in the Depositary and Paying Agent Agreement. In addition, the Depositary is entitled to be reimbursed by the Fund for its reasonable out-of-pocket expenses and disbursements and for the charges of any correspondents.

#### Depositary's independence from the Fund

The Depositary is not involved, directly or indirectly, with the business affairs, organization or management of the Fund and is not responsible for the content of this document and thus accepts no responsibility for the accuracy of any information contained herein or the validity of the structure and investments of the Fund. The Depositary has no decision-making discretion nor any advice duty relating to the Fund's investments and is prohibited from meddling in the management of the Fund's investments. The Depositary does not have any investment decision-making role in relation to the Fund.

### **6.8 Principal Distributor and Representative in Switzerland**

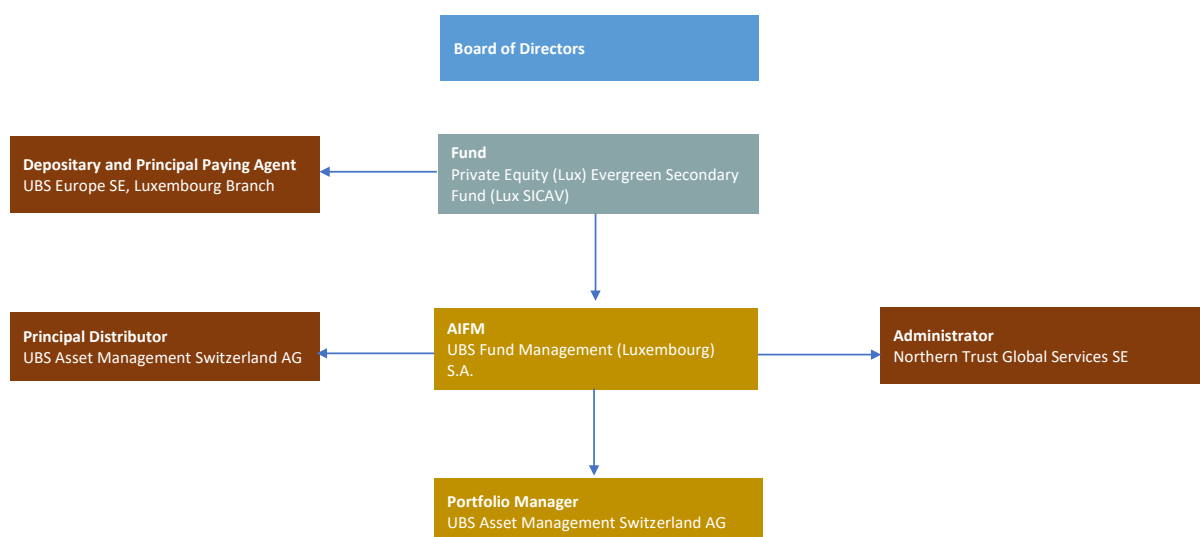
The AIFM has appointed UBS Asset Management Switzerland AG to act as principal distributor of the Fund (the "**Principal Distributor**") pursuant to the principal distribution agreement to be entered into between the Fund, the Principal Distributor and the AIFM (the "**Distribution Agreement**"). The Fund has further appointed UBS Fund Management (Switzerland) AG to act as representative for the distribution of the Fund in Switzerland (the "**Representative in Switzerland**") pursuant to the swiss representation agreement to be entered into between the Fund, the Representative in Switzerland and the AIFM (the "**Swiss Representation Agreement**"). The AIFM has also appointed UBS Switzerland AG to act as paying agent of the Fund in Switzerland (the "**Paying Agent in Switzerland**") pursuant to the Swiss paying agent agreement to be entered into between the depositary, the Paying Agent in Switzerland and the AIFM (the "**Swiss Paying Agent Agreement**"). For further information, please refer to Appendix 5.

The Principal Distributor, and with regard to the distribution in Switzerland – the Representative in Switzerland, are responsible for:

- a) marketing and/or selling the Fund's shares in compliance with the terms of the Prospectus and the Distribution Agreement and the Swiss Representation Agreement;
- b) determination of the distribution channels;
- c) arranging marketing, sales support and advertising;
- d) determining the level of remuneration paid out of the fees paid to the Principal Distributor to its branches and subsidiaries;
- e) providing services in connection with the calculation of the remuneration paid out (data processing, electronic and detailed fund asset reporting, invoicing etc.) to the Principal Distributor's branches and subsidiaries;
- f) selecting distribution partners and executing distribution and cooperation in the name and for the account of the Fund;
- g) determining the level of remuneration paid out to the distribution partners;
- h) providing services in connection with the calculation of the remuneration paid out (data processing, electronic and detailed fund asset reporting, invoicing etc.) to the distribution partners.

# 7. Detailed Terms of the Fund

## 7.1 General structure of the Fund



## 7.2 Class and Form of Shares

### Share Classes

The Fund may issue different Share Classes and different series within such Share Classes as further detailed in Appendix 1.

### Available Share Classes

Not all the types of Share Classes described in Appendix 1 have to be offered at all times. The Fund may decide to set up and offer these types of corresponding Share Classes at an appropriate time.

The Board of Directors may, following redemption or transfer instructions, redeem the entire holding of a Shareholder in a given Share Class if such instructions result in a holding less than the relevant minimum holding of a particular Share Class.

### Reference currency hedge

For the Share Classes whose reference currency is not the Fund's base currency and which have "hedged" in their name ("**Hedged Share Classes**"), the exchange-rate risk of the reference currencies of such Hedged Share Classes shall be hedged to the extent possible to the reference currency of such Share Classes.

### Form of Shares

Shares are only available in registered form and no Share certificates are issued. Title to Shares is evidenced by entries in the Fund's register of Shares. Shareholders will receive confirmation notes of their transactions and contract notes confirming the share price and the number of Shares issued.

### New Share Classes

The Board of Directors may, at its discretion, issue further Share Classes. This Prospectus may therefore be updated from time to time to reflect the creation of any such new Share Classes.

## 7.3 Share Prices

At the Initial Issue Date and during the Initial Offer Period of the relevant Share Class, Shares will be issued at the initial issue price as indicated in the table included in Appendix 1 of this Prospectus plus an initial sale charge of 5% on P and Q Shares Classes levied at the discretion of the Board of Directors. After the end of the Initial Offer Period, Shares are issued at a price based on the Net Asset Value applicable on the relevant Subscription Dealing Day, plus any additional amount that the Board of Directors regards as appropriate having regard to the interests of existing investors.

Shares will be redeemed at a price based on the Net Asset Value applicable on a Redemption Dealing Day less a redemption charge levied at the discretion of the Board of Directors (the "**Redemption Charge**") of (i) at any time during the Lock-Up Period, up to 5% and (ii) at any time thereafter, up to 2%, in each case, of the Redemption Price, being based on the Net Asset Value applicable on the relevant

Redemption Dealing Day. The Redemption Charge is intended to take account of the cost (if any) of any disposal of investments in a Target Fund or in any underlying investment.

In addition, the Board of Directors may, acting reasonably, establish reserves or holdbacks for estimated accrued expenses, liabilities, indemnification obligations and contingencies (even if such reserves or holdbacks are not otherwise required by generally accepted accounting principles) and any Attributable Taxation as the Board of Directors determines in its discretion are applicable which could reduce the amount payable upon redemption.

The amount of the Redemption Charge will be credited to the Fund's assets. As the Fund invests in Target Funds, redemption charges may be incurred both at the level of the relevant Target Funds and at the level of the Fund.

#### **7.4 Dealing in Shares**

Investors may subscribe for and redeem Shares on a quarterly basis on the Subscription Dealing Day and Redemption Dealing Days as appropriate, subject to the relevant cut-off times and notice periods in accordance with the terms and procedures set out below.

Orders placed through distributors may be subject to different procedures which may delay receipt by the Administrator of subscription, conversion or redemption notices. Investors purchasing any Share Class through a distributor will be subject to the distributor's normal account opening requirements. Investors should consult their distributor before placing orders in respect of any Share Class.

Dealings in Shares may be suspended or deferred as described in the Section 7.13 "Suspension of Net Asset Value Calculation and Deferral" of this Prospectus. Once given, instructions to redeem or convert Shares are irrevocable except in the case of suspension or deferral or in exceptional circumstances to be determined by the Board of Directors provided that it is in the best interest of the remaining Shareholders.

#### **7.5 Subscriptions**

Shares will initially be offered during an Initial Offer Period or on an Initial Issue Date and thereafter in accordance with the applicable provisions of this Prospectus.

The Board of Directors may accept an unlimited amount of subscriptions.

Existing investors and prospective investors that already have a suitable account with the Administrator may make applications for Shares via the means previously agreed between such prospective investor and the Administrator. Prospective investors without such an account must apply for Shares by first completing and returning an application form to the Administrator by the means described therein. Application forms are available from the Administrator. The Administrator and/or the Board of Directors may request such additional information as they reasonably determine is necessary to effect a subscription for Shares by any investor, including (without limitation), the provision of a subscription form. Applications can only be made for Shares having a specified monetary value and, where necessary, Shares will generally be issued in fractions of up to three (3) decimal places.

Applications together with any other information and declarations required by the Board of Directors must normally be received by the Administrator by 5 p.m. Luxembourg time two weeks prior to the relevant Subscription Dealing Day provided that if such day is not a Business Day, 5p.m. on the Business Day immediately following such day. The Board of Directors may, in case of technical problems, or provided it is to the benefit of the Fund, waive such notice period and accept applications received one (1) Business Day (as defined below) before the relevant Subscription Dealing Day. Any applications received after the cut-off time will be dealt with on the next Subscription Dealing Day.

For subscription applications which are accepted, confirmation notes will normally be sent to the investor within two (2) Business Days (as defined below) of the Subscription Dealing Day.

The right is reserved by the Board of Directors and the distributors to reject any application for Shares (or to accept any application in part only) in its absolute discretion (at any time before contract notes are sent to investors after the Price Publication Date). Further, Shareholders should note that the Board of Directors may determine to restrict the subscription of Shares when it is in the interests of the Fund and/or its Shareholders to do so, including when the Fund reaches a size that could impact the ability to find suitable investments for the Fund. Should an application be accepted in part only, the outstanding part of such application will be deferred to the next Subscription Dealing Day and shall have priority over any subsequent application unless the investor notifies the Fund that it requires the return of the subscription proceeds representing the deferred application, subject at all time to the ability of the Board of Directors to restrict subscriptions as stated above.

To the extent that any application is rejected in its entirety or where an application is rejected in part and the investor has indicated that it requires the return of the subscription proceeds representing the deferred application, any monies received will be returned without interest and at the risk and expense of the applicant.

The number of Shares issued to the Shareholders will be based on the latest available Net Asset Value calculated for the relevant Valuation Day in accordance with the Section 7.10 “Determination of Net Asset Value” of this Prospectus. It will only be possible to issue Shares once the Net Asset Value has been calculated. Consequently, Shares will not be issued on the relevant Subscription Dealing Day and will instead be issued once the day the relevant Net Asset Value is calculated, being the Price Publication Day. Shareholders will be sent a contract note confirming the Share price and the number of Shares issued, after the Price Publication Day. The relevant Shares will be issued to the Shareholder within two Business Days as of the Price Publication Day.

Investors who do not specify a Share Class in the application form will be deemed to have requested Class P Shares and will be issued with Class P-acc Shares.

Applicants should also read the Section 7.9 “Transfer of Shares” of this Prospectus.

#### **Data Protection**

The Shareholders acknowledge that the collection and processing of personal data by the Fund is made in accordance with the Privacy Notice which is annexed to the Application Form.

#### **Confidential Information**

The Fund shall not be obliged to report to or otherwise disclose any information to investors in the Fund in respect of which the Fund or the AIFM is subject to confidentiality obligation and which the AIFM reasonably determines may be breached by such disclosure.

#### **Side letters**

While the Board of Directors and the AIFM do not anticipate doing so, the AIFM and/or the Fund may enter into letter agreements (“**Side Letters**”) with one or more Shareholders that have the effect of establishing rights under, or altering or supplementing the terms of, the Prospectus or such investor’s subscription agreement which may result in certain investors receiving additional benefits (including, without limitation, supplemental reporting and information rights, certain rights with respect to co-investments and special economic rights such as waivers or reductions of Management Fees or Performance Fees payable by or in respect of such investors), which other investors will not receive. None of the Fund or the AIFM will be required to notify any other investors of any such Side Letters or any of the rights or terms or provisions thereof, nor will they be required to offer such additional or different rights or terms to any other investors, subject to the principle of fair treatment of Shareholders in identical situation in accordance with the requirements set out under the AIFMD.

#### **Settlement**

Subscription payments, net of all bank charges, must be made by telegraphic transfer to the bank account specified in the application form. Payments must be received by the Administrator in cleared funds on the Subscription Dealing Day or as determined by the Board of Directors at its discretion. In order for the Fund to receive cleared funds in its bank accounts on the Subscription Dealing Day there are different cut-off times set by the Fund’s correspondent bank for the funds settlement applicable for different currencies. Details of the relevant settlement cut-off times specified in the application form. If payment in full in cleared funds in respect of a subscription has not been received by the relevant time or in the event of non-clearance, the Administrator may cancel any allotment and/or charge the applicant interest at the normal overdraft rates charged by the Depositary. The Board of Directors may waive either such charge in whole or in part. In addition, the Board of Directors will have the right to redeem all or part of the applicant’s holding of Shares, if any, in order to satisfy such charges.

The Board of Directors may, at its sole discretion, permit an investor to subscribe for Shares by way of a contribution of assets to the Fund in lieu of payment in cash. Such number of Shares will be issued as equals the value of the assets being contributed, net of any relevant charges and expenses. The Auditor will issue a report on these transactions in accordance with Luxembourg Law.

#### **Minimum Subscription and Holding**

The minimum initial subscription, minimum additional subscription and minimum holding in respect of any Share Class are as indicated in the table included in Appendix 1 of this Prospectus. These minimum thresholds may be varied as determined by the Board of Directors from time to time. Details of the current minimum thresholds are also available from the Administrator.

The Administrator may, following receipt of redemption, conversion or transfer instructions, redeem the entire holding or, in respect of a transfer or conversion, the remaining holding of a Shareholder in a given Share Class if such instructions would result in a holding in the



relevant Share Class being below the current minimum holding for that Share Class.

## **7.6 Redemption of Shares**

### **General**

Shares may be redeemed as of the last calendar day of each calendar quarter (each such day a “**Redemption Dealing Day**”), subject to provisions set out below.

### **Applications to Redeem**

An instruction to redeem Shares must be received by the Administrator by 5 p.m. Luxembourg time 90 calendar days (provided that if such day is not a Business Day, 5p.m. on the Business Day immediately following such day) before the relevant Redemption Dealing Day, being the last Business Day of each calendar quarter, or such lesser period as the Board of Directors may accept, in case of technical problems or where there would be no material disadvantage to the remaining Shareholders. If the redemption instruction is received thereafter, the Board of Directors will normally defer the redemption of such Shares to the next Redemption Dealing Day. Instructions for the redemption of Shares should be given by completing a redemption form that is available from the Administrator and may be transmitted by the means agreed between such investor and the Administrator in the applicable application form..

Upon receipt of a redemption instruction if the due diligence documentation the Administrator retains on file in respect of the redeeming investor is not in accordance with the latest requirements in Luxembourg additional documentation might be requested by the Administrator to comply with such requirements. Failing to submit the required documentation could delay the release of the redemption proceeds.

The Administrator reserves the right to seek verification of the authority of any redemption request. None of the Board of Directors, the Administrator or the AIFM (or any of their respective directors, officers, employees or agents) will be responsible or liable for the authenticity of redemption instructions received by the means agreed between a redeeming investor and the Administrator in the applicable application form that are reasonably believed to be genuine.

Shareholders should note that Redemption Charges may be applied to redemptions, as indicated above and in the table under Appendix 1, particularly to take account of dealing costs to the Fund due to the fact that the Fund had to realize assets to meet redemption requests or the interests of non-redeeming Shareholders. Investors will be notified of the relevant Redemption Charge (if any) through a contract note which will show the applicable Redemption Charge. Investors may not be notified of such Redemption Charge prior to receiving the contract note. Further information can also be found in the Section 7.15 “Fees and Expenses” of this Prospectus.

Shareholders wishing to redeem their Shares should also read the Section 7.9 “Transfer of Shares” of this Prospectus.

Applications to redeem shall be irrevocable and except as provided in this paragraph, may not be withdrawn except with the consent of the Board of Directors who may accept a withdrawal if it will not have any material negative financial impact on the Fund. Notwithstanding the foregoing, a Shareholder may, by notice in writing to the Fund, withdraw an application to redeem where realizations have either been suspended or deferred in accordance with Section 7.6 “Redemption Deferral” of this Prospectus, provided that such withdrawal shall only be effective where the Fund has not as at the date of receipt of such notice, started to realise or transfer Investments in order to satisfy such application to redeem. If the whole or part of the Shares which are the subject of a redemption instruction are subsequently transferred to a third party, the Shares will be transferred subject to the redemption instruction, which will remain in force except in the absolute discretion of the Board of Directors.

### **Payment**

Subject to receipt of the requisite original redemption instruction, evidence of title and any applicable money laundering prevention information (as per Appendix-Customer Due Diligence Documentation Requirements on Application Form), the Board of Directors will use commercially reasonable efforts to satisfy accepted redemption requests within ninety (90) calendar days after the applicable Redemption Dealing Day (when the application to redeem was deemed received). If, in exceptional circumstances, the liquidity of the Fund is insufficient to enable redemption proceeds to be paid within this timeframe, payment will be made as soon as reasonably practicable thereafter.

Payments will be made without interest in the currency of the relevant Share Class by telegraphic transfer to the bank account specified by the Shareholder in the application form or as subsequently notified to the Administrator in writing, at the risk and expense of the Shareholder. Third party payments will not be made.

Subject to any Redemption Charge (and any holdbacks or reserves), each Share to be redeemed will be redeemed at the Net Asset Value per Share for the relevant Share Class, which is applicable on the relevant Redemption Dealing Day. The Net Asset Value applicable to such Redemption Dealing Day will be the Net Asset Value as of the last calendar day of such month. It will only be possible to calculate the applicable redemption price once the Net Asset Value has been calculated. Consequently, the redemption price shall usually be payable without interest within two (2) Business Days of the Price Publication Day.

Shares will be treated as having been redeemed with effect from the relevant Redemption Dealing Day (or compulsory redemption date) irrespective of whether or not a Shareholder has been removed from the Fund's register of members or the redemption price has been determined or remitted. Accordingly, on and from the relevant Redemption Dealing Day (or compulsory redemption date), Shareholders in their capacity as such will not be entitled to or be capable of exercising any rights arising under the Articles or this Prospectus with respect to Shares being redeemed (including any right to receive notice of, attend or vote at any meeting of the Fund) save the right to receive the redemption price and any dividend which has been declared prior to the relevant Redemption Dealing Day (or compulsory redemption date) but not yet paid (in each case with respect to the Shares being redeemed). Such Shareholders will be treated as creditors of the Fund with respect to the redemption price and will rank accordingly in the priority of the Fund's creditors.

Any due but unpaid Management Fees and Performance Fees may also be deducted from the realization price at the Board of Directors' discretion, and be paid directly to the AIFM or Portfolio Manager (as applicable).

#### **Compulsory Redemption**

Shares may be compulsorily redeemed by the Board of Directors in the following circumstances:

- i. if the continued participation of a Shareholder is likely to cause the Fund to violate any material law, regulation or interpretation thereof or would result in the Fund or any Shareholder suffering material taxation or other economic disadvantages which they would not have suffered had such person ceased to be a Shareholder;
- ii. if such Shareholder has materially violated any provision of the Articles of Incorporation or this Prospectus;
- iii. if the Shares were acquired or are being held, directly or indirectly, by or for the account or benefit of any person in violation of the provisions of the Articles of Incorporation or this Prospectus;
- iv. if in the opinion of the Board of Directors: (a) such redemption would be appropriate to protect the Fund from the requirement to register its Shares under the 1933 Act, as amended, from registration of the Fund under the 1940 Act, as amended, or to prevent the assets of the Fund from being "plan assets" within the meaning of US Employee Retirement Income Security Act; or (b) the holding of such Shares would cause material regulatory or tax or other fiscal disadvantage to the Fund or its Shareholders;
- v. if, following one or several redemption requests, the Net Asset Value of the Shareholder's Shares falls below the Minimum Initial Investment Amount for such Share Class (as set out in Appendix 1) following a partial redemption or transfer;
- vi. if a Shareholder does not accept a conversion of its Shares in accordance with the provisions of Section 7.8 of this Prospectus; and
- vii. such other circumstances as the Board of Directors may determine where continued ownership would be materially prejudicial to the interests of the Fund or its Shareholders.

Where the Board of Directors so determines, Shares may be subject to redemption in whole or in part in the absolute discretion of the Board of Directors at such time (or times) in accordance with the following procedures:

- i. the Fund shall serve a notice by e-mail (hereinafter called the "**Redemption Notice**") in advance upon the Shareholder holding or appearing in the Register of Shareholders as the owner of the Shares to be redeemed, specifying the Shares to be redeemed as aforesaid, date of such redemption, which must be a Valuation Day and the place at which the Redemption Price in respect of such Shares, as defined below, is payable. Any such Redemption Notice may be served upon such Shareholder by posting the same in a prepaid registered envelope addressed to such Shareholder at his last address known to or appearing in the register of Shareholders. Immediately after the close of business on the date specified in the Redemption Notice, the Shares specified in the Redemption Notice shall be cancelled;

- ii. the price at which the Shares specified in any Redemption Notice shall be redeemed (herein called the “**Redemption Price**”) shall be an amount based on the Net Asset Value per Shares in the Fund of the relevant Class, as determined in accordance with the Section 7.10 “Determination of Net Asset Value” of the Prospectus. The actual costs associated with a redemption in the circumstances described herein up to an amount of (i) at any time during the Lock-Up Period, up to 5% and (ii) at any time thereafter, up to 2% of the Redemption Price, if the Board of Directors so decides, may be charged in favour of the Fund to the Shareholder whose Shares are redeemed and such costs may be deducted from the Redemption Price payable to the Shareholder; and
- iii. payment of the Redemption Price will be made to the Shareholder appearing as the owner thereof in the currency of denomination of the relevant Class and will be deposited by the Fund with a bank in Luxembourg or elsewhere (as specified in the Redemption Notice) for payment to such person. Upon deposit of such price as aforesaid no person interested in the Shares specified in such Redemption Notice shall have any further interest in such Shares or any of them, or any claim against the Fund or its assets in respect thereof, except the right of the Shareholder appearing as the owner thereof to receive the price so deposited (without interest) from such bank as aforesaid.

Any Shares in respect of which a notice of redemption has been given shall not be entitled to participate in the profits of the Fund in respect of the period after the date specified as the date of redemption in the Redemption Notice.

#### **Redemption Deferral**

Unless the Board of Directors determines, in its absolute discretion, to permit a higher percentage taking into account the Investments of the Fund and the interests of continuing Shareholders, no more than 5% of the Net Asset Value of the relevant Share Class (as set out in Appendix 1) may be redeemed on any one Redemption Dealing Day. In the event that the total number of Shares subject to redemption requests in any one Redemption Dealing Day exceeds 5% of the Net Asset Value of the relevant Share Class, all of the relevant redemption requests will be effected on a pro rata basis by reference to the redeeming Shareholder's total Net Asset Value corresponding to all the Shares that the redeeming Shareholder holds in the relevant Share Class on the Redemption Dealing Day until the 5% limit is reached with the exception of any compulsory redemptions which may be executed in their entirety despite the proportionate reduction of other redemption requests. For the avoidance of doubt, for the purpose of this specific calculation, an individual Shareholder is determined by reference to the relevant share register account number. For the purpose of the above calculation, the Shares denominated in a reference currency other than the reference currency of the Fund shall be converted into the reference currency of the Fund by reference to the exchange rate(s) prevailing on the relevant Redemption Dealing Day. Thereafter, any unfulfilled portion of redemption requests will be carried forward and effected, on a pro rata basis by reference to the redeeming Shareholder's total Net Asset Value corresponding to all the Shares that the redeeming Shareholder holds in the relevant Share Class on the Redemption Dealing Day where necessary, on each successive Redemption Dealing Day (again, subject to the 5% limit), until the outstanding redemption requests are discharged in full.

In addition, the Board of Directors may defer redemptions in exceptional circumstances that may, in the opinion of the Board of Directors, adversely affect the interests of holders of any Share Class, as further described below.

The Board of Directors shall have the right, in consultation with the Portfolio Manager, at any time to suspend the right of investors to have their Shares redeemed for any period (the “**Deferral Period**”) during which (A) any exchange or over-the-counter market on which a substantial part of the securities owned by the Fund are traded is closed (other than weekend and holiday closings) or trading on any such exchange or market is restricted or suspended, (B) there are existing circumstances as a result of which it is not reasonably practicable for the Fund to dispose of its Investments or to determine their value fairly, (C) any of the means normally employed in ascertaining the value of a substantial part of the Fund's investments breaks down or when for any other reason the value of such Investments cannot reasonably be ascertained, (D) the amount of requested redemptions would (in the opinion of the Portfolio Manager) result in a disorderly liquidation of the Fund's investments, or (E) there are such other extraordinary circumstances, as the Board of Directors determines in good faith, that cause redemptions to be impracticable under existing economic or market conditions or conditions relating to the Fund (each, a “**Deferral Event**”).

The Board of Directors will notify investors of the occurrence of a Deferral Event and the likely duration as well as the end of the Deferral Period by written notice.

New redemptions applications received during a Deferral Period and deferred redemptions from prior Redemption Dealing Days will rank pari passu in terms of priority when redeemed on the next Redemption Dealing Day following the end of the Deferral Period.

During a Deferral Period, a Shareholder may withdraw his request, in respect of any transaction which is deferred or suspended, by notice in writing to the Board of Directors. Such notice will only be effective if received before the transaction so requested is effected.

The Board of Directors may declare at its discretion that some or all redemptions may be deferred until the Board of Directors has executed, as soon as possible, the necessary realization of assets out of the Fund or found other ways of honoring redemption requests. This may result in Shareholders having redemption orders deferred on a particular Redemption Dealing Day.

The Fund shall have no obligation to borrow, sell assets (or any portion thereof), or use subscription proceeds, cash flow, reserves or capital proceeds to accept or satisfy redemption requests, but the Fund may elect to do so, in which case if any such action would negatively affect the Fund's Net Asset Value (taking into account any reduction in value, any transaction costs, taxes or other similar diminution in value arising as a result of such action), then the redeeming Shareholder's Net Asset Value may be adjusted to compensate the non-redeeming investors for such decrease in the Fund's Net Asset Value. The Fund may make new Investments notwithstanding the existence of unaccepted or unsatisfied redemption requests.

The Board of Directors may in its absolute discretion refer redeeming Shareholders to brokers for potential secondaries trades, subject to compliance with the provisions of this Prospectus, notably Section 7.5 "Subscriptions" (and in particular, the sub-section on Minimum Subscription and Holding), Section 7.9 "Transfer of Shares" and Section 7.16 "Parallel Funds and Feeder Funds" and the Secondaries Documentation (the "**Secondaries Transaction**"). The Fund shall provide reasonable assistance in referring the redeeming Shareholder to a broker and carry out the trade once completed. For the purpose of this paragraph, a "**Secondaries Documentation**" is an agreement between (i) the broker and (ii) each relevant redeeming Shareholder/transferor and potentially (iii) the new Shareholder/transferee.

