

Avadis Fund

A contractual Umbrella Fund under Swiss law of the type
"Other fund for traditional investments" for qualified investors

Fund Agreement with Annex

18 December 2015

An investment fund established for

Avadis Vorsorge AG, Baden,

by Lombard Odier Asset Management (Switzerland) SA, Lancy
and Bank Lombard Odier & Co Ltd, Geneva.

Organisation

Fund Manager

Lombard Odier Asset Management (Switzerland) SA
Avenue des Morgines 6
CH-1213 Petit-Lancy

Custodian Bank

Bank Lombard Odier & Co Ltd
Rue de la Corraterie 11
CH-1204 Geneva

Auditors

PricewaterhouseCoopers SA
Avenue Giuseppe-Motta 50
CH-1211 Geneva 2

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Fund Agreement

This Fund Agreement represents the basis for all subscriptions of the umbrella fund or of its sub-funds. Only the information contained in the Fund Agreement with Annex is valid.

I. General information

Section 1 Name of the Fund; name and registered office of the Fund Manager, Custodian Bank and Asset Manager

1. Under the name Avadis Fund (hereinafter called "the Umbrella Fund") there exists a contractual Umbrella Fund of the type "other fund for traditional investments" for qualified investors pursuant to Article 25 et seq. in conjunction with Art. 68 et seq. in conjunction with Art. 92 et seq. of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 ("CISA"), which is divided into the following sub-funds:
 - Aktien Emerging Markets;
 - Immo-Aktien Europa;
 - Immo-Aktien Nordamerika;
 - Immo-Aktien Asien Pazifik;
 - Unternehmensanleihen FW;
 - Emerging Market Debt;
 - Staatsanleihen AAA-AA FW hedged;
 - Aktien Schweiz;
 - Obligationen CHF Inland;
 - Obligationen CHF Ausland;
 - Aktien Emerging Markets Index;
2. The Fund Manager is Lombard Odier Asset Management (Switzerland) SA, Lancy.
3. The Custodian Bank is Bank Lombard Odier & Co Ltd, Geneva.
4. The management has delegated the asset management services of the sub-fund to the following asset manager:
 - **Aktien Emerging Markets:** Arrowstreet Capital L.P., Boston und JPMorgan Asset Management (UK) Limited, London with further delegation to JPMorgan Investment Management Inc., New York as Back-up-Manager.
 - **Immo-Aktien Europa:** AXA Investment Managers Paris, Paris.
 - **Immo-Aktien Nordamerika:** AEW Capital Management L.P., Boston.
 - **Immo-Aktien Asien Pazifik:** AEW Capital Management L.P., Boston.
 - **Unternehmensanleihen FW:** Rogge Global Partners Plc, London and Babson Capital Management LLC, Springfield, USA.
 - **Emerging Market Debt:** Stone Harbor Investment Partners LP, New York.
 - **Staatsanleihen AAA-AA FW hedged:** Colchester Global Investor Limited, London with further delegation of some of the asset management to Colchester Global Investors (Singapore) Pte. Ltd., Singapore and Wellington Management International Limited, London with further delegation of some of the asset management to Wellington Management Company, LLP, Boston.
 - **Aktien Schweiz:** UBS AG, Division Asset Management, Zurich.

- **Obligationen CHF Inland:** Syz Asset Management SA, Geneva and Credit Suisse, Division Credit Suisse Asset Management, Zurich.
- **Obligationen CHF Ausland:** Syz Asset Management SA, Geneva.
- **Aktien Emerging Markets Index:** State Street Global Advisors France S.A., Paris.

5. The Umbrella Fund and its sub-funds are open exclusively to a circle of qualified investors within the meaning of Art. 10(3, 3bis and 3ter) and (4) CISA and Section 5 of this Fund Agreement.
6. At the request of the Fund Manager and with the consent of the Custodian Bank the Swiss Financial Market Supervisory Authority FINMA has declared that the following obligations under Art. 10(5) CISA do not apply: the obligation to publish prices, the obligation to draw up a prospectus and the Key Investor Information Document, the obligation to draw up a semi-annual report as well as the obligation to issue and redeem the units in cash.

In place of a prospectus, the Fund Manager provides investors with supplementary information in the Annex to this Fund Agreement, in particular regarding the delegation of specific tasks, the Auditors and the unit classes in issue.

II. Rights and obligations of the parties

Section 2 The Fund Agreement

The legal relations between investors¹ on the one hand and the Fund Manager and the Custodian Bank on the other hand are governed by this Fund Agreement and the relevant provisions of the collective investment legislation.

Section 3 The Fund Manager

1. The Fund Manager shall manage the Umbrella Fund or its sub-funds independently and in its own name for the account of the investors. In particular, it shall make decisions regarding the issue of units, the investments and the valuation of investments. It shall calculate the net asset value, shall set issue and redemption prices, and shall determine the distribution of profits. It shall assert all rights pertaining to the Umbrella Fund or to the sub-funds respectively.
2. The Fund Manager and its agents shall act in good faith and have a duty to exercise care and to provide information. They shall act independently and shall safeguard exclusively the interests of the investors. They shall take the organisational measures required for sound business management. They shall ensure that the accounting is transparent and provide reasonable information about the Umbrella Fund and its sub-funds. They shall provide full, accurate and clear information to the investors about the direct and indirect fees and costs charged to the investors and their use, and about all remuneration for the distribution of collective investment schemes in the form of commissions, brokerage fees and other pecuniary benefits.
3. The Fund Manager may delegate investment decisions and other specific tasks in respect of one or all of the sub-funds, provided that this is in the interest of efficient management. It shall only engage persons who are properly qualified to carry out the tasks and shall provide instructions and monitor and control the execution of the mandate.

Investment decisions may only be delegated to asset managers who are subject to recognised supervision.

Where foreign legislation requires an agreement on cooperation and exchanges of information with the foreign supervisory authorities, the Fund Manager may only delegate investment decisions to foreign investment managers if there is a suitable agreement between FINMA and the relevant foreign investment supervisory authority.

4. The investment decisions may not be delegated to the Custodian Bank or to any other company whose interests may conflict with those of the Fund Manager or of the investors. The Fund Manager shall be liable for the actions of its agents as if they were its own actions.
5. With the consent of the Custodian Bank, the Fund Manager may submit any amendments to the Fund Agreement to the supervisory authority for approval (see Section 28) and may launch additional sub-funds with the approval of the supervisory authority.
6. The Fund Manager may merge individual sub-funds with other sub-funds or with other investment funds in accordance with the provisions of Section 26, or liquidate same in accordance with the provisions of Section 27.

¹ To ensure better readability, gender-specific differentiation is omitted. As a rule, the corresponding terms apply to both male and female.

7. The Fund Manager may manage some or all of the assets of different investment funds or sub-funds jointly (pooling), provided these are managed by the same Fund Manager and the assets are held in safekeeping by the same custodian bank. This shall not result in any additional charges for investors. The pooling does not establish any liability between the investment funds or sub-funds involved. The Fund Manager is able at all times to allocate the assets of the pools to the individual investment funds or sub-funds involved. The pool does not represent separate special assets.
8. The Fund Manager shall be entitled to receive the remuneration provided for in Sections 20 and 21, to be released from the obligations assumed in the proper execution of its duties, and to be reimbursed for any expenses incurred in meeting these obligations.

Section 4 The Custodian Bank

1. The Custodian Bank shall be responsible for the safekeeping of the assets of the sub-funds. It shall be responsible for the issue and redemption of Fund units as well as for payment transactions performed on behalf of the sub-funds.
2. The Custodian Bank and its agents shall act in good faith and have a duty to exercise care and to provide information. They shall act independently and shall safeguard exclusively the interests of the investors. They shall take the organisational measures required for sound business management. They shall ensure that the accounting is transparent and provide reasonable information about the Umbrella Fund and its sub-funds. They shall provide full, accurate and clear information to the investors about the direct and indirect fees and costs charged to the investors and their use, and about all remuneration for the distribution of collective investment schemes in the form of commissions, brokerage fees and other pecuniary benefits.
3. The Custodian Bank shall be responsible for managing the account and custody account of the investment fund, but may not access the assets in its own right.
4. The Custodian Bank shall ensure that the countervalue for transactions involving the assets of the investment fund are transferred within the usual time limits. The Custodian Bank shall notify the Fund Manager if the countervalue is not reimbursed within the usual time limits and shall require the counterparty to pay compensation for the relevant assets wherever possible.
5. The Custodian Bank shall maintain the requisite records and accounts so as to ensure that the assets held in custody for the individual investment funds can be identified at any time.

The Custodian Bank shall verify that the Fund Manager is the owner of assets that cannot be held in safekeeping and keeps records accordingly.
6. The Custodian Bank may charge third-party and collective custodian banks in Switzerland or abroad with the safekeeping of the assets of individual or of all sub-funds, provided that this is in the interest of efficient management. The Custodian Bank shall verify and monitor the third-party and collective securities depositories appointed to confirm that each depository:
 - a) has the requisite organisational structure, financial guarantees and technical qualifications, given the type and complexity of the assets entrusted into their care;
 - b) is subject to regular external audits to verify that the financial instruments are in their possession;
 - c) holds the assets received from the Custodian Bank in such a way as to ensure that they can always be clearly identified as belonging to the fund's assets when verified by the Custodian Bank in the course of regular inventory checks;
 - d) complies with the safekeeping requirements applicable to the Custodian Bank in relation to all the delegated tasks and avoiding conflicts of interest.

The Custodian Bank shall be liable for any losses caused by its agents, unless it can demonstrate that due diligence was applied to the process of selection, instruction and monitoring. The Annex contains details concerning the risks associated with the delegation of custody to third-party and collective securities depositories.

In the case of financial instruments, safekeeping duties as described above may only be delegated to regulated third-party and collective securities depositories. This requirement shall not apply to compulsory safekeeping in a place where the duties cannot be delegated to a regulated third-party or collective securities depository, as in the case of mandatory legal requirements or arrangements specific to the investment product. Investors are to be informed about custody by non-regulated third-party and collective securities depositories in the Annex.

7. The Custodian Bank shall ensure that the Fund Manager complies with the law and the Fund Agreement. It shall be responsible for verifying that the calculation of the net asset value and issue and redemption prices of the units as well as the investment decisions are in accordance with the law and the Fund Agreement, and that the profits are appropriated in accordance with the Fund Agreement. The Custodian Bank shall not be responsible for selecting the investments made by the Fund Manager within the scope of the investment guidelines.
8. The Custodian Bank shall be entitled to receive the remuneration provided for in Sections 20 and 21, to be released from the obligations assumed in the proper execution of its duties, and to be reimbursed for any expenses incurred in meeting these obligations.
9. The Custodian Bank is not liable for the safekeeping of the assets of the target fund in which this Umbrella Fund or its sub-funds invests, unless this task was assigned to it.

Section 5 The qualified investor

1. The circle of investors is limited within the meaning of Section 1(5) above to qualified investors pursuant to Art. 10(3, 3bis and 3ter) CISA in conjunction with Art. 6 CISO. The term "qualified investors" means in particular supervised financial intermediaries such as banks, securities traders, investment fund managers, asset managers of collective investment schemes, central banks, supervised insurers, public law corporations and pension funds with professional treasuries, companies with professional treasuries, wealthy private individuals pursuant to Art. 6 and 6a CISO as well as investors who have concluded a written asset management agreement pursuant to Art. 3(2)(b) and (c) CISA.