Upon agreement between the redeeming Shareholder so referred and the relevant brokers on all relevant aspects of the Secondaries Transaction as set out in the Secondaries Documentation, the relevant Shares of the redeeming Shareholder may be transferred by such registered holder of Shares to the transferee by an instrument of transfer as set out in Section 7.9 "Transfer of Shares" below. The redeeming Shareholder as transferor and the transferee Shareholder shall bear all costs and expenses arising in connection with any relevant Secondaries Transaction, including all costs and expenses incurred by the Fund and reasonable legal fees relating to any such Secondaries Transaction. Any Secondaries Transaction shall only become valid and effective upon receipt by the Fund of the relevant valid and fully executed instrument of transfer set out in Section 7.9 "Transfer of Shares" below including, without limitation, a confirmation that the transferee shall be bound by all provisions of this Prospectus and a Fund confirmation that the register of Shareholders has been updated accordingly.

The Board of Directors will use commercially reasonable efforts to satisfy redemption requests in cash, including with cash received as a subscription from the Shareholders. In exceptional circumstances, the Board of Directors may decide to satisfy a redemption request by way of a distribution in-kind of Marketable Securities or non-Marketable Securities, valued as at the Redemption Dealing Day, and, solely with respect to non-Marketable Securities, as agreed with the Shareholder receiving any such in-kind distribution

In the event that a Shareholder is to receive an in-kind distribution in the form of Marketable Securities or non-Marketable Securities, the Board of Directors shall provide prior notice of at least 10 Business Days to the Shareholder, and, at the request of the Shareholder, use commercially reasonable efforts to sell or otherwise dispose of the Marketable Securities or non-Marketable relating to such in-kind distribution on behalf of and at the sole expense of the Shareholder under terms reasonably determined by the Board of Directors to be appropriate under prevailing market conditions and distribute the net proceeds from any such sale to the Shareholder.

For the avoidance of doubt, the Board of Directors may accept new subscriptions for Shares in any Class during any redemption deferral.

## **7.7 Liquidity Management**

Liquidity management is a core component in the AIFM's investment process, as required in accordance with AIFMD, and will be taken into consideration in the application and on-going monitoring of the Fund's investment strategy, liquidity profile and redemption policy for the Fund. The Risk Committee will assist the AIFM in conducting regular stress tests to assess and monitor liquidity risks in the Fund, and a mixture of qualitative and quantitative controls will be applied to the Investments. The Fund's Investments will generally be highly illiquid and it is unlikely that the Fund will be able to redeem such Investments in the ordinary course or otherwise dispose of such Investments on a public market. In managing the liquidity of the Fund the AIFM will therefore generally assume that the Fund's Investments may only be disposed via the secondary market.

## **7.8 Conversion of Shares**

In the event that, for any reason the value of the net assets of any Share Class has decreased to, or has not reached, an amount determined by the Board of Directors or its delegate to be the minimum level for such Share Class, to be operated in an economically efficient manner, the Board of Directors may decide to offer to the Shareholders of such Share Class the opportunity to convert their Shares into another Share Class under terms determined by the Board of Directors. The Fund will serve a notice to the Shareholders of

the relevant Class(es) of Shares prior to the effective date for the conversion which will indicate the reasons for, and the procedure of, the conversion operations.

To the extent a Shareholder does not accept a conversion of its Shares, the Board of Directors shall be entitled to mandatorily redeem such interests in accordance with the procedures described under “Compulsory Redemptions” of Section 7.6 of this Prospectus.

## **7.9 Transfer of Shares**

No transfers may be made to a person who is ineligible to hold Shares, and the transferee may be required to provide information about its identity to comply with the anti-money laundering requirements explained in “Money Laundering Prevention” under Section 7.5 of this Prospectus and to confirm eligibility (as per Appendix-Customer Due Diligence Documentation Requirements on Application Form).

All transfers of Shares will be subject to the prior consent of the Board of Directors, which may not be unreasonably withheld.

Subject to the restrictions mentioned above, Shares may be transferred by the registered holder by an instrument of transfer in the prescribed form (available from the Administrator on request) signed by the transferor and the transferee and deposited with the Administrator. Registration of a transfer will normally be effected on the following Subscription Dealing Day and the transferring Shareholder (as the previously registered holder of the Shares) will receive all income accrued to the day immediately prior to that date. It will be the responsibility of the transferor and transferee to deal with any costs, expenses, reasonable legal fees, taxes, duties, imposts or levies payable on or as a result of a transfer of Shares.

The Fund is not required to provide to any prospective investor who is not an existing Shareholder information that existing Shareholders have not been provided with or information which the Fund is prevented from disclosing under any applicable confidentiality obligations or law.

Any transfer of Share (or any part thereof) that would (i) cause the dissolution of the Fund, (ii) contravene any applicable laws and regulations or (iii) cause detrimental financial or tax consequences for the Fund will be deemed invalid.

Any new Shareholder created through a transfer of Shares shall be bound by all the provisions of this Prospectus, the Articles of Incorporation and all relevant related Fund documentation, as applicable.

Any Net Asset Value calculation errors and any breaches of the investment policy of the Fund will be governed by CSSF Circular 02/77.

## **7.10 Determination of Net Asset Value**

The Net Asset Value of the Fund is equivalent to its gross assets less its gross liabilities (before deduction of Management Fees and Performance Fees (as defined below), if any) as of any date of determination. Expenses and other liabilities are accrued to the extent feasible and are reflected in the Net Asset Value. Generally, expenses are deducted from the assets of the Fund prior to the determination of the Management Fees and Performance Fee (as defined below), if any, for any period. Acquisition costs in respect of the Investments may be taken into account in determining the Net Asset Value and such costs may be amortized for a period of up to five (5) years from the date of acquisition.

Share Class specific assets and liabilities will be allocated to the relevant Share Class, if applicable. Expenses related to currency conversions, and the profit and loss from any currency hedge generally will be allocated to the Net Asset Value of the relevant Share Class to which such activities relate. The Net Asset Value per Share Class denominated in a non-Euro currency will be reported to Shareholders in the relevant currency, based on the relevant exchange rate, net of all applicable fees and expenses.

Where any asset or liability of the Fund cannot be considered as being attributable to one or more particular Share Classes, such asset or liability shall be allocated to all Share Classes pro rata to their respective Net Asset Values.

The Net Asset Value per Share will be calculated in accordance with the terms set out in this Section. It will be arithmetically rounded up to four (4) decimal places for the JPY share classes and two (2) decimal places for all other share classes.

The Fund will prepare its financial statements under IFRS. The assets and liabilities as calculated under IFRS will, where necessary, be adjusted where the Board of Directors believes, at its discretion, that the adjusted amount better represents the fair value of the asset or liability for the purposes of calculating the Net Asset Value. Reserves also may be taken for estimated or accrued expenses, liabilities, revaluation of assets or contingencies.

### **Net Asset Value Determination Process**

The AIFM is responsible for the proper valuation of the Fund's assets, the calculation of the Net Asset Value and the reporting of the Net Asset Value in accordance with article 17 of the 2013 Law.

The Net Asset Value determination process and valuation principles are set in accordance with the Articles of Incorporation and the Central Administration Agreement.

Unaudited valuations of the Fund's assets will be made at least monthly and there will be an annual audited valuation.

The AIFM ensures pricing of the Fund's assets in accordance with the Articles of Incorporation, the Prospectus, applicable laws, the valuation policies and procedures drawn up for the Fund (the "**Valuation Policies**") as well as with applicable generally accepted accounting principles.

The Valuation Policies listing general principles are to be submitted to the Valuation Committee for approval. Any exceptions are to be escalated to the Valuation Committee without undue delay. The Fund will refrain from investing in a particular type of asset unless (i) an appropriate valuation methodology has been identified and agreed upon by the Valuation Committee and the Administrator for that specific type of asset and (ii) appropriate operational arrangements are in place to ensure that any new types of assets in which the Fund will invest are dealt with properly before the Fund's first investment therein. All the types of assets in which the Fund has invested are currently covered by an appropriate valuation methodology and by appropriate operational arrangements as per (i) and (ii) above.

Based on the pricing of the Investments, the Administrator calculates the Net Asset Value of the Fund and of the Share Classes which are then presented to the Valuation Committee.

The Valuation Committee has been appointed by the AIFM Board of Directors to approve the Valuation Policies submitted by the Administrator and to review the valuation of the assets and the calculation of the Net Asset Value of the Fund and Share Classes. The Valuation Committee will regularly report to the AIFM Board of Directors regarding the valuations of the Fund's Investments and auditors hired by the Fund will conduct an audit of the Fund annually.

### **Publication of Information**

The Net Asset Value per Share of any listed Share Classes will be notified to the Luxembourg Stock Exchange as soon as practicable after calculation and will be listed on the Luxembourg Stock Exchange.

### **Valuation Principles**

All Investments are held at fair value. Generally, fair value is the amount for which an Investment could be disposed of, or a liability could be settled, between knowledgeable, willing parties in an arm's length transaction, other than in a forced transaction or involuntary liquidation.

The following valuation principles, without prejudice to the written Valuation Policies established by the Administrator and the Valuation Committee, will be applied by the Fund:

- i. Investments in the Target Funds will be valued at their net asset value as reported by such Target Funds. The Administrator and the Valuation Committee may rely on the valuations provided by Target Fund managers, or by their administrators, with respect to the Target Fund investments made. Where definitive values are not available at the relevant time to enable the calculation of Net Asset Value on a monthly basis, both estimated values of the Fund's investments in such Target Funds as well as the most recently published net asset values may be taken into account in calculating the Net Asset Value of the Fund. The Valuation Committee will, with the assistance of the Administrator, where necessary, adjust the net asset value reported by the Target Funds where they believe that the adjusted amount better reflects the fair value of the investment in the Target Funds.
- ii. Target Funds typically report their valuation only on a quarterly basis or, in some cases, even less frequently. Hence, for monthly valuations, these investments will be valued at the valuations contained in the latest financial reports supplied by the respective Target Funds adjusted for any intermediate cash flows to the extent these may be made available to the Fund by managers or administrators of the Target Funds. At the time the Net Asset Value of the Fund is being calculated, no prices for such month-end may be available. The latest available information will then be used to calculate the Net Asset Value. Such Net Asset Value may materially deviate from the Net Asset Value published in the audited financial statements of the Fund as new information may have become available at such point in time.

- iii. The value of any investment which is quoted, listed or normally dealt in on a regulated, recognized market operating regularly and open to the public (a “**Regulated Market**”) shall be the latest official close of business price available on the relevant Valuation Day on the Regulated Market which, in the opinion of the Valuation Committee, constitutes the main market for such assets or, in the absence of market transactions, shall be based on the bid price for such investment last available to the Fund on the Valuation Day, provided that, should circumstances arise where the Valuation Committee considers the quoted value unrepresentative of the true value of the investment, an alternative method of valuing such investment may be used which the Valuation Committee considers fair and equitable to Shareholders as a whole.
- iv. The value of any investments that are not listed on an exchange but for which external pricing sources (such as broker quotes or independent pricing services) may be available will be valued after considering, among other factors, such external pricing sources, recent trading activity or other information that, in the opinion of the Valuation Committee, may not have been reflected in pricing obtained from external sources. When broker quotes are being used to assess the value of a holding, an attempt will be made to obtain several independent quotes.
- v. For over-the-counter derivatives, the price history, as well as historic and implied volatilities and correlations, where available, among other factors, may be considered, when practical, to determine fair value.
- vi. Where an Investment is not quoted in an active market, a valuation technique such as either a discounted cashflow valuation model or comparison to recent transaction prices may be employed to establish the transaction price that would be applicable in an arm’s length exchange.
- vii. The value of any cash in hand and pre-paid expenses shall be deemed to be the full amount thereof unless in any case the Valuation Committee is of the opinion that the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Valuation Committee may consider appropriate in such case to reflect the true value thereof.
- viii. Money market loans, deposits and other financing arrangements entered into for financing purposes will be valued at their cost plus accrued interest.
- ix. Notwithstanding the foregoing, the Valuation Committee may adjust the value of any Investment if, having regard to currency, applicable rate of interest, maturity, marketability and/or such other considerations as it deems relevant, it considers that such adjustment is required to reflect the fair value thereof.
- x. If in any case a particular value is not ascertainable as above provided or if the Valuation Committee shall consider that some other method of valuation better reflects the fair value of the relevant investment, then in such case the method of valuation of the relevant investment shall be such as the AIFM shall decide.
- xi. The Valuation Committee shall make all reasonable efforts to assess correctly the value of all Investments based on the information made available to it, and such valuations shall be binding upon the Fund and its Shareholders in the absence of manifest error. If the value of an asset of the Fund is adjusted after any Valuation Day, the Fund will not be required to revise or re-calculate the Net Asset Value on the basis of which subscriptions or redemptions may have been previously accepted.
- xii. All matters concerning valuation of Investments, as well as accounting procedures, not expressly provided for in the Articles of Incorporation and the Valuation Policies may be determined by the Valuation Committee following consultation with the AIFM, whose determination is final and conclusive as to all shareholders.

The Administrator shall not be, in the absence of negligence or intentional failure on their part, liable for any loss suffered by the AIFM, the Fund or any Shareholder by reason of any error in the valuation of the assets or the calculation of the Net Asset Value resulting from any valuation provided by Target Fund managers, or by their administrators, with respect to the Target Fund investments made or any inaccuracy in the information provided by any such pricing service, broker, market maker or other intermediary.

#### **7.11 Price adjustment policy**

The actual costs of purchasing or selling assets and investments for the Fund may deviate from the latest available price or net asset value used, as appropriate, in calculating the Net Asset Value per Share due to duties and charges and spreads from buying and selling prices of the underlying investments. These costs have an adverse effect on the value of the Fund and are known as “dilution”. To mitigate the effects of dilution, the Board of Directors may make a dilution adjustment to the Net Asset Value per Share in accordance with the

provisions below.

Shares will in principle be issued and redeemed on the basis of a single price, i.e., the Net Asset Value per Share. However, to mitigate the effect of dilution and based on information to be provided by the Administrator, the Net Asset Value per Share may be adjusted by the Board of Directors on any Valuation Day pursuant to a partial swing pricing mechanism (i) if the aggregate subscriptions on a particular Subscription Dealing Day are expected to exceed 20% of the Net Asset Value of the Fund; (ii) if the aggregate redemptions on a particular Redemption Dealing Date are expected to exceed 20% of the Net Asset Value of the Fund; or (iii) in other cases, where, in the opinion of the Board of Directors, the existing Shareholders (in case of subscriptions) or remaining Shareholders (in case of redemptions) might otherwise be adversely affected. Where there is no dealing on the Fund or Share Class on any Valuation Day, the applicable price will be the unadjusted Net Asset Value per Share. As a general rule, the requirement to make a dilution adjustment will depend upon the volume of subscriptions or redemptions of Shares.

The dilution adjustment will involve adding to, when the Fund is in a net subscription position, and deducting from, when the Fund is in a net redemption position, the Net Asset Value per Share such figure as the Board of Directors considers represents an appropriate figure to meet duties and charges and spreads. In particular, the Net Asset Value of the Fund will be adjusted (upwards or downwards) by an amount which reflects (i) the estimated fiscal charges, (ii) dealing costs that may be incurred by the Fund and/or (iii) the estimated bid/offer spread of the assets in which the Fund invests. As certain stock markets and jurisdictions may have different charging structures on the buy and sell sides, the resulting adjustment may be different for net inflows than for net outflows. Adjustments will however be limited to a maximum of 5% of the then applicable Net Asset Value per Share.

The Net Asset Value of each Share Class in the Fund will be calculated separately but any dilution adjustment will in percentage terms affect the Net Asset Value of each Share Class in an identical manner. The dilution adjustment will be applied on the capital activity at the level of the Fund and will not address the specific circumstances of each individual investor transaction. The Annual Report and the Semi-Annual Report will disclose the use of any dilution adjustment effected pursuant to this Section. For the avoidance of doubt, the Performance Fee will be calculated on the basis of a Net Asset Value per Share without any adjustment pursuant to the provisions of this Section.

#### **7.12 Distributions**

In respect of Share Classes initially issued, the policy will be to retain and reinvest cash which would otherwise be distributed.

#### **7.13 Suspension of Net Asset Value Calculation and Deferral**

The Fund may suspend the determination of the Net Asset Value per Share Class (and as a consequence the issue and, if applicable, the conversion or redemption of such Shares):

- i. during any period, if in the reasonable opinion of the Board of Directors, a fair valuation of a material part of the assets of the Fund is not practicable for reasons beyond the control of the Board of Directors; or
- ii. during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of a material part of the Investments of the Fund would be impracticable; or
- iii. during any breakdown in the means of communication normally employed in determining the price of a material part of the Investments of the Fund or the current prices on any market or stock exchange; or
- iv. during any period in which the Board of Directors deems the determination of the Net Asset Value to be impracticable or otherwise adverse to the best interests of the Shareholders; or
- v. during any period during which the net asset value determination of the Target Funds in which a large portion of the Fund is invested is suspended; or
- vi. in case of a decision to liquidate the Fund, on or after the day of publication of any notice given to Shareholders to this effect.

(each, a “**Suspension Event**”).

Any application for redemption or conversion during a period where the calculation of Net Asset Value has been temporarily suspended shall be deferred until such time as the Fund shall again determine the Net Asset Value per Share and shall take effect on the first



Redemption Dealing Day available thereafter, subject always to the other provisions applying to redemptions as described elsewhere in this Prospectus.

Any such suspension (each, a “**NAV Suspension**”) shall be notified in writing to Shareholders having made an application for subscription, conversion or redemption, if any, of Shares for which the calculation of the Net Asset Value has been suspended.

Following any NAV Suspension, where it is reasonable to do in light of the Suspension Event which gave rise to that NAV Suspension, an indicative Net Asset Value of the Fund, each Share Class and per Share shall be calculated by the Administrator and approved by the Valuation Committee as of each Valuation Day during the NAV Suspension period based on the Valuation Committee's best estimate of the value of the Investments in the Target Funds with each of the Administrator and Valuation Committee taking into account any qualified valuations provided by one or more of the Target Fund managers or their administrators directly or indirectly held by the Fund in accordance with the valuation principles (for the Fund, each Share Class and per Share, as the case may be, the “**Indicative NAV**”).

Use of an Indicative NAV during a NAV Suspension period, where Indicative NAVs are determined in accordance with the above paragraph, such Indicative NAVs shall be used for the purposes of: (i) determining the Management Fee payable pursuant to Section 7.15; and (ii) reporting financial information, including such Indicative NAVs, to Shareholders in accordance with Section 7.19 and in relation to the issuance of Shares during that NAV Suspension period, the number of Shares to be issued to a Shareholder based on the relevant indicative NAV per Share in the relevant Share Class.

Notwithstanding any other provision of this Prospectus, where an Indicative NAV has been prepared, as soon as reasonably practicable following determination of the Net Asset Value of the Fund on the first Valuation Day following the termination of the NAV Suspension, the Valuation Committee in consultation with the Administrator, may use the known Net Asset Value of the Fund as at the Valuation Day immediately preceding the NAV Suspension and the known Net Asset Value of the Fund as of the Valuation Day following the termination of the NAV Suspension to determine on a straight-line basis (meaning the linear interpretation of unknown values using a straight line to plot those unknown values between two known values) the Net Asset Value of the Fund and therefrom each Class of Shares as of each such Valuation Day (in each case, the “**Final Deemed NAV**”). The Board of Directors may make whatever adjustments deems fair and in the interest of the Fund based on the Final Deemed NAV to the Management Fee, reporting and issuance of shares that occurred during the NAV Suspension based on the Interim NAV.

#### **7.14 Amendment of the Fund's terms**

The Board of Directors will review the Fund's investment guidelines, investment objective, investment restrictions and structure (collectively, the “**Fund Terms**”) from time to time and, subject to applicable regulatory requirements, may propose modifications or, if applicable, waivers to any of them, including, but not limited to, establishing new Share Classes that may have different Fund Terms. The AIFM may direct the Board of Directors to make modifications to, or waivers of, the Fund Terms without the consent of or prior notice to Shareholders in limited circumstances, including to correct errors, cure ambiguities, ensure ongoing compliance with applicable law, regulatory changes and tax regimes, to reconcile any inconsistent provision, to make changes that are ministerial or administrative in nature and/or to establishing new Share Classes; provided, that to the extent the Board of Directors determines that such modifications of, or waivers to, the Fund Terms are not materially adverse to the Shareholders, the AIFM will notify the Shareholders of any such modifications to, or waivers of, the Fund Terms.

In respect of modifications of, or waivers to, the Fund Terms determined to be materially adverse to the Shareholders, these shall not be effective until the end of the calendar quarter in which the Shareholders are notified of such modifications or waivers. During such period, the investors may request the redemption of their Shares without any Redemption Charge. Where the total number of Shares subject to redemption requests exceeds the maximum allowed on any one Redemption Dealing Day, then redemption requests may be deferred.

In the case of redemption deferrals relating to modifications to, or waivers of, the investment objective, such modifications to, or waivers of, the Fund Terms will not become effective until the outstanding redemption requests connected to such modifications to, or waivers of, the Fund Terms are discharged in full.

#### **7.15 Fees and Expenses**

##### **Fees**

The fee structures of the relevant Share Classes may differ depending on the relevant Share Class.

Over time, the different charging structures may result in Share Classes, which were subscribed or bought at the same time, producing different investment returns.

Certain types of fees and expenses may occur at both the level of the relevant Target Fund and at the level of the Fund. Such fees may include, fees and expenses of the depository banks and central administrative agents, management/ advisory fees and issuing/redemption charges.

If the Fund invests in Target Funds or Other Investments which refund either entirely or partly the fees or commissions charged in respect of their assets by means of payment, such payments will be added in full to the assets of the Fund.

#### **Management Fees**

The Portfolio Manager may be entitled to receive a management fee paid out of the assets of the Fund or Share Class as detailed in the table included in Appendix 1 of this Prospectus (the “**Management Fee**”).

The Management Fee will be calculated quarterly and assessed on the fair market value of the Fund’s investments plus any outstanding commitments to the underlying portfolio, as at the last Business Day of the calendar quarter immediately prior and is payable quarterly in advance.

The Distributor fees will be paid by the Portfolio Manager out of the Management Fee.

#### **AIFM, Administrator, Directors and Depositary Fees**

The AIFM, the Administrator, the Directors and the Depositary are entitled to receive fees paid out of the assets of the Fund or Share Class as determined from time to time by agreements between the Fund and each of the AIFM, the Administrator, the Directors and the Depositary. The aggregate fee for the AIFM, the Administrator and the Depositary accounts for up to 10.5 bps and is calculated on a sliding scale and based on the Net Asset Value.

#### **Performance Fees**

In addition to the Management Fee, the Portfolio Manager shall be entitled to receive a performance fee (the “**Performance Fee**”) that accrues monthly in each Performance Period and is calculated with respect to each Share Class as described further below and as described in Appendix 6 of this Prospectus. The Portfolio Manager shall only be paid Performance Fees in relation to a Share Class to the extent that the Liquidity Test and the HWM Test (each as described further below) are satisfied with respect to such Share Class. To the extent payable, the Performance Fee shall be paid quarterly, in arrears.

#### *Performance Fee calculation*

The Performance Fee shall equal 10% of the Monthly Portfolio Return with respect to each Share Class, subject to a preferred return and loss carry forward, and a catch-up, calculated as follows:

- (A) If the Monthly Portfolio Return for the relevant calendar month (pro-rated for any partial periods) exceeds the sum of (i) the Preferred Return for such period and (ii) the Loss Carryforward Amount as at the end of such period (any such excess, “**Excess Profits**”), the Portfolio Manager shall be entitled to an amount equal to 100% of such Excess Profits until the total amount due to the Portfolio Manager equals 1/9<sup>th</sup> of the Preferred Return for such period (such amount being the “**Catch-up Amount**”); and, thereafter
- (B) To the extent there are remaining Excess Profits, the Portfolio Manager shall be entitled to an amount equal to 10% of such Excess Profits and 90% of such Excess Profits shall be retained by the Fund.

The “**Monthly Portfolio Return**” shall equal, with respect to each Share Class : (i) all Proceeds received by the Fund since the beginning of the relevant calendar month plus (ii) the change in aggregate Fair Market Value since the beginning of such month, minus (iii) fees and expenses paid during such month, before giving effect to (x) changes resulting solely from the proceeds of issuances of Shares and (y) any accrual to the Performance Fee.

“**Preferred Return**” for the relevant calculation period, with respect to each Share Class, means an amount equal to an annualized interest rate of 8% on the Fair Market Value at the beginning of the relevant calculation period attributable to such Share Class. For the avoidance of doubt, the Preferred Return shall not be cumulative and shall reset at the beginning of each calculation period, and the Preferred Return calculation shall be pro-rated for any partial periods.

“**Fair Market Value**” means, as at the relevant calculation date, with respect to each Share Class, the fair market value of the Fund’s investments determined in accordance with the valuation principles set out in Section 7.10 of this Prospectus (as adjusted for any interim

payments made or received) attributable to such Share Class.

**“Loss Carryforward Amount”** shall, with respect to each Share Class, initially equal zero and shall cumulatively increase by the absolute value of any decrease in the Fair Market Value which is attributable to the net realised and unrealised losses arising from the Fund's investment activities that have not been offset by subsequent cumulative Monthly Portfolio Returns attributable to such Share Class since the initial date of issuance of such Share Class.

**“Performance Period”** means, the quarterly period ending on 31 March, 30 June, 30 September and 31 December in each year.

**“Proceeds”** means all investment proceeds (whether income or capital in nature) arising in connection with the Fund's investments. Proceeds shall include the gross amount of all distributions, dividends, interest and payments of cash, releases of escrow, securities or other property paid or made, or deemed paid or made, with respect to the Fund's investments of the relevant period, including all interest earned on dividends, distributions and other payments and all interest earned on distributions of securities which have been sold or otherwise liquidated, regardless of whether such distributions are callable or not. For this purpose, amounts that would otherwise have been distributed but for the withholding or deduction of any Taxes shall be treated as having been distributed, and the value of all "in-kind" payments, dividends or other non-cash Proceeds shall be the value assigned thereto as of the time of any such Proceeds. For the avoidance of doubt, Proceeds shall also include Proceeds from a full or partial sale of the Fund's investments.

For the purposes of the above calculations, non-EUR denominated Fund Share Classes shall be converted to EUR at the relevant exchange rate(s) on the relevant calculation date.

#### Performance Fee payment

The Performance Fee calculated as set out above, shall be payable to the Portfolio Manager with respect to each Share Class for each Performance Period, quarterly in arrears, subject to the following tests being satisfied:

- (A) Proceeds arising in relation to the Fund's investments during the relevant Performance Period exceed the Preferred Return for such Performance Period (the **“Liquidity Test”**); and
- (B) the ending Net Asset Value attributable to such Share Class (with respect to such Performance Period) exceeds the High Water Mark for such Share Class (the **“HWM Test”**).

**“High Water Mark”** shall mean, with respect to a Share Class, until such time as a Performance Fee is paid in respect of such Share Class, the Net Asset Value attributable to such Share Class at the time of initial issuance of such Share Class and thereafter, the Net Asset Value attributable to such Share Class as at the end of the most recent Performance Period during which a Performance Fee was paid in respect of such Share Class (appropriately adjusted for any distributions, subscriptions or redemptions).

For the avoidance of doubt, under no circumstance shall a Performance Fee be paid in respect of a Share Class to the extent that such payment would result in the Net Asset Value attributable to such Share Class dropping below the High Water Mark applicable to such Share Class.

Any Performance Fees relating to a Share Class that have been accrued but are not paid due to the Liquidity Test and/or the HWM Test not being satisfied with respect to a Performance Period shall be subject to reversal until such time as the Liquidity Test and HWM Test are met with respect to such Share Class in any subsequent Performance Period. Any such Performance Fee amounts shall be reversed (but not below zero) by an amount equal to the negative Monthly Portfolio Return (if any) in any subsequent monthly calculation period.

The Portfolio Manager may at any time in its sole discretion without the consent of any Investor elect to defer receipt of all or any portion of any Performance Fees in respect of which the Liquidity Test and HWM Test have been met and are therefore payable to the Portfolio Manager. For the avoidance of doubt, Performance Fees that have not been paid due to any such deferral shall not be subject to reversal and shall not be subject to any future performance risk of the Fund. Furthermore, there shall be no clawback or give-back obligations with respect to any Performance Fees that have been paid to the Portfolio Manager.

A Performance Fee, if earned, also will be paid upon any intra-Performance Period redemption or transfer (solely with respect to the Shares being redeemed or transferred), subject to any waiver at the discretion of the Portfolio Manager in certain circumstances.

Certain Share Classes will not bear Performance Fees as further described in the table included in Appendix 1.

Share Classes that are subject to Performance Fees will generally not be issued in separate series although the Board of Directors retains the discretion to do so. In connection with the subscription of additional investors to the Fund, where the Board of Directors, acting in good faith, deems it in the best interests of existing investors in a particular Share Class, the Board Directors may take such action(s) as the Board of Directors deems appropriate in order to address material misallocations of Performance Fees between the investors in such Share Class, including without limitation, adjusting the Net Asset Value attributable to such Share Class and/or issuing series in respect thereof.

The Portfolio Manager may procure that an amount equal to all or any portion of the Performance Fee payable to it from the Fund shall be paid by, or otherwise derived from, any investment holding company or other structure established by the Portfolio Manager in connection with the Fund, by way of a fee, profit share or otherwise, provided that any such amounts received by the Portfolio Manager from such investment holding company or other structure shall be treated as satisfying the entitlement of the Portfolio Manager to receive such amount of Performance Fee from the Fund.

The Portfolio Manager (or such other entity as is entitled to receive the Performance Fee in such form as determined by the Portfolio Manager) shall be entitled to receive, as an advance in respect of the Performance Fee amounts, in such amount as is reasonably determined by the Portfolio Manager to be necessary to satisfy any charge to Taxation which has arisen or may arise or is otherwise levied by any relevant tax authority in respect of any direct or indirect receipt or allocation of, or acquisition or holding of any interest by or in any entity which has an interest in, the Performance Fee amounts (in whichever form such entitlement arises). Any payment made pursuant to this Section shall not be repayable.

#### **Establishment Costs**

The Fund is responsible for all costs and expenses associated with the establishment of the Fund, any investment holding vehicles and any other structures established in connection with the performance fee relating to the Fund), including, without limitation, out-of-pocket expenses, legal, accounting, taxation and other professional fees and expenses. The establishment expenses in respect of the Fund are to be amortized over a period of five years.

#### **Acquisition Costs**

The costs of acquiring Investments, including without limitation out-of-pocket expenses, legal, accounting, taxation and other professional fees and expenses, will be borne by the Fund and may be amortized over a period of up to five years.

#### **Expenses**

The Fund will pay out of the assets of the Fund the following charges and expenses:

- i. all Taxes which may be payable by the Fund including on or in relation to any of the assets, income and expenses chargeable to the Fund (provided that the Board of Directors may determine that any such Taxes are Attributable Taxes);
- ii. standard brokerage and bank charges incurred by the Fund's business transactions (these charges are included in the cost of investments and deducted from sales proceeds);
- iii. accounting, due diligence, legal and other professional fees and expenses incurred by the Fund, the AIFM and the Portfolio Manager in respect of the selection of potential investments (including reasonable and fair travelling costs and other out-of-pocket expenses), including all fees, costs and disbursements (including all legal and valuation costs and all out-of-pocket costs including travel, accommodation and meal expenses), incurred by the Fund, the AIFM or the Portfolio Manager in connection with investment proposals which do not proceed to completion;
- iv. all reasonable fees and expenses of the AIFM, the Portfolio Manager (including for the avoidance of doubt fees of any consultants used with respect to the Fund), the Depositary and the Administrator as well as the transaction charges of the Depositary properly incurred in the context of their duties;
- v. the costs incurred in the acquisition, ownership, management or disposal of Investments;
- vi. the costs, including those of insurance, legal advice, tax advice, auditors and appraisers, which may be payable by the Fund, the Board of Directors, the AIFM, the Portfolio Manager, the Depositary or the Administrator for actions taken in relation to the Fund;
- vii. the costs of arranging meetings of the Board of Directors, investors and of any other committees approved by the Board of Directors;

- viii. fees, costs and expenses payable to the Directors (including reasonable out-of-pocket expenses, insurance coverage, and reasonable travelling costs in connection with Board of Director meetings as well as the remuneration of the Directors) (the annual fees per Director will, in principle, be fixed at EUR 25,000 per annum subject to certain additional fees depending on the number of meetings of the Board of Directors held);
- ix. the reasonable fees and travel expenses of those members of the Investment Committee and Valuation Committee who are not directly employed by the AIFM, the Portfolio Manager or its affiliates;
- x. the fees and expenses incurred to enable the Fund to comply with existing and future legislation and official requirements, included such fees and expenses incurred in connection with the authorization, registration approval or recognition of the Fund and its Share Classes by the competent authorities in any country or territory and all fees and expenses incurred in connection with maintaining any such authorization, registration, approval or recognition;
- xi. the costs of preparing, depositing, translating (as required by law) and publishing the Prospectus, the Articles of Incorporation and other documents in respect of the Fund, including notifications for registration, prospectuses and memoranda for all governmental authorities and stock exchanges (including the associations of local securities dealers) which are required in connection with the Fund or with offering the Shares, the costs of printing and distributing yearly and any interim reports for the Shareholders, together with the costs of printing and distributing all other reports and documents which are required by the relevant legislation or regulations, the costs of bookkeeping and computation of the Net Asset Value per Share, the costs of notifications to Shareholders, the fees of the Auditor and legal advisers, and all other similar administrative expenses;
- xii. the costs of obtaining and maintaining a listing of Shares and all professional and other fees and expenses incurred in connection therewith;
- xiii. costs of establishment of any structures in relation with the Fund, including investment holding companies established for the purpose of effecting the Fund's investments;
- xiv. the final liquidation costs of the Fund; and
- xv. all other reasonable costs and expenses incurred in relation to the establishment, registration in a jurisdiction or operation of the Fund and the reasonable and proper proportion of any costs incurred in relation to the Fund which are of a similar nature to those described above.

#### **7.16 Parallel Funds and Feeder Funds**

The Portfolio Manager and any of its affiliates may establish parallel funds ("**Parallel Funds**") and/or feeder funds ("**Feeder Funds**") from time to time, if required to accommodate particular legal, tax and/or regulatory requirements.

The Fund will enter into a co-investment agreement with the Parallel Funds (if any) for pro rata investment at the same time and on materially the same terms, in parallel on the terms of such agreement and the Board of Directors shall accordingly arrange for the Fund to enter into such agreement.

#### **7.17 Limitation of liability and indemnities**

- a) None of the Indemnified Persons shall have any liability for any loss to the Fund or the Shareholders arising in connection with the services to be performed under or pursuant to this Prospectus or the Articles of Incorporation, or under or pursuant to any management agreement or other agreement relating to the Fund or in respect of services as a Director or which otherwise arise in relation to the operation, business or activities of the Fund, unless there has been a final non-appealable adjudication by a court of competent jurisdiction that such Indemnified Person has committed an act or omission that constitutes fraud (*fraude*), gross negligence (*faute lourde*), wilful misconduct (*dol*) or, save in the case of Indemnified Individuals, their gross negligence (provided that such gross negligence had a material adverse effect on the Fund), provided that nothing in this Section shall exclude or limit any liability of the Indemnified Person that may not, under Luxembourg law, be excluded or limited.

- b) Subject to the following paragraph, the Fund agrees to indemnify and hold harmless out of Fund's assets the Indemnified Persons against any and all liabilities, actions, proceedings, claims, costs, demands, damages and expenses (including legal expenses) suffered, incurred or threatened arising:
  - i. out of or in connection with or relating to or resulting from the Indemnified Person being or having acted as a director in respect of the Fund;
  - ii. in respect of or in connection with any matter or other circumstance relating to or resulting from the exercise of its powers as a director;
  - iii. from the provision of services to or in respect of the Fund or under or pursuant to any management agreement or other agreement relating to the Fund; or
  - iv. which otherwise arise in relation to the operation, business or activities of the Fund.
- c) No Indemnified Person shall be indemnified under the paragraph (c) with respect to any matter as to which there has been a final non-appealable adjudication by a court of competent jurisdiction that such Indemnified Person has committed an act or omission that constitutes fraud (*fraude*), gross negligence (*faute lourde*), wilful misconduct (*dol*) or, save in the case of Indemnified Individuals, their gross negligence (provided that such gross negligence had a material adverse effect on the Fund), provided that no Indemnified Person shall be indemnified pursuant to paragraph (c) in respect of any matter for which such person may not, under Luxembourg law, be indemnified.
- d) Prior to a final non-appealable adjudication by a court of competent jurisdiction of any claim or proceeding with respect to which any Indemnified Person may be entitled to indemnification hereunder, the Fund will pay to the Indemnified Person, in advance of such disposition, an amount equal to all expenses of such Indemnified Person reasonably incurred in the defence of such claim or proceeding so long as the Fund has received a written undertaking by such Indemnified Person to repay to the Fund the amount so advanced if it shall be finally adjudicated (without any opportunity to appeal) by a court of competent jurisdiction that such Indemnified Person was not entitled to indemnification under paragraph (c). Upon making full payment to an Indemnified Person for any indemnification claim hereunder, if the Indemnified Person has no continuing liability with respect to any claim or proceeding with respect to which such Indemnified Person may be entitled to indemnification hereunder, then the Fund (or its insurance provider, if any, if required by the terms of any insurance policy) shall be subrogated to the extent of such payment to any rights that the Indemnified Person may have to receive indemnification payments from other Persons with respect to the subject matter underlying such indemnification claim.
- e) For the avoidance of doubt, the indemnities under paragraph (c) shall continue in effect notwithstanding that the Indemnified Person shall have ceased provide services to or in respect of the Fund or to act in any of the capacities described in paragraph (c) and shall, to the extent set out in paragraph (g), continue in effect notwithstanding the termination of the Fund.
- f) The Directors, the AIFM or the Portfolio Manager shall not be liable to any Shareholder or to the Fund for the negligence, dishonesty or bad faith of any agent acting for the Board of Directors, the AIFM, the Portfolio Manager or for the Fund provided that such agent was selected, engaged and retained by the Board of Directors, the AIFM or the Portfolio Manager, as the case may be, applying reasonable care.
- g) Each of the Shareholders shall indemnify each of the Directors, the AIFM or the Portfolio Manager, any of their affiliates and the Fund against the amount of taxation for which any of the foregoing Persons is liable either on behalf of that Shareholder or in respect of that Shareholder's Shares.

#### **7.18 Acquisitions of investments by the Fund from UBS Affiliates/ UBS Vehicles**

With the consent of the Board of Directors, the Fund may from time to time acquire investments from the Portfolio Manager or one or more of its affiliates ("UBS Affiliates") or investment vehicles established, managed, operated or advised by any UBS Affiliate (whether established either currently or in the future) (each a "UBS Vehicle"). For the avoidance of doubt, such terms may include the contribution of assets by such UBS Vehicle and/or some or all of their underlying investors to the Fund in exchange for Shares.

#### **7.19 Statutory and Financial Information**

##### **The Fund**

The Fund is an open-ended investment company (*Société d'investissement à capital variable – SICAV*) and qualifies as a part II undertaking for collective investment under the 2010 Law. The duration of the Fund is unlimited. The initial capital on incorporation is EUR 30,000. On incorporation all of the Shares representing the initial capital will be subscribed for and were fully paid. The Articles of Incorporation will be filed with the Luxembourg Trade and Companies Register.

### **Share Capital**

The capital of the Fund will always be equal to the value of its net assets. Pursuant to the 2010 Law, six months after the Fund is incorporated, the minimum Net Asset Value should not be less than EUR 1,250,000. The Shares are of no par value and must be issued fully paid. The Shares carry no preferential or pre-emption rights.

### **Meetings**

The annual general meeting of Shareholders of the Fund is held in Luxembourg at the address and at such date and time specified in the convening notice of the meeting within six (6) months of the end of each financial year (or, if such day is not a Business Day, on the next following Business Day). Other general meetings of shareholders will be held at such times and places as are indicated in the notices of such meetings. Notices are sent to the Shareholders in accordance with Luxembourg Law.

### **Voting**

At all meetings of Shareholders, each Shareholder is entitled to a number of votes proportionate to the Net Asset Value of its Shares converted into Euro, with 1 EUR giving right to one vote subject to any limitations set-forth in the Articles of Incorporation. For the purpose of the above calculation, the Shares denominated in a reference currency other than Euro shall be converted into the Euro by reference to the exchange rate(s) prevailing on the relevant Dealing Day. Except as otherwise required by law or as otherwise required herein, resolutions at a meeting of Shareholders duly convened will be passed by a simple majority of those present or represented and voting.

### **Documents for Inspection**

Copies of the following documents, in English, are available for inspection during usual business hours on any Business Day at the registered office of the Fund:

- a) this Prospectus;
- b) the Articles of Incorporation; and
- c) the annual and interim reports (as further described below).

A copy of such documents may also be obtained free of charge upon request at the offices of the Fund.

### **Financial Year, Reports and Base Currency**

The financial year-end of the Fund shall be December 31 of each year.

Within six months from the relevant year-end, an annual report containing the audited financial accounts of the Fund in respect of the preceding financial period will be made available to the Shareholders on request (the “**Annual Report**”).

Within three months from the end of the relevant half-year, a semi-annual report containing the unaudited interim accounts of the Fund in respect of the preceding half-year will be made available to the Shareholders on request (the “**Semi-Annual Report**”).

The Annual Report and the Semi-Annual Report will be established in accordance with the 2010 Law and the 2013 Law.

The financial statements are prepared in accordance with the IFRS as adopted by the European Union.

Unaudited investor reports and statements are made available to the Shareholders on a quarterly basis on request. Such reports shall inform the Shareholders of any material changes to the information disclosed to them in accordance with article 21 of the 2013 Law, including, but not limited to:

- a) the percentage of the Fund’s assets which are subject to special arrangements arising from their illiquid nature;
- b) any new arrangement for managing the liquidity of the Fund; and
- c) the current risk profile of the Fund and the risk management systems employed by the AIFM to manage those risks.

Information related to any changes to the maximum level of leverage (within the meaning of the 2013 Law) which the AIFM may employ on behalf of the Fund as well as any right of the reuse of collateral or any guarantee under the leveraging arrangement will be disclosed to the Shareholders in the quarterly report.

The base currency of the Fund is Euro.

## **7.20 Confidentiality**

Subject to Section 7.21 (other than Section 7.21(vi)), each Shareholder shall treat as confidential, and shall not disclose or use any information in respect of the Fund, including without limitation information which relates to:

- (i) the provisions of this Prospectus, the Articles of Incorporation and any other agreements in respect of the Fund;
- (ii) the negotiations relating to any documents in respect of the Fund;
- (iii) the Board of Directors, the AIFM, the Portfolio Manager or their respective affiliates and their respective business, financial or other affairs and/or their respective employees, officers, directors, parties, members or shareholders;
- (iv) information regarding actual or prospective Investments or their businesses; or
- (v) any information regarding the Fund and its Investments received or obtained by Shareholders.

The obligations and undertakings of each Shareholder under this Section shall be continuing and shall survive termination of the Fund and this Prospectus. Any restriction or obligation imposed on a Shareholder pursuant to this Section may be waived by the Board of Directors. Any such waiver or modification by the Board of Directors shall not constitute a breach of this Agreement or of any duty stated or implied in law or in equity to any Shareholder, regardless of whether different agreements are reached with different Shareholders.

The Shareholders agree that irreparable damage would occur to the Fund if the provisions of this Section were breached. It is accordingly agreed that the parties hereto shall be entitled to seek an injunction or injunctions to prevent breaches of this Section and to enforce specifically the terms and provisions hereof in the courts of Luxembourg, in addition to any other remedy to which they are entitled at law or in equity.

## **7.21 Permitted disclosure**

Section 7.20 shall not prohibit disclosure or use of any information if and to the extent that:

- (i) the disclosure or use is required by law, any regulatory body or the rules and regulations of any recognized stock exchange;
- (ii) the disclosure or use is required to vest the full benefit of this Prospectus in any Shareholder;
- (iii) the disclosure is made to any professional legal or tax advisers of the relevant Shareholder bound by professional standards of confidentiality or as reasonably required to be made to any taxation authority;
- (iv) the information becomes publicly available (other than by breach of this Prospectus);
- (v) the party which is the subject of the confidential information has given prior written approval to the disclosure or use;
- (vi) the information is provided by the Board of Directors and/or the AIFM to placement agents and/or potential investors (as reasonably required) on a confidential basis in connection with the marketing by the Board of Directors and/or the AIFM or any of their affiliates of any investment fund or management service;
- (vii) the information is provided by the Board of Directors and/or the AIFM to one or more banks proposing to provide, or which have provided, a credit facility to the Fund or in the course of a transaction by the Fund relating to an Investment on a confidential basis to persons who have given undertakings of confidentiality in respect thereof to the extent necessary to provide the relevant bank with the appropriate comfort necessary to allow it to provide any financing or guarantees in connection with such transaction;
- (viii) the disclosure by a Shareholder on a confidential basis to its professional advisers or service providers (to the extent such disclosure is necessary for the purposes of the service(s) being provided by them) or its shareholders, partners, noteholders, affiliates or any person for whom such shareholders, partners, noteholders or affiliates hold on trust, who need to know such information either under the constitution of the Shareholder or for legal, regulatory or reporting compliance purposes, and who have given prior written undertakings of confidentiality to the Shareholder agreeing to be bound by substantially similar standards of confidentiality in respect of such information as bind the Shareholder under this Prospectus ("**Permitted**



Disclosees”), provided that the Shareholder shall be held directly liable for any breach of such confidentiality undertaking by one or more of such Permitted Disclosees as if such breach were its own (save to the extent that any Permitted Disclosee has entered into a confidentiality undertaking directly with the Board of Directors); or

- (ix) disclosure of the information is made with the prior written consent of the Board of Directors, provided that prior to disclosure or use of any information pursuant to Section 7.21 (i) or 7.21(ii) (except in the case of disclosure to a taxation authority or use in relation to taxation) the party concerned shall promptly notify the Board of Directors of such requirement with a view to providing the other parties with the opportunity to contest such disclosure or use or otherwise to agree the timing and content of such disclosure or use.

## **7.22 Taxation**

### **Luxembourg taxation**

The statements herein regarding taxation in Luxembourg are based on Luxembourg Law as of the date of this Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Shares. Each prospective holder or beneficial owner of Shares should consult its tax adviser as to the Luxembourg tax consequences of the ownership and disposition of the Shares.

### **The Fund**

Under current law and practice the Fund, set-up as a Part II UCI under the 2010 Law, is not liable for any Luxembourg corporate income tax, municipal business tax and net wealth tax. Distributions made by the Fund are not in themselves distributions that are subject to withholding tax. However, some payments made to individual investors who are tax resident in Luxembourg could be subject to 20% withholding tax on savings income including without limitation interest payments, in the case where the Law of 23 December 2005 would be applicable.

The Fund is, however, liable in Luxembourg to a subscription tax of 0.05% per annum calculated on its Net Asset Value (“*Taxe d’Abonnement*”). The rate will be 0.01% per annum in respect of Share Classes wholly held by institutional investors, as provided for by article 174 of the 2010 Law (“Institutional Investors”). Investments by the Fund in shares or units of another Luxembourg undertaking for collective investment are excluded from the Net Asset Value of the Fund serving as a basis for the calculation of the *Taxe d’Abonnement* payable by that Fund. The *Taxe d’Abonnement* is payable quarterly on the basis of the Net Asset Value of the Fund at the end of the relevant calendar quarter. The benefit of the 0.01% *Taxe d’Abonnement* is available to Share Classes held by Institutional Investors on the basis of the Luxembourg legal, regulatory and tax provisions as these are known to the Fund at the time of admission of an investor in such Share Class. Such assessment is subject to such changes in the laws and regulations of Luxembourg and to such interpretation on the status of an eligible investor in the Share Classes for Institutional Investors by any competent Luxembourg authority as will exist from time to time. Any such re-classification made by an authority as to the status of an investor may submit the entire Share Class to a *Taxe d’Abonnement* at the rate of 0.05% per annum.

Furthermore, as from January 1st, 2021, Part II UCIs (or their individual compartments) can also benefit from a reduced subscription tax rate (up to 0.01%) for their portion of net assets invested in “taxonomy” compliant activities within the meaning of article 3 of EU regulation 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment.

No stamp or other tax is payable in Luxembourg on the issue of Shares.

No Luxembourg tax (other than the above mentioned *Taxe d’Abonnement*) is payable on the realized or unrealized capital appreciation of the assets of the Fund.

Dividends, distributions and/or interest received by the Fund on its Investments may be subject to non-recoverable withholding taxes in the countries of origin.

Target Funds and their investments may be subject to taxes in their countries of origin which may impact the return of the Fund.

The Fund should generally be entitled to tax treaty benefits unless provided otherwise.

### **Luxembourg VAT Status of the Fund**

As an AIF, the Fund will be automatically considered a ‘taxable person’ for VAT purposes without any input VAT deduction right.

As a 'taxable person' established in Luxembourg, the Fund will be obliged to self-assess Luxembourg VAT due under the "reverse charge" mechanism on non-VAT exempt supplies received from suppliers established outside Luxembourg, unless such services could benefit from a VAT exemption under the Luxembourg VAT Law. The receipt of any non-VAT exempt services subject to 'reverse charge' mechanism would trigger an obligation for the Fund to register for Luxembourg VAT under the simplified regime, to enable the declaration and payment of Luxembourg VAT due through simplified annual VAT returns.

A VAT exemption applies under the Luxembourg VAT Law for services qualifying as 'fund management' services for the ultimate benefit of AIFs.

No VAT liability arises in principle in Luxembourg in respect of any payments by the Fund to its Investors, to the extent that such payments are linked to their subscription to the Fund's shares and do not constitute the consideration received for taxable services supplied.

#### **Shareholders**

Shareholders are not normally subject to any capital gains, income, withholding, gift, estate, inheritance, wealth or other tax in Luxembourg except for Shareholders domiciled, resident or having a permanent establishment in Luxembourg.

For the avoidance of doubt, a sale of Shares or repurchase by a Luxembourg-resident Shareholder would be treated as a disposal of Shares for the application of the above paragraph.

Any income derived by Luxembourg resident individuals, who act in the course of their private wealth, could be taxed depending on the nature of payments received from the Fund.

Luxembourg resident corporate Investors (sociétés de capitaux) must include any income derived, as well as any gain realised on their investment in the Fund, in their taxable income for Luxembourg tax assessment purposes. Luxembourg resident corporate Investors should be also subject to Luxembourg net wealth tax. Specific exemptions could apply based on the investor's tax status (e.g. if the investor itself is an undertaking for collective investment subject to a special law) or domestic exemption.

Investors should ascertain from their professional advisers the consequences of their acquiring, holding, redeeming, converting, transferring or selling Shares under the laws of the jurisdictions to which they are subject, including the tax consequences and any foreign exchange control requirements.

For further information please refer to Section 8.3 "**Tax Considerations**".

#### **Base Erosion and Profit Shifting 'BEPS'**

The OECD is currently undertaking the BEPS project. Various actions have been identified and consultations have been undertaken. It is not yet clear what the outcomes will be although the outcomes, recommendations and implementation of the project into domestic legislation could have a significant impact on the tax position of the Investors, the Fund and the underlying investments. In addition, depending on the BEPS outcomes, additional information may be required from investors to particularly benefit from reliefs under treaties/directives.

#### **Automatic Exchange of Information - FATCA and the Common Reporting Standard and other tax reporting regimes**

As an investment entity established in Luxembourg, the Fund is required by automatic exchange of information regimes, such as those described below (and others as may be introduced from time to time), to collect certain information about each investor and their tax status and to share that information with the Luxembourg tax authorities, who may then exchange it with tax authorities in the jurisdictions in which the investor is tax resident.

Pursuant to the U.S. Foreign Account Tax Compliance Act and associated legislation ("**FATCA**"), the Fund is required to comply with extensive due diligence and reporting requirements designed to inform the U.S. Department of the Treasury of financial accounts of "Specified U.S. Persons", as defined by the Intergovernmental Agreement ("**IGA**") concluded between Luxembourg and the U.S. Failure to comply with these requirements may subject the Fund to U.S. withholding taxes on certain U.S. sourced income and, effective 1 January 2019, gross proceeds. Pursuant to the IGA, the Fund will be deemed compliant and not subject to withholding tax if it identifies and reports financial accounts held by Specified U.S. Persons directly to the Luxembourg tax authorities, who will then provide it to the U.S. Internal Revenue Service.

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard ("**CRS**") to address the issue of offshore tax evasion on a global basis. Pursuant to the CRS, financial institutions based in participating CRS jurisdictions (such as the Fund) must report to their local tax authorities personal and account information of investors and, where

appropriate, controlling persons resident in other participating CRS jurisdictions which have an agreement in place with the financial institution's jurisdiction to exchange information. Tax authorities in participating CRS jurisdictions will exchange such information on an annual basis. The first information exchanges have begun in September 2017. Luxembourg has enacted legislation to implement the CRS. As a result, the Fund will be required to comply with the CRS due diligence and reporting requirements adopted by Luxembourg.

Prospective investors will be required to provide to the Fund information, certifications, representations and forms ("Information") about themselves and their tax status prior to investment and may be required to provide such Information including about their direct or indirect owners, account holders and controlling persons prior to investments and/or during the life of the Fund in order to enable the Fund to satisfy its obligations under FATCA and the CRS as well as to permit the AIFM to comply with any present or future legal, regulatory or tax requirements applicable to any relevant entity, any Shareholder (and/or direct or indirect owners) or any Investments or proposed investments of the Fund or to mitigate any Taxation assessable on any relevant entity, and to update that information on a continuing basis. Prospective investors should note the Fund's obligation to disclose such information to the Luxembourg tax authorities. Each investor acknowledges that the Fund may take such action as it considers necessary in relation to such investor's holding in the Fund to ensure that any withholding tax suffered by the Fund and any other related costs, interest, penalties and other losses and liabilities arising from such investor's failure to provide the requested information to the Fund is economically borne by such investor. This may include subjecting an investor to liability for any resulting U.S. withholding taxes or penalties arising under FATCA or the CRS and/or the compulsory redemption or liquidation of such investor's interest in the Fund.

Detailed guidance as to the mechanics and scope of FATCA and the CRS is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future operations of the Fund. Prospective investors should consult their own tax advisor with regard to FATCA and the CRS and the potential consequences of such automatic exchange of information regimes.