The Fund Manager and Custodian Bank shall ensure that investors fulfil the criteria of the investor circle.
2. In the case of individual sub-funds, the Special Section may restrict the participation of investors with certain criteria pursuant to Section 5(1) or other criteria, specifically in respect of the criteria of their tax or double taxation treatment.
3. Upon conclusion of a legal agreement and payment in cash, investors shall acquire a claim against the Fund Manager for a share in the assets and income of a sub-fund of the Umbrella Fund. At the request of the investor and with the approval of the Fund Manager, a contribution in kind in accordance with the requirements of Section 19 may be made in lieu of a cash payment. The claims of investors are established in the form of units.
4. Investors are only obliged to pay into the sub-fund the value of the fund units to which they have subscribed. Payment shall normally be remitted in cash. The investor shall not be held personally liable for the obligations of the Umbrella Fund or the individual sub-funds.
5. The investors are only entitled to the assets and income of that sub-fund in which they hold a stake. The assets of an individual sub-fund shall be liable only for the obligations of that particular sub-fund.
6. The Fund Manager shall provide investors at any time with information pertaining to the basis for the calculation of the net asset value of each unit. The Fund Manager shall also provide details of individual transactions performed by the Fund Manager, such as the exercise of membership or creditor rights, or risk management, or contributions or redemptions in kind, to any investors demonstrating a legitimate interest in such information at any time. Investors may apply to the courts at the registered office of the Fund Manager to have the auditors or another expert investigate the matter which requires clarification and furnish the investors with a report detailing their findings.
7. Investors may terminate the Fund Agreement at any time, subject to any possible notice periods pursuant to Section 18(1), by requesting that their units in the corresponding sub-fund be repaid in cash. At the request of the investor and with the approval of the Fund Manager, a redemption in kind in accordance with the requirements of Section 19 may be made in lieu of a cash payment.
8. Investors shall be obliged to demonstrate to the Fund Manager, the Custodian Bank and its agents upon request that they satisfy or continue to satisfy the legal or contractual fund requirements for holding an interest in a sub-fund or a unit class. Furthermore, they shall be obliged to notify the Fund Manager, the Custodian Bank and its agents immediately if they no longer satisfy these requirements.
9. Units owned by investors must be compulsorily redeemed by the Fund Manager in conjunction with the Custodian Bank at the respective redemption price if:
 - (a) this is required to protect the reputation of the financial centre, specifically to combat money laundering;
 - (b) investors no longer satisfy the legal or contractual requirements for holding an interest in a sub-fund.

10. In addition, units owned by investors may be compulsorily redeemed by the Fund Manager in conjunction with the Custodian Bank at the respective redemption price if:
- (a) the investor's stake in the Umbrella Fund or its sub-funds is capable of adversely affecting the economic interests of other investors, in particular if the holding can cause negative tax consequences for the Umbrella Fund or one of its sub-funds in Switzerland or abroad;
 - (b) investors acquired or hold their units in breach of the provisions of one of the laws of Switzerland or abroad that apply to them, or this Fund Agreement;
 - (c) the economic interests of the investors are prejudiced, in particular where individual investors attempt, by systematically subscribing to units and immediately redeeming them, to gain financial advantages by exploiting the time differences between the establishment of closing prices and the valuation of the assets of the sub-fund (market timing).

Section 6 Units and unit classes

1. The Fund Manager may create, withdraw or merge various unit classes for each sub-fund at any time, subject to the consent of the Custodian Bank and the approval of the supervisory authority. All unit classes shall entitle the holder to participate in the pooled assets of the corresponding sub-fund, which for its part shall not be segmented. This participation may vary due to class-specific cost charges or distributions or due to class-specific earnings, and for this reason the various unit classes may have a different net asset value per unit. The assets of the sub-fund as a whole shall be liable for class-specific charges.
- The unit classes which are currently in existence are shown in the Special Section.
2. The creation, cancellation or merger of unit classes shall be reported in the organ of publication. Only a merger shall be deemed to constitute an amendment of the Fund Agreement within the meaning of Section 28.
3. The various unit classes may differ from one another in terms of their cost structure, reference currency, currency hedging, policy with regard to distribution or reinvestment of income, the minimum investment required and investor eligibility.
- Fees and costs shall only be charged to the unit class that benefits from the services in question. Fees and costs that cannot be clearly attributed to one unit class shall be charged to the individual unit classes on a pro rata basis in accordance with their share in the fund assets.
4. No certificates shall be issued for the units. Instead, they shall be recorded in book-entry form. Investors shall not be entitled to request delivery of physical bearer or registered unit certificates.
5. All units must be recorded in a custody account/register maintained at the Custodian Bank. Registration as the holder of the custody account/register shall be considered adequate legal evidence of ownership of the relevant units for the purposes of the Custodian Bank, the Fund Manager and third parties, subject to Para. 8 below.
6. The investors depository (a Swiss bank, Swiss securities dealer, a foreign bank from an OECD member state or Liechtenstein which has a significant involvement in the custody business, or a collective securities depository in Switzerland, an OECD member state or Liechtenstein) may be registered with the Custodian Bank as the custodian, provided this depository confirms to the Custodian Bank that its client is a qualified investor within the meaning of Section 5(1) and, if applicable, satisfies the requirements of Section 5(2) above and the depository undertakes to inform the Custodian Bank of any changes in the investors status (with the exception of changes affecting high net worth individuals). Unit class A1 is reserved to certain investors. These units classes are only available to investors who allow their names to be included in the certificate account. Investors in unit class A1 acknowledge that their identity may be disclosed to the Fund Manager and public authorities.
7. Legal transactions which entail the transfer of units of the sub-funds (underlying transaction, transaction imposing a legal obligation), as well as the transfer of the units themselves (disposition transaction) are legally valid only if the acquirer is able to demonstrate on the basis of a written declaration that he is a qualified investor within the meaning of Section 5(1) and, insofar as this is applicable, (2), insofar as the Custodian Bank is not automatically able to identify the investor as a qualified investor. The Fund Manager and the Custodian Bank are entitled to demand additional documents and information for the purpose of demonstrating the qualifications. If the subscription or transfer is performed via the custodian of an investor within the meaning of (5) above, then the Fund Manager and the Custodian bank may base their decision upon the written confirmation of a custodian which fulfils the requirements of this paragraph.

8. The Fund Manager and the Custodian Bank are obliged to demand that investors who no longer fulfil the criteria for holding a unit class either transfer their units within 30 calendar days on the basis of Section 18 to a person who fulfils the specified conditions, or convert these into units of another unit class whose criteria they fulfil. If the investor fails to comply with this demand, then the Fund Manager, acting in conjunction with the Custodian Bank, must either perform a mandatory conversion into another unit class of this Umbrella Fund or a mandatory redemption of the respective units (see Section 5(9) above).

III. Investment policy guidelines

A. Investment principles

Section 7 Compliance with investment regulations

1. When selecting the individual investments of each sub-fund, the Fund Manager shall observe the percentage limits listed below within the meaning of a balanced risk diversification. These relate to the assets of the individual sub-funds at market value, and must be adhered to at all times. Newly-founded sub-funds must fulfil the investment restrictions within six months of the end of the subscription period (launch).
2. If the limits are not complied with as a result of standard changes or changes in sub-fund assets, the investments must be returned to the authorised level within an appropriate period, while safeguarding the interests of the investors. If restrictions are breached in conjunction with derivatives pursuant to Section 12 below as the consequence of a change in the delta, then the proper condition must be restored at the latest within three bank working days, safeguarding the interests of the investors.

Section 8 Investment policy

1. The investment policy of the respective sub-fund is set out in the Special Section of this Fund Agreement.
2. The assets of the sub-fund may essentially be invested in the following investments:
 - (a) Direct or indirect investments in equities and book-entry equities (excluding private equity within the meaning of (f) below).
 - (aa) Equities and book-entry equities (units, profit-sharing certificates, participation certificates etc.) of companies around the world, including companies in emerging market countries;
 - (ab) Index certificates and index baskets whose direct or indirect investments are based upon criteria pursuant to (aa) above and whose value is derived from the underlying assets or reference rates;
 - (ac) other derivative financial instruments whose direct or indirect investments are based upon criteria pursuant to (aa) above, including volatility certificates;
 - (ad) structured financial products or investment certificates without capital guarantee, whose direct or indirect investments are based upon criteria pursuant to (aa) to (ac) above, of issuers around the world;
 - (ae) Units or equities of closed-ended collective investment schemes or undertakings for collective investment with a similar function, including exchange-traded funds ("ETF"), investment or holding companies, of issuers around the world which invest their assets in investments pursuant to (aa) to (ad) above;
 - (af) Units or equities of open-ended collective investment schemes or other open-ended undertakings for collective investment with a similar function which invest their assets pursuant to (aa) to (ad) above.

The investments pursuant to (aa) to (ae) above must be traded on a stock exchange or on another regulated market which is open to the public; the provisions of Section 8(9) and (10) and Section 12 below shall continue to apply.
 - (b) Direct or indirect investments in debt securities and book-entry debt securities.
 - (ba) Debt securities and book-entry debt securities (bonds, notes, warrant-linked bonds, convertible bonds) of private and public debtors worldwide which are denominated in a freely-convertible currency. Investments may also be made in instruments issued by emerging market borrowers, in instruments issued by borrowers with low credit ratings (high-yield bonds) as well as in bonds that are secured or covered by securities and money market instruments (asset-backed securities);

- (bb) Index certificates and index baskets whose direct or indirect investments are based upon criteria pursuant to (ba) above and whose value is derived from the underlying assets or reference rates;
- (bc) other derivative financial instruments whose direct or indirect investments are based upon criteria pursuant to (ba) above or interest rates;
- (bd) structured financial products or investment certificates without capital guarantee, whose direct or indirect investments are based upon criteria pursuant to Section 8(2)(ba) to (bc), of issuers around the world;
- (be) Units or equities of closed-ended collective investment schemes or undertakings for collective investment with a similar function, including exchange-traded funds ("ETF"), investment companies, of issuers around the world which invest their assets in investments pursuant to (ba) to (bd) above;
- (bf) Units or equities of open-ended collective investment schemes or other open-ended undertakings for collective investment with a similar function which invest their assets pursuant to (ba) to (bd) above.

The investments pursuant to (ba) to (be) above must also be traded on a stock exchange or on another regulated market which is open to the public; the provisions of Section 8(9) and (10) and Section 12 below shall continue to apply.

(c) Direct and indirect investments in precious metals and indirect investments in commodities.

- (ca) precious metals in standardised form;
- (cb) derivative financial instruments which are based directly or indirectly on precious metals; derivative financial instruments which are based directly or indirectly on standardised goods (commodities), insofar as they fulfil the criteria of Section 12 below;
- (cd) Structured financial products without capital guarantee and certificates which are based directly or indirectly on precious metals or commodities of issuers around the world;
- (ce) Equities and other equity securities and book-entry securities of companies around the world which are predominantly active in the production, processing or trading of precious metals or commodities;
- (cf) Units or equities of closed-ended collective investment schemes or undertakings for collective investment with a similar function, including investment or holding companies of issuers around the world which invest their assets in investments directly or indirectly pursuant to (ca) to (ce) above;
- (cg) Units or equities of open-ended collective investment schemes or other open-ended undertakings for collective investment with a similar function which invest their assets pursuant to (ca) to (ce) above.

The investments pursuant to (ca) to (cf) above must also be traded on a stock exchange or on another regulated market which is open to the public; the provisions of Section 8(9) and (10) and Section 12 below shall continue to apply.

(d) Alternative investments in hedge funds and funds of hedge funds.

Alternative investments are characterised by the fact that they tend to aim to produce a low correlation to traditional investments such as the securities traded on leading equity and bond markets. In this conjunction, they strive to exploit market inefficiencies. Direct and indirect investments in hedge funds and funds of hedge funds are permitted as alternative investments of the sub-fund of the Umbrella Fund. The Annex contains further information about the characteristics and risks of hedge funds and funds of hedge funds.

The alternative investment strategies of hedge funds may involve short-selling of securities and money market instruments on a large scale and considerable leverage based on substantial borrowing and the use of derivative financial instruments. Many hedge funds may without restriction deploy derivative financial instruments (e.g. options, futures, forward currency transactions and swaps as well as interest rate swaps), and may pursue alternative investment styles and investment strategies (e.g. relative value, event-driven and directional trading), which may be associated with special risks. The Annex contains further information about the characteristics and risks of hedge funds and funds of hedge funds.

A heightened loss risk exists to the extent that a sub-fund makes investments in alternative investments.

The following alternative investments in hedge funds and funds of hedge funds are specifically permitted:

- (da) Units of open-ended non-domestic collective investment schemes or other open-ended undertakings for collective investment with a similar function whose units are periodically redeemed or bought back on the basis of their net asset value and which were established in accordance with the law of any foreign state;

- (db) Units of other funds for alternative investment;
- (dc) Units in closed-ended collective investment schemes, investment companies or other closed-ended undertakings for collective investment with a similar function which have been established under the laws of any state as well as hedge fund-linked notes without a capital guarantee, provided the units or notes are traded on an exchange or another regulated market open to the public.

which are defined as hedge funds pursuant to the above provisions on the basis of their investment policy or investments and whose underlying investments in alternative investments are sufficiently diversified.

(e) Indirect real estate investments.

- (ea) Equity securities and book-entry equity securities of real estate companies (including REITS, real estate investment trusts) and units of open-ended real estate funds around the world;
- (eb) Units of open-ended Swiss and non-domestic real estate funds or other open-ended undertakings for collective investment with a similar function whose units are periodically redeemed or bought back on the basis of their net asset value;
- (ec) Units of closed-ended Swiss and non-domestic real estate funds or other closed-ended undertakings for collective investment with a similar function;
- (ed) Derivatives within the meaning of Section 12 below, whose direct or indirect investments pursuant to (ea) or (ec) above or in practice are based upon generally accepted real estate market indices;
- (ee) Structured financial products without capital guarantee which are based upon direct or indirect investments pursuant to (ea), (ec) and (ed) above, of issuers around the world.