#### **DAC 6 – Disclosure requirements for reportable cross-border tax arrangements**

On 25 June 2018, DAC 6 entered into force introducing rules regarding the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements ("RCBAs"). DAC6 is intended to provide the tax authorities of EU member states with comprehensive and relevant information about potentially aggressive tax-planning arrangements with the aim that this information will enable the authorities to react promptly against harmful tax practices and close loopholes by enacting legislation or by undertaking adequate risk assessments and carrying out tax audits.

The DAC 6 obligations apply from 1 July 2020, but may require reporting of arrangements implemented between 25 June 2018 and 30 June 2020. The Directive generally requires EU intermediaries to report to their local tax authorities information about RCBAs, including details of the arrangement as well as identification information about the involved intermediaries and relevant taxpayers, i.e. the persons to whom the RCBA is made available. Subsequently, the local tax authorities exchange the information with the tax authorities of other EU member states. As such, the Fund may be legally required to file information that is within its knowledge, possession or control on any RCBA to the respective tax authorities. This legislation is capable of applying to arrangements that do not necessarily constitute aggressive tax planning.

The Fund may be subject to such reporting obligations under DAC 6. Failure to comply with DAC 6 obligations may result in penalties (up to €250,000 per reportable cross-border arrangement in Luxembourg). Therefore, it may face penalties in case of non-compliance and the value of Shares in the Fund held by all Investors may be materially affected.

#### **"Specified U.S. Person" for FATCA purposes**

The term "Specified U.S. Person" means a U.S. Person, other than: (i) a corporation the stock of which is regularly traded on one or more established securities markets; (ii) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause (i); (iii) the United States or any wholly owned agency or instrumentality thereof; (iv) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing; (v) any organization exempt from taxation under section 501(a) or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code; (vi) any bank as defined in section 581 of the U.S. Internal Revenue Code; (vii) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code; (viii) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the Securities Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64); (ix) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code; (x) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code; (xi) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State; or (xii) a broker as defined in section 6045(c) of the U.S. Internal Revenue Code.

## 7.23 General Information

### Termination of the Fund

- a) If at any time the capital of the Fund falls below two-thirds of the minimum capital required by Luxembourg Law, the Board of Directors must submit the question of dissolution of the Fund to a general meeting of Shareholders acting, without quorum requirements, by a simple majority decision of the Shares present or represented at such meeting.
- b) If at any time the capital of the Fund is less than one-quarter of the minimum capital required by Luxembourg Law, the Board of Directors must submit the question of dissolution of the Fund to a general meeting of Shareholders, acting without quorum requirements, and a decision to dissolve the Fund may be taken by the Shareholders owning one-quarter of the Shares present or represented at such meeting.
- c) In case the Board of Directors deems it appropriate because (i) of changes in the economic or political situation affecting the Fund, (ii) the coming into force of any law, regulation or binding authority that renders illegal or impracticable, in the reasonable opinion of the Board of Directors, the continuation of the Fund; (iii) after consultation with the investors, the AIFM and/or the Portfolio Manager, the Board of Directors deems it to be in the best interests of the Fund; (iv) of the removal of the Portfolio Manager, or (v) of the entry of a decree of judicial dissolution pursuant to any applicable law the Board of Directors may, after giving notice to the Shareholders concerned, redeem all (but not some) of the Shares of the Fund on the Redemption Dealing Day provided in such notice at the Net Asset Value reflecting the anticipated realization and liquidation costs on closing of the Fund, but without any Redemption Charge, or after giving one month's prior notice to the Shareholders concerned, merge the Fund with another Luxembourg fund.

Except as provided in paragraph (c) above, the compulsory redemption of all of the Shares of the Fund and its termination or the merger with another Luxembourg fund, may be effected upon only with the prior approval by the Shareholders of the Fund to be terminated or merged at a duly convened general meeting of the Fund concerned which may be adopted in the manner required for an amendment of the Articles.

A merger so decided by the Board of Directors or approved by the Shareholders of the Fund in accordance with the foregoing provisions will be binding on the Shareholders upon one month's notice thereof given to them during which period the Shareholders may redeem their Shares without any Redemption Charge. In the case of a merger with a *fonds commun de placement*, the decision will be binding only on those Shareholders having voted in favor of the merger.

Liquidation proceeds not claimed by Shareholders at the close of liquidation of the Fund will be held by the Depositary for a minimum period of six months and will thereafter be deposited at the *Caisse de Consignation* in Luxembourg and shall be forfeited after thirty years.

### Dissolution of the Fund

If the Fund shall be voluntarily liquidated, its liquidation will be carried out in accordance with the provisions of the 2010 Law. The net proceeds of liquidation shall then be distributed by the liquidators to the Shareholders in proportion to their holding of Shares and the entitlement of such Shares. Monies to which Shareholders are entitled will, unless claimed prior to the close of the liquidation, be deposited at the *Caisse de Consignation* in Luxembourg to be held on their behalf. Amounts not claimed from escrow within the prescription period would be liable to be forfeited in accordance with the provisions of Luxembourg Law.

### Governing Law and Legal Implications of the Contractual Relationship

The Fund documentation shall be governed by Luxembourg law and the courts of Luxembourg shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Fund and the documents to be entered into pursuant to it. Investors will offer to subscribe for shares pursuant to a subscription application governed by Luxembourg law. Investors whose offers to subscribe for shares are accepted by the Fund will become Shareholders.

### Enquiries

Any enquiries regarding the Fund should be addressed to the Administrator.

Northern Trust Global Services SE  
10, rue du Chateau d'Eau  
L-3364 Leudelange

Information on the Fund may also be obtained from its registered office.

## 8. Risk Factors, Regulatory Considerations, Tax Considerations and Conflicts of Interest

### 8.1 Risk factors

The risks described herein should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in the Fund. Potential investors should be aware that an investment in the Fund may be exposed to other risks of an exceptional nature from time to time. Investors should be aware that an investment in the Fund should be viewed as long term. Moreover, investors should note that because investments in securities can be volatile and that their value may decline as well as appreciate, there can be no assurance that the Fund will be able to attain its objectives. The value of the interests in the Fund as well as the income therefrom may go down as well as up to reflect changes in the net asset value of the Fund. An investment should only be made by those investors who could sustain a loss on their investment. Potential investors should review this Prospectus carefully and in its entirety and consult with their professional and financial advisers before subscribing to the Fund. In particular, potential investors should note that any or all of the risks indicated below may materialise at the level of the Fund and/or at the level of any number of the Investments. To the extent the risks will materialise cumulatively on a number of levels within the investment structure, the consequences and potential damages for Shareholders may be significantly more severe. Any decision to invest should take into account all the characteristics or objectives of the Fund as described in this Prospectus, or similar legal documentation. Shareholders are acquiring Shares in the Fund, and not in a given underlying asset such as building or shares of a company.

#### GENERAL RISKS

##### Nature Of Investment

An investment in the Fund is speculative in nature and involves a high degree of risk for a number of reasons, including without limitation those set forth below. There can be no assurance that the Fund will meet its investment objectives or otherwise be able successfully to implement its investment programme.

There may be a significant period of time before the Fund has substantially invested according to the investment programme, and there is no guarantee a commitment will be fully invested. Investments are expected to take several years to mature, and it is also expected that, in accordance with the private equity industry and the nature of the Investments, there will be years of poor performance (often depicted by the early years as the so-called “J-curve”) before there is any opportunity to realise a profit or benefit from a distribution.

Even if the Fund's Investments are successful, they may not produce significant cash flow to Investors for a number of years. The AIFM is not recommending the purchase of the Shares.

##### Investment Risks

Identifying, selecting and completing Investments involves a high level of risk and uncertainty. There can be no assurance that the pace of investment and/or the performance of the Investments will be positive or result in rates of return that are consistent with historical performance of the AIFM or the Portfolio Manager or members of the investment team or with historical performance or market indices in the sector, where revenue volatility is in part based on events which the Board of Directors, the AIFM or the Portfolio Manager may reasonably assess but not control. In addition, investments in unquoted entities are intrinsically riskier than in quoted entities as they may be smaller, more vulnerable to changes in markets and technology, dependent on the skills and commitment of a small management team and may be difficult to value.

It is possible that some of the Investments will experience financial difficulties that may never be overcome.

Investments of the Fund in certain underlying funds, which are sponsored by UBS, may not be subject to the same fee discounts available to non-affiliated investors in such underlying funds.

##### Risks Of Investing In Private Equity

The Fund will be investing in funds that invest in private equity transactions. Due to the nature of the Investments which the Fund will make, the risk attached to an investment in the Fund is above the average risk attached to an investment in a fund that invests in publicly-traded securities, and therefore an investment in the Fund is suitable only for investors who are in a position to take such a risk including the possible loss of their entire investment.

Due to the nature of private equity markets, there is no guarantee that sufficient suitable investment opportunities will be found for the Fund to invest in, nor can there be any assurance that the private equity Investments will find suitable investment opportunities. As a result, there is no guarantee that the desired levels of diversification will be achieved by the Fund or by the Fund's Investments.

The securities in which the underlying funds will invest may be the most junior in what typically will be a complex capital structure, and thus subject to the greatest risk of loss as the claims of the underlying funds may be of a subordinate rank compared to other third party creditors and can only be recovered once all other creditors have been satisfied.

As there are generally no limits to the degree of leverage at the level of Fund's Investments many of the investments may be in businesses with high levels of debt or in leveraged buyouts. Leveraged buyouts by their nature require the underlying funds to service substantial debt obligations, which result in a high ratio of fixed interest charges to anticipated revenues. Leveraged investments are inherently more sensitive to declines in revenues and to increases in expenses (e.g. an increase in key interest rates). There can be no assurance that any targeted return will be attained. Additional financial risk of a similar nature may arise from the borrowing by the Fund itself.

Besides the high degree of financial risk due to relatively high leverage the underlying funds may also incur counterparty and operating risks, which may give rise to the risks of insolvency of the underlying funds and total loss of funds invested.

There may be a significant period of time before the underlying funds have invested all of their committed capital. Investments made by the Fund will be long-term in nature and will require several years before they are suitable for realisation. Realisation of value from such Investments will be difficult in the short term or may have to be made at a substantial discount compared to freely tradable investments. Proceeds from the realisation of Investments in underlying funds may be retained by the Fund to meet its obligations and pay expenses. It is therefore possible that no significant cash return will occur for some years.

In order to preserve the confidential nature of Investments, the Investments in which the Fund seeks to invest may refuse to accept investors that are subject to any law, rule or regulation that could require public disclosure of confidential information provided to such investor or, in case after the investment such investor becomes subject to any such law, rule or regulation, may require such investor to withdraw.

In negotiating the terms of an Investment, the AIFM and/or the Portfolio Manager intends to obtain contractual provisions which will facilitate implementation of exit strategies such as sales to third parties. However, there can be no assurance that market, political or economic conditions will permit the successful implementation of such exit strategy at the time or in the manner required to provide an attractive return on the Fund's Investment.

#### **Fund And Past Performance**

The performance of prior investments of the Fund's investment professionals is not necessarily indicative of the Fund's future results. While the AIFM and the Portfolio Manager intend for the Fund to make Investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that the targeted internal rates of return will be achieved. On any given Investment, loss of principal is possible. Furthermore, the Fund's performance over a particular period may not necessarily be indicative of the results that may be expected in future periods.

Future performance is subject to taxation which depends on the personal situation of each investor and which may change in the future

#### **Market And Illiquidity Risk**

The Fund will be significantly indirectly exposed to unquoted companies. Applicants should therefore note that investments in the Investments tend to be extremely illiquid in nature. This may affect the price at which the Fund may liquidate positions to meet funding requirements. In addition, some of the exchanges on which the Fund's underlying investments might be trading may prove to be illiquid, insufficiently liquid or highly volatile from time to time. Furthermore, the Investments may not be freely redeemable and may be subject to restrictions on transferability.

#### **Large Redemption Risk**

Large redemptions of Shares in a Fund might result in a Fund being forced to sell assets at a time and price at which the AIFM and/or the Portfolio Manager would normally prefer not to dispose of those assets possibly leading to a lower price being realised for such assets. This may limit the ability of the AIFM and/or the Portfolio Manager to successfully implement the investment strategy of the Fund and could negatively impact the value of the Shares being redeemed and the value of Shares that remain outstanding. In addition, following receipt of a redemption request, the Fund may be required to liquidate assets in advance of the applicable Redemption Dealing Day, which may result in the Fund holding cash or highly liquid investments pending such Redemption Dealing Day. During any such period, the ability of the AIFM and/or the Portfolio Manager to successfully implement the investment strategy of the Fund may be impaired and the Fund's returns may be adversely affected as a result.

#### **Financial Market Fluctuations**

General fluctuations in the market prices of securities may affect the value of the Investments that will be made by the Fund, especially

for Investments whose capital structures employ significant amounts of indebtedness.

#### **Timing of Distributions; Unpredictability Of Distributions**

Distributions will be made at the sole discretion of the Board of Directors. Other than distributions sourced from regular operating profits of underlying Investments, return of capital and realisation of gains, if any, on Investments will generally occur only upon the refinancing of equity Investments made by the Fund, repayment of project loans or other disposition by the Fund of Investments, which may not occur (if at all) for many years after the Fund's initial Investments or the Fund's acquisition of such portfolio investments. Such distributions are likely to be variable and unpredictable and may occur earlier or later than anticipated by the Board of Directors or the AIFM. There can be no assurance that the operation of the Fund will be profitable, that the Fund will be able to avoid losses or that cash from its Investments will be available for distribution to Investors. The Fund will have no source of funds from which to pay distributions to the Investors other than income and gain received on its Investments and the return of capital.

#### **Political, Regulatory And Sub-Custodial Risks**

The value of the Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which Investments may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which Investments may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

Recent developments in international financial markets have contributed to heightened regulation. In recent years, there has been debate in the EU and other governments about new rules or regulations, including increased oversight or taxation. As calls for additional regulation have increased, there may be a related increase in regulatory oversight of the investment activities of fund managers. Such oversight may cause the Fund to incur additional expenses.

#### **Depository Risks**

Investors should note that the local custody services may remain less developed in some international markets than in others and there is a transaction and custody risk involved in dealing in such markets. The costs borne by the Fund in investing and holding investments in such markets will generally be higher than in organised securities markets.

#### **Hedging Policies and Risks**

Whilst no investment hedging is contemplated, in connection with the acquisition of Investments, the Fund may employ hedging techniques designed to protect the Fund against adverse movements in currency or interest rates. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while the Fund may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices, the financial condition of hedging counterparties, or currency exchange rates may result in a poorer overall performance for the Fund than if it had not entered into such hedging transactions.

#### **Currency Risks and Hedging**

Non-Euro denominated investments are not hedged back to Euro, the reference currency of the Fund. Each Share Class which is not denominated in Euro may in addition be hedged against its reference currency at the Class level. Although the AIFM and/or the Portfolio Manager may enter into hedging transactions designed to reduce currency risks with respect to Investments, there can be no assurance that the AIFM and/or the Portfolio Manager will be able to do so successfully or cost-effectively, and losses may occur as a result of such currency hedging activities and there will be additional expenses borne by the Fund as a result of any such hedging activities. Investors should be aware that where any hedging is undertaken it is impossible to hedge currency risk perfectly where the magnitude and timing of future cash flows can only be estimated and is not known with certainty. Thus prudent currency hedging policies can only serve to minimize or reduce risk, but not to eliminate the risks of currency fluctuations. Hedging will be undertaken in times where the base currency to be hedged is declining or increasing in value relative to the other currencies and hence, there may be no benefit to the Shareholders during periods of depreciation.

Changes in currency exchange rates may affect the value of the Fund's portfolio investments, as well as the value of the interests of the Investors investing through the Fund. In addition, there can be no assurances regarding the stability of the Euro during the life of the Fund.

If all or part of the total costs to be paid is different from your reference currency, the costs may increase or decrease as a result of currency and exchange rate fluctuations. Commissions and costs have a negative impact on the investment and on the expected returns. If the currency of a financial product or financial service is different from your reference currency, the return can increase or decrease as a result of currency and exchange rate fluctuations. There can be no assurance that techniques used in currency hedging will always be available, that Fund will engage in these techniques when available, or that the hedging strategies will be successful in limiting the risk



of currency fluctuations.

#### **Concentration Risks**

Each Fund's assets are expected to be concentrated in a portfolio of issuers and such concentration increases the risk of loss to the Fund if there is a decline in the market value of any security, industry, or sector in which the Fund has invested a large percentage of its assets. Investment in a concentrated fund may entail greater risks than investments in a less concentrated fund.

#### **Accounting, Auditing And Financial Reporting Standards**

The accounting, auditing, financial and disclosure requirements and reporting standards applicable to the Fund and the Investments in which the Fund invests may be less extensive than those applicable to securities in other countries and, therefore, the financial accounts or information available to the Fund or the AIFM may not provide the same degree of information to investors as would generally be provided in Luxembourg. In addition, the Investments may restrict the information to the Fund to the extent that it is, or becomes, subject to any law, rule or regulation that could require public disclosure of confidential information provided to the Fund.

As a result, the Fund will be relying on limited information as well as valuation and reporting methods used by the portfolio investments which may not meet the standards normally expected in Luxembourg. Such valuations of the underlying investments may cause from time to time inaccurate valuations in respect of the Fund.

#### **Investment In Other Collective Investment Schemes**

The Fund is likely to significantly invest in underlying collective investment schemes which are unregulated and which will not provide a level of investor protection equivalent to schemes authorised under Luxembourg laws and subject to Luxembourg regulations and conditions. Investment in unregulated investment funds involves special risks that could lead to a loss of all or a substantial portion of such investment.

#### **Indirect Holdings Of Collective Investment Schemes**

The Fund may invest in Investments directly or indirectly through holdings in intermediate investment vehicles. Such intermediate investment vehicles will typically be unregulated. Such intermediate investment vehicles may or may not be leveraged (i.e. incur indebtedness) to make the proposed Investment. Where the Fund invests in unregulated intermediate vehicles, such vehicles may not provide a level of investor protection equivalent to schemes authorised under Luxembourg laws and subject to Luxembourg regulations and conditions.

The Fund's exposure to such vehicles will be limited to the value of the shares or participation held in such vehicles together with any amount left outstanding on such shares or participation. Although the incidental fees payable by the Fund to such intermediate investment vehicles (such as but not limited to administration fees and depositary fees) are not expected to be substantial, the fees payable reduce the Fund's potential profit from such Investments. In addition, the AIFM and/or the Portfolio Manager intends to obtain contractual provisions providing the same level of transparency as is typically provided if investing directly into Investments.

#### **Prospective Investor Suitability**

An investment in the Fund may not be suitable for a prospective investor. Prospective investors are advised to seek professional advice from their investment adviser, legal counsel, accountant and/or tax adviser on the suitability or otherwise of an investment in the Fund.

#### **Force Majeure Events**

The Fund may be exposed to losses as a result of one or more force majeure events including, fire, disaster, riot, civil commotion, accident, outbreak of disease, epidemic, fire, flood, storm, rebellion, war, act of terrorism, government or military action or industrial dispute, strike or lock-out, computer error or failure, delay or breakdown in communications or electronic transmission systems, unavailability of market prices or suspension of dealing on relevant stock exchanges or any other cause or circumstance beyond the reasonable control of the Fund, AIFM, the Administrator or the Depositary.

#### **Market Disruption and Geopolitical Risk**

War, terrorism and related geopolitical events may lead to increased short-term market volatility and have adverse long-term effects on world economies and markets generally, as well as adverse effects on issuers of securities and the value of Investments. Those events as well as other changes in economic and political conditions could also adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of Investments. At such times, exposure to a number of other risks described elsewhere in this Risk Factors section can increase.

#### **European Economic Risk**

The Fund could be adversely affected if the arrangements relating to European Monetary Union ("EMU") do not continue (for example,

the EMU participants experience significant unexpected political or economic difficulties). In addition, if one of the members of the European Union participating in EMU withdraws from EMU or if one of the members of the European Union who is not a member of EMU withdraws from the European Union, the value of any holdings of an Investment of the Fund issued by issuers from the country or with significant operations in that country could be adversely affected.

#### **Litigation Risks In General**

The Fund will be subject to a variety of litigation risks, particularly if one or more of the Investments or portfolio companies in which it invests faces financial or other difficulties during the term of the Fund. Legal disputes, involving any or all of the Fund, the AIFM, the Portfolio Manager, the Board of Directors or their associates may arise from the Fund's activities and Investments and could have a significant adverse effect on the Fund.

#### **Indemnification**

The Board of Directors, the AIFM and the Portfolio Manager, and their members, partners, shareholders, directors, officers, employees, agents, consultants and associates, will be entitled to indemnification from the Fund, except in certain circumstances as set forth in the Prospectus. The Fund's assets will be available to satisfy these indemnification obligations and Investors may be required to return distributions to satisfy such obligations. Such obligations will survive the dissolution of the Fund and may diminish the investment returns of the Fund.

#### **Recourse to Fund Assets**

The Fund's assets are available to satisfy all liabilities and other obligations of the Fund. If the Fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Fund's assets generally and will not be limited to any particular assets, such as the asset representing the Investment giving rise to the liability. Accordingly, Investors could find their Interest in the Fund's assets adversely affected by a liability arising out of an Investment of the Fund.

#### **No Right To Control The Fund's Operations**

Shareholders have no opportunity to control the day-to-day operations of the Fund, including investment and disposition decisions. In order to safeguard their limited liability for the liabilities and obligations of the Fund, Shareholders must rely entirely on the Board of Directors to conduct and manage, respectively, the interests of the Fund.

#### **Limited Control of Investments**

The underlying funds may make non-controlling or minority Investments without power to exert significant control over the management of the activities of the investee entities or their governing boards and committees, although it is expected that certain customary contractual rights and protections will be sought to protect the underlying fund's commercial interests. Such rights or protections may prove difficult or impossible to enforce in certain jurisdictions, thereby exposing the underlying funds to the risk of loss. The underlying funds will rely to varying degrees on the management and governing boards and committees of investee entities, which may include unseasoned managers and representatives of other investors with whom the underlying funds is not affiliated and whose interests or commercial positions may conflict with the interests of the underlying funds. The underlying funds is also likely to co-invest with third parties through joint ventures, asset-specific funds or other entities. Such Investments may involve risks not present in investments where third parties are not involved, including the possibility that a joint venture partner of the underlying funds may experience financial, legal or regulatory difficulties; at any time have economic or business interests or goals which are inconsistent with those of the underlying funds; have a different view than the underlying funds as to the appropriate strategy for an Investment or the disposition of an Investment; or take action contrary to the Fund's investment objectives. Associates of the manager may generate origination, commitment, syndication, capital or other structuring fees which will be solely for the benefit of such associates and not for the benefit of the underlying funds. Conversely, the underlying funds may acquire controlling positions such that the exercise of that control may impose additional risks of liability for failure to supervise management or result in violation of applicable regulations such as health and safety regulations. Such liability may be difficult to limit or mitigate.

#### **Management And Operational Risk**

The Portfolio Manager uses internally developed investment techniques and risk analysis to make investment decisions for the Fund. Consistent with the investment objectives and policies of the Fund, investments may be made in a broad range of issuers, securities, financial instruments and transactions. Within these broad parameters, the Portfolio Manager will make investment decisions as it deems appropriate in its sole discretion. The success of each strategy is dependent upon the Portfolio Manager's ability to achieve the investment objective of the Fund. Shareholders must rely upon the ability of the Portfolio Manager and the Portfolio Manager's investment professionals in identifying and implementing investments consistent with the Fund's investment objectives and policies. No assurance can be given that suitable investments will be made, or that if such investments are made, that the investment objective of the relevant underlying fund will be achieved. A risk exists that the Portfolio Manager's investment techniques will fail and accordingly there is no guarantee that they will produce the desired results.

Shareholders have no right or power to take part in the management of the Fund's underlying investments. The performance of the Funds depends largely on the skill of key personnel and investment professionals of the Portfolio Manager. If key personnel, including key investment or key technical staff, were to leave the Portfolio Manager, it might not be able to find equally desirable replacements in a timely fashion and, as a result, the performance of the Investments could be adversely affected. In addition, the investment professionals of the Portfolio Manager involved in the management of the Funds' portfolios perform services for other clients of the Portfolio Manager and there is no requirement that these professionals devote any specific amount of their business time to management of the Funds' portfolios.

#### **Ability To Verify Information**

Although it is expected that the AIFM, the Portfolio Manager and the Board of Directors will receive detailed information from each Investment regarding its historical performance and business strategy, in certain cases the AIFM, the Portfolio Manager and the Board of Directors will have little or no means of independently verifying this information. Such information may be generated using proprietary investment strategies that are not fully disclosed to the AIFM, the Portfolio Manager and the Board of Directors, or which may involve risks under some market conditions that are not anticipated by the AIFM, the Portfolio Manager and the Board of Directors.

#### **Limited Access To Information**

The Shareholders are unlikely to receive any financial information pertaining to prospective Investments (including information relating to matters or issues which might have a detrimental effect on the performance of any such Investments) which is available to the AIFM and/or the Portfolio Manager before the Fund making an Investment.

#### **Asset Valuations**

The Fund will utilize valuations of the Fund's Investments in Target Funds provided by the advisers to these funds, without any means of independent verification. The advisers may face a conflict of interest in valuing securities held by Funds because the values assigned may affect the compensation of those advisers or their ability to raise further funds.

#### **Potential Conflict In Calculation Of Certain Fund Costs And Expenses**

A potential conflict of interest exists in the AIFM determination of whether certain costs or expenses that are incurred in connection with the operation of the Fund constitute expenses for which the Fund is responsible or whether such expenses should be borne by the AIFM. The Fund will be reliant on the determinations of the AIFM in this regard. Additionally, the Fund will be reliant on determinations of the Board of Directors with regard to the allocation of any common fees or expenses as between investors within the Fund (where certain expenses incurred for the benefit of some or all investors may be determined as Fund-wide expenses), the Fund and the other investment vehicles or other funds managed by the AIFM or its associates.

#### **Reliance On Third Parties**

The AIFM, the Board of Directors, the Portfolio Manager and the Fund will require, and rely upon, the services of a variety of third parties, including but not limited to legal advisers, accountants, brokers, administrators, custodians, consultants and other service providers. Failure by any of these third parties to perform their duties or otherwise satisfy their obligations could have a material adverse effect upon the Fund. The AIFM, the Board of Directors and the Portfolio Manager generally will not be responsible for such failures and will not assume any liability for any such losses. In addition, service providers may also provide services to other investment firms and investment vehicles with similar investment programmes and strategies and, accordingly, may have conflicts of interest in providing services to the Fund.

#### **Conflict Of Interest Risks**

The Board of Directors, the AIFM, 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 AIFM or its Affiliates may invest in, or manage or advise vehicles, which invest in, the equity and debt of any given Investment of the Fund, as a minority, majority or sole owner of the debt and/or equity of such Investment. In this context, the AIFM and its Affiliates will seek to separate the respective teams managing and monitoring the equity and the debt investment in such Investment and thereby prevent any adverse impact on the Fund and any potential conflicts of interest.

The AIFM and its affiliates also manage or advise other private equity fund vehicles. As a result, an investment may be allocated between the Fund and other vehicles managed by the AIFM or its affiliates. Such allocation will be done by the AIFM as it deems fair and appropriate in accordance with its allocation policy from time to time having regard, inter alia, to the investment strategy, policy and focus, diversification limits and existing portfolio composition, remaining term of investment period and ability to extend such period, available undrawn commitments and ability to recycle/employ leverage (if applicable), applicable regulatory, legal or tax considerations, the nature of the contractual or other obligations owed by such fund to its investors and/or to third parties and the overall suitability for such

potential investment opportunity. This may trigger conflicts of interests during the life of the deal, depending in particular on the remaining life or investment period of the relevant fund vehicles. In certain circumstances, the Fund may be realising a portfolio investment at a time when other fund vehicles managed or advised by the AIFM or its affiliates (or in which affiliates of the AIFM invest in) are acquiring or retaining an investment in the respective portfolio investment.