The investments pursuant to (ea), (ec), (ed) and (ee) above must also be traded on a stock exchange or on another regulated market which is open to the public; the provisions of Section 8(9) and (10) and Section 12 below shall continue to apply.

(f) Direct and indirect private equity investments.

- (fa) Equity securities and book-entry equity securities (equities, profit-sharing certificates, participation certificates etc.) of companies around the world which are not traded on a stock exchange or on another regulated market (private equity);
- (fb) Units or units of closed-ended collective investment schemes, investment companies, participation companies or other closed-ended undertakings for collective investment with a similar function which were established in accordance with the law of any state and which invest largely in investments pursuant to (fa) above;
- (fc) Units or units of open-ended collective investment schemes or other open-ended undertakings for collective investment with a similar function whose units are periodically redeemed or bought back on the basis of their net asset value and which invest largely in investments pursuant to (fa) above;
- (fd) Structured financial products without capital guarantee which are based upon direct or indirect investments pursuant to (fa) to (fc) above, of issuers around the world.

The investments pursuant to (fb) to (fd) above must also be traded on a stock exchange or on another regulated market which is open to the public; the provisions of Section 8(9) and (10) and Section 12 below shall continue to apply.

(g) Direct and indirect short-term liquid investments.

- (ga) Sight or time deposits (maximum 12 months) placed as investments with banks in Switzerland or abroad, including fiduciary investments with banks abroad, insofar as these are subject to a supervisory authority equivalent to that in Switzerland (whereby the Custodian Bank shall invest the assets in the capacity of a fiduciary and at the risk of the collective investment scheme), which are denominated in a freely-convertible currency;

- (gb) Money market instruments of issuers around the world which are denominated in a freely-convertible currency. Money market instruments are debt instruments with maturity or residual maturity not exceeding 360 days, as well as money-market book-entry claims. Money market instruments must be liquid and assessable as well as traded on a stock exchange or on another regulated market which is open to the public. Money market instruments which are not traded on a stock exchange or on another regulated market which is open to the public may only be acquired if the conditions set out under Art. 74(2) CISO are fulfilled. In the case of instruments with variable interest rates, the maturity shall be determined with respect to the day on which their interest rate is adjusted;
- (gc) Units or equities of closed-ended collective investment schemes or undertakings for collective investment with a similar function, including exchange-traded funds ("ETFs") and investment companies, of issuers around the world which invest their assets in investments pursuant to (ga) to (gd) above;
- (gd) Units or units of open-ended collective investment schemes or other open-ended undertakings for collective investment with a similar function whose units are periodically redeemed or bought back on the basis of their net asset value and which invest largely in investments pursuant to (ga) and (gb) above.

The investments pursuant to (gc) above must also be traded on a stock exchange or on another regulated market which is open to the public; the provisions of Section 8(9) and (10) and Section 12 below shall continue to apply.

- (h) Investments in currencies and in derivative financial instruments which involve currencies directly or indirectly, comprising:
 - (ha) Foreign currency deposits with banks;
 - (hb) Purchase and sale of foreign currencies on a spot basis;
 - (hc) Purchase and sale of foreign currency futures;
 - (hd) Purchase and sale of call or put options on foreign currencies and on currency futures;
 - (he) Entering into currency swaps;
 - (hf) Entering into currency futures;
 - (hg) Combination of transactions pursuant to (hb) to (hf) above.

3. Units or equities of open-ended collective investment schemes or of undertakings for collective investment with a similar function pursuant to Para. 2(af), (bf), (cg), (da), (ea), (eb), (fc) and (gd) above comprise units (or shares) of collective investment schemes or investment undertakings which are established under the law of any state and which may or which may not be licensed for commercial distribution in Switzerland, which are denominated in a freely-convertible currency, and which are not subject to any restrictions pertaining to the payout of redemption or repurchase portions. Insofar as such collective investment schemes or investment undertakings are subject to a supervisory authority in their home country, this need not necessarily be deemed to be "equivalent" to the practices of the Swiss supervisory authority within the meaning of Art. 120(2) CISA. In principle, the units or units must be redeemed or bought back at their intrinsic value at the same redemption or trading frequency as that of the respective sub-fund.
4. Units or equities of open-ended collective investment schemes or of undertakings for collective investment with a similar function pursuant to Para. 2(ae), (be), (cf), (dc), (ec), (fb) and (gc) above comprise units (or shares) of collective investment schemes or investment undertakings which are established under the law of any state and which may or which may not be licensed for commercial distribution in Switzerland, and which are denominated in a freely-convertible currency. The majority of closed-ended collective investment schemes or entities are not subject to any supervisory authority in their home countries. Insofar as such collective investment schemes or investment undertakings are subject to a supervisory authority in their home country, this need not necessarily be deemed to be "equivalent" to the practices of the Swiss supervisory authority within the meaning of Art. 120(2) CISA. All units or shares must also be traded on a stock exchange or on another regulated market which is open to the public; the provisions of Section 8(9) and (10) and Section 12 below shall continue to apply.
5. The investment undertakings pursuant to Para. 2(ae), (af), (be), (bf), (cf), (cg), (ea), (eb), (ec), (gc) and (gd) above may not be such which qualify as "other funds for alternative investments" under Swiss law. Furthermore, in addition to the above Para. 3 and 4, the collective investment schemes or undertakings must be established in accordance with the law of an OECD state.
6. The majority of the investment undertakings pursuant to Para. 2(da), (dc), (fb) and (fc) above will be target funds which are not licensed by the Swiss supervisory authority for commercial distribution in Switzerland, and which come from states which are not eligible for approval in Switzerland due to the impossibility of verifying equivalent legislation and/or supervision as defined by Art. 120(2) CISA. As a rule, under Swiss law they are likely to qualify as "other funds for alternative investments".

7. The legal form of the investment undertakings pursuant to Para. 2(ae), (af), (be), (bf), (cf), (cg), (da), (dc), (ea), (eb), (ec), (fb), (fc), (gc) and (gd) above is irrelevant. They may also be statutory contractual collective investment schemes, collective investment schemes under company law, unit trusts or limited partnerships.
8. The Fund Manager may acquire units (or shares) of open-ended investment funds or other open-ended undertakings for collective investment with similar functions in both the primary and secondary markets, and redeem units (or shares) and sell them in the secondary market.
9. The Fund Manager may invest up to 10% of a sub-fund's assets in investments other than those listed in (a) to (h) above.
10. Securities originating from new issues in which the terms of the issue require the securities to be listed on a stock exchange or another regulated market open to the public and where this requirement is fulfilled within one year at the latest are regarded as equivalent to securities traded on a stock exchange or other regulated market. If the licence is not obtained within this deadline, then the limits pursuant to Para. 9 above must be adhered to or the securities must be sold within one month.
11. Subject to the provisions of Section 21(8), the Fund Manager may acquire units of other collective investment schemes which are managed directly or indirectly by itself or by a company with which it is associated through joint administration or control or through the direct or indirect holding of more than 10% of the capital or of the votes.
12. In respect of indirect investments via derivatives, attention is drawn to the fact that such investments may result in a cumulative risk. In addition to the market risk of the underlying security, the risk of the issuer of the derivative also needs to be taken into account. This accumulated risk may be particularly significant in the event of the systematic utilisation of derivatives on market indices instead of a broadly-diversified portfolio of direct investments.
13. The Special Section of this Fund Agreement may stipulate different restrictions for individual sub-funds.

Section 9 Liquid assets

The Fund Manager may also hold a reasonable level of liquid assets in the unit of account of the Umbrella Fund or of the individual sub-funds and in all currencies in which investments are permitted. Liquid assets comprise bank deposits, at sight or time deposits, as well as rights from securities repurchase agreements with maturities of up to twelve months.

B. Investment techniques and instruments

Section 10 Securities lending

1. The Fund Manager may lend, for the account of the sub-funds, all types of securities which are traded on a stock exchange or on another regulated market which is open to the public. However, securities which have been taken on within the framework of reverse repos may not be lent out.
2. The Fund Manager may lend the securities in its own name and on its own account to a borrower ("principal transaction") or may commission an agent to make the securities available to a borrower either on a fiduciary basis as an indirect representative ("agent transaction") or as a direct representative ("finder transaction").
3. The Fund Manager shall lend out securities only with first-class borrowers or agents which specialise in this type of business such as banks, brokers and insurance companies as well as recognised securities clearing organisations which guarantee the proper performance of the securities lending.
4. Insofar as the Fund Manager is obliged to adhere to a period of notice not exceeding 10 bank working days before it is legally able to dispose of the lent securities once again, then it may not loan more than 50% of the portfolio type which is capable of being lent out. However, if the borrower or the agent gives the Fund Manager a contractual undertaking that it will be able to dispose legally of the lent securities on the same or on the next bank working day, then the entire portfolio of a type which is capable of being lent out may be lent out.
5. The Fund Manager shall conclude an agreement with the borrower or agent whereby the latter shall pledge or assign ownership in favour of the Management Company in accordance with the provisions of Art. 8 CISO FINMA. The value of the collateral must at all times be equal to at least 105% of the market value of the loaned securities or at least 102% if the collateral consists of (i) liquid assets or (ii) fixed or variable-interest securities and book-entry securities that have a current long-term rating of at least AAA, Aaa or the equivalent from a ratings agency recognised by FINMA. In addition, the borrower or broker shall be liable for the punctual and unrestricted remuneration of the revenues incurred during the lending, the assertion of other pecuniary rights as well as the contractually-compliant reimbursement of securities of the same type, quantity and quality.

6. The Custodian Bank shall safeguard the secure and contractually-compliant settlement of the securities lending and shall specifically monitor adherence to the conditions imposed upon the securities. It shall also attend to the administrative duties and the assertion of all rights pertaining to the lent securities for which it is responsible throughout the duration of the loan transaction, insofar as these were not already assigned in accordance with the applicable framework agreement.

Section 11 Repurchase agreements

1. The Fund Manager may enter into securities repurchase transactions for the account of individual segments. Securities repurchase transactions can either take the form of repos or reverse repos.

A "repo" is a legal transaction by which one party ("pledger") temporarily assigns the ownership of securities to another party ("pledgee") in return for payment, whereby the pledgee undertakes to reimburse the pledger upon maturity with securities of the same type, quantity and quality and with the revenues accrued during the period of the repurchase transaction. The pledger shall bear the price risk of the securities throughout the duration of the repurchase transaction.

From the perspective of the counterparty (pledgee), the "repo" is a "reverse repo". With a "reverse repo" the Fund Manager acquires securities for the purpose of investing money and simultaneously agrees to reimburse securities of the same type, quantity and quality as well as the revenues accrued during the period of the repurchase transaction.

2. The Fund Manager may enter into repurchase transactions in its own name and on its own account with a counterparty ("principal transaction") or may commission an agent to perform repurchase transactions with a counterparty either on a fiduciary basis as an indirect representative ("agent transaction") or as a direct representative ("finder transaction").
3. The Fund Manager shall enter into repurchase transactions only with first-class borrowers or agents which specialise in this type of business such as banks, brokers and insurance companies as well as recognised securities clearing organisations which guarantee the proper performance of the repurchase transaction.
4. The Custodian Bank shall ensure that the repo transactions are conducted in a secure manner and that the contractual terms are complied with. It shall ensure that fluctuations in the value of the securities used in the repo transactions are compensated in cash or securities (mark to market). For the duration of the repo transactions, it shall also be responsible for the administrative duties assigned to it under the Rules for Securities Accounts and for asserting all rights pertaining to the securities used in the repo transactions.
5. The Fund Manager may use all types of securities for repos which are traded on a stock exchange or on another regulated market which is open to the public. However, securities which have been taken on within the framework of reverse repos may not be used for repos.
6. Insofar as the Fund Manager is obliged to adhere to a period of notice not exceeding 10 bank working days before it is legally able to dispose of the securities which have been used in the repurchase transaction, then in respect of each sub-fund it may not use more than 50% of the portfolio of a type which is capable of being used in a repurchase transaction. However, if the counterparty or the agent gives the Fund Manager a contractual undertaking that it will be able to dispose legally of the securities which have been used in the repurchase transaction on the same or on the next bank working day, then the entire portfolio of a type which is capable of being used in a repurchase transaction may be used for repurchase transactions.
7. "Repos" are deemed to constitute borrowing pursuant to Section 13, unless the resources thereby received are used to acquire securities of the same type, quality, creditworthiness and maturity in conjunction with the conclusion of a "reverse repo".
8. With regard to reverse repos, the Fund Manager may only acquire fixed or variable-interest securities issued by the Swiss Confederation, or by Swiss cantons or municipalities, or by obligors which have the minimum credit ratings required by the supervisory authority.
9. Claims arising out of "reverse repos" are deemed to be liquid assets pursuant to Section 9 and not loans granted pursuant to Section 13.

Section 12 Derivative financial instruments

1. The Fund Manager may deploy derivatives in the interest of the efficient administration of the assets of the sub-funds. It shall ensure that the economic effect of the use of derivatives will not lead to a deviation from the investment objectives specified in this Fund Agreement or to a change in the investment character of the sub-fund, even under extraordinary market conditions. In addition, the securities underlying the derivatives must be approved for the corresponding sub-fund pursuant to this Fund Agreement.

With respect to collective investment schemes, derivatives may only be used for the purposes of currency hedging. The right to hedge market, interest and credit risks remains reserved, insofar as the risks are clearly definable and quantifiable.

2. Due to the planned use of derivatives, the sub-funds qualify as "simple funds". Commitment approach II is applicable to risk measurement. This means the total exposure of a sub-fund associated with derivatives may not exceed 100% of its net assets and the total exposure in overall terms may not exceed 200% of its net assets. Taking account of the opportunity of a sub-fund to take out a temporary loan amounting to no more than 10% of its net assets pursuant to Section 13(2), the total exposure of the corresponding sub-fund may total up to 210% of its net assets.

The Fund Manager must at all times be able to fulfil the delivery and payment obligations associated with derivatives in accordance with collective investment scheme legislation from the assets of the corresponding sub-fund.
3. The Fund Manager may in particular deploy basic forms of derivatives such as call or put options whose value upon expiry is linearly dependent upon the positive or negative difference between the market value of the underlying security and the exercise price, and which becomes zero if the difference has the other algebraic sign, credit default swaps (CDS), swaps whose payments are dependent linearly and irrespective of liens on the value of the underlying security or on an absolute sum, as well as futures and forwards whose value is linearly dependent upon the value of the underlying security. It may also deploy combinations of basic forms of derivatives as well as derivatives whose economic effect cannot be described by a basic form of derivative or by a combination of basic forms of derivatives (exotic derivatives).
4.
 - (a) Derivatives are divided by the Fund Manager into three risk categories - market risk, credit risk and currency risk. If a derivative contains a variety of risk categories, then this must be taken into account in each of the corresponding risk categories with its equivalent underlying security. In the case of futures, forwards and swaps, the underlying security equivalent is calculated with the product arising out of the number of contracts and the contract value, in the case of options with the product arising out of the number of contracts, the contract value and the delta (insofar as this is calculated).
 - (b) Counter positions in derivatives of the same underlying security and in investments in this underlying security may be offset against each other ("netting").
 - (c) Counter positions of different underlying securities may only be offset against each other if their risks such as market, credit and currency risks are similar and correlate closely.
 - (d) Sold call options as well as bought put options may only be included in the offsetting if their delta is calculated.
 - (e) Subject to offsetting pursuant to (b) to (d), the absolute sums of the equivalent underlying securities of the derivatives must be added together for each risk category. The sum of the equivalent underlying securities may not exceed the net assets of the corresponding sub-fund in any of the three risk categories.
 - (f) Payment obligations in respect of derivatives must at all times be covered by cash equivalents, debt securities and rights or equities that are traded on an exchange or other regulated market open to the public, in accordance with collective investment scheme legislation. These cash equivalents and investments may be used as cover for several derivatives simultaneously if these contain a market or credit risk and relate to the same underlying security.
 - (g) Physical delivery obligations arising out of derivatives must be permanently covered by the corresponding underlying securities or by other investments if their risks, such as market, currency and interest risks, are similar to those of the underlying securities which are to be delivered, if the investments and the underlying securities are closely correlated, the investments and the underlying securities are highly liquid and can be acquired or sold at any time in the event of a delivery being demanded. Underlying securities may be used simultaneously as cover for several derivative positions if these contain a market, credit or currency risk and relate to the same underlying securities.
5. The Fund Manager may use both standardised and non-standardised derivatives. It may conclude derivatives transactions on a stock exchange, another regulated market which is open to the public or OTC (over the counter).
6.
 - (a) The Fund Manager may conclude OTC transactions only with financial intermediaries subject to supervision which are specialised in this type of business and which guarantee the proper execution of such transactions. If the counterparty is not the Custodian Bank, then the counterparty or the guarantor must have the minimum rating stipulated by collective investment scheme legislation pursuant to Art. 33 CISO-FINMA.
 - (b) It must be possible to value an OTC derivative reliably and demonstrably on a daily basis, and it must also be possible to sell on, liquidate or close out the OTC derivative.

- (c) If it is not possible to obtain a market price for an OTC derivative, then the price must at all times be verifiable by means of valuation models which are reasonable and recognised in practice on the basis of the market value of the underlying securities. Furthermore, concrete offers must be obtained from at least two possible counterparties before a transaction is concluded, and the most advantageous offer must be accepted, taking account of the price, the creditworthiness, the risk distribution and the services offered by the counterparty. Records shall be kept of the conclusion of a transaction and of the determination of the price.

- 7. In accordance with the provisions of collective investment scheme legislation, derivatives must be taken into consideration in order to comply with the statutory and contractual investment restrictions (maximum and minimum limits).

Section 13 Borrowing and lending

- 1. The Fund Manager may not grant any loans for the account of the sub-funds. Securities lending transactions pursuant to Section 10 and securities repurchase agreements in the form of reverse repos pursuant to Section 11 are not deemed to be loans within the meaning of this paragraph.
- 2. The Fund Manager may take out temporary loans for any sub-fund amounting to up to 10% of its net assets.

Repurchase transactions in the form of repos pursuant to Section 11 shall be deemed to constitute borrowing within the meaning of this paragraph, unless the resources received are used within the framework of an arbitrage transaction to acquire securities of the same type, quality, creditworthiness and maturity in conjunction with a reverse repo transaction.

Section 14 Encumbrance of the fund assets

- 1. The Fund Manager may not pledge or assign as collateral more than 25% of the net fund assets of a sub-fund.
- 2. The net fund assets of a sub-fund may not be encumbered with sureties. A credit derivative which increases exposure is not deemed to constitute a surety within the meaning of this paragraph.

C. Investment restrictions

Section 15 Risk diversification

- 1. The following must be included in the risk diversification regulations:
 - (a) Investments pursuant to Section 8, with the exception of index-based derivatives, insofar as the index is sufficiently diversified, is representative of the market to which it relates and is published in a reasonable manner;
 - (b) Liquid assets pursuant to Section 9;
 - (c) Claims against counterparties arising out of OTC transactions.The risk diversification regulations apply to each sub-fund individually.
- 2. Companies which constitute a group on the basis of international accounting regulations are deemed to be a single issuer.
- 3. The overall exposure of a sub-fund in relation to a counterparty may not exceed the following portion of the sub-fund's assets:
 - (a) A maximum of 10% may be held in securities and money market instruments (including derivatives and structured products) issued by the same issuer or borrower;
 - (b) The Fund Manager may invest up to 20% in sight deposits and time deposits held at the same bank; insofar as the rating reaches "P-1" or "A-1", the restriction amounts to 30%. Both the liquid assets pursuant to Section 9 as well as the investments in shortterm liquid investments pursuant to Section 8(2)(ga) must be included in these limits;
 - (c) The limit of 10% set out in (a) above is raised to 20% for issuers or counterparties of derivative financial instruments (incl. OTC transactions) with a rating of at least A-, A3 (if the maturity of the contract or instrument is over 12 months) or P-1, A-1 (if the maturity is less than or equal to 12 months) or an equivalent agency rating or, if the issuer or borrower is not rated, the Fund Manager deems the party to be of equivalent quality;If the claims arising from OTC transactions are hedged by securities in the form of liquid assets in accordance with the requirements of the Liquidity Ordinance, such claims are not taken into account in calculating the counterparty risk.

- (d) The 10% limit mentioned in (a) above shall be raised to 35% if the assets constitute securities or money market instruments which are issued or guaranteed by a state or a corporation under public law from the OECD or by international public-law organisations to which Switzerland or a member state of the European Union belong;
- (e) The limit in (a) above is increased from 10% to 100% if the securities or money market instruments are issued or guaranteed by an OECD country, a public-law entity from the OECD, or by an international public-law organisation to which Switzerland or a member state of the European Union belongs. In this event the corresponding sub-fund must hold securities or money market instruments from at least six different issues; up to 30% of the total exposure may be invested in securities or money market instruments of the same issue.

In addition to OECD states and the public-law bodies from OECD states, the following are approved as issuers or guarantors within the aforementioned meaning: the European Union (EU), the Council of Europe, the Social Development Fund of the Council of Europe, the International Bank for Reconstruction and Development (World Bank), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Inter-American Development Bank (IADB), the Nordic Investment Bank (NIB), the Asian Development Bank (ASDB), the African Development Bank (AfDB), the International Monetary Fund, The European Stability Mechanism fund (ESM), the European Financial Stability Facility (EFSF), the International Finance Corporation (IFC) and EUROFIMA (European Company for the Financing of Railroad Rolling Stock);

- (f) The 10% limit mentioned in (a) above shall be raised to 30% if this relates to direct or indirect investments pursuant to Section 8(2)(a) of companies whose percentage weighting in a leading sector, regional or country index exceeds 6.7%. In this conjunction, the proportion of the net assets of the sub-fund of all shares and other securities of the issuer may not exceed its percentage weighting in the benchmark index by more than 50%;
- (g) The proportion of the sub-fund's assets comprising the securities and money market instruments of the issuers or borrowers that make up more than 10% of the assets of a sub-fund may not exceed a total of 70% of the assets of a sub-fund. The securities set out in (d), (e), (m), (n) and (o) are not considered when applying this 70% limit;
- (h) If the obligations are backed both by an issuer or counterparty and a guarantor, the guarantor may also be taken into account in the assessment of the overall exposure if this improves the rating;
- (i) The Fund Manager may for the account of a sub-fund:
 - (ia) acquire more than 10% of the non-voting equity and debt instruments and/or money market instruments of the same issuer or more than 25% of the outstanding units (shares) of another open-ended collective investment scheme or another open-ended undertaking for collective investment with a similar function.

These restrictions shall not be applicable if at the time of acquisition the gross sum of the debt instruments, money market instruments or units in an open-ended collective investment scheme or of another open-ended undertaking cannot be calculated.

 - (ib) acquire more than 20% of the outstanding units (shares) in another closed-ended collective investment scheme or another closed-ended undertaking for collective investment with a similar function.
 - (ic) acquire participation rights which represent more than 10% of the voting rights or would enable it to exert a material influence on the management of an issuer.
 - (id) The restrictions in (ia) and (ic) above do not apply in the case of securities and money market instruments that are issued or guaranteed by a country or an entity constituted under public law from the OECD or by one of the organisations listed in (d) and (e) above.
- (j) If the rating of a counterparty or guarantor falls below the minimum rating required, any remaining open positions must be closed out within a reasonable period, taking due account of the investors' interests;
- (k) Positive and negative replacement values from transactions with derivative financial instruments with the same counterparty may be netted against each other, provided the contractual and statutory requirements for netting have been met. Claims arising from transactions involving derivative financial instruments against a central clearing house of a stock exchange or other regulated market open to the public shall be disregarded if it is subject to appropriate supervision and (ii) the contracts and the cover are subject to daily valuation at market prices with daily margin offset;
- (l) The limit set out in (a) above is increased from 10% to 40% if the assets are securities issued by an issuer of Swiss Pfandbriefe (debentures); no more than 30% of the total exposure may be invested in securities from the same issue or series;

- (m) The 10% limit mentioned in (a) above shall be increased to 25% in the case of Investments pursuant to Section 8(2)(ae), (af), (be), (bf), (gc) and (gd) above which are reasonably diversified;
- (n) The 10% limit mentioned in (a) above shall be increased to 20% in the case of Investments pursuant to Section 8(2)(cf), (cg), (da), (db), (dc), (ea), (eb) and (ec) above which are reasonably diversified;
- (o) Investments, balances and receivables pursuant to the above of the same issuers or debtors may not exceed 20% of the sub-fund's assets. Higher limits may apply pursuant to this paragraph;
- (p) Investments pursuant to the above of the same group of companies may not exceed 20% of the sub-fund's assets. Higher limits may apply pursuant to this paragraph.