The Fund pursues a private equity strategy and the AIFM has the necessary experience and experience to manage the Fund accordingly. Therefore, the AIFM shall not be required to adhere to the standard investment restriction of acquiring shares with voting rights in an issuer which would enable it to exercise significant influence over its management. Accordingly, in certain circumstances the AIFM, on the Fund's behalf, may become involved in the affairs of a company it is invested in as a stakeholder in the business. The participation and influence in the affairs of a company by the AIFM on behalf of the Fund may give rise to potential conflicts of interest between the interests of the Fund and its Shareholders and/or the interests of other holders of debt or equity interests in the particular company. The AIFM shall aim to resolve any such potential conflicts fairly while at all times acting in the best interests of the Fund. Furthermore, the AIFM shall ensure that at all times that it exercises voting rights in respect of portfolio investments held by the Fund in accordance with the Investment Objective of the Fund. The AIFM has in place effective strategies for determining when and how voting rights of the Fund are exercised, to the exclusive benefit of the Fund and its Shareholders, in accordance with the requirements of the AIFMD. A summary description of the strategies and details of the actions taken on the basis of those strategies is available to the Shareholders upon request.

#### **Difficulty Of Locating Suitable Investments**

The success of the Fund depends upon the ability of the AIFM and the Portfolio Manager to select, complete and realise appropriate Investments. There is no guarantee that suitable Investments will be or can be secured, or that they will be successful. No assurance is given that the investment strategy will be achieved.

#### **Short-term Investments**

Subscriptions that have been fully paid into the Fund may be invested in short-term instruments pending participation in Investments. During such interim periods these short-term investments may produce lower returns for Investors in the Fund than the returns earned from Investments for the same period.

#### **Use Of Feeder Funds And Alternatives Investment Vehicles**

Certain Investors may be required to invest through one or more Feeder Funds. Investors may be required by the Portfolio Manager to participate in Investments directly or through an alternative investment vehicle including where either the participation of the Investor in the Fund (or a feeder vehicle, if established) results in material adverse tax consequences for the other Investors (when looked at as a whole) or where participation through such a vehicle would improve the tax, regulatory or legal position of the Investor.. The use of alternative investment vehicles may involve additional costs of formation and structuring; and operating such entities in a manner that provides similar economic terms, management terms, and the liability protection afforded by investments made through the Fund may be compromised. Owing to the wide range of Investments proposed by the Fund, these alternative investment vehicles could be of a type with which the Board of Directors and/or the AIFM has less familiarity, and therefore provide additional informational and operational uncertainty or difficulties to the Board of Directors and/or the AIFM in managing and disposing of Investments through such entities.

#### **Side Letters**

In accordance with common industry practice, the AIFM may enter into one or more Side Letters or similar agreements with certain Shareholders pursuant to which the AIFM grants to such Shareholders specific rights, benefits or privileges that are not made available to all the Shareholders. Such agreements will be disclosed only in accordance with the Shareholders' Agreement and/or to those actual or potential Shareholders that have separately negotiated with the AIFM for the right to review such agreements.

#### **Forward Looking Statements**

Certain information contained in this Prospectus constitutes "forward-looking statements", which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "project", "estimate", "intend", "continue", or "believe" or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements. No representation or warranty is made as to future performance or such forward-looking statements.

#### **Foreign Economic, Political, Regulatory, And Social Risks**

As a result of perceived regulatory inadequacies in world financial markets, there are a number of proposals being discussed at the national, institutional, regulatory and supra-national level to address those perceived failures. These include, but are not limited to, rendering the use of off-shore vehicles in the structuring of Investments substantially less attractive, a potential increase in financial disclosure requirements and other regulatory burdens (including an extension of registration, filing and monitoring requirements) and

changes in tax laws, particularly with reference to the taxation of “carried interest” and the performance-based incentive payments made to executives in the private equity and hedge fund industry. In addition, the present tax treatment of an investment in the Fund or of the Fund may be modified by legislative, judicial or administrative action at any time, and any such action may affect investments and commitments previously made. The rules dealing with taxation are constantly under review by persons involved in the legislative, administrative and judicial process, resulting in revisions of regulations and revised interpretations of established concepts as well as statutory changes. Revisions in the tax laws could adversely affect the Fund’s tax consequences or the tax consequences of an investment in the Fund. Any of these proposals has the potential to affect the cost of administering the Fund, the taxation status of the Fund and its Investors, the strength of performance-based incentives given to the investment team and the alignment of interests between the Fund and the investment team. In addition, such proposals may render the chosen structure of the Fund inefficient or unlawful or contrary to regulation, necessitating a restructuring of the Fund at substantial cost and with the possibility that any replacement structure will offer a materially less attractive situation to Investors.

Investments by the Fund may be subject to economic, political, regulatory and social risks, which may affect the liquidity of such Investments. Such Investments may be in certain countries whose governments have exercised and continue to exercise substantial influence over many aspects of the private sector. The availability of investment opportunities for the Fund depends in part on governments continuing to liberalize their policies regarding foreign investment and to further encourage private sector initiatives. In certain jurisdictions, foreign ownership of certain types of assets may be restricted, requiring the Funds to share the applicable investment with local third-party partners or investors, and there may be significant local land use and permit restrictions, local taxes and other transaction costs which adversely affect the returns sought by the Fund.

The Fund may not have, and may not intend to obtain, political risk insurance. Accordingly, government actions in the future could have a significant effect on economic actions in such countries which could affect certain private sector companies and the prices and yields of Investments. Exchange control regulations, expropriation, confiscatory taxation, nationalization, political, economic or social instability, insurrection or other economic or political developments could adversely affect the Fund’s assets held in particular countries.

Political changes or a deterioration of a particular country’s domestic economy or balance of trade may indirectly affect an Investment in a particular asset in such country. Moreover, Investments could be adversely affected by changes in the general economic climate or the economic factors affecting certain industries, changes in tax law or specific developments within such industries or interest rate movements.

In light of recent scandals involving money managers, a number of US states and municipal pension plans have adopted so-called “pay-to-play” laws, regulations or policies which prohibit, restrict or require disclosure of payments to (and/or certain contacts with) US state officials by individuals and entities seeking to do business with such state entities, including investments by public retirement funds. The US Securities and Exchange Commission (the “SEC”) also has recently adopted rules that, among other things, prohibit an investment adviser from providing advisory services for remuneration with respect to a government plan investor for two years after the adviser or certain of its executives or employees make a contribution to certain elected officials or candidates. If the AIFM, the Portfolio Manager, the Board of Directors, their employees or associates fail to comply with such pay-to-play laws, regulations or policies, such non-compliance could have an adverse effect on the Fund by, for example, providing the basis for the withdrawal of the affected government plan investor.

#### **Britain's Exit From The European Union**

On 23 June 2016, the United Kingdom (the “UK”) held a referendum on its membership of the European Union (the “EU”) and the UK formally left the European Union on 31 January 2020.

Transitional arrangements applied until the end of 2020 and a trade agreement (the “EU-UK Trade and Cooperation Agreement” or “TCA”) has been concluded between the UK and the EU and is now in force.

Despite the TCA, the relationship between the UK and the EU has fundamentally changed and there is still uncertainty about the impact of the new arrangements. Given the size and importance of the UK’s economy, uncertainty or unpredictability about its legal, political and economic relationship with the EU, will be a source of instability, may create significant currency fluctuations, and otherwise adversely affect international markets, trading or other arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) for the foreseeable future. Any business that depends on the free movement of goods or the provision of cross-border services between the UK and the European Economic Area (as currently constituted) could be adversely affected. The inability to provide cross-border services, restrictions on movements of employees, non-tariff barriers on goods, potential tariffs being imposed either due to “rules of origin” or non-compliance with the aspects of the TCA, increased transit times, and other factors, all have the potential to materially impair the profitability of a business. Consequences for some businesses could involve re-establishing the business in an EU member state, moving personnel and, if applicable, seeking authorization from local regulator(s) – all of which are costly and disruptive. All these factors could

adversely affect the Fund, the performance of its investments and its ability to fulfil its investment objectives. Any decision of another member state to withdraw from the EU could exacerbate such uncertainty and instability and may present similar and/or additional potential risks.

#### **Coronavirus Risk Factor**

Occurrences of epidemics, depending on their scale, may cause different degrees of damage to the national and local economies within the Fund's geographic Focus. Global economic conditions may be disrupted by widespread outbreaks of infectious or contagious diseases, and such disruption may adversely affect the Fund and its potential returns. For example, the continuing spread of COVID-19 (also known as novel coronavirus or coronavirus disease 2019) may have an adverse effect on the value, operating results and financial condition of some or all of the Investments, as well as the ability of the Fund to realise its investments and to source and execute target investments. The progress and outcome of the current COVID-19 outbreak remains uncertain. The continuing spread of, and fear of exposure to, COVID-19 may also materially adversely affect the ability of the AIFM and/or the Portfolio Manager to source and retain personnel, and the ability of the AIFM and/or the Portfolio Manager and its personnel to dedicate time and resources to the Fund and the management of its assets. Any such outcome may also have an adverse effect on the value, operating results and financial condition of some or all of the Investments, as well as the ability of the Fund to realise its investments and to source, diligence and execute and target investments.

#### **Inflation Risk**

The Fund may invest in countries that have experienced substantial rates of inflation in recent years. Inflation and rapid fluctuations in inflation rates have had, and may in the future have, negative effects on the economies and securities markets of certain economies. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on the Fund's returns from such Investments.

#### **Change In Laws And Regulations**

Any legislation and its interpretation, and the legal, tax and regulatory regimes which apply in relation to the Fund and/or an Interest in the Fund may change during the life of the Fund or may differ from that anticipated by the AIFM and its advisers. Accounting and customary tax practice may also change which may affect, in particular, the manner in which the Fund's Investments are valued and/or the way in which income or capital gains are recognized and/or allocated by the Fund.

#### **Cybersecurity Risk**

The Fund and its service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Fund and its Shareholders, despite the efforts of the Fund and its service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of Shareholders' information. For example, unauthorised third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of the AIFM, the Portfolio Manager, the Administrator, the Depositary or other service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third party service providers or other users of these systems to disclose sensitive information in order to gain access to Shareholder/service provider data. A successful penetration or circumvention of the security of these systems could result in the loss or theft of a Shareholder's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Fund to incur regulatory penalties, reputational damage, additional compliance costs or financial loss.

Similar types of operational and technology risks are also present for the companies in which the Funds may invest, counterparties with which the Fund engages in transactions and various other parties, which may also give rise to material adverse consequences for the Fund including a decrease in the value of Investments.

### **SECONDARY FUNDS RISKS**

#### **Pooled Investments In Secondaries**

In many cases, the AIFM expects that the Fund will have the opportunity to acquire a portfolio of investment funds or direct investments from a seller on an "all or nothing" basis. Certain of the investment funds or direct investments in the portfolio may be less attractive than others, and certain of the sponsors of such investment funds (or in some cases, the controlling investors in the underlying portfolio companies) may be more familiar to the AIFM than others, or may be more experienced or highly regarded than others. In such cases, it may not be possible for the Fund to carve out from such purchases those investments which the Fund considers (for commercial, tax, legal or other reasons) to be less attractive.

#### **Complex Nature Of Due Diligence And Valuation Process For General Partner-Led Secondaries**

In traditional secondaries investments, secondaries investors typically provide liquidity to primary investors in private equity funds, and secondaries investors are able to rely on conducting due diligence on financial statements and periodic company updates originated by a common investment manager. By contrast, because many portfolios of direct investments being targeted by the Fund may be collections of the private equity assets of a seller other than private equity funds managed by a common investment manager, many general partner-led secondaries may lack the benefit of financial statements and periodic company updates that would be originated by a common investment manager. This may affect the ability of the Fund to conduct fundamental due diligence on the portfolio companies comprising such investment portfolios.

#### **Termination Of The Fund's Interest In An Underlying Fund**

The general partner or manager of an underlying fund may, among other things, terminate the Fund's interest in such underlying fund if the Fund fails to satisfy any capital call by that underlying fund or if the general partner or manager of that underlying fund determines that the continued participation of the Fund in the underlying fund would have a material adverse effect on the underlying fund or its assets.

#### **Reliance On Management Of Portfolio Companies**

While it is the intent of the Fund to invest in underlying funds with proven investment fund managers and companies with proven operating management in place, there can be no assurance that such management will continue to operate successfully. Although the Fund will monitor the performance of each underlying fund and investment, it will rely upon management to operate the underlying funds and underlying portfolio companies on a day-to-day basis.

#### **Investments In Troubled And Leveraged Companies**

The Fund may invest indirectly, through the underlying funds, in securities of financially troubled companies and securities of highly leveraged companies. While these investments are likely to be particularly risky, they also may offer the potential for correspondingly high returns. Under certain circumstances, payments to the underlying funds and distributions by the underlying funds to their investors, including to the Fund, may be reclaimed on bankruptcy or insolvency if any such payment is later determined to have been a preferential payment.

#### **Venture Capital Investments**

The Fund may invest in interests in funds devoted to early-stage venture capital investments, which is a segment of the venture capital business with the highest degree of investment risk. Typically, the underlying portfolio companies in which such limited Funds invest have no operating history, unproven technology, untested management and unknown future capital requirements. These companies often face intense competition, often from established companies with much greater financial, manufacturing and technical resources, more marketing and service capabilities and a greater number of qualified personnel. To the extent there is a public market for the securities of these companies, they may be subject to abrupt and erratic market price movements. The indirect investments by the Fund in limited Funds focused on investments of this type will be highly speculative and may result in the loss of the Fund's entire capital contributions in respect of such investments. There can be no assurance that any such losses will be offset by gains (if any) realised in other portfolio companies of the Fund.

#### **Valuation**

Market events and valuation issues may impact the Fund and the underlying funds. The valuation methodology and timing may vary between the investments made by the Fund and therefore impact the valuation analysis of the Fund.

#### **Lack Of Liquidity Of The Fund's Investments**

The return of capital on investments and the realisation of gains, if any, will generally occur only upon the partial or complete disposition of an investment. Investments will generally be highly illiquid compared to other asset classes, and it is unlikely that there will be a public market for most of the investments made.

#### **Multiple Levels Of Expense**

The Fund and the underlying private equity funds in which it invests impose management and/or administrative costs, expenses and performance allocations. This will result in greater expense to the investors than if such costs, expenses and allocations were not charged by the Fund and investors were able to invest directly in the underlying private equity funds in which the Fund invests or the portfolio companies of those underlying funds.

#### **Contingent Liabilities Associated With Investment Fund Interests Acquired In Secondary Transactions**

Where the Fund acquires an interest in an investment fund in a secondaries transaction, the fund may acquire contingent liabilities of the seller of the interest. More specifically, where the seller has received distributions from the relevant private equity fund and,

subsequently, that private equity fund recalls one or more of these distributions, the Fund (as the purchaser of the interest to which such distributions are attributable and not the seller) may be obliged to return monies equivalent to such distributions to the private equity fund. While the Fund may, in turn, make a claim against the seller for any such monies so paid to the private equity fund, there can be no assurances that the Fund would prevail on such claim.

#### **Underlying Funds Invest Independently**

The underlying funds in which the Fund will invest generally invest wholly independently of one another and may at times hold economically offsetting positions. To the extent that such underlying funds hold such positions, considered as a whole they may not achieve any gain or loss despite incurring fees and expenses in connection with such positions. In addition, a manager of such an underlying fund may be compensated based on the performance of its investments. Accordingly, there may often be times when a particular manager may receive incentive compensation in respect of its investments for a period even though the overall value of such underlying funds depreciated during such period.

#### **Investors Will Not Have Any Direct Interest In A Portfolio Investment**

The offering of the interests in the Fund does not constitute a direct or indirect offering of interests in portfolio investments. Investors will not be direct investors in the underlying funds in which the Fund will invest, will have no direct interest in such underlying funds and will have no voting rights in, or standing or recourse against, any such funds. Moreover, none of the investors will have the right to participate in the control, management or operations of any such underlying fund or have any discretion over the management of any such underlying fund by reason of their investment in the Fund.

#### **Limited Ability To Negotiate Secondary Transaction Terms**

Where the Fund makes an investment on a secondary basis, the Fund will generally not have the ability to negotiate the amendments to the constitutional documents of an underlying fund, enter into side letters or otherwise negotiate the legal or economic terms of the interest in the underlying fund being acquired.

#### **Investments Longer Than Term**

The Fund may make investments that may not be exited or realised in full prior to the date that the Fund will be liquidated, either by expiration of the Fund's term or otherwise. Although the AIFM expects that target investments will be disposed of or otherwise realised prior to liquidation, the Fund may have to sell, distribute, or otherwise dispose of investments at a disadvantageous time as a result of its liquidation.

## **8.2 Regulatory Considerations**

### **Bank Holding Company Act**

UBS, the ultimate parent company of the Portfolio Manager, is a Swiss financial services firm that is subject to the U.S. Bank Holding Company Act of 1956, as amended (the "**BHC Act**"). The BHC Act, the regulations made under it, and other related laws and regulations (referred to collectively as "**U.S. Banking Regulations**") impose restrictions on activities and investments made by companies subject to the BHC Act and their affiliates, subject to certain limited exemptions. If the Fund is deemed to be controlled by UBS for purposes of the BHC Act, the U.S. Banking Regulations may restrict the types of portfolio investments the Fund is permitted to make and impose requirements on such investments that may be undesirable or inconsistent with the investment objectives or strategy of the Fund. Following an initial seeding period of up to one year from the formation of the Fund, UBS anticipates that it will not control the Fund for purposes of the BHC Act because UBS expects that UBS and its affiliates will not own or control 5% or more of any class of voting securities of the Fund or 25% or more of total equity of the Fund and because the Fund will be managed by an independent board of directors selected by the Fund's shareholders other than UBS. As a result, following this initial period, it is not expected that the U.S. Banking Regulations will materially and adversely affect the Fund's investment strategy or the management of its portfolio investments. In the event that the Fund were regarded as being controlled by UBS for purposes of the BHC Act, such as, for instance, if the Fund does not raise sufficient capital to dilute UBS's interest in the Fund below the thresholds described above, UBS and its affiliates may need to take such action as necessary or appropriate in order to cause the Fund to comply with the U.S. Banking Regulations or restructure or reduce the interest of UBS and its affiliates in the Fund to eliminate the necessity of doing so. This result may be achieved by conforming the Fund's investments to those investments permissible for a bank holding company such as UBS to own or control under the U.S. Banking Regulations or by causing the Fund to redeem all or a portion of the interest held by UBS or its affiliates in the Fund to the extent UBS or its affiliates are not able to transfer such interests to unaffiliated third parties, which may require the Fund to sell or dispose of investments at a time when it might not otherwise do so or when it may not be able to obtain the best price (please also refer to the Risk Factor "Large Redemption Risk").



### **Money Laundering Prevention**

Pursuant to Luxembourg laws and regulations implementing European Union directives, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and terrorist financing purposes. In order to contribute to the fight against money laundering and terrorist financing, the AIFM and the Administrator will at all times comply with any obligations imposed by any applicable laws, rules, regulations and circulars with respect to money laundering prevention. The Administrator will furthermore adopt procedures designed to ensure, to the extent applicable, that it and its agents shall comply with the foregoing undertaking.

Measures aimed towards the prevention of money laundering and terrorism financing may require the Administrator to carry out a detailed verification of the identity of any person or entity applying to the Fund for the issue of Shares prior to accepting the transaction.

By way of example, an individual may be required to supply a copy of his passport or identification card duly certified by a competent authority (e.g. embassy, consulate, notary, police officer or commissioner of oaths); if not ascertainable from the identification document, the Administrator may also require evidence of such individual's date of birth, signature sample and address. In the case of corporate applicants, legal entities may be required to supply certified copies of: (a) the certificate of incorporation (or comparable statement from the companies registrar); (b) memorandum and articles of incorporation (or equivalent); and (c) identification documents relating those directors and/or authorized signatories who signed the application form. The Fund, through its agent, the Administrator, reserves the right to require disclosure and identification of the beneficial owner(s) necessary to comply with Luxembourg Law and regulations.

In the event of delay or failure by the applicant to supply any information required for due diligence purposes, the Administrator may refuse to accept the application and subscription monies or return subscriptions monies (less expenses) if information required is not supplied prior to the subscription cut-off time as described in this Prospectus. It is further acknowledged that the applicant shall hold the Administrator, in the performance of its delegated duties, harmless against any loss of interest or investment opportunity arising as a result of a failure to process the subscription if such due diligence documentation requested by the Administrator has not been supplied on time by the applicant.

In the event a Shareholder subscribes through an intermediary acting on its behalf, enhanced customer due diligence measures for this intermediary will be applied in accordance with the AML Act and article 3 of the CSSF Regulation n°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing, as may be amended from time to time.

Pursuant to article 3(7) and 4(1) of the AML Act and CSSF Circular 18/698, the AIFM is required to apply, on an on-going basis, due diligence measures to the assets of the Fund. Due diligence measures and required AML/CFT controls over the Fund's investments will be implemented by the AIFM in accordance with Luxembourg Law.

### **AML/CFT**

Pursuant to the Luxembourg laws of February 19, 1973 (as amended) on the sale of drugs and against drug addiction, April 5, 1993 (as amended) relating to the financial sector, November 12, 2004 (as amended) relating to the fight against money laundering and against terrorist financing, January 13, 2019 establishing a Register of Beneficial Owners (*Registre des Bénéficiaires Effectifs*), the Grand Ducal Regulations dated 1 February 2010 and 15 February 2019, CSSF Regulation 12-02, as amended by CSSF Regulation 20-05, Circular 13/556 of the CSSF, as well as any other laws, regulations and implementing circulars enacted by Luxembourg authorities such as the CSSF (the "AML Regulations"), obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering purposes. These measures require, amongst others, that know your customer and anti-money laundering information are complied with, which implies namely the identification of the prospective investors or the Shareholders, their beneficial owners, transferees as applicable, as well as the identification origins of the funds subscribed. For such purpose, the Board of Directors and the Administrator reserves the right to withhold issue or approval of registration of transfers of Shares. Similarly, redemption proceeds will not be paid unless compliance with these requirements has been made in full.

Measures aimed towards the prevention of money laundering as provided under Luxembourg law, including legislation implementing AMLD 4 – Directive (EU) 2015/849 on the fight against money laundering and terrorist financing and AMLD 5 – Directive (EU) 2018/843 and Directive (EU) 2018/1673 on combating money laundering by criminal law are the responsibility of the Fund and have been delegated to the Administrator under the supervision of the Board of Directors.

The Shareholders will have to provide to the Board of Directors and the Administrator all documentation and information required under the applicable Luxembourg laws and regulations, i.e., for natural persons this may include but is not limited to certified true copies of ID cards/passports (the certification may be made namely by a regulated financial institution located in an equivalent country, a police officer, an embassy, a consulate or a notary) or for corporate entities a certified true copy of the articles of association/certificate of

incorporation/banking or investment license, evidence of registration/excerpt from the Trade and Companies Register in Luxembourg, the latest audited financial reports, or the name of the beneficial owners and their related identification documentation, as applicable.

A complete list of documents and information to be provided can be obtained from the Board of Directors or the Administrator upon request. The Board of Directors reserves the right to request, at any time, any further documents and/or information as it deems necessary to properly perform the anti-money laundering and know your customer due diligence on the Shareholders.

Until satisfactory proof of identity is provided by potential investors or transferees as determined by the Board of Directors, the Board of Directors reserves the right to withhold, issue or approve registration of transfers of Shares. Similarly, distributions will not be paid unless compliance with these requirements has been made in full. In any such event, the Fund will not be liable for any interest, costs or compensation.

It is generally accepted that professionals of the financial sector resident in a country which has ratified the recommendations of the Financial Action Task Force (“FATF”) are deemed to be intermediaries having an identification obligation equivalent to that required under the laws of the Grand Duchy of Luxembourg. The complete updated list of countries having ratified the recommendations of the FATF is available on [www.fatf-gafi.org](http://www.fatf-gafi.org).

Further information on anti-money laundering practices and recommendations may be found on the website of the Association of the Luxembourg Fund Industry at [www.alfi.lu](http://www.alfi.lu) (Practices and Recommendations aimed at reducing the risk of money laundering and terrorist financing in the Luxembourg Fund Industry, July 2013).

Any information provided in this context is collected for anti-money laundering compliance purposes only.

#### **Data Protection**

The Fund is subject to the EU’s General Data Protection Regulation (Regulation 2016/679) (“**GDPR**”) and related data protection, privacy and information security laws of the EU member states and the UK, including the Luxembourg Law of 1 August 2018 on the organisation of the National Data Protection Commission, the GDPR as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018, and the UK’s Data Protection Act 2018 (collectively such laws being described as “**European Data Protection Laws**”). The European Data Protection Laws place obligations on controllers and processors of personal data (including relating to transparency, accountability and the security and confidentiality of the personal data), while establishing rights for individuals with respect to their personal data, including rights of access and deletion in certain circumstances. The European Data Protection Laws also impose strict rules on the transfer of personal data out of the EEA/UK. In addition, the European Data Protection Laws create sanctions for breach with potential fines by applicable EU and UK data protection regulatory authorities of up to the higher of 20 million Euros (or £17.5 million in the UK) or 4% of global annual revenues. Moreover, individuals can claim damages (including for loss of control of their data) resulting from infringement of the European Data Protection Laws. The European Data Protection Laws also introduce the right for non-profit organisations to bring claims on behalf of data subjects. The Fund will be required to implement measures and ongoing compliance strategies to comply with the terms of the European Data Protection Laws, which may create additional costs and expenses for the Fund and therefore its Investors. In addition, the Fund may have indemnification obligations in respect of, or be required to pay the expenses relating to, any litigation or action as a result of any purported breach of the European Data Protection Laws. The risk of the Fund being found in violation of these laws is increased by the fact that many of them have not been fully interpreted by applicable regulatory authorities or the courts, and their provisions are open to a variety of interpretations. Efforts to ensure that the Fund and its arrangements with third parties will comply with applicable European Data Protection Laws will involve substantial costs.

Outside of the European Data Protection Laws, the Fund, the AIFM and/or the Portfolio Manager may become subject to foreign privacy, data protection and information security laws. Compliance with these laws could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and some of the current and planned business activities of the Fund, the AIFM and/or the Portfolio Manager. A failure to comply with such laws could result in fines, sanctions or other penalties, which could materially and adversely affect the operations and performance of the Fund, as well as have an impact on reputation.