Section 16 Further investment restrictions

1. Alternative investments pursuant to Section 8(2)(d) above may not exceed a total of 30%, an investment in an individual hedge fund may not in each case exceed 5% and in an individual fund of hedge funds may not in each case exceed 10% of the assets of a sub-fund.
2. Investments in Section 8(2)(eb) may not overall exceed 10% of the assets of a sub-fund.
3. Private equity investments pursuant to Section 8(2)(f) above may not overall exceed 10% of the assets of a sub-fund.
4. Investments pursuant to Section 8(2)(d), (eb) and (f) above may not overall exceed 30% of the assets of a sub-fund.
5. Investments in funds of funds other than those specified in Para. 1 above are not permitted.
6. The Special Section of this Fund Agreement may stipulate different or further restrictions for individual sub-funds.

Section 17 Calculation of the net asset value

1. The net asset value of a sub-fund and the share of the net assets of the individual classes (ratios) shall be calculated at market value as at the end of the financial year and in respect of every other date specified in the Annex, as well as on every day on which the units are issued or redeemed, in the unit of account of the respective sub-fund. The assets of the corresponding sub-fund shall not be valued on days on which the stock exchanges or markets of the principal investment countries of the respective sub-fund are closed (e.g. bank and stock exchange holidays).
2. Investments traded on a stock exchange or on another regulated market which is open to the public shall be valued in accordance with the current prices paid on the main market. Other items or rights or investments for which no current prices are available shall be valued at the price that would probably be obtained in a diligent sale at the time of valuation. In such cases, the Fund Manager shall use appropriate and recognised valuation models and principles to determine the market value.
3. The value of money market instruments shall be determined as follows: money market instruments may be valued at the net price plus accrued interest or on the basis of an amortised valuation principle ("accrual method"). If the valuation is performed on the basis of the accrual method, then the portfolio assets shall in each case be subject to a weekly assessment in order to ascertain whether a deviation exists between the net asset value determined on the basis of market prices and the net asset value determined in accordance with the accrual method. If there is a significant difference, appropriate corrections shall be made, including, if necessary, calculating the net assets on the basis of the available market prices.
4. Bank credit balances shall be calculated in accordance with the amount outstanding plus accrued interest. In the event of material changes in market conditions or creditworthiness, the valuation principles for time deposits with banks shall be brought into line with the new conditions.
5. Collective investment schemes which are traded on a stock exchange or on another regulated market which is open to the public shall be valued in accordance with the current prices paid on the main market. Unlisted collective investment schemes must be valued in accordance with the redemption price which is based on the net asset value. If no current prices are available for these collective investment schemes, then they shall be valued in accordance with the price which they would probably achieve if diligently sold or redeemed ("fair value"). In this case the Fund Manager shall apply reasonable and generally accepted valuation models and principles.

6. (a) Investments in equities of companies which are not listed or which are not traded on a regulated market which is open to the public shall initially be valued in accordance with their acquisition value and shall then be revalued by the Fund Manager on a regular basis (at least once per quarter). In this process the Fund Manager shall draw upon the judgement of qualified, independent experts with experience in the relevant field. The valuation shall be performed on the basis of the actual market value of these securities, that is to say the price which they would be likely to achieve in if sold at short notice, and not the price which might possibly be achieved in the long term.

The Fund Manager shall perform an interim valuation if there is a significant change in one of these companies which has a direct impact on the value of the shareholdings held.
- (b) The securities of companies offered in the form of an IPO and whose securities are subject to sales restrictions shall for valuation purposes be deemed to be securities which are unlisted or not traded on a stock exchange or other regulated market. Insofar as the stock market value of these securities reaches twice the value last estimated in accordance with (a) above, the Fund Manager shall be entitled to apply a valuation method that makes provision for a diminishing undervaluation of up to 50% of the stock market price which is linearly reduced on each bank working day until the day on which the securities in question can be freely sold on the market.
- (c) Investors may obtain further details about the valuation of such investments from the Fund Manager.
7. The net asset value of the unit of a unit class is equal to the portion of the assets of this sub-fund attributable to the respective unit class, less any debt obligations of the same sub-fund allocated to the respective unit class, divided by the number of units of the respective unit class in circulation. Figures shall be rounded off to 2 decimal places.
8. The portions of the market value of the net assets of a sub-fund attributable to the respective shall classes shall be initially determined at the time of the first issue of several unit classes (if this is performed simultaneously) or at the time of the first issue of a further unit class on the basis of the portion attributable to each unit class of the sub-fund. The portion shall be recalculated whenever any of the following events occur:
 - (a) when units are issued or redeemed;
 - (b) on the distribution dates, insofar as (i) such distributions relate only to individual unit classes (distribution classes) or insofar as (ii) the distributions of the various unit classes differ as a percentage of their respective net asset value or insofar as (iii) different commissions or costs are imposed on the distributions of the various unit classes as a percentage of the distribution;
 - (c) when the net asset value is calculated, within the framework of the allocation of liabilities (including payable or accrued costs and commissions) to the various unit classes, insofar as the liabilities of the various unit classes differ as a percentage of their respective net asset value, specifically if different commission rates are applicable to the various unit classes;
 - (d) when the net asset value is calculated, within the framework of the allocation of income or capital to the various unit classes, insofar as the earnings or capital gains are derived from transactions (for example currency hedging transactions) which were performed only in the interest of a single unit class or in the interest of several unit classes, although not proportionately in respect of their share of the net assets of the respective sub-fund.

Section 18 Issue and redemption of units

1. Subscription or redemption applications for units shall be accepted on the order date, as defined in the following Para. 2 or in the Special Section. Any possible notice periods for each sub-fund are shown in the Special Section of this Fund Agreement.
2. Orders received by the Custodian Bank in Switzerland by the relevant cut-off time on the order day (cf. table in Special Section) shall be executed on the valuation date specified in the Special Section on the basis of a sub-fund's net asset value calculated on that valuation date. This shall be calculated on the valuation date on the basis of the closing prices on the bank working day prior to the valuation date. This consequently means that the net asset value of a sub-fund which is to be settled is not yet known at the time of the placing of the order (forward pricing). Orders which are not received by the Custodian Bank by the time ("cut-off time") shown in the table in the Special Section shall be settled on the next order date. Insofar as the payment or payout is performed in the form of assets (cf. Section 19), this shall be analogously applicable to the valuation of these investments.

3. The issue and redemption price of the units is based on the net asset value per unit calculated on the valuation date in accordance with Section 17. When issuing and redeeming units, an issue commission and/or issue expenses pursuant to Section 20 below may be applied on the net asset value of a sub-fund, or a redemption commission and/or redemption expenses pursuant to Section 20 below may be deducted from the net asset value of a sub-fund.
4. The issue or redemption price must be paid on the value date set out in the table in the Special Section for the unit class concerned.
5. The Fund Manager may at any time temporarily or wholly suspend the issue of units or may reject individual unit subscription applications without specifying the reason.
6. In the event of the following extraordinary conditions, the Fund Manager may suspend the redemption of the units temporarily and on an exceptional basis in the interest of the investors as a whole:
 - (a) if a market which represents the basis for the calculation of a significant portion of the assets of the respective sub-fund is closed or if trading on a market of this nature is restricted or suspended;
 - (b) in the event of political, economic, military, monetary or other emergencies;
 - (c) if as a result of restrictions on foreign currency transactions or restrictions on other transfers of assets, it is not possible to perform transactions for the Umbrella Fund or for its sub-funds;
 - (d) in the event of substantial terminations which could have a significant adverse effect on the interests of the other investors.
7. The Fund Manager must immediately inform the auditors and the supervisory authority of the suspension decision. It must also notify the investors in a suitable manner.
8. No units shall be issued as long as the redemption is suspended for the reasons given under Para. 6 (a) to (c).

Section 19 Incoming and outgoing payments in assets rather than cash

1. Each investor can request that he/she be permitted to provide investments in lieu of a cash payment to the sub-fund's assets ("contribution in kind") in the event of a subscription and/or that he/she be permitted to receive payment in investments in lieu of a cash payment ("redemption in kind"). The request shall be made at the same time as the subscription or redemption request. The Fund Manager shall not be obliged to agree to contributions or redemptions in kind.
2. The Fund Manager shall be solely responsible for making decisions regarding contributions or redemptions in kind, and shall only consent to such transactions if the transaction concerned is fully consistent with the Fund's investment policy and does not prejudice the interests of other investors in the Fund.

Costs incurred in relation to contributions or redemptions in kind may not be charged to the sub-fund's assets.
3. In the event that contributions or redemptions in kind are made, the Fund Manager shall produce a report itemising the investments transferred, the price of such investments on the transfer date, the number of units issued or redeemed in consideration thereof, and any rounding-off payments in cash. The Custodian Bank shall verify in respect of any contribution or redemption in kind that the Fund Manager has discharged its fiduciary duty and that the investments transferred, or the units issued or redeemed, have been properly valued with reference to the applicable reference date. The Custodian Bank shall notify any objections or complaints to the auditor without delay.

Transactions involving contributions and redemptions in kind shall be reported in the annual report.

IV. Fees and ancillary expenses

Section 20 Fees and ancillary expenses charged to the investor

1. When units are issued, the investor may be charged an issue commission which is payable to the Fund Manager, the Custodian Bank and/or to distributors in Switzerland and abroad, and when redeeming units a general redemption commission may be payable to the Fund Manager, the Custodian Bank, the Distributor or a sub-fund. The issue and redemption commissions payable for each sub-fund are shown in the Special Section.

2. When issuing and redeeming units as well as when switching between individual sub-funds within this Umbrella Fund, the Fund Manager may impose the issue and redemption expenses set out in the Special Section for individual sub-funds which are payable to the Umbrella Fund or to its sub-fund in order to cover the average ancillary expenses (market-related brokerage fees, commissions, duties etc.) which may be incurred in conjunction with the issue and redemption of units.
3. When paying out the liquidation proceeds in the event of the dissolution of the sub-fund, the Custodian Bank shall charge investors a commission not exceeding 0.50% on the redemption price of their units.

Section 21 Fees and ancillary expenses charged to the sub-fund

1. In return for running the respective sub-fund, asset management and distribution as well as all duties of the Custodian Bank such as the safekeeping of the fund assets, attending to the payment transactions, and the other duties listed in Section 4, the Fund Manager shall charge the respective sub-fund a management commission on the net asset value of the assets of the corresponding sub-fund. The maximum level of this commission for each sub-fund is specified in the Special Section. The management commission shall be calculated on the basis of the net asset value and remitted to the Fund Manager each month (management fee including Custodian Bank fee).
2. The Fund Manager and its agents may pay retrocessions as remuneration for the distribution of fund units in Switzerland or from Switzerland and grant discounts in order to reduce the amount of fees and costs due from the investor but invoiced to the umbrella fund or sub-fund. Further details can be found in Section 10 of the appendix.
3. The management commission rate including the Custodian Bank fee effectively applied for each sub-fund is shown in the annual report.
4. In addition, the Special Section may stipulate a performance fee for individual sub-funds. When levying the performance fee, the "high water mark" principle is applied and the performance of a sub-fund is compared with a benchmark or hurdle rate.
5. The Fund Manager and the Custodian Bank shall furthermore be entitled to the reimbursement of the following expenses which they incur while executing the collective investment agreement:
 - (a) fees charged by the supervisory authority for the foundation, amendment, dissolution or merger of the umbrella fund;
 - (b) annual fees charged by the supervisory authority;
 - (c) fees charged by the auditors for the annual audit and certification with respect to the foundation, amendment, dissolution or merger of the umbrella fund;
 - (d) fees for legal and tax advisors with respect to the foundation, amendment, dissolution or merger of the umbrella fund as well as the general protection of the interests of the umbrella fund and its investors;
 - (e) all costs for notices to investors, including translation costs, that are not due to misconduct on the part of the Fund Manager;
 - (f) costs for the printing of legal documents as well as annual reports of the umbrella fund;
 - (g) costs for the registration of the umbrella fund with a foreign supervisory authority, in particular fees, translation costs and compensation of the representative or paying agent abroad;
 - (h) costs relating to the exercise of voting rights or creditor rights by the umbrella fund, including fees for external advisors;
 - (i) costs and fees with respect to the intellectual property registered in the name of the umbrella fund or with respect to the user rights of the umbrella fund;
 - (j) all costs caused by the implementation of extraordinary measures by the Fund Manager, the Asset Manager of collective investment schemes or the Custodian Bank in order to protect investors' interests.
6. In addition, the individual sub-funds bear all ancillary management expenses associated with buying and selling the investments (standard brokerage fees, commissions, duties etc.). These costs shall be offset directly against the cost price or sales value of the respective investments.
7. Costs which are directly attributable to a sub-fund or unit class shall be charged directly to that sub-fund or unit class. Costs which cannot be allocated clearly to an individual sub-fund or unit class shall be charged to all sub-funds or unit classes in proportion to their individual asset holdings.

8. If the Fund Manager acquires units of other collective investment schemes which are directly or indirectly controlled by the Fund Manager or by a company with which the Fund Manager is associated through joint administration or control or through a significant direct or indirect participation ("related target funds"), no issue or redemption commissions of the related target funds may be charged to the fund assets.
9. Commissions and costs are regularly incurred at target fund level which are ultimately also borne by indirect investors such as the investors in the collective investment scheme. Any possible commission reductions, incentives, distribution service compensation etc. incurred by the investments which have been made in other collective investment schemes on behalf of the respective sub-fund shall exclusively benefit the assets of the corresponding sub-fund. In the case of related target funds, no such reductions, retrocessions or compensation payments are made as a general rule.
10. If the Fund Manager acquires units of a fund of hedge funds, then only a reduced management fee not exceeding 0.25% p.a. of the net asset value may be charged to the assets of the respective sub-fund to the extent of such investments.
11. The management fee of the target fund in which the assets of the sub-fund is invested may not exceed 3%, taking any possible retrocessions and rebates into account. The maximum management fee rate of the target fund in which investments are made shall be specified per sub-fund, taking account of any possible retrocessions and rebates.

V. Financial statements and audit

Section 22 Financial statements

1. The financial year runs from 1 November until 31 October.
2. The unit of account and the first statement of account are stipulated for each sub-fund in the Special Section.
3. The Fund Manager shall publish an audited annual report for the Umbrella Fund and its sub-funds respectively within four months of the financial year-end.
4. In addition to the annual report, the Fund Manager shall also advise investors of the net asset value of the investments of the respective sub-fund and the net asset value per unit. This information shall be provided in accordance with the individual agreement concluded with each investor.
5. The right of investors to receive information in accordance with Section 5(6) is reserved.

Section 23 Audit

The auditors shall verify that the Fund Manager and the Custodian Bank have acted in compliance with statutory and contractual provisions, as well as the Code of Conduct of the Swiss Funds & Asset Management Association SFAMA. The annual report shall contain a short report by the auditors on the published annual financial statements.

VI. Appropriation of income

Section 24

1. Distribution classes:
 - (a) The net profit for each unit class of a sub-fund shall be distributed to the investors every year within two months of the financial year-end in the respective unit of account. The Fund Manager may also make interim distributions from earnings.
 - (b) Up to 30% of the net profit of a unit class may be carried forward. Distribution may be waived and the entire net profit may be carried forward if:
 - the net profit for the current financial year and the profit carried forward from previous financial years for the sub-fund or a unit class amount to less than 1% of the net asset value of the sub-fund or unit class, and
 - the net profit for the current financial year and the profit carried forward from previous financial years for a sub-fund or unit class amount to less than CHF 1.

- (c) Realised capital gains arising from the sale of assets or rights may be distributed by the Fund Manager or retained for reinvestment.
- 2. Reinvestment classes:
 - (a) Realised capital gains arising from the sale of assets or rights may be distributed by the Fund Manager or retained for reinvestment.
 - (b) Realised capital gains arising from the sale of assets or rights shall be retained by the Fund Manager for reinvestment.

VII. Publication of official notices by the Umbrella Fund/sub-funds

Section 25

1. The organ of publication of the Umbrella Fund or of the sub-funds is the medium specified in the Annex. The change of the organ of publication must be reported in the organ of publication.
2. Summaries, material changes to the Fund Agreement, citing the addresses from which the wording of the changes may be obtained free of charge, the change of the Fund Manager and/or of the Custodian Bank, the creation, cancellation or merger of unit classes as well as the dissolution of individual sub-funds shall in particular be published in the organ of publication. Changes which are required by law, but which do not affect the rights of the investors or which are solely of a formal nature may be exempted from the duty of publication, subject to the approval of the supervisory authority.
3. The Fund Agreement and the respective annual reports may be obtained free of charge from the Fund Manager, the Custodian Bank and all distributors.

VIII. Restructuring and dissolution

Section 26 Merger

1. Subject to the consent of the Custodian Bank, the Fund Manager may merge individual sub-funds with other sub-funds or with other investment funds by transferring, at the time of the merger, the assets and liabilities of the sub-fund(s)/investment fund(s) being acquired to the acquiring sub-fund/investment fund. Investors in the acquired sub-fund or investment fund shall receive a corresponding amount of units in the acquiring sub-fund or investment fund. The acquired sub-fund or acquiring investment fund shall be dissolved without liquidation at the time of the merger, and the Fund Agreement of the acquiring sub-fund or investment fund shall also apply to the acquired sub-fund or investment fund.
2. Sub-funds or investment funds may be merged only insofar as:
 - (a) the corresponding fund agreements make provision for this;
 - (b) they are managed by the same fund manager;
 - (c) the corresponding fund agreements are essentially the same in respect of the following provisions:
 - the investment policy, investment techniques, risk diversification as well as the risks associated with the investment;
 - the appropriation of net earnings and capital gains from sales of goods and rights;
 - the type, the level and the calculation of all remuneration, the issue and redemption commission as well as the ancillary expenses for the purchase and sale of investments (brokerage fees, charges, duties) may be charged to the fund assets, or the sub-fund assets or the investors;
 - the redemption conditions;
 - the term of the agreement and the conditions pertaining to dissolution.

- (d) the assets of the investment fund or sub-fund concerned are valued, the conversion ratio is calculated and the assets and liabilities are transferred on the same day;
- (e) neither the investment fund (or sub-fund) nor the investors may incur charges as a consequence.

The provisions of Section 21 (5)(a), (c) and (d) shall continue to apply.

- 3. If the merger is likely to take more than one day to complete, then the supervisory authority may approve a limited suspension of the redemption of the units of the investment fund or sub-fund concerned.
- 4. The Fund Manager shall present the planned publication of the intended Fund Agreement amendment as well as the intended merger together with the merger plan to the supervisory authority for approval at least one month in advance. The merger schedule must contain detailed information on the reasons for the merger, the investment policies of the funds/sub-funds involved and any differences between the acquiring fund/sub-fund and the fund(s)/sub-fund(s) being acquired, the calculation of the exchange ratio, any differences with regard to fees and any tax implications for the funds/sub-funds, as well as an opinion from the responsible auditors pursuant to the CISA.
- 5. The Fund Manager shall publish the planned changes to the Fund Agreement as well as the planned merger and the timing thereof together with the merger plan in the organ of publication of the involved investment funds or sub-funds at least two months before the relevant date. In this conjunction the Fund Manager shall draw the attention of investors to the fact that objections to the planned amendments of the Fund Agreement must be raised with the supervisory authority within 30 days of publication, or that they may alternatively demand the redemption of their units in cash or request redemption in kind pursuant to Section 19.
- 6. The auditors must immediately check that the merger has been carried out correctly, and submit a report containing their comments in this regard to the Fund Manager and the supervisory authority.
- 7. The Fund Manager must inform the supervisory authority of the conclusion of the merger and publish notification of the completion of the merger, the confirmation from the auditors regarding the proper execution of the merger and the exchange ratio without delay in the respective funds' or sub-funds' organs of publication.
- 8. The Fund Manager shall mention the merger in the next annual report of the acquiring investment fund or sub-fund. A revised version of the financial statements must be prepared for the merged investment fund or sub-fund if the merger is not carried out as at the end of the normal financial year.

Section 27 Term of the sub-funds and dissolution

- 1. The sub-funds shall be established for an indefinite period.
- 2. The Fund Manager or the Custodian Bank may dissolve individual sub-funds by terminating the Fund Agreement without notice.
- 3. The individual sub-funds may be dissolved by order of the supervisory authority, in particular if a sub-fund does not have net assets of at least CHF 5 million (or equivalent in the unit of account) at the latest one year after the end of the subscription period (launch) or a longer deadline approved by the supervisory authority at the request of the Fund Manager and Custodian Bank.
- 4. The Fund Manager shall report the dissolution to the supervisory authority without delay and shall publish this in the organ of publication.
- 5. Once the Fund Agreement has been terminated, the Fund Manager may liquidate the Umbrella Fund or respective sub-fund without delay. If the supervisory authority has ordered the dissolution of a sub-fund, then this must be liquidated without delay. Responsibility for distributing the liquidation proceeds to the investors shall be transferred to the Custodian Bank. If the liquidation takes longer to complete, the proceeds may be paid out in instalments. The Fund Manager must obtain the permission of the supervisory authority before making the final payment.

IX. Amendments to the Fund Agreement, change of Fund Manager or Custodian Bank

Section 28

Should this Fund Agreement be amended or if it is planned to merge unit classes or to change the Fund Manager or Custodian Bank, then investors shall have the opportunity to file objections with the supervisory authority within 30 days of the last corresponding publication. In the publication, the Fund Manager shall provide the investor with information about which Fund Agreement changes are subject to review and compliance checks by FINMA. Investors may furthermore demand repayment of their units, subject to the contractual notice period. The cases pursuant to Section 25(2) which are exempted from publication with the approval of the supervisory authority shall continue to apply.

X. Applicable law and jurisdiction

Section 29

1. The Umbrella Fund and the individual sub-funds are governed by Swiss law, in particular the Swiss Federal Act on Collective Investment Schemes of 23 June 2006, the Swiss Federal Ordinance on Collective Investment Schemes of 22 November 2006 as well as the FINMA Ordinance on Collective Investment Schemes of 21 December 2006.

The place of jurisdiction is the registered domicile of the Fund Manager.
2. In respect of the interpretation of the Fund Agreement, the German version shall prevail.
3. This Fund Agreement comes into effect on 18 December 2015 and replaces the Fund Agreement dated 11 December 2015. It consists of a General and Special Section.
4. When examining a Fund Agreement for approval, FINMA looks exclusively at compliance with the provisions of Article 35a(1) (a) to (g) CISO.

The Fund Agreement was approved for the first time by the former Federal Banking Commission on 27 December 2001.

The Fund Manager

Lombard Odier Asset Management (Switzerland) SA,
Lancy

The Custodian Bank

Bank Lombard Odier & Co Ltd,
Geneva

XI. Special Section A – Aktien Emerging Markets

Section 30A Sub-fund

A sub-fund with the name Aktien Emerging Markets exists as part of the Avadis Fund Umbrella Fund.

Section 31A Unit classes

The sub-fund Aktien Emerging Markets has the following unit classes:

| Unit class | Investor | Unit of account | Issue ¹ / redemption ² fees | Management fee | Minimum investment amount for initial subscription and minimum holding / Investor qualification | Value date ³ | Cut-off ⁴ |
|---------------|---|-----------------|---|------------------------|---|-------------------------|----------------------|
| AST I | Avadis Investment Foundation | CHF | max. 1.00% / max. 1.00% | min. 0.10%, max. 1.20% | - | 2 | 16.00 (T-2) |
| AST II | Avadis Investment Foundation 2 | | | | | | |
| VBS | Avadis Wealth Creation SICAV | | | | | | |
| D1 | Swiss tax-exempt pension funds which are entitled to full relief from US withholding tax on US dividends under DBA CH-US. | | | | | | |
| D2 | Qualified investors in accordance with Section 5 of the Fund Agreement who are domiciled in Switzerland and have the right to partial relief from the US withholding tax on US dividends under DBA CH-US. | | | min. 0.10%, max. 1.50% | Agreement with Avadis Vorsorge AG | | |
| D3 | Qualified investors in accordance with Section 5 of the Fund Agreement who are domiciled in Switzerland and have no right to relief from US withholding tax on US dividends under DBA CH-US. | | | | | | |
| E | Qualified investors in accordance with Section 5 of the Fund Agreement, who are not entitled to relief from the US withholding tax on US dividends under DBA CH-US. | | | min. 0.10%, max. 1.20% | Agreement with Ecofin Holding AG companies ⁵ | | |

¹ At the investment level, a sub-fund shall incur ancillary expenses in conjunction with the issue and redemption of units only to the extent that in overall terms an issue or redemption surplus results on a bank working day. The Fund Manager may waive the imposition of issue and redemption costs to the extent that it is possible to offset issues and redemptions against each other on a bank working date. In this conjunction, the issuing and the redeeming investors must in each case be treated in the same manner.

² The issue and redemption fees are charged at the same rate across the individual unit classes.

³ Value dates after deduction of the issue/redemption price (valuation date).