Personal data relating to investors (or to their representatives, authorised signatories, shareholders or beneficial owners, or underlying investors, as applicable) contained in any document provided by such investors in connection with an investment in the Fund or otherwise collected in the course of the relationship with the Fund, the AIFM and the Portfolio Manager may be collected, recorded, stored, adapted, transferred or otherwise processed and used (“processed”) by the Fund, the AIFM and the Portfolio Manager, and, on their behalf, by their service providers and agents of the Fund and/or the AIFM and/or the Portfolio Manager. Personal data will be processed for a number of purposes, including administering the investment in the Fund or as otherwise necessary to perform the subscription

agreement and operate and manage the business of the Fund, for anti-money laundering identification and compliance with other legal or regulatory obligations, as is necessary for the Fund's legitimate interests including in managing risk and criminal activity, resolving disputes and enforcing and defending legal rights, for the development of a business relationship and to send marketing communications where, to the extent applicable, any necessary consents are in place. Personal data may be disclosed to third parties for these purposes, including to regulatory, tax and governmental authorities, as required or permitted by law, and to prospective investors in the Fund. Personal data will be transferred to third countries outside of the EEA/UK for these purposes. These third countries may not ensure an adequate level of protection for the personal data transferred and data protection laws in such countries may be less stringent than or otherwise different from the European Data Protection Laws. Such transfers shall be made pursuant to European Data Protection Law and appropriate safeguards for such transfers shall be implemented.

The Shareholders acknowledges that the collection and processing of personal data by the Fund is made in accordance with the Privacy Notice which is annexed to the application form.

#### **Compliance with the AIFMD**

The AIFMD, as transposed into national law within the member states of the EU and the UK, imposes certain requirements on European AIFMs that market AIFs to professional investors within the EEA and the UK. The Fund qualifies as an externally managed alternative investment fund in accordance with the AIFMD and the 2013 Law. Disclosures in accordance with Article 23 of the AIFMD can be found in this Prospectus and the annual reports.

The AIFMD imposes disclosure and reporting requirements in relation to the Fund and its investments, compliance with which may involve additional costs, as well as restrictions on certain distributions or reductions in capital in respect of certain EEA companies (the so-called "asset stripping" rules). These restrictions, in turn, can result in additional costs and may limit the use of certain investment and realization strategies (such as dividend recapitalizations and reorganizations) which apply to competitors that are not within the scope of the AIFMD, thereby placing the Fund at a potential disadvantage vis-a-vis such competitors.

The Fund will bear the costs and expenses of compliance with the AIFMD and any related regulations, including, for example, costs and expenses of collecting and calculating data, the preparation of any notices, filings, periodic reports, the appointment of one or more entities to perform the function of a depositary required or in connection with the offering of interests to EEA Investors.

The AIFM is not advising, making a recommendation, or otherwise acting for investors or prospective investors with respect to an investment in the Fund, and the AIFM will not be responsible for providing protections that would otherwise be provided in an advisory-client relationship.

#### **European regulation on transparency of securities financing transactions**

It is not intended that the Fund enters into securities financing transactions. As such Section B of the Annex of 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 and amending Regulation (EU) No 648/2012 shall not apply. In case the Fund would enter into securities financing transactions, Section B of the Annex of 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 and amending Regulation (EU) No 648/2012 would apply and this Prospectus would be updated accordingly.

#### **Derivatives**

The Fund may utilise exchange-traded and over-the-counter futures, options and swaps for hedging purposes. The Fund will also be exposed to the risk of a counterparty defaulting under a derivative contract and therefore exposed to risk of losses in the event of the bankruptcy of a derivatives counterparty. There may also be an imperfect correlation between these instruments and the Investment or market sectors being hedged. Transactions in over-the-counter derivatives may involve additional risk, as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk.

The EU Regulation on OTC derivatives, central counterparties and trade repositories (648/2012/EU), as amended pursuant to Regulation (EU) 2019/834 ("EMIR") has direct effect on persons trading in derivative contracts in the member states of the EU.

EMIR introduced certain requirements for counterparties concluding derivative contracts, which will apply primarily to "financial counterparties" ("FCs") such as EU authorized investment firms, credit institutions, insurance or reinsurance companies, UCITS and alternative investment funds managed by EU authorized alternative investment fund managers, and "non-financial counterparties" ("NFCs") which are entities established in the EU that are not financial counterparties.

NFCs whose transactions in over-the-counter (“OTC”) derivative contracts exceed EMIR’s prescribed clearing threshold (“NFC+s”) are generally subject to more stringent requirements under EMIR than NFCs whose transactions in OTC derivative contracts do not exceed such clearing threshold (“NFC-s”).

Broadly, EMIR’s requirements in respect of derivative contracts are:

- the clearing of all “eligible” OTC derivative contracts through a duly authorised central clearing counterparty (“CCP”) (the “Clearing Obligation”);
- risk mitigation techniques in respect of uncleared OTC derivative contracts;
- the reporting of details of all such contracts (except for intragroup transactions where at least one of the counterparties is a non-financial counterparty) to a trade repository recognised by the European Securities and Markets Authority. There is no minimum threshold in terms of volume or value of transactions below which the obligation will not apply. Since 2020, financial counterparties are responsible for reporting on behalf of any non-financial counterparty that is below the clearing threshold;
- counterparties are obliged to enter into certain arrangements for reconciling portfolios and to agree detailed procedures in relation to identifying and resolving disputes regarding OTC derivative contracts; and
- counterparties are also obliged to pay and collect both initial margin and variation margin.

Under EMIR, a CCP will be used to meet the Clearing Obligation by interposing itself between the counterparties to the eligible derivative contracts. CCPs will connect with derivative counterparties through their clearing members. Where applicable, the Fund and its counterparties will be required to post both initial and variation margin to the clearing member (which in turn will be required to post margin to the CCP). EMIR requires CCPs to accept only highly liquid collateral with minimal credit and market risk.

EMIR has extraterritorial effects, requiring counterparties established outside the EU (so-called “third country entities”) to also comply with the EMIR Framework in a number of cases, and in particular when concluding OTC derivative contracts with an EU established counterparty.

In addition, the Markets in Financial Instruments Directive (2014/65/EU) as implemented in member states and the Markets in Financial Instruments Regulation (600/2014/EU) also requires certain transactions between FCs and NFC+s in certain sufficiently liquid OTC derivatives to be executed on specific organised trading venues.

It is difficult to predict the full impact of the above regulatory requirements on the Fund. Prospective investors should be aware that the rules stemming from the amended EMIR Framework and the MiFID II Framework may in practice significantly raise the costs of entering into derivative contracts and may adversely affect the Fund’s ability to engage in transactions in derivatives.

#### **EU Measures on Sustainable Finance**

Disclosure and due diligence requirements concerning environmental, social and corporate governance (“ESG”) factors (the “**EU Disclosure Rules**”) began to apply from 10 March 2021 and apply to various investment firms, alternative investment fund managers, providers of certain insurance-based investment products and financial advisers (together, “**Affected Firms**”). Amongst other things, such disclosures require an Affected Firm who is subject to the EU Disclosure Rules to make prescribed pre-contractual disclosures relating to the sustainability of investments which will include the manner in which sustainability risks are integrated into their investment decisions as well as in their periodic reports; and on each firm’s website. Compliance with the requirements of the EU Disclosure Rules in the EEA may be costly and such costs will be borne by the Fund as a whole (i.e., not attributed to particular EEA investors). Any regulatory changes arising from implementation of the EU Disclosure Rules may increase the expense of the Fund related to compliance therewith. To the extent that the AIFM is required to comply with the EU Disclosure Rules, the Fund will be responsible for all fees, costs, expenses and liabilities incurred in connection with the Fund’s, the AIFM’s, the Portfolio Manager’s and/or their respective affiliates’ and employees’ compliance with the EU Disclosure Rules; such fees, costs and expenses could be significant and impact Fund returns.

### **8.3 Tax Considerations**

Specific risks in relation to tax include, but are not limited to:

#### *OECD Action Plan on Base Erosion and Profit Shifting*

International fiscal and tax policy and practice is constantly evolving and the pace of evolution has quickened in recent years due to a number of developments, including in particular, the Organisation for Economic Co-operation and Development's ("OECD") Base Erosion and Profit Shifting project ("BEPS").

On 5 October 2015, the OECD published final reports, analyses and sets of recommendations for all of the fifteen actions it identified as part of its Action Plan, which G20 finance ministers then endorsed during a meeting on 8 October 2015 in Lima, Peru (the "Final Report"). The Final Report was endorsed by G20 Leaders during their annual summit on 15-16 November 2015 in Antalya, Turkey.

The OECD noted the need for a swift implementation of any measures which are finally decided upon and suggested that Actions 6 and 7, among others, could be implemented by way of multilateral instrument, rather than by way of negotiation and amendment of individual tax treaties.

On 24 November 2016, more than 100 jurisdictions (including Luxembourg) concluded negotiations on a multilateral convention (the "MLI") that is intended to implement a number of BEPS related measures swiftly. The MLI was signed on 7 June 2017. The effect of the MLI is that countries have transposed and/or will transpose certain provisions relating to the BEPS project into their existing networks of bilateral tax treaties without the requirement to re-negotiate each treaty individually. The date from which provisions of the MLI have effect in relation to a treaty depends on several factors including the type of tax and the article of the MLI it relates to. The MLI is applied alongside existing tax treaties (rather than amending them directly), modifying the application of those existing treaties in order to implement BEPS measures.

Accordingly, some of the recommendations of the BEPS final reports have been or may in the future be applied to existing tax treaties in a relatively short time. However, the MLI generally allows participating countries to opt in or out of various measures which are not a BEPS "minimum standard". A change in the application or interpretation of these double tax treaties (whether as a result of the adoption of the recommendations of the BEPS final reports by way of the MLI or otherwise) may have a negative impact on the returns received by Investors through the Fund.

The MLI entered into force in Luxembourg on 1 August 2019 and applies as from 1 January 2020 for withholding tax purposes whereas for all other taxes applies as from fiscal years beginning on or after 1 February 2020.

On 8 November 2019, the OECD sought public consultation on its Global Anti-Base Erosion ("GloBE") Pillar II proposal. According to the OECD, the objective of GloBE Pillar II is to address ongoing risks from structures that allow Multinational Enterprises ("MNEs") to shift profit to jurisdictions where they are subject to no or very low taxation. To do so, the OECD proposal presents a significant departure from the traditional principles of international taxation. In terms of substantive scope, the proposal is aimed at MNEs but is not limited to any particular sector (such as the digital economy) and does not, for now, include any turnover thresholds. Its impact, therefore, if implemented, could be far-reaching for taxpayers operating in multiple jurisdictions.

On 22 December 2021, the European Commission published a Proposal for a council directive on ensuring a global minimum level of taxation for multinational groups in the Union ("draft directive"). The draft directive is based on the global minimum tax model rules published by the G20/OECD inclusive framework on BEPS on 20 December 2021 ("OECD inclusive framework model rules"). The OECD inclusive framework model rules are designed to ensure that large multinational groups pay corporate income taxes at a minimum level of 15% in every country in which they operate.

The draft directive will require unanimity of the EU Council, and as such it is possible that there may be amendments, within the confines of needing to implement the OECD inclusive framework rules in a manner consistent with the global agreement. The implementation of the draft directive would need to be closely monitored and each Investor should seek appropriate advice on the tax consequences when investing in the Fund.

Depending on the outcome and implementation of these regimes, effective tax rates could increase within the Fund structure or on its investments including by way of higher level of taxes being imposed and possible denials or increased withholding taxes and/or increased Attributable Taxes.

#### *ATAD*

The EU has adopted the Council Directive (EU) 2016/1164 of 12 July 2016 ("ATAD I") and Council Directive (EU) 2017/952 of 29 May 2017 ("ATAD II" and hereafter with ATAD I collectively referred as "ATAD") to combat tax avoidance practices. ATAD II provides a framework for action against hybrid mismatches, created by the interactions between corporate tax systems of the EU Member States and third countries. ATAD I has been transposed in Luxembourg through the law dated 21 December 2018 and includes without limitation the

hybrid mismatches through a non-deduction within an EU context, interest limitation rules, etc. ATAD II has been transposed in Luxembourg through the law dated 20 December 2019 which entered into force in Luxembourg on 1 January 2020, except for the measures related to reverse hybrid mismatches, which will apply as from fiscal year 2022. The measures transposed tackle hybrid mismatches through non-deduction or inclusion/taxation (including for tax transparent entities) within an EU and non-EU context. These ATAD measures, in particular the hybrid mismatches rules, may have a negative impact on the returns to be received by Investors through the Fund. This would need to be closely monitored and each Investor should seek appropriate advice on the tax consequences when investing in the Fund.

#### *Unshell Directive*

On 22 December 2021, the European Commission released a draft for a new directive laying down rules to prevent the misuse of so-called “shell” entities for tax purposes in the EU and amending Directive 2011/16/EU on administrative cooperation in the field of taxation (DAC), referred to as the “Unshell initiative.” The initiative was first announced on 18 May 2021 by the European Commission in its Communication on Business Taxation for the 21<sup>st</sup> Century.

The objective of the directive is to target cases involving “the setting up of undertakings within the EU which are presumably engaged with an economic activity but that, in reality, do not conduct any economic activities” with the aim of capturing all undertakings and legal arrangements that can be considered or deemed to be considered as resident in a member state for tax purposes and are eligible to receive a tax residency certificate in a member state. To target such cases, the draft directive lays down a “substance test,” imposes additional tax compliance obligations on taxpayers, provides for sanctions, and extends the scope of automatic exchange of information between member states. In particular, entities falling within the scope would be denied treaty benefits and EU directive access.

The draft, once adopted as a directive, would be required to be transposed by member states into their domestic legislation by 30 June 2023 and would apply as from 1 January 2024. The draft directive relates only to intra-EU situations, and the European Commission already has announced a new directive to be published in 2022 to respond to the challenges linked to non-EU shell entities.

**There are various interpretational elements pending clarification, including potential exemption for certain AIFs and UCITS and their underlying owned entities. The implementation of the draft directive will be closely monitored by the Fund/AIFM. Each Investor should seek appropriate advice on their own tax impact when investing in the Fund.**

#### *Change in tax law*

Any change in the Fund’s tax status, tax directives, tax treaties, interpretation, administrative or customary practice related to tax or in taxation legislation in any relevant jurisdiction (or the interpretation thereof) could affect the value of the Investments held and affect the Fund’s ability to provide investment returns. Prospective investors and Shareholders should note that the statements on taxation which are set out herein are based on advice which has been received by the Fund regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. As is the case with any Investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an Investment is made will endure indefinitely. The attention of prospective investors is drawn to the tax risk associated with investing in the Fund. Please also refer to the Section 7.22 “Taxation” of this Prospectus, for further details.

#### *Tax considerations differ for each Investor*

The tax position of Investors may differ according to an Investor’s particular financial and tax situation. The tax structuring of the Fund or its investments may not be tax efficient for any particular prospective Investor. No undertaking is given that amounts distributed or allocated to Investors will have any particular characteristics or that any specific tax treatment will be enjoyed. Prospective investors should consult their own tax adviser on the suitability and tax implications of the acquisition, ownership and disposition of their interests under the laws of any jurisdictions in which they are or may be liable to taxation by reference to their particular circumstances. None of the Fund, the Portfolio Manager, or any of their officers, directors, employees, advisers or agents can take responsibility in this regard. Each Investor will be responsible for keeping their own records and calculating and reporting their share of any income or gain arising in relation to their investment in the Fund, if applicable.

#### *Distributions*

Investors should be aware that it is possible (depending on relevant taxation regimes) they may be subject to taxation in advance of distributions or redemptions. There can be no assurance that the Fund will have sufficient cash flow to enable it to make distributions in the amount necessary for payment of all tax liabilities resulting from that investor’s ownership of an interest in the Fund.

#### *Delayed Tax Information*

The Fund may not be able to provide final annual tax information to Investors for any given fiscal year until after the applicable tax return filing due date. The Fund will endeavour to provide Investors with annual tax information on or before such date, but final annual tax

information may not be available until the Fund has received tax-reporting information from its investments necessary to prepare final annual tax information. Investors may be required to obtain extensions of the filing due dates for their income tax returns.

#### *Local taxation*

Investors, the Fund and/or any vehicle in which the Fund has a direct or indirect interest may be subject to tax in jurisdictions in which any such vehicles are located or connected and/or Investments are made, any of which may change their tax laws (or the interpretation of such laws), possibly with retroactive effect. Returns to Investors may be reduced as a result of taxes which a particular Investor may not have suffered had it not made its investment through the Fund. Moreover, transfer taxes, non-resident capital gains taxes, withholding tax, branch tax or other taxes may be imposed directly or indirectly on earnings of the Fund from Investments in such jurisdictions (although in some cases such taxes may be subject to the possibility of reduction under applicable double tax treaties). Returns to Investors may be reduced as a result of such or other taxes which a particular Investor may not have suffered had it not made its investment through the Fund (and which may be increased as a result of the impact of other shareholders), and Investors may have certain reporting and compliance obligations in relation to the same. In certain circumstances, the Fund may compulsorily transfer or withdraw some or all of an Investor's interests and/or may reduce the sums payable in respect of any Investor. In addition, local tax incurred in such jurisdictions may not be creditable to or deductible by Investors in their respective jurisdictions and Investors may have certain reporting and compliance obligations. Prospective Investors should consult their own tax adviser regarding the tax consequences of an investment in the Fund.

#### *Provision of and disclosure of tax information*

Prospective Investors should note that the Portfolio Manager or the Fund may be required to disclose information regarding any Investor to any tax authority or other governmental agency to enable the Fund to comply with any applicable law or regulation or agreement with a governmental authority and may also disclose such information where the Portfolio Manager or the Fund considers it appropriate to do so in connection with an Investment. In particular, you should be aware that the Fund will be subject to disclosure and reporting obligations under various regimes, including (but not limited to) obligations arising pursuant to (i) FATCA, (ii) BEPS, (iii) CRS and (v) DAC 6 (each of which has been described in more detail in Section 8.3 "Tax Considerations" of this Prospectus). Investors required to provide such information as may be reasonably required by the Portfolio Manager or the Fund to enable the Fund to properly and promptly make such filings or elections as the Portfolio Manager or the fund may consider desirable or as required by law or where the Portfolio Manager or the Fund considers that the provision of such information is necessary or desirable in connection with an Investment or to mitigate taxation. Investors should note that pursuant to the terms of the constitutional documents in certain circumstances the Fund shall be entitled to take steps against an Investor who has failed to provide such information or who otherwise causes taxation to arise, including, but not limited to, ensuring that the Investor bears the cost of any tax arising as a result of the failure to provide the information or compulsorily redeeming the Investor's interest in the Fund. Prospective Investors may be required by the Fund to participate in Investments directly or through an alternative investment vehicle including where either the participation of the Investor in the Fund (or a feeder vehicle, if established) results in material adverse tax consequences for the other Investors (when looked at as a whole) or where participation through such a vehicle would improve the tax, regulatory or legal position of the Investor.

## **8.4 Conflicts of Interest**

### **Relationships with Group Companies and Conflicts Of Interest**

Due to the broad spectrum of activities undertaken by UBS, the AIFM, the Portfolio Manager and the Group Companies, including without limitation acting as an adviser to companies, placing agent and listing sponsor, managing and sponsoring investment funds, conducting an asset management business and other activities, conflicts of interest may arise. In the ordinary course of its asset management business, UBS engages in activities where UBS's interests or the interests of its clients may conflict with the interests of the Shareholders. The discussion below enumerates certain actual and potential conflicts of interest.

By acquiring a Share, each Shareholder will be deemed to have acknowledged the existence of such actual and potential conflicts of interest and, to the extent possible under applicable laws, to have waived any claim with respect to the existence of any such conflict of interest.

**Corporate Advisory Activities:** UBS engages in a range of corporate advisory activities, including advising clients on merger and acquisition transactions and on corporate restructurings and re-capitalizations, which may result in conflicts of interest with the Fund and, potentially, limitations and/or restrictions on the Fund's investment activities, in particular in respect of the Fund's investments in Securities.

**Material Non-Public Information:** As a result of its advisory activities, UBS will frequently come into possession of material non-public information or other confidential information about a company. Disclosure of such information within UBS will be on a need-to-know basis only. Therefore, the AIFM and the Portfolio Manager may not have access to material non-public information in the possession of

UBS that might be relevant to an investment decision to be made by the Board of Directors, and the Fund may purchase, retain or sell an Investment which, had such information been known to the AIFM, may not have been purchased, retained or sold.

The disclosure of material non-public or other confidential information acquired by UBS to any member of the investment team or other personnel of the AIFM and the Portfolio Manager, whether in connection with the Fund's activities or other activities of the AIFM and the Portfolio Manager, could result in restrictions on transactions in securities by the Fund, thereby affecting the ability of the Fund to make, retain or dispose of Investments.

**Transactions with Group Companies:** When arranging transactions in Securities for the Fund, Group Companies may provide securities and other brokerage, foreign exchange, banking and other services, or may act as principal, on their usual terms and may benefit therefrom. Commissions will be paid to brokers and agents in accordance with the relevant market practice and the benefit of any bulk or other commission discounts or cash commissions rebates provided by brokers or agents will be passed on to the Fund. The services of Group Companies will be used by the AIFM where it is considered appropriate to do so provided that (i) their commissions and other terms of business are generally comparable with those available from unassociated brokers and agents in the markets concerned, and (ii) this is consistent with the above policy of obtaining best net results. Consistent with the above policies, it is anticipated that a proportion of the Fund's investment transactions will be executed through Group Company broker dealers and that they will be amongst a relatively small group of global firms which may each be assigned a larger proportion of transactions than the proportion assigned to any other firm.

**Investment Opportunities:** UBS, the AIFM, the Portfolio Manager and Group Companies may sponsor or manage other funds and UBS or a Group Company may act as placing agent for a Security or a Target Fund in which the Fund may invest.

The AIFM and the Portfolio Manager may face conflicts of interest in the performance of their duties and, in particular, connection with the allocation of investment opportunities and resources among the Fund and these other existing or future investment funds (being together referred as the "**Competing Funds**").

In making allocation decisions with respect to investment opportunities that could reasonably be expected to fit the investment objectives of multiple Competing Funds, the AIFM and the Portfolio Manager anticipate that it will consider one or more of the following: the objectives and investment programs of a Competing Fund, any exclusive rights to investment opportunities that may have been granted to a Competing Fund, the expected duration of the investment in light of a Competing Fund's objectives and investment programme, the amount of available capital, the magnitude of the investment opportunity, regulatory and tax considerations, the degree of risk arising from an investment, the expected investment return, the requests of the AIFM's and the Portfolio Manager's investment professionals managing the applicable Competing Fund or such other factors as the AIFM and the Portfolio Manager deem to be appropriate. These factors provide substantial discretion to the AIFM to resolve conflicts of interest arising from limited investment opportunities.

In any event, the AIFM will take all reasonable steps to identify conflicts of interests that arise in the course of managing the Fund in accordance with article 13 of the 2013 Law.

Further, as part of its investment strategy, the Fund may invest in Target Funds and other Investments. Unless otherwise provided in this Prospectus, fees will be charged at the level of the Investments in accordance with normal market rates.

The Fund may invest in Target Funds directly or indirectly managed or advised by the AIFM, the Portfolio Manager, UBS or any of its subsidiaries (the "**UBS Group**").

In order to avoid double-charging to the Fund, when the Fund invests in Target Funds directly or indirectly managed or advised by any member of the UBS Group, no investment management fee, advisory fee or performance fees ("**UBS Target Fund Fees**") will be borne by the Investors, unless provided otherwise in the Prospectus. To give effect to the foregoing, the Portfolio Manager may, in its absolute discretion:

(i) reduce the Management Fees due in respect of a calculation period by an amount equal to the UBS Target Fund Fees that, as at the relevant calculation date, have not been offset by this (i) or rebated to the Fund pursuant to (ii) below; provided, that no Management Fee shall equal an amount less than zero at any time – any UBS Target Fund Fees that have not been offset or rebated in a calculation period shall be rolled over to the following calculation period; and/or

(ii) procure a rebate to the Fund of all or a portion of the UBS Target Fund Fees that, as at the relevant date, have not been offset by (i) above or rebated to the Fund pursuant to this (ii).



The policies covering Conflicts of Interest, Voting Rights and Complaints Handling can be consulted with the AIFM, in its capacity as alternative investment funds manager of the Fund.

## 9. Selling Restrictions

### 9.1 Notice to investors in the EEA

As indicated in section 1 of this Prospectus, the Fund qualifies as an AIF and is managed by an AIFM. Therefore, the AIFM benefits from the marketing passport provided for under article 32 of the Directive 2011/61/EU of 8 June 2011 on alternative investment fund managers (the “AIFMD”) and Shares of the Fund shall be able to be marketed to investors within the European Economic Area (“EEA”) under the said passport, without prejudice to the restrictions and prohibitions applicable to marketing under the national laws of the relevant EEA member state.

Each member state of the European Economic Area is currently adopting or has adopted legislation implementing the AIFMD into national law. Under the Directive, marketing to any investor domiciled or with a registered office in the European Economic Area will be restricted by such laws and no such marketing shall take place except as permitted by such laws. Prior to implementation of the AIFMD into national law, Shares in the Fund may only be offered and issued in accordance with applicable laws in relevant member states, and potential investors should ensure they are able to subscribe for Shares in the Fund in accordance with those laws.

In addition:

In Germany, the Shares of the Fund may be offered or distributed to semi-professional investors within the meaning of section 1 para. 19 no. 33 German Capital Investment Act (*Kapitalanlagegesetzbuch*) but shall not be offered to retail investors within the meaning of section 1 para. 19 no. 31 German Capital Investment Act (*Kapitalanlagegesetzbuch*) in Germany.

In Italy, no offering of Shares in the Fund nor any distribution of any offering materials relating to the Shares in the Fund will be made in the Republic of Italy unless the requirements of Italian laws and regulations have been complied with, including all Italian securities, tax and exchange controls and any other applicable laws and regulations, all as amended from time to time. Accordingly, this Prospectus does not constitute, and cannot be construed as, an offer or a solicitation by any person to investors in Italy to subscribe for Shares in the Fund.

In the Netherlands, the Shares of the Fund shall not be, directly or indirectly, offered, sold, transferred or delivered in the Netherlands, except to (legal) entities which qualify as professional investors (*professionele beleggers*) within the meaning of Article 1:1 of the Act on financial supervision (*Wet op het financieel toezicht*), as amended from time to time. No approved prospectus is required pursuant to Directive 2003/71/EC, as amended.

In Portugal, the Fund will constitute an alternative investment fund (*Organismo de investimento alternativo*), pursuant to Decree-Law no. 63-A/2013, of 10 May. No authorization has been obtained or has been requested from the Securities Market Commission (*Comissão do Mercado de Valores Mobiliários*) for the marketing of the interests in the Fund referred to in this Prospectus, therefore the same cannot be offered to the public in Portugal, but solely to qualified investors. Accordingly, no interests in the Fund have been or may be offered or sold to investors other than qualified investors, as defined in Article 30 of the Portuguese Securities Code (*Código dos Valores Mobiliários*). Qualified investors within the meaning of article 30 of the Portuguese Securities Code include credit institutions, investment firms, insurance companies, collective investment institutions and their respective managing companies, pension funds and their respective pension fund-managing companies, other authorized or regulated financial institutions, notably securitization funds and their respective management companies and all other financial companies, securitization companies, venture capital companies, venture capital funds and their respective management companies, financial institutions incorporated in a state that is not a member state of the EU that carry out activities similar to those previously mentioned, entities trading in financial instruments related to commodities and regional and national governments, central banks and public bodies that manage debt, supranational or international institutions, namely the European central bank, the European investment bank, the international monetary fund and the world bank, people who provide investment services or carry out investment activities, which consist exclusively in dealing on own account in futures or cash markets, the latter for the sole purpose of hedging positions on derivatives markets, or deal or make prices on behalf of other members of said markets and which are guaranteed by a clearing member of the same markets, where responsibility for ensuring the performance of contracts is assumed by one of said members, as well as any legal entity which meets two of the following size requirements: (1) equity of EUR 2,000,000.00; (2) total assets of EUR 20,000,000.00; and (3) an annual net turnover of EUR 40,000,000.00 all as shown in its last annual individual accounts, and any person who has requested to be classified as such.