⁴ Deadline for submitting subscription and redemption orders for Fund units: Orders received by the Custodian Bank no later than the time stated in the table on each bank working day are settled on the bank working day after next in the City of Zurich (valuation date = T).

⁵ Portfolio management agreement, advisory agreement, cooperation agreement or other agreement.

AST I and AST II unit classes are accumulating. VBS, E, D1, D2 and D3 unit classes are distributing. The reference currency is the Swiss franc (CHF).

The Fund Manager reserves the right to establish further classes subject to the provisions of Section 6(2) of the General Section.

Section 32A Investment objective and policy

1. The assets of the Aktien Emerging Markets sub-fund shall (following the deduction of liquid assets) be:
- (a) least 2/3 invested in direct and indirect investments in equities and book-entry equities pursuant to Section 8(2)(a), limited to companies which are not domiciled in Switzerland and which are included in a recognised emerging markets equities index;
 - (b) up to 1/3 invested in:
 - (ba) direct and indirect investments in equities and book-entry equities pursuant to Section 8(2)(a) which do not satisfy the geographical criteria pursuant to (a) above.
 - (bb) direct and indirect investments in debt securities and book-entry debt securities pursuant to Section 8(2)(b).
 - (c) Not more than 1/3 invested in indirect investments pursuant to Section 8(2)(ae), (af), (be), (bf).

In this conjunction, at least two thirds of the assets of the sub-fund, following the deduction of liquid assets, must on a consolidated basis be invested in companies pursuant to Section 8(2)(aa) which are not domiciled in Switzerland and are included in a recognised emerging markets equity index.

Section 33A Risk diversification

Section 15 is applicable.

Section 16 is not applicable.

Section 34A Unit of account

The unit of account of the Aktien Emerging Markets sub-fund is the Swiss franc.

Section 35A Notice period

There is no notice period.

Section 36A Issue and redemption commission

The maximum issue commission is 5%.

The maximum redemption commission is 3%.

Section 37A Issue and redemption fees

The issue and redemption fees may not exceed a maximum of 1.0% in order to cover ancillary expenses.

Section 38A Management fee

| Unit classes | Management fee per annum |
|--------------------|--------------------------|
| AST I / AST II / E | min. 0.10 / max. 1.20% |
| D1 / D2 / D3 / VBS | min. 0.10 / max. 1.50% |

A reduced management fee pursuant to Section 21(8) of the General Section shall not be applied.

The respective rate applied within the framework of the maximum fee is specified in the annual report.

Section 39A Performance fee

No performance fee is charged.

Section 40A Year end

The year end of the Aktien Emerging Markets sub-fund pursuant to Section 22(1) of the General Section is 31 October.

Section 41A Distribution of income

The income of the Aktien Emerging Markets sub-fund pursuant to Section 24(1) of the General Section shall be distributed in December each year at the latest.

Section 42A Authorisation

This Special Section Part A constitutes an integral part of the Fund Agreement approved by the Swiss Banking Commission for the first time on 27 December 2001, comprising the General Section and the Special Section.

XII. Special Section B – Immo-Aktien Europa

Section 30B Sub-fund

A sub-fund with the name Immo-Aktien Europa exists as part of the Avadis Fund Umbrella Fund.

Section 31B Unit classes

The Immo-Aktien Europa sub-fund has the following unit classes:

| Unit class | Investor | Unit of account | Issue¹ / redemption² fees | Management fee | Minimum investment amount for initial subscription and minimum holding / Investor qualification | Value date³ | Cut-off⁴ | |
|------------|--|-----------------|---------------------------|------------------------|---|-------------|-------------|--|
| AST I | Avadis Investment Foundation | CHF | max. 0.75% / max. 0.75% | min. 0.10%, max. 1.20% | - | 2 | 16.00 (T-2) | |
| VBS | Avadis Wealth Creation SICAV | | | min. 0.10%, max. 1.50% | Agreement with Avadis Vorsorge AG | | | |
| D | Qualified investors in accordance with Section 5 of the Fund Agreement | | | | | | | |

¹ At the investment level, a sub-fund shall incur ancillary expenses in conjunction with the issue and redemption of units only to the extent that in overall terms an issue or redemption surplus results on a bank working day. The Fund Manager may waive the imposition of issue and redemption costs to the extent that it is possible to offset issues and redemptions against each other on a bank working date. In this conjunction, the issuing and the redeeming investors must in each case be treated in the same manner.

² The issue and redemption fees are charged at the same rate across the individual unit classes.

³ Value dates after deduction of the issue/redemption price (valuation date).

⁴ Deadline for submitting subscription and redemption orders for Fund units: Orders received by the Custodian Bank no later than the time stated in the table on each bank working day are settled on the bank working day after next in the City of Zurich (valuation date = T).

The AST I unit class is accumulating. The VBS and D unit classes are distributing. The reference currency is the Swiss franc (CHF).

The Fund Manager reserves the right to establish further classes subject to the provisions of Section 6(2) of the General Section.

Section 32B Investment objective and policy

- The assets of the Immo-Aktien Europa sub-fund shall (following the deduction of liquid assets) be:
 - at least 2/3 invested in indirect real estate investments pursuant to Section 8(2)(e). The real estate companies (including closed-ended real estate funds, REITs) must be domiciled in Europe. The open-ended real estate funds must be established in a European country and must invest within Europe;
 - up to 1/3 invested in:
 - indirect real estate investments pursuant to Section 8(2)(e) which do not satisfy the geographical criteria pursuant to (a) above.
 - investments in equities and book-entry equities pursuant to Section 8(2)(a) (up to 15% of the Fund assets).
 - investments in debt securities and book-entry debt securities pursuant to Section 8(2)(b).
 - short-term liquid investments pursuant to Section 8(2)(g).
- At least two thirds of the assets of the sub-fund, following the deduction of liquid assets, must also be invested on a consolidated basis in investments pursuant to Section 8(2)(e) in real estate companies (including closed-ended real estate funds, REITs) which are domiciled within Europe or in open-ended real estate funds which are established in a European country and which invest in Europe.

Section 33B Risk diversification

Section 15 is applicable with the following differences:

- Instead of Section 15(3)(a):
Up to 20% of the assets of the sub-fund may be held in securities and money market instruments (including derivatives) pursuant to Section 15(1) of the same issuer or debtor, whereby the total value of the securities and money market instruments which account for more than 5% of the securities and money market instruments of the sub-fund of the same issuer or debtor may not exceed 60% of the assets of the sub-fund.
- Section 15(3)(c) is not applicable.

Section 16 is not applicable, with the exception of Para. 2.

Section 34B Unit of account

The unit of account of the Immo-Aktien Europa sub-fund is the Swiss franc.

Section 35B Notice period

There is no notice period.

Section 36B Issue and redemption commission

The maximum issue commission is 5%.

The maximum redemption commission is 3%.

Section 37B Issue and redemption fees

The issue and redemption fees may not exceed a maximum of 0.75% in order to cover ancillary expenses.

Section 38B Management fee

| Unit classes | Management fee per annum |
|--------------|--------------------------|
| AST I | min. 0.10 / max. 1.20% |
| D / VBS | min. 0.10 / max. 1.50% |

A reduced management fee pursuant to Section 21(8) of the General Section shall not be applied.

The respective rate applied within the framework of the maximum fee is specified in the annual report.

Section 39B Performance fee

No performance fee is charged.

Section 40B Year end

The year end of the Immo-Aktien Europa sub-fund pursuant to Section 22(1) of the General Section is 31 October.

Section 41B Distribution of income

The income of the Immo-Aktien Europa sub-fund pursuant to Section 24(1) of the General Section shall be distributed in December each year at the latest.

Section 42B Authorisation

This Special Section Part B constitutes an integral part of the Fund Agreement approved by the Swiss Banking Commission for the first time on 27 December 2001, comprising the General Section and the Special Section.

XIII. Special Section C – Immo-Aktien Nordamerika

Section 30C Sub-fund

A sub-fund with the name Immo-Aktien Nordamerika exists as part of the Avadis Fund Umbrella Fund.

Section 31C Unit classes

The Immo-Aktien Nordamerika sub-fund has the following unit classes:

| Unit class | Investor | Unit of account | Issue ¹ / redemption ² fees | Management fee | Minimum investment amount for initial subscription and minimum holding / Investor qualification | Value date ³ | Cut-off ⁴ |
|------------|---|-----------------|---|------------------------|---|-------------------------|----------------------|
| AST II | Avadis Investment Foundation 2 | CHF | max. 0.50% / max. 0.50% | min. 0.10%, max. 1.20% | - | 2 | 16.00 (T-2) |
| D1 | Swiss tax-exempt pension funds which are entitled to full relief from US withholding tax on US dividends under DBA CH-US. | | | min. 0.10%, max. 1.50% | Agreement with Avadis Vorsorge AG | | |

¹ At the investment level, a sub-fund shall incur ancillary expenses in conjunction with the issue and redemption of units only to the extent that in overall terms an issue or redemption surplus results on a bank working day. The Fund Manager may waive the imposition of issue and redemption costs to the extent that it is possible to offset issues and redemptions against each other on a bank working date. In this conjunction, the issuing and the redeeming investors must in each case be treated in the same manner.

² The issue and redemption fees are charged at the same rate across the individual unit classes.

³ Value dates after deduction of the issue/redemption price (valuation date).

⁴ Deadline for submitting subscription and redemption orders for Fund units: Orders received by the Custodian Bank no later than the time stated in the table on each bank working day are settled on the bank working day after next in the City of Zurich (valuation date = T).

The AST II unit class is accumulating. The D1 unit class is distributing. The reference currency is the Swiss franc (CHF).

The Fund Manager reserves the right to establish further classes subject to the provisions of Section 6(2) of the General Section.

Section 32C Investment objective and policy

- The assets of the Immo-Aktien Nordamerika sub-fund shall (following the deduction of liquid assets) be:
 - at least 2/3 invested in indirect real estate investments pursuant to Section 8(2)(e), restricted to real estate companies traded on stock exchanges in North America which are domiciled in North America or open-ended real estate funds which are established in the North America region and invest within the North American region;
 - up to 1/3 invested in:
 - indirect real estate investments pursuant to Section 8(2)(e) which do not satisfy the geographical criteria pursuant to (a) above.
 - investments in equities and book-entry equities pursuant to Section 8(2)(a) (up to 15% of the Fund assets).
 - investments in debt securities and book-entry debt securities pursuant to Section 8(2)(b).
 - short-term liquid investments pursuant to Section 8(2)(g).
- Up to 40% of the assets of the North American Real Estate sub-fund shall (following the deduction of liquid assets) be invested in the units of open-ended real estate funds (up to 10% unlisted real estate funds).

At least two thirds of the assets of the sub-fund, following the deduction of liquid assets, must also be invested pursuant to Section 8(2)(e) on a consolidated basis in real estate companies traded on stock exchanges in North America and which are domiciled in North America or in open-ended real estate funds which are established in North America and which invest in North America.

Section 33C Risk diversification

Section 15 is applicable with the following differences:

- Instead of Section 15(3)(a):
Up to 20% of the assets of the sub-fund may be held in securities and money market instruments (including derivatives) pursuant to Section 15(1) of the same issuer or debtor, whereby the total value of the securities and money market instruments which account for more than 5% of the securities and money market instruments of the sub-fund of the same issuer or debtor may not exceed 60% of the assets of the sub-fund.
- Section 15(3)(c) is not applicable.

Section 16 is not applicable, with the exception of Para. 2.

Section 34C Unit of account

The unit of account of the Immo-Aktien Nordamerika sub-fund is the Swiss franc.

Section 35C Notice period

There is no notice period.

Section 36C Issue and redemption commission

The maximum issue commission is 5%.

The maximum redemption commission is 3%.

Section 37C Issue and redemption fees

The issue and redemption fees may not exceed a maximum of 0.50% in order to cover ancillary expenses.

Section 38C Management fee

| Unit classes | Management fee per annum |
|--------------|--------------------------|
| AST II | min. 0.10 / max. 1.20% |
| D1 | min. 0.10 / max. 1.50% |

A reduced management fee pursuant to Section 21(8) of the General Section shall not be applied.

The respective rate applied within the framework of the maximum fee is specified in the annual report.

Section 39C Performance fee

No performance fee is charged.

Section 40C Year end

The year end of the Immo-Aktien Nordamerika sub-fund pursuant to Section 22(1) of the General Section is 31 October.

Section 41C Distribution of income

The income of the Immo-Aktien Nordamerika sub-fund shall in each case be distributed in December each year at the latest, pursuant to Section 24(1) of the General Section.

Section 42C Authorisation

This Special Section Part B constitutes an integral part of the Fund Agreement approved by the Swiss Banking Commission for the first time on 27 December 2001, comprising the General Section and the Special Section.