### 9.2 Prospectus Directive

Without prejudice to the above, this Prospectus has been prepared on the basis that any offer of Shares in any member state of the EEA which has implemented the Prospectus Directive (i.e. Directive 2003/71/EC, as amended from time to time and as implemented in the relevant member state) will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a

prospectus for offers of Shares. Neither the Fund nor the AIFM have authorized, nor do they authorize, the making of any offer of Shares in circumstances in which an obligation arises for the Fund or the AIFM to publish a Prospectus Directive compliant prospectus for an investment into the Fund.

### **9.3 Notice to other investors**

This Prospectus and any other documents relating to the Fund do not constitute an offer or solicitation in any jurisdiction in which an offer or solicitation is not authorized, or in which the person making the offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such an offer or solicitation. Any representation to the contrary is unlawful. No action has been taken by the Fund that would permit a public offering of the Shares or possession or distribution of information in any jurisdiction where action for that purpose is required.

#### **AUSTRALIA**

The Fund has not authorized nor taken any action to lodge an Australian law compliant product disclosure statement or prospectus with the Australian securities & investments commission. Accordingly, this Prospectus may not be issued or distributed and the Shares may not be offered, issued, sold or distributed in Australia by the Fund or any other person, including a subsequent holder of the Shares, other than by way of or pursuant to an offer, issue or sale that does not need disclosure, as provided in either Chapter 6D or Part 7.9 of the Australian Corporations Act 2001.

Each recipient of this Prospectus and each Investor warrants that it is, and at all times will be, a person to whom disclosure is not required to be made under Chapter 6D or Part 7.9 of the Corporations Act.

This Prospectus is provided for information purposes only and does not constitute the provision of any financial product advice or recommendation. This Prospectus does not take into account the investment objectives, financial situation and particular needs of any recipient and the Fund is not licensed to provide financial product advice in Australia. Any prospective investor should consider carefully whether the investment is suitable for it. There is no cooling-off regime that applies in relation to the acquisition of any shares in Australia.

#### **CANADA**

The Shares may be sold only to investors purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide an investor with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the investor within the time limit prescribed by the securities legislation of the investor's province or territory. The investor should refer to any applicable provisions of the securities legislation of the investor's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

#### **HONG KONG**

The contents of this Prospectus have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. The Fund is a collective investment scheme as defined in the Securities and Futures Ordinance of Hong Kong (the "**Ordinance**") but has not been authorized by the Securities and Futures Commission pursuant to the Ordinance. Accordingly, the Shares may only be offered or sold in Hong Kong to persons who are "professional investors" as defined in the Ordinance and any rules made under the Ordinance; or in a minimum denomination of or with a minimum consideration payable by any person of not less than HKD500,000 or its equivalent in another currency; or either in other circumstances which do not result in the Prospectus being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance of Hong Kong (Cap.32) or which do not constitute an offer to the public within the meaning of that ordinance. In addition, this Prospectus may not be issued or possessed for the purposes of issue, whether in Hong Kong or elsewhere, and the Shares may not be disposed of to any person unless such person is outside Hong Kong, such person is a "professional investor" within the meaning of the Ordinance or as otherwise may be permitted by the Ordinance.

## **JAPAN**

Shares in the Fund are a security set forth in Article 2, Paragraph 2, Item 6 of the Financial Instruments and Exchange Law of Japan (the “FIEL”). No public offering of Shares in the Fund is being made to prospective investors resident in Japan and in accordance with Article 2, paragraph 3, Item 3, of the FIEL, no securities registration statement pursuant to Article 4, paragraph 1, of the FIEL has been made or will be made in respect to the offering of Shares in the Fund in Japan. The offering of Shares in the Fund in and investment management for the Fund in Japan is made as “Special Exempted Business for Qualified Institutional Investors, Etc.” under Article 63, Paragraph 1, of the FIEL. Thus, Shares in the Fund are being offered only to a limited number of prospective investors in Japan. Neither the Fund nor any of its affiliates is or will be registered as a “financial instruments firm” pursuant to the FIEL. Neither the Financial Services Agency of Japan nor the Kanto Local Finance Bureau has passed upon the accuracy or adequacy of this Prospectus or otherwise approved or authorized the offering of Shares in the Fund to prospective investors resident in Japan. Investors may not sell, assign, dispose, exchange, pledge, encumber or otherwise transfer of all or part of Shares without the prior written consent of the Board of Directors. The Board of Directors will refuse its consent to the transfer of the Shares (i) if the number of Japanese Investor will reach ten (10) as a result of such transfer, or (ii) if the proposed transferee is neither a Qualified Institutional Investor as defined in the FIEL nor a fund operator relying upon the Article 63 of the FIEL in which case all of the indirect investors must be Qualified Institutional Investors.

The Board of Directors confirms and warrants that, in accordance with Article 40-3 of the Financial Instruments and Exchange Act of Japan (the “FIEA”), the assets of the Fund will, at all times, be segregated from the proprietary assets of the Board of Directors, the AIFM, the Portfolio Manager and their affiliates and other property pertaining to other businesses conducted by the Board of Directors, the AIFM, the Portfolio Manager and their affiliates as required under Article 40-3 of the FIEA, and cash contributed by investors to the Fund for any reason pursuant to this Prospectus will be deposited with licensed financial institutions, such as licensed banks or trust companies.

## **MALAYSIA**

As the recognition by the Malaysian securities commission pursuant to section 212 of the Malaysian capital markets and services act 2007 has not been/will not be obtained nor will this document be lodged or registered with the Malaysian securities commission, the interests hereunder are not being and will not be deemed to be issued, made available, offered for subscription or purchase in Malaysia and neither this Prospectus nor any document or other material in connection therewith should be distributed, caused to be distributed or circulated in Malaysia.

## **MONACO**

The present fund is not registered before the Monaco “Commission de Contrôle des Activités Financières” by virtue of Law n°1.339 of September 7, 2007 relating to open-end mutual funds and investments funds. Units of the present fund may not be offered or sold, directly or indirectly, to the public in Monaco, other than by a duly authorized Monaco bank, financial services company or credit institution. Consequently, this document may only be communicated to :

- Monaco credit institutions duly licensed by the French “Autorité de Contrôle Prudentiel et de Résolution” by virtue of the exchange of letters between France and Monaco dated October 20, 2010 and by the Monaco “Commission de Contrôle des Activités Financières” by virtue of Law n°1.338 of September 7, 2007; and fully authorized in Monaco by virtue of Law n° 1.144 of July 26, 1991; or
- Monaco financial services companies duly licensed by the Monaco “Commission de Contrôle des Activités Financières” by virtue of Law n°1.338 of September 7, 2007; and fully authorized in Monaco by virtue of Law n° 1.144 of July 26, 1991.

Communication is not being made in any other way.

## **SINGAPORE**

The offer or invitation of the Shares of the Fund, which is the subject of this Prospectus, does not relate to a collective investment scheme which is authorized under Section 286 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”) or recognized under Section 287 of the SFA. The Fund is not authorized or recognized by the Monetary Authority of Singapore (the “MAS”) and the Shares are not allowed to be offered to the retail public. This Prospectus and any other document or material issued in connection with the offer or sale is not a prospectus as defined in the SFA. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you.

This Prospectus has not been registered as a prospectus with the MAS. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 304 of the SFA, (ii) to a relevant person pursuant to Section 305(1),

or any person pursuant to Section 305(2), and in accordance with the conditions specified in Section 305, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Shares are subscribed or purchased under Section 305 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,
- (c) securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Shares pursuant to an offer made under Section 305 of the SFA except:
  - (1) to an institutional investor or to a relevant person defined in Section 305(5) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 305A(3)(i)(B) of the SFA;
  - (2) where no consideration is or will be given for the transfer;
  - (3) where the transfer is by operation of law;
  - (4) as specified in Section 305A(5) of the SFA; or
  - (5) as specified in Regulation 36 of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.

#### **SWITZERLAND**

In Switzerland, the Fund has not been approved by the Swiss Financial Market Supervisory Authority FINMA as a foreign collective investment scheme pursuant to Article 120 of the Swiss Collective Investment Schemes Act of 23 June 2006. Accordingly, the Shares may not be offered to non-qualified investors in Switzerland and neither this Prospectus nor any other offering materials relating to the Shares may be made available to non-qualified investors in Switzerland. The Shares may only be offered and this Prospectus may only be distributed in Switzerland to qualified investors (as defined in the Swiss Collective Investment Schemes Act and its implementing ordinance).

#### **UNITED KINGDOM**

In the United Kingdom, when distributed in the United Kingdom this Prospectus is only intended for investment professionals, high net worth companies, partnerships, associations or trusts, persons falling within the categories of "Certified High Net Worth Individual" described in article 21 of the CIS Promotion Order or "Self-Certified Sophisticated Investor" described in article 23A of the CIS Promotion Order or to any other persons to whom it may be communicated lawfully.

#### **TAIWAN**

The offering, distribution and resale of the Shares have not been approved by or registered with the Taiwan Financial Supervisory Commission and thus the Interests cannot be offered, distributed or resold in Taiwan. Private placement of the Interests may only be made subject to restrictions under Taiwan laws.

#### **THAILAND**

The Shares have not been registered, licensed or approved in Thailand. This has not been approved by the Securities and Exchange Commission which takes no responsibility for its contents. The Shares may not be offered or sold, directly or indirectly, to persons in Thailand other than under circumstances which do not constitute an offer for sale of securities to the public for the purposes of the Interests and Exchange Act of 1992 of Thailand or in compliance with any other applicable requirements under the Securities and Exchange Act of 1992 of Thailand. No offer to the public to purchase the Shares will be made in Thailand and this Prospectus is intended to be read by the addressee only and must not be passed to, issued to, or shown to the public generally.

#### **UNITED STATES OF AMERICA**

##### **United States Securities Act of 1933**

The Shares will not be registered under the 1933 Act or any other securities law, including state securities or blue sky laws or non-US securities laws. The Shares will be offered and sold without registration in reliance upon the 1933 Act exemption for transactions not involving a public offering and generally will be sold only to "accredited investors", as defined in Regulation D promulgated under the 1933 Act. Each investor will be required to make customary private placement representations, including that such investor is acquiring the Shares for its own account for investment and not with a view to resale or distribution. Further, each investor must be prepared to

bear the economic risk of the investment in the Shares for an indefinite period of time, since the Shares cannot be transferred or resold, except as permitted under the 1933 Act and any applicable state or non-US securities laws pursuant to registration or an exemption therefrom. It is not contemplated that registration of the Shares under the 1933 Act or other securities laws will be affected at any time in the near future, if at all.

#### Securities Exchange Act of 1934

The Shares have not been and will not be registered under the Securities Exchange Act of 1934, as amended. As a consequence, the Fund will not, at any time, have more than 1999 Shareholders of record.

#### Investment Company Act of 1940

The Fund anticipates that it will not be subject to the provisions of the 1940 Act in reliance upon the exemption specified in Section 31(1) (for issuers whose securities are not beneficially owned by more than 100 persons) and/or Section 3(c)(7) (for issuers whose securities are owned exclusively by “qualified purchasers” within the meaning of Section 2(a)(51) of the 1940 Act and Rule 2a51-1 thereunder). A “qualified purchaser” includes a natural person or family-owned company who owns not less than \$5,000,000 in investments, a natural person or company, acting for its own account or the accounts of other qualified purchasers, who owns and invests on a discretionary basis not less than \$25,000,000 in investments and certain trusts. Investors’ subscription agreements and the Fund documentation will contain representations and restrictions on transfer designed to assure that the Fund will qualify for such exemptions.

In reliance on such exemptions, the Fund will not register under the 1940 Act. Investors in the Fund will, therefore, not receive the protections afforded by the 1940 Act to investors in a registered investment company. The Fund will not make a public offering of the Shares and, as such, may limit the number of investors to satisfy the exemptions from registration as an investment company under the 1940 Act. If the Fund is deemed to be an investment company and therefore is required to register under the 1940 Act, such requirement would likely prohibit the Fund from operating in its intended manner and would likely have a material adverse effect on the Fund. The Board of Directors has the ability to block transfers or to cause a compulsory redemption if necessary to permit its continuing reliance of the Fund on certain exclusions and exemptions, in each case at the discretion of the Portfolio Manager, the Board of Directors and/or the AIFM.

#### Investment Advisers Act of 1940

The AIFM and the Portfolio Manager are not registered as an investment advisor under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”), and therefore they are not subject to most of the substantive provisions of the Advisers Act. However the AIFM and/or the Portfolio Manager may be required to register with the SEC as an “exempt reporting adviser” in which case it will file reports with the SEC in such capacity, are subject to the anti-fraud provisions of the Advisers Act and are subject to SEC jurisdiction.

#### United States Commodity Exchange Act of 1936

The Fund may invest in instruments which could be deemed to be commodity interests, including swaps as defined in the Commodity Futures Trading Commission (“**CFTC**”) regulations. The Portfolio Manager and/or AIFM intends to claim an exemption from registration with the US National Futures Association as a commodity pool operator pursuant to CFTC rule 4.13(a)(3). This exemption requires that either (i) the aggregate initial margin, premiums, and required minimum security deposit for FOREX transactions required to establish commodity interest positions, determined at the time the most recent position was established, will not exceed five percent of the liquidation value of the Fund’s portfolio, or (ii) the aggregate net notional value of the Fund’s commodity interest positions, determined at the time the most recent position was established, does not exceed one hundred percent of the liquidation value of the Fund’s portfolio. This exemption also requires, among other things, that each US investor meets certain sophistication criteria such as being an “accredited investor” within the meaning of Regulation D promulgated under the 1933 Act or a knowledgeable employee as specified in the CFTC regulations. Therefore, unlike a registered commodity pool operator, the Fund will not be required to deliver a disclosure document or a certified annual report to participants in the Fund.

#### **OTHER JURISDICTIONS**

This Prospectus does not constitute an offer or invitation to subscribe for, or purchase, any of the Shares in any jurisdiction in which it is unlawful to make to such person such an offer or invitation without compliance with any registration or other legal requirements.

This Prospectus will not be registered as a prospectus under any applicable securities legislation in any jurisdiction. The distribution of this Prospectus in certain jurisdictions may be restricted and, accordingly, persons into whose possession this Prospectus comes are required to inform themselves about, and observe, such restrictions.

# Appendices

to the Prospectus of Private Equity (Lux) Evergreen Secondary Fund



# 1. Classes of Shares

Share Class	Currency	Initial Issue Price	Minimum Initial Investment Amount	Minimum Additional Investment Amount	Management Fee	Performance Fee	Lock-Up Period	Gate (p.q / p.a.)
EUR P-acc	EUR	100	50,000	50,000	2.00%	10%	12 months following the Initial Issue Date	5% / 20%
EUR Q-acc	EUR	100	50,000	50,000	1.20%	10%	12 months following the Initial Issue Date	5% / 20%
EUR D-acc	EUR	100	0	0	0.00%	0%	N/A	N/A
EUR I-A1-acc	EUR	100	50,000	50,000	1.15%	10%	12 months following the Initial Issue Date	5% / 20%
EUR I-A2-acc	EUR	100	10,000,000	50,000	0.90%	10%	12 months following the Initial Issue Date	5% / 20%
EUR I-A3-acc	EUR	100	30,000,000	50,000	0.70%	10%	12 months following the Initial Issue Date	5% / 20%
EUR seeding-acc	EUR	100	50,000	50,000	0.96%	10%	12 months following the Initial Issue Date	5% / 20%
EUR I-B-acc	EUR	100	0	0	0.00%	0%	N/A	N/A
EUR I-X-acc	EUR	100	0	0	0.00%	0%	N/A	N/A
EUR U-X-acc	EUR	100	0	0	0.00%	0%	N/A	N/A
EUR F-acc	EUR	100	0	0	0.70%	10%	12 months following the Initial Issue Date	5% / 20%
CHF P-acc	CHF	100	50,000	50,000	2.00%	10%	12 months following the Initial Issue Date	5% / 20%
CHF Q-acc	CHF	100	50,000	50,000	1.20%	10%	12 months following the Initial Issue Date	5% / 20%
CHF I-A1-acc	CHF	100	50,000	50,000	1.15%	10%	12 months following the Initial Issue Date	5% / 20%
CHF I-A2-acc	CHF	100	10,000,000	50,000	0.90%	10%	12 months following the Initial Issue Date	5% / 20%
CHF I-A3-acc	CHF	100	30,000,000	50,000	0.70%	10%	12 months following the Initial Issue Date	5% / 20%
CHF seeding-acc	CHF	100	50,000	50,000	0.96%	10%	12 months following the Initial Issue Date	5% / 20%
USD P-acc	USD	100	50,000	50,000	2.00%	10%	12 months following the Initial Issue Date	5% / 20%
USD Q-acc	USD	100	50,000	50,000	1.20%	10%	12 months following the Initial Issue Date	5% / 20%

USD I-A1-acc	USD	100	50,000	50,000	1.15%	10%	12 months following the Initial Issue Date	5% / 20%
USD I-A2-acc	USD	100	10,000,000	50,000	0.90%	10%	12 months following the Initial Issue Date	5% / 20%
USD I-A3-acc	USD	100	30,000,000	50,000	0.70%	10%	12 months following the Initial Issue Date	5% / 20%
USD seeding-acc	USD	100	50,000	50,000	0.96%	10%	12 months following the Initial Issue Date	5% / 20%
CAD P-acc	CAD	100	75,000	75,000	2.00%	10%	12 months following the Initial Issue Date	5% / 20%
CAD Q-acc	CAD	100	75,000	75,000	1.20%	10%	12 months following the Initial Issue Date	5% / 20%
CAD I-A1-acc	CAD	100	75,000	75,000	1.15%	10%	12 months following the Initial Issue Date	5% / 20%
CAD I-A2-acc	CAD	100	130,000,000	75,000	0.90%	10%	12 months following the Initial Issue Date	5% / 20%
CAD I-A3-acc	CAD	100	730,000,000	75,000	0.70%	10%	12 months following the Initial Issue Date	5% / 20%
AUD P-acc	AUD	100	75,000	75,000	2.00%	10%	12 months following the Initial Issue Date	5% / 20%
AUD Q-acc	AUD	100	75,000	75,000	1.20%	10%	12 months following the Initial Issue Date	5% / 20%
AUD I-A1-acc	AUD	100	75,000	75,000	1.15%	10%	12 months following the Initial Issue Date	5% / 20%
AUD I-A2-acc	AUD	100	130,000,000	75,000	0.90%	10%	12 months following the Initial Issue Date	5% / 20%
AUD I-A3-acc	AUD	100	730,000,000	75,000	0.70%	10%	12 months following the Initial Issue Date	5% / 20%
JPY P-acc	JPY	100	6,650,000	6,650,000	2.00%	10%	12 months following the Initial Issue Date	5% / 20%
JPY Q-acc	JPY	100	6,650,000	6,650,000	1.20%	10%	12 months following the Initial Issue Date	5% / 20%
JPY I-A1-acc	JPY	100	6,650,000	6,650,000	1.15%	10%	12 months following the Initial Issue Date	5% / 20%
JPY I-A2-acc	JPY	100	133,000,000	6,650,000	0.90%	10%	12 months following the Initial Issue Date	5% / 20%
JPY I-A3-acc	JPY	100	665,000,000	6,650,000	0.70%	10%	12 months following the Initial Issue Date	5% / 20%
GBP P-acc	GBP	100	50,000	50,000	2.00%	10%	12 months following the Initial Issue Date	5% / 20%
GBP Q-acc	GBP	100	50,000	50,000	1.20%	10%	12 months following the Initial Issue Date	5% / 20%
GBP I-A1-acc	GBP	100	50,000	50,000	1.15%	10%	12 months following the Initial Issue Date	5% / 20%
GBP I-A2-acc	GBP	100	10,000,000	50,000	0.90%	10%	12 months following the Initial Issue Date	5% / 20%

							following the Initial Issue Date	20%
GBP I-A3-acc	GBP	100	30,000,000	50,000	0.70%	10%	12 months following the Initial Issue Date	5% / 20%
NOK P-acc	NOK	100	500,000	500,000	2.00%	10%	12 months following the Initial Issue Date	5% / 20%
NOK Q-acc	NOK	100	500,000	500,000	1.20%	10%	12 months following the Initial Issue Date	5% / 20%
NOK I-A1-acc	NOK	100	500,000	500,000	1.15%	10%	12 months following the Initial Issue Date	5% / 20%
NOK I-A2-acc	NOK	100	100,000,000	500,000	0.90%	10%	12 months following the Initial Issue Date	5% / 20%
NOK I-A3-acc	NOK	100	300,000,000	500,000	0.70%	10%	12 months following the Initial Issue Date	5% / 20%
SEK P-acc	SEK	100	500,000	500,000	2.00%	10%	12 months following the Initial Issue Date	5% / 20%
SEK Q-acc	SEK	100	500,000	500,000	1.20%	10%	12 months following the Initial Issue Date	5% / 20%
SEK I-A1-acc	SEK	100	500,000	500,000	1.15%	10%	12 months following the Initial Issue Date	5% / 20%
SEK I-A2-acc	SEK	100	100,000,000	500,000	0.90%	10%	12 months following the Initial Issue Date	5% / 20%
SEK I-A3-acc	SEK	100	300,000,000	500,000	0.70%	10%	12 months following the Initial Issue Date	5% / 20%
SGD P-acc	SGD	100	75,000	75,000	2.00%	10%	12 months following the Initial Issue Date	5% / 20%
SGD Q-acc	SGD	100	75,000	75,000	1.20%	10%	12 months following the Initial Issue Date	5% / 20%
SGD I-A1-acc	SGD	100	75,000	75,000	1.15%	10%	12 months following the Initial Issue Date	5% / 20%
SGD I-A2-acc	SGD	100	130,000,000	75,000	0.90%	10%	12 months following the Initial Issue Date	5% / 20%
SGD I-A3-acc	SGD	100	730,000,000	75,000	0.70%	10%	12 months following the Initial Issue Date	5% / 20%
EUR (hedged) P-acc	EUR	100	50,000	50,000	2.05%	10%	12 months following the Initial Issue Date	5% / 20%
EUR (hedged) Q-acc	EUR	100	50,000	50,000	1.25%	10%	12 months following the Initial Issue Date	5% / 20%
EUR (hedged) I-A1-acc	EUR	100	50,000	50,000	1.18%	10%	12 months following the Initial Issue Date	5% / 20%
EUR (hedged) I-A2-acc	EUR	100	10,000,000	50,000	0.93%	10%	12 months following the Initial Issue Date	5% / 20%
EUR (hedged) I-A3-acc	EUR	100	30,000,000	50,000	0.73%	10%	12 months following the Initial Issue Date	5% / 20%
CHF (hedged) P-	CHF	100	50,000	50,000	2.05%	10%	12 months following the	5% / 20%

acc							Initial Issue Date	
CHF (hedged) Q-acc	CHF	100	50,000	50,000	1.25%	10%	12 months following the Initial Issue Date	5% / 20%
CHF (hedged) I-A1-acc	CHF	100	50,000	50,000	1.18%	10%	12 months following the Initial Issue Date	5% / 20%
CHF (hedged) I-A2-acc	CHF	100	10,000,000	50,000	0.93%	10%	12 months following the Initial Issue Date	5% / 20%
CHF (hedged) I-A3-acc	CHF	100	30,000,000	50,000	0.73%	10%	12 months following the Initial Issue Date	5% / 20%
USD (hedged) P-acc	USD	100	50,000	50,000	2.05%	10%	12 months following the Initial Issue Date	5% / 20%
USD (hedged) Q-acc	USD	100	50,000	50,000	1.25%	10%	12 months following the Initial Issue Date	5% / 20%
USD (hedged) I-A1-acc	USD	100	50,000	50,000	1.18%	10%	12 months following the Initial Issue Date	5% / 20%
USD (hedged) I-A2-acc	USD	100	10,000,000	50,000	0.93%	10%	12 months following the Initial Issue Date	5% / 20%
USD (hedged) I-A3-acc	USD	100	30,000,000	50,000	0.73%	10%	12 months following the Initial Issue Date	5% / 20%
CAD (hedged) P-acc	CAD	100	75,000	75,000	2.05%	10%	12 months following the Initial Issue Date	5% / 20%
CAD (hedged) Q-acc	CAD	100	75,000	75,000	1.25%	10%	12 months following the Initial Issue Date	5% / 20%
CAD (hedged) I-A1-acc	CAD	100	75,000	75,000	1.18%	10%	12 months following the Initial Issue Date	5% / 20%
CAD (hedged) I-A2-acc	CAD	100	130,000,000	75,000	0.93%	10%	12 months following the Initial Issue Date	5% / 20%
CAD (hedged) I-A3-acc	CAD	100	730,000,000	75,000	0.73%	10%	12 months following the Initial Issue Date	5% / 20%
AUD (hedged) P-acc	AUD	100	75,000	75,000	2.05%	10%	12 months following the Initial Issue Date	5% / 20%
AUD (hedged) Q-acc	AUD	100	75,000	75,000	1.25%	10%	12 months following the Initial Issue Date	5% / 20%
AUD (hedged) I-A1-acc	AUD	100	75,000	75,000	1.18%	10%	12 months following the Initial Issue Date	5% / 20%
AUD (hedged) I-A2-acc	AUD	100	130,000,000	75,000	0.93%	10%	12 months following the Initial Issue Date	5% / 20%
AUD (hedged) I-A3-acc	AUD	100	730,000,000	75,000	0.73%	10%	12 months following the Initial Issue Date	5% / 20%
JPY (hedged) P-acc	JPY	100	6,650,000	6,650,000	2.05%	10%	12 months following the Initial Issue Date	5% / 20%
JPY (hedged) Q-acc	JPY	100	6,650,000	6,650,000	1.25%	10%	12 months following the Initial Issue Date	5% / 20%
JPY (hedged) I-A1-acc	JPY	100	6,650,000	6,650,000	1.18%	10%	12 months following the Initial Issue Date	5% / 20%

JPY (hedged) I-A2-acc	JPY	100	133,000,000	6,650,000	0.93%	10%	12 months following the Initial Issue Date	5% / 20%
JPY (hedged) I-A3-acc	JPY	100	665,000,000	6,650,000	0.73%	10%	12 months following the Initial Issue Date	5% / 20%
GBP (hedged) P- acc	GBP	100	50,000	50,000	2.05%	10%	12 months following the Initial Issue Date	5% / 20%
GBP (hedged) Q- acc	GBP	100	50,000	50,000	1.25%	10%	12 months following the Initial Issue Date	5% / 20%
GBP (hedged) I- A1-acc	GBP	100	50,000	50,000	1.18%	10%	12 months following the Initial Issue Date	5% / 20%
GBP (hedged) I- A2-acc	GBP	100	10,000,000	50,000	0.93%	10%	12 months following the Initial Issue Date	5% / 20%
GBP (hedged) I- A3-acc	GBP	100	30,000,000	50,000	0.73%	10%	12 months following the Initial Issue Date	5% / 20%
NOK (hedged) P- acc	NOK	100	500,000	500,000	2.05%	10%	12 months following the Initial Issue Date	5% / 20%
NOK (hedged) Q- acc	NOK	100	500,000	500,000	1.25%	10%	12 months following the Initial Issue Date	5% / 20%
NOK (hedged) I- A1-acc	NOK	100	500,000	500,000	1.18%	10%	12 months following the Initial Issue Date	5% / 20%
NOK (hedged) I- A2-acc	NOK	100	100,000,000	500,000	0.93%	10%	12 months following the Initial Issue Date	5% / 20%
NOK (hedged) I- A3-acc	NOK	100	300,000,000	500,000	0.73%	10%	12 months following the Initial Issue Date	5% / 20%
SEK (hedged) P-acc	SEK	100	500,000	500,000	2.05%	10%	12 months following the Initial Issue Date	5% / 20%
SEK (hedged) Q-acc	SEK	100	500,000	500,000	1.25%	10%	12 months following the Initial Issue Date	5% / 20%
SEK (hedged) I-A1-acc	SEK	100	500,000	500,000	1.18%	10%	12 months following the Initial Issue Date	5% / 20%
SEK (hedged) I-A2-acc	SEK	100	100,000,000	500,000	0.93%	10%	12 months following the Initial Issue Date	5% / 20%
SEK (hedged) I-A3-acc	SEK	100	300,000,000	500,000	0.73%	10%	12 months following the Initial Issue Date	5% / 20%
SGD (hedged) P- acc	SGD	100	75,000	75,000	2.05%	10%	12 months following the Initial Issue Date	5% / 20%
SGD (hedged) Q- acc	SGD	100	75,000	75,000	1.25%	10%	12 months following the Initial Issue Date	5% / 20%
SGD (hedged) I- A1-acc	SGD	100	75,000	75,000	1.18%	10%	12 months following the Initial Issue Date	5% / 20%
SGD (hedged) I- A2-acc	SGD	100	130,000,000	75,000	0.93%	10%	12 months following the Initial Issue Date	5% / 20%
SGD (hedged) I- A3-acc	SGD	100	730,000,000	75,000	0.73%	10%	12 months following the Initial Issue Date	5% / 20%

"P"	Shares in Share Classes with "P" in their name are available to all investors. Their smallest tradable unit is 0.001.
"Q"	<p>Shares in Share Classes with "Q" in their name are only available:</p> <p>a) to investors in an eligible country as defined by "List A"; or</p> <p>b) to contractual partners of UBS Asset Management Switzerland AG acting through their Asset Management division and other regulated financial service providers duly authorized by their supervisory authority, investing in their own name and:</p> <ul style="list-style-type: none"> <li>– on their own behalf; or</li> <li>– on behalf of their clients within the framework of written contracts for pecuniary interest constituting (i) asset management mandates, (ii) advisory agreements, or (iii) similar long-term contracts, provided these specifically allow for investments in share classes without remuneration; or</li> <li>– on behalf of a collective investment scheme; or</li> <li>– on behalf of another regulated financial service provider, which acts within the above framework on behalf of its clients.</li> </ul> <p>In cases falling under (b), investors are domiciled in one of the eligible countries covered by "List B" if the conditions of (b)(i) above are met, or in one of the eligible countries covered by "List C" if the conditions of (b)(ii) or (b)(iii) are met.</p> <p>Their smallest tradable unit is 0.001.</p>
"D"	Shares in Share Classes with "D" in their name are available to such persons as the Board of Directors may determine from time to time. Their smallest tradable unit is 0.001.
"I-A1"	Shares in classes with "I-A1" in their name are exclusively reserved for institutional investors. Their smallest tradable unit is 0.001.
"I-A2"	<p>Shares in classes with "I-A2" in their name are exclusively reserved for institutional investors. Upon subscription</p> <p>(i) a minimum subscription must be made in accordance with the list above;</p> <p>(ii) based on a written agreement between the institutional investor and UBS Asset Management Switzerland AG (or one of its authorized contractual partners) or on the written approval of UBS Asset Management Switzerland AG (or one of its authorised contractual partners), the investor's total assets managed by UBS or its holdings in UBS collective investment schemes must be more than CHF 10 million (or foreign currency equivalent); or</p> <p>(iii) the institutional investor must be an institution for occupational retirement provision that is part of UBS Group AG or must be one of its wholly-owned group companies.</p> <p>Their smallest tradable unit is 0.001.</p>
"I-A3"	<p>Shares in classes with "I-A3" in their name are exclusively reserved for institutional investors. Upon subscription</p> <p>(i) a minimum subscription must be made in accordance with the list above;</p> <p>(ii) based on a written agreement between the institutional investor and UBS Asset Management Switzerland AG (or one of its authorised contractual partners) or on the written approval of UBS Asset Management Switzerland AG (or one of its authorised contractual partners), the investor's total assets managed by UBS or its holdings in UBS collective investment schemes must be more than CHF 30 million (or foreign currency equivalent); or</p> <p>(iii) the institutional investor must be an institution for occupational retirement provision that is part of UBS Group AG or must be one of its wholly-owned group companies.</p> <p>Their smallest tradable unit is 0.001.</p>
"I-B"	Shares in Share Classes with "I-B" in their name are exclusively available for institutional investors who have signed a written agreement on investing in this Fund with UBS Asset Management Switzerland AG or one of its authorized counterparties. The Administrative Costs are charged directly to the Fund. The Management Fee is charged under the aforementioned agreements and not out of the assets of the Fund. Their smallest tradable unit is 0.001.
"I-X"	Shares in Share Classes with "I-X" in their name are exclusively available for institutional investors who have signed a written agreement on investing in this Fund with UBS Asset Management Switzerland AG or one of its authorized counterparties. The Management Fee and Administrative Costs are charged under the aforementioned agreements and not out of the assets of the Fund. Their smallest tradable unit is 0.001.
"U-X"	Shares in Share Classes with "U-X" in their name are exclusively reserved for institutional investors who have signed a written agreement on investing in the Fund with UBS Asset Management Switzerland AG or one of its authorized counterparties. This Share Class is exclusively geared towards financial products (i.e. fund of funds or other pooled structures in accordance with various legislation). Their smallest tradable unit is 0.001.
"F"	Shares in Share Classes with "F" in their name are exclusively available to UBS Group AG affiliates. The

	Shares may only be acquired by UBS Group AG affiliates for their own account or as part of discretionary asset management mandates concluded with UBS Group AG companies. In the latter case, the Shares will be returned to the Fund at the prevailing net asset value at no charge upon termination of the mandate. Their smallest tradable unit is 0.001.
"acc"	Shares in Share Classes with "acc" in their name shall retain and reinvest cash which would otherwise be distributed.
"seeding"	Shares in Share Classes with "seeding" in their name are available to such persons and on such conditions as the Board of Directors may determine from time to time. Their smallest tradable unit is 0.001.
Shares that may be marketed to Retail Investors	Shares in Share Classes with "P", "Q", "I-A1", "I-A2", "I-A3" or "seeding" in their name may be marketed to Retail Investors.

## 2. Definitions

1933 Act	U.S. Securities Act of 1933
1940 Act	U.S. Investment Company Act of 1940
2010 Law	Luxembourg law of December 17 2010 relating to undertakings for collective investment, as amended from time to time
2013 Law	Luxembourg law of 12 July 2013 relating to alternative investment funds managers, including any implementing measures in relation thereto.
Administrator	Northern Trust Global Services SE or any other administrator appointed by the Fund
Administrative Costs	The aggregate administrative fees and expenses, being, generally, the fees of the AIFM, the Depositary and the Administrator together with all custody and transaction costs, auditors' fees, legal fees, registration fees and Directors' fees
Advisers Act	Investment Advisers Act of 1940
AIF	Alternative Investment Fund (as such term is defined in the AIFMD)
AIFM	UBS Fund Management (Luxembourg) S.A. or any other alternative investment fund manager appointed by the Fund
AIFM Board of Directors	As defined in Section 3 – "AIFM"
AIFM Regulation	Commission Delegated Regulation (EU) No 231/2013 dated 8 June 2011, supplementing Directive 2011/61/EU of the European Parliament and of the Council, as may be amended from time to time and as may be supplemented by circulars and regulations issued from time to time by the CSSF
AIFM Rules	the corpus of rules formed by the AIFMD, the AIFM Regulations and any binding guidelines or other delegated acts and regulations issued from time to time by the European Union relevant authorities pursuant to the AIFMD and/or the AIFM Regulations, as well as by any national laws and regulations (such as the AIFM Law) which are taken in relation to (or transposing either of) the foregoing
AIFMD	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010
Alberta Act	As defined in Section ".3 – "Notice to other investors"
AML Act	Luxembourg law of 12 November 2004 relating to the fight against money-laundering and the financing of terrorism, as may be amended from time to time
Annual Report	As defined in Section 7"19 – "Statutory and Financial Information"
Articles of Incorporation	The articles of incorporation of the Fund, as amended from time to time



Attributable Taxes	shall mean any Taxes or increase in Taxes paid by, or withheld (directly or indirectly) by or from receipts of, the Fund or other entities through or in which an Investment is held that, in the Board of Directors's discretion are attributable to a particular Shareholder or group of Shareholders, including but not limited any withholding taxes, and any Taxes or increases in Taxes imposed on the Fund or its subsidiaries (or any other entity in or through which it invests) where the rate or quantum of tax may vary depending on the specific status, circumstances applicable to, or the characteristics of, or provision of information by or treatment of the Fund or its investments by (i) a Shareholder, (ii) the direct or indirect owners of a Shareholder and any taxes arising in connection with a Transfer or a change in a Shareholder's status (or the status of its direct or indirect owners) or such circumstances or characteristics for tax purposes
Auditor	Ernst & Young S.A., Luxembourg, or any other auditor duly appointed for the Fund
BHC Act	As defined in Section 8.2 – "Regulatory Considerations"
Board of Directors	As defined in Section 1 – "Key Fund Terms"
Business Day	A day (not being a Saturday, Sunday or a public holiday) on which banks are generally open for non-automated business in Luxembourg
Central Administration Agreement	As defined in Section 5.6 – "Administrator"
CFTC	Commodity Futures Trading Commission
Co-Investment Investments	As defined in Section 1 – "Key Fund Terms"
CRS	OECD Common Reporting Standard
CSSF	<i>Commission de Surveillance du Secteur Financier</i>
CSSF Circular 18/698	Circular 18/698 issued by the CSSF on the authorisation and organisation of investment fund managers incorporated under Luxembourg law; Specific provisions on the fight against money laundering and terrorist financing applicable to investment fund managers and entities carrying out the activity of registrar agent
DAC 6	Council Directive (EU) 2018/822 of 25 May 2018 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements
Depository	UBS Europe SE, Luxembourg Branch or any other depository appointed by the Fund
Depository and Paying Agent Agreement	As defined in Section 6.7 – "Depository and Principal Paying Agent"
Directors	The directors of the Fund who are named in Section 1 – "Key Fund Terms"
Distribution Agreement	As defined in Section 6.9 – "Principal Distributor and Representative in Switzerland"
EEA	European Economic Area
EMU	European Monetary Union
Excess Profits	As defined in Section 7.15 – "Fees and Expenses"
FATCA	U.S. Foreign Account Tax Compliance Act and associated legislation

Fair Market Value	As defined in Section 7.15 – "Fees and Expenses"
Feeder Funds	As defined in Section 7.16 – "Parallel Funds and Feeder Funds"
FIEA	Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended)
Fund	Private Equity (Lux) Evergreen Secondary Fund
Fund Capital	As defined in Section 5.1 – "Investments in Target Funds"
Fund Terms	As defined in Section 7.14 – "Amendment of the Fund's terms"
High Water Mark	As defined in Section 7.15 – "Fees and Expenses"
HWM Test	As defined in Section 7.15 – "Fees and Expenses"
IFRS	International Financial Reporting Standards
IGA	Intergovernmental Agreement concluded between Luxembourg and the U.S.
Indemnified Individuals	any officer, director, shareholder, agent, member, partner or employee of the Board of Directors, the AIFM, the Portfolio Manager or of any Affiliate of the AIFM or Portfolio Manager or delegate permitted under the AIFMD in accordance with its rules, or of the Depositary;
Indemnified Person	any of the Board of Directors, the AIFM, the Portfolio Manager any Affiliate or delegate of the AIFM permitted under the AIFMD in accordance with its rules, the Depositary and any Indemnified Individual;
Initial Issue Date	for each Share Class, the date of admission of first Shareholders, other than UBS Affiliates
Initial Offer Period	The first offering of Shares in the Fund and as set by the Board of Directors in its absolute discretion
Institutional Investors	As defined in Section 7.22 – "Taxation"
Investment Committee	As set out in Section 6.4 – "Portfolio Manager"
Investment Guidelines	As set out in Section 5 – "Investment Guidelines"
Investments	As defined in Section 1 – "Key Fund Terms"
Liquidity Test	As defined in Section 7.15 – "Fees and Expenses"
Lock-Up Period	in relation to a Class of Shares the period set out in Appendix 1
Loss Carryforward Amount	As defined in Section 7.15 – "Fees and Expenses"
LP	Limited partner
Management Agreement	As defined in Section 6.3 – "AIFM"
Management Fee	As defined in Section 7.15 – "Fees and Expenses"
MAS	Monetary Authority of Singapore
MiFID II	Means the Markets in Financial Instruments Directive (2014/65/EU), as may be amended from time to time

Monthly Portfolio Return	As defined in Section 7.15 – "Fees and Expenses"
Net Asset Value	The net asset value of the Fund as calculated in accordance with Section 7.10 – "Determination of Net Asset Value"
New Brunswick Act	Securities Act (New Brunswick)
NL Act	Securities Act (Newfoundland and Labrador)
Ontario Act	Securities Act (Ontario)
Ordinance	Securities and Futures Ordinance of Hong Kong
Other Investments	As defined in Section 5.2 – "Other investment"
Parallel Funds	As defined in Section 7.16 – "Parallel Funds and Feeder Funds"
Paying Agent in Switzerland	UBS Switzerland AG
Performance Fee	As defined in Section 7.15 – "Fees and Expenses"
Performance Period	As defined in Section 7.15 – "Fees and Expenses"
Permitted Disclosee	As defined in Section 7.21 – "Permitted Disclosure"
Portfolio Manager	UBS Asset Management Switzerland AG or any other portfolio manager appointed by the AIFM
Preferred Return	As defined in Section 7.15 – "Fees and Expenses"
Price Publication Day	A day during the last week of the month after the relevant Subscription Dealing Day/Redemption Dealing Day or later if the Net Asset Value cannot be determined by the original Price Publication Day
PRIIPs KID	As defined in Section – "Important Information"
PRIIPs Regulation	As defined in Section – "Important Information"
Principal Distributor	UBS Asset Management Switzerland AG or any other principal distributor appointed by the Fund
Proceeds	As defined in Section 7.15 – "Fees and Expenses"
Prospectus	This prospectus and its relevant appendices
Prospectus Directive	Directive 2003/71/EC, as amended from time to time and as implemented in the relevant member state
RCBAs	Reportable cross-border arrangements as defined in Section 7.22 – "Taxation"
Redemption Charge	As defined in Section 7.2 – "Class and Form of Shares"
Redemption Dealing Day	The last calendar day of each calendar quarter, or such other days or day as the Board of Directors may from time to time decide, provided that the equal treatment of Shareholders is ensured
Redemption Notice	As defined in Section 7.6 – "Redemption of Shares"
Redemption Price	The price at which the Shares specified in any Redemption Notice shall be redeemed
Regulated Market	A regulated, recognized market operating regularly and open to the public

Representative in Switzerland	UBS Fund Management (Switzerland) AG or any other representative appointed by the Fund
Risk Factors	The risk factors and investment considerations set out in Section 8 – "Risk Factors, Regulatory Considerations, Tax Considerations and Conflicts of Interest"
Retail Investor	As defined in Section – "Important Information"
Secondaries	As defined in Section 1 – "Key Fund Terms"
Secondaries Documentation	As defined in Section 7.6 – "Redemption of Shares"
Secondaries Transaction	As defined in Section 7.6 – "Redemption of Shares"
Semi-Annual Report	The unaudited interim accounts of the Fund in respect of the preceding half-year
SFA	Securities and Futures Act of Singapore
Share	Each registered share in the capital of the Fund issued or to be issued
Share Class	The classes of shares current in issue as detailed in Appendix 1 and each additional class of shares issued by the Fund from time to time
Subscription Dealing Day	The last calendar day of each calendar quarter, or such other days or day as the Board of Directors may from time to time decide.
Tax or Taxes	shall mean any form of taxation including any statutory, governmental, state, federal, provincial, local, government or municipal charges, duties, imposts, contributions, sales or value added taxes or levies wherever chargeable and whether of Luxembourg or any other jurisdiction, including any Transfer Taxes, together with any interest, penalties, fines, surcharges or charges (if any) relating to them and any reasonable costs incurred in connection therewith or in resisting claims therefor
Target Funds	As defined in Section 1 – "Key Fund Terms"
Transfer Taxes	shall mean all use, transfer (including real property transfers), filing, recording, ad valorem, privilege, documentary, gross receipts, registration, conveyance, excise, license, stamp, duties or similar taxes or fees, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties.
UBS Affiliate	As defined in Section 7.18 – "Acquisitions of investments by the Fund from UBS Affiliates/ UBS Vehicles "
UBS Vehicle	An investment vehicle established, managed, operated or advised by any UBS Affiliate (whether established either currently or in the future)
U.S. Banking Regulations	As defined in Section 8.2 – "Regulatory Considerations"
Valuation Committee	As described in Section 7.10 – "Determination of Net Asset Value"
Valuation Day	Last calendar day of each calendar quarter
Valuation Policies	As defined in Section 7.10 – "Determination of Net Asset Value"

### 3. AIFMD Disclosures

UBS Fund Management (Luxembourg) S.A. is authorized by the CSSF as an alternative investment fund manager ("AIFM"), and as such it is required to manage the Fund in accordance with AIFMD, and must disclose certain prescribed information. The following table indicates where the required information is located within this Prospectus or how it will otherwise be provided to investors and potential investors.

Information to be disclosed	AIFMD relevant article	Section where disclosed in this Prospectus
<b>General Fund Information</b>		
Investment strategy and objectives of the AIF	Art 23(1)(a)	Section 4 - "Investment objectives and strategy" Section 5 - "Investment guidelines"
Information on where master AIF is established and where the underlying funds are established	Art 23(1)(a)	Section 1 - "Key Fund Terms" Section 4 - "Investment objectives and strategy"
Types of assets in which the AIF may invest and the techniques it may employ and all associated risks	Art 23(1)(a)	Section 1 - "Key Fund Terms" Section 4 - "Investment objectives and strategy" Section 5 - "Investment guidelines" Section 8 - "Risk factors, regulatory considerations, tax considerations and conflicts of interest"
Applicable investment restrictions	Art 23(1)(a)	Section 4 - "Investment objectives and strategy" Section 5 - "Investment guidelines"
Circumstances in which the AIF may use leverage, restrictions on using leverage, the types and sources of leverage permitted and the associated risks	Art 23(1)(a)	Section 4 - "Investment objectives and strategy" Section 5 - "Investment guidelines" Section 8 - "Risk factors, regulatory considerations, tax considerations and conflicts of interest"
Maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF	Art 23(1)(a)	Section 4 - "Investment objectives and strategy"
Procedures by which the AIF may change its investment strategy or investment policy, or both	Art 23(1)(b)	Section 7.14 - "Amendment of the Fund's terms"
Description of the main legal implications of the contractual relationship entered into for the purpose of investment	Art 23(1)(c)	Section 1 - "Key Fund Terms" Section 7.23 - "Governing Law and Legal Implications of the Contractual Relationship"
Identity of the AIFM, the AIF's depositary, auditor and any other service providers and description of their duties	Art 23(1)(d)	Section 1 - "Key Fund Terms" Section 6 - "Management, governance & administration of the Fund"
Description of how the AIFM is protected against potential professional liability risks	Art 23(1)(e)	Section 6.3 - "AIFM"
Description of any delegated management functions by the AIFM, identity of the delegate and description of conflicts of interest	Art 23(1)(f)	Section 6.4 - "Portfolio Manager" Section 8 - "Risk factors, regulatory considerations, tax considerations and conflicts of interest"
Description of the AIF's valuation procedure	Art 23(1)(g)	Section 7.10 - "Determination of Net Asset Value" Section 7.11 - "Price adjustment policy" Section 7.13 - "Suspension of Net Asset Value Calculation and Deferral"
Description of the AIF's liquidity risk management, including the redemption rights both in normal and in exceptional circumstances, and the existing redemption arrangements with investors.	Art 23(1)(h)	Section 7.6 - "Redemption of Shares" Section 7.7 - "Liquidity Management"
Description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors	Art 23(1)(i)	Section 7.15 - "Fees and Expenses" Appendix 6 - "Performance Fee Example"
Description of how the AIFM ensures a fair treatment of investors and a description of any preferential treatment or the right to obtain preferential treatment obtained by any investor	Art 23(1)(j)	Section 7.5 - "Subscriptions - Side Letters"
Latest annual report	Art 23(1)(k)	Section 7.19 - "Statutory and financial information"
Procedure and conditions for the issue and sale of shares	Art 23(1)(l)	Section 7.2 - "Classes and form of Shares" Section 7.3 - "Share Prices" Section 7.4 - "Dealing in Shares" Section 7.5 - "Subscriptions"

Section 7.9 – “Transfer of Shares”		
Latest net asset value of the AIF	Art 23(1)(m)	Section 7.10 – “Determination of Net Asset Value”
Historical performance of the AIF, where available	Art 23(1)(n)	Historical Financial Information is made available to investors by the Quarterly or Annual Report or on request.
Identity of the prime broker and a description of any material arrangements of the AIF with its prime brokers and the way the conflicts of interest in relation thereto are managed	Art 23(1)(o)	N/A
Description of how any changes to liquidity or leverage provisions of the AIF will be disclosed to investors	Art 23(1)(p)	Section 7.19 – “Statutory and financial information”
<b>Depository</b>		
Any arrangement made by the depository to contractually discharge itself of liability and any changes with respect to depository liability	Art 23(2)	Section 6.7 – “Depository and Principal Paying Agent”
Provision in the contract with the depository on the possibility of transfer and reuse of AIF assets	Art 23(1)(o)	Section 6.7 – “Depository and Principal Paying Agent”
Information about any transfer of liability to the prime broker that may exist	Art 23(1)(o)	N/A

## 4. SFDR Disclosure

The Fund will take into account the environmental, ESG principles, as further detailed in the Portfolio Manager's ESG policy, which can be made available to the Shareholders upon request. The Portfolio Manager's investment process integrates material sustainability and/or ESG considerations. ESG integration is driven by taking into account material ESG risks, which could impact investment returns, and implementing ESG strategies that enhance returns rather than being driven by specific ethical principles or norms. The analysis of material sustainability/ESG considerations can include many different aspects, for example; the carbon footprint, reducing consumption and waste, employee health and well-being, supply chain management, fair customer treatment and governance processes of a company. The Portfolio Manager may still make investments with a higher ESG risk profile where the Portfolio Manager believes the potential compensation and ability to mitigate outweighs the risks identified. Therefore, ESG integrated funds such as the Fund do not have a sustainable focus as the primary objective, but they are investment funds that primarily aim at maximizing financial performance whereby ESG aspects are an important factor incorporated into the investment process and ongoing asset management.

A "sustainability risk" means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the Investment. If a sustainability risk associated with an Investment materialises, it could lead to the loss in value of an Investment.

The Fund does not promote environmental or social characteristics and sustainable investments are not an investment objective of the Fund, within the meaning of Articles 8 and 9 of the SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

This Fund complies with Article 6 of SFDR. As such it does not consider principal adverse impacts on sustainability factors due to its investment strategy and the nature of the underlying investments (SFDR Art. 7(2)).

## 5. Information for Swiss Investors

### 1. Domicile of the collective investment scheme

The domicile of this collective investment scheme is Luxembourg, Grand Duchy of Luxembourg.

### 2. Representative in Switzerland

The representative in Switzerland is UBS Fund Management (Switzerland) AG, Aeschenvorstadt 1, CH-4051 Basel.

### 3. Paying agent in Switzerland

The paying agent in Switzerland is UBS Switzerland AG, Bahnhofstrasse 45, CH-8001 Zürich.

### 4. Place where the relevant documents may be obtained

The Articles of Incorporation, this Prospectus and the annual and semi-annual reports are available free of charge from the Representative in Switzerland.

### 5. Payment of retrocessions and rebates

Retrocessions may be paid by the Fund and its agents as compensation of distribution activities in Switzerland. This compensation may cover, without limitation, distribution activities.

Retrocessions don't qualify as rebates even if they are entirely or partially forwarded to the end investor. The recipients of retrocessions are obliged to give account on the retrocessions which they receive according to FinSA.

The Fund and its agents may, upon request, grant rebates to investors when distributing in Switzerland. Rebates serve the purpose of reducing fees or costs for investors. Rebates are permitted if they are:

- paid out of the Management Fee and therefore do not represent an additional charge to the Fund's assets;
- granted based on objective criteria;
- granted within the same time frame and under the same conditions to all investors which request for such rebates and satisfy the same objective criteria.

Objective criteria for granting rebates may include:

- the funds invested in the Fund or, where applicable, the total volume the investor holds in the product range of the promoter; the amount of fees generated by the investor;
- the investment behavior shown by the investor (e.g. expected investment period);
- the investor's willingness to support the Fund upon launch of the collective investment scheme.

Upon the investor's request, the Fund gives account on the rebates which it receives free of charge.

### 6. Place of performance and jurisdiction

For shares offered in Switzerland the place of performance shall be the domicile of the representative. The jurisdiction shall be the domicile of the representative or the domicile of the investor.



## 6. Performance Fee Example<sup>5</sup>

Quarter	Gross asset value (before accrued Performance Fees)	Acquisition cost of Investments (in period)	Cash	Fees and expenses (in period)	Fair Market Value (FMV)	Change in FMV	Proceeds received (in period)	Monthly Portfolio Return	Loss Carryforward Amount	Preferred Return	Catch-up Amount	Period Performance Fees	Cumulative Performance Fees	Accruals of Performance Fees	High Water Mark	HWM Test	Liquidity Test	Performance Fees paid (in period)	NAV after accrued Performance Fees
0	100.00	90.00	10.00	0.00	90.00	N/A	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	N/A	N/A	0.00	100.00
1	110.00	0.00	10.00	0.00	100.00	10.00	0.00	10.00	0.00	1.75	0.19	1.00	1.00	1.00	100.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0.00	109.00
2	114.73	0.00	9.73	0.28	105.00	5.00	0.00	4.73	0.00	1.94	0.22	0.47	1.47	1.47	100.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0.00	113.25
3	104.44	0.00	9.44	0.29	95.00	-10.00	0.00	-10.29	0.00	2.04	0.00	-1.23	0.24	0.24	100.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0.00	104.20
4	121.96	0.00	11.96	0.26	110.00	15.00	5.00	19.74	-10.00	1.85	0.21	1.97	2.21	2.21	100.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2.21	119.75
5	121.67	0.00	14.67	0.29	107.00	-3.00	3.00	-0.29	0.00	2.14	0.00	-0.24	-0.24	0.00	119.75	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0.00	121.67

<sup>5</sup> The performance fee calculation example is based on a fictive scenario related to a particular Share Class and is provided to the Shareholders for illustrative purposes only. Actual events are difficult to predict and the actual performance of the Fund could be adversely affected by a number of factors. There can therefore be no assurance that the Fund or any of its Share Classes will achieve this or any other particular level of performance. An investment in the Fund and any Share Class should only be considered by persons who can afford a loss of their entire investment.



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