XIV. Special Section D – Immo-Aktien Asien Pazifik

Section 30D Sub-fund

A sub-fund with the name of Immo-Aktien Asien Pazifik (the "Immo-Aktien Asien Pazifik sub-fund") exists as part of the Avadis Fund Umbrella Fund.

Section 31D Unit classes

The Immo-Aktien Asien Pazifik sub-fund has the following unit classes:

| Unit class | Investor | Unit of account | Issue¹ / redemption² fees | Management fee | Minimum investment amount for initial subscription and minimum holding / Investor qualification | Value date³ | Cut-off⁴ |
|------------|--|-----------------|---------------------------|------------------------|---|-------------|-------------|
| AST I | Avadis Investment Foundation | CHF | max. 0.75% / max. 0.75% | min. 0.10%, max. 1.20% | - | 2 | 16.00 (T-2) |
| VBS | Avadis Wealth Creation SICAV | | | min. 0.10%, max. 1.50% | | | |
| D | Qualified investors in accordance with Section 5 of the Fund Agreement | | | | | | |

- ¹ At the investment level, a sub-fund shall incur ancillary expenses in conjunction with the issue and redemption of units only to the extent that in overall terms an issue or redemption surplus results on a bank working day. The Fund Manager may waive the imposition of issue and redemption costs to the extent that it is possible to offset issues and redemptions against each other on a bank working date. In this conjunction, the issuing and the redeeming investors must in each case be treated in the same manner.
- ² The issue and redemption fees are charged at the same rate across the individual unit classes.
- ³ Value dates after deduction of the issue/redemption price (valuation date).
- ⁴ Deadline for submitting subscription and redemption orders for Fund units: Orders received by the Custodian Bank no later than the time stated in the table on each bank working day are settled on the bank working day after next in the City of Zurich (valuation date = T).

The AST I unit class is accumulating. The VBS and D unit classes are distributing. The reference currency is the Swiss franc (CHF).

The Fund Manager reserves the right to establish further classes subject to the provisions of Section 6(2) of the General Section.

Section 32D Investment objective and policy

1. The assets of the Immo-Aktien Asien Pazifik sub-fund shall (following the deduction of liquid assets) be:
 - (a) at least 2/3 invested in indirect real estate investments pursuant to Section 8(2)(e), restricted to real estate companies traded on stock exchanges in Asia and/or the Pacific region (incl. Japan, Australia and New Zealand) which are domiciled in Asia and/or in the Pacific region (incl. Japan, Australia and New Zealand) or open-ended real estate funds which are invested in the Asia and/or Pacific region and which invest in the Asia and/or Pacific region;
 - (b) up to 1/3 invested in:
 - (ba) indirect real estate investments pursuant to Section 8(2)(e) which do not satisfy the geographical criteria pursuant to (a) above.
 - (bb) investments in equities and book-entry equities pursuant to Section 8(2)(a) (up to 15% of the Fund assets).
 - (bc) investments in debt securities and book-entry debt securities pursuant to Section 8(2)(b).
 - (bd) short-term liquid investments pursuant to Section 8(2)(g).

In this conjunction, at least 2/3 of the assets of the sub-fund, following the deduction of liquid assets, must on a consolidated basis be invested investments pursuant to Section 8(2)(e), in real estate companies traded on stock exchanges in Asia and/or the Pacific region (incl. Japan, Australia and New Zealand) which are domiciled in Asia and/or in the Pacific region (incl. Japan, Australia and New Zealand) or open-ended real estate funds which are established in the Asia and/or Pacific region and which invest in the Asia and/or Pacific region.

Section 33D Risk diversification

Section 15 is applicable.

Section 16 is not applicable, with the exception of Para. 2.

Section 34D Accounting currency

The unit of account of the Immo-Aktien Asien Pazifik sub-fund is the Swiss franc.

Section 35D Notice period

There is no notice period.

Section 36D Issue and redemption commission

The maximum issue commission is 5%.

The maximum redemption commission is 3%.

Section 37D Issue and redemption fees

The issue and redemption fees may not exceed a maximum of 0.75% in order to cover ancillary expenses.

Section 38D Management fee

| Unit classes | Management fee per annum |
|---------------------|---------------------------------|
| AST I | min. 0.10 / max. 1.20% |
| D / VBS | min. 0.10 / max. 1.50% |

A reduced management fee pursuant to Section 21(8) of the General Section shall not be applied.

The respective rate applied within the framework of the maximum fee is specified in the annual report.

Section 39D Performance fee

No performance fee is charged.

Section 40D Year end

The year end of the Immo-Aktien Asien Pazifik sub-fund pursuant to Section 22(1) of the General Section is 31 October.

Section 41D Distribution of income

The income of the Immo-Aktien Asien Pazifik sub-fund pursuant to Section 24(1) of the General Section shall be distributed in December each year at the latest.

Section 42D Authorisation

This Special Section Part D constitutes an integral part of the Fund Agreement approved by the Swiss Banking Commission for the first time on 27 December 2001, comprising the General Section and the Special Section.

XV. Special Section E – Unternehmensanleihen FW

Section 30E Sub-fund

A sub-fund with the name Unternehmensanleihen FW (the "Unternehmensanleihen FW sub-fund") exists as part of the Avadis Fund Umbrella Fund.

Section 31E Unit classes

The Unternehmensanleihen FW sub-fund has the following unit classes:

| Unit class | Investor | Unit of account | Issue ¹ / redemption ² fees | Management fee | Minimum investment amount for initial subscription and minimum holding / Investor qualification | Value date ³ | Cut-off ⁴ |
|------------|--|-----------------|---|------------------------|---|-------------------------|----------------------|
| AST I | Avadis Investment Foundation | CHF | max. 0.50% / max. 0.20% | min. 0.10%, max. 1.30% | - | 2 | 16.00 (T-2) |
| VBS | Avadis Wealth Creation SICAV | | | min. 0.10%, max. 1.50% | | | |
| D | Qualified investors in accordance with Section 5 of the Fund Agreement | | | | Agreement with Avadis Vorsorge AG | | |
| E | Qualified investors in accordance with Section 5 of the Fund Agreement | | | | min. 0.10%, max. 1.30% | | |

¹ At the investment level, a sub-fund shall incur ancillary expenses in conjunction with the issue and redemption of units only to the extent that in overall terms an issue or redemption surplus results on a bank working day. The Fund Manager may waive the imposition of issue and redemption costs to the extent that it is possible to offset issues and redemptions against each other on a bank working date. In this conjunction, the issuing and the redeeming investors must in each case be treated in the same manner.

² The issue and redemption fees are charged at the same rate across the individual unit classes.

³ Value dates after deduction of the issue/redemption price (valuation date).

⁴ Deadline for submitting subscription and redemption orders for Fund units: Orders received by the Custodian Bank no later than the time stated in the table on each bank working day are settled on the bank working day after next in the City of Zurich (valuation date = T).

⁵ Portfolio management agreement, advisory agreement, cooperation agreement or other agreement.

The AST I unit class is accumulating. The VBS, D and E unit classes are distributing. The reference currency is the Swiss franc (CHF).

The Fund Manager reserves the right to establish further classes subject to the provisions of Section 6(2) of the General Section.

Section 32E Investment objective and policy

1. The assets of the Unternehmensanleihen FW sub-fund shall (following the deduction of liquid assets) be:
 - (a) at least 2/3 invested in direct and indirect investments in debt securities and rights pursuant to Section 8(2)(b) which are not denominated in CHF and are limited to private debtors worldwide, whereby attention shall be paid to the high quality of the investments (investment-grade rating);
 - (b) up to 1/3 invested in direct and indirect investments in debt securities and rights pursuant to Section 8(2)(b) which in terms of their quality rating, currency or the domicile of the debtor do not satisfy the criteria pursuant to letter (a) above;
 - (c) not more than 25% invested in convertible bonds, convertible notes and warrant-linked bonds.

Up to 49% of the assets of the Unternehmensanleihen FW sub-fund (following the deduction of liquid assets) shall be invested in other collective investment schemes (target funds).

The currency risk for investments that are not denominated in the sub-fund's unit of account - the CHF - may be completely or partially hedged.

At least two thirds of the assets of the sub-fund, following the deduction of liquid assets, must on a consolidated basis be invested in assets pursuant to Section 8(2)(ba) which are not denominated in CHF, and are limited to private debtors worldwide.

Section 33E Risk diversification

Section 15 is applicable.

Section 16 is not applicable.

Section 34E Accounting currency

The unit of account of the Unternehmensanleihen FW sub-fund is the Swiss franc.

Section 35E Notice period

There is no notice period.

Section 36E Issue and redemption commission

The maximum issue commission is 5%.

The maximum redemption commission is 3%.

Section 37E Issue and redemption fees

The issue and redemption fees may not exceed a maximum of 0.5% in order to cover ancillary expenses.

Section 38E Management fee

| Unit classes | Management fee per annum |
|---------------------|---------------------------------|
| AST I / E | min. 0.10 / max. 1.30% |
| D / VBS | min. 0.10 / max. 1.50% |

A reduced management fee pursuant to Section 21(8) of the General Section shall not be applied.

The respective rate applied within the framework of the maximum fee is specified in the annual report.

Section 39E Performance fee

No performance fee is charged.

Section 40E Year end

The year end of the Unternehmensanleihen FW sub-fund pursuant to Section 22(1) of the General Section is 31 October.

Section 41E Distribution of income

The income of the Unternehmensanleihen FW sub-fund pursuant to Section 24(1) of the General Section shall be distributed in December each year at the latest.

Section 42E Authorisation

This Special Section Part E constitutes an integral part of the Fund Agreement approved by the Swiss Banking Commission for the first time on 27 December 2001, comprising the General Section and the Special Section.

XVI. Special Section F – Emerging Market Debt

Section 30F Sub-fund

A sub-fund with the name Emerging Market Debt (the "Emerging Market Debt sub-fund") exists as part of the Avadis Fund Umbrella Fund.

Section 31F Unit classes

The Emerging Market Debt sub-fund has the following unit classes:

| Unit class | Investor | Unit of account | Issue ¹ / redemption ² fees | Management fee | Minimum investment amount for initial subscription and minimum holding / Investor qualification | Value date ³ | Cut-off ⁴ |
|------------|--|-----------------|---|------------------------|---|-------------------------|----------------------|
| AST I | Avadis Investment Foundation | CHF | max. 1.00% / max. 1.00% | min. 0.10%, max. 1.30% | - | 2 | 16.00 (T-2) |
| VBS | Avadis Wealth Creation SICAV | | | min. 0.10%, max. 1.50% | | | |
| D | Qualified investors in accordance with Section 5 of the Fund Agreement | | | | Agreement with Avadis Vorsorge AG | | |
| E | Qualified investors in accordance with Section 5 of the Fund Agreement | | | | min. 0.10%, max. 1.30% | | |

¹ At the investment level, a sub-fund shall incur ancillary expenses in conjunction with the issue and redemption of units only to the extent that in overall terms an issue or redemption surplus results on a bank working day. The Fund Manager may waive the imposition of issue and redemption costs to the extent that it is possible to offset issues and redemptions against each other on a bank working date. In this conjunction, the issuing and the redeeming investors must in each case be treated in the same manner.

² The issue and redemption fees are charged at the same rate across the individual unit classes.

³ Value dates after deduction of the issue/redemption price (valuation date).

⁴ Deadline for submitting subscription and redemption orders for Fund units: Orders received by the Custodian Bank no later than the time stated in the table on each bank working day are settled on the bank working day after next in the City of Zurich (valuation date = T).

⁵ Portfolio management agreement, advisory agreement, cooperation agreement or other agreement.

The AST I unit class is accumulating. The VBS, D and E unit classes are distributing. The reference currency is the Swiss franc (CHF).

The Fund Manager reserves the right to establish further classes subject to the provisions of Section 6(2) of the General Section.

Section 32F Investment objective and policy

1. The assets of the Emerging Market Debt sub-fund shall be invested (following the deduction of liquid assets) in the following:

- (a) at least 2/3 in:
 - (aa) Investments in debt securities and rights (bonds, notes, convertible bonds, bonds with warrants etc.) and short-term liquid assets (money market instruments and sight and time deposits) that are denominated in a freely convertible currency and issued or guaranteed by issuers from emerging markets or worldwide issuers which conduct the main business in emerging market countries, as well as those issued in currencies of emerging market countries, including investments that do not have an investment grade rating;
 - (ab) the above-mentioned investments pursuant to (aa) may also be made indirectly by purchasing the following individual products or a combination thereof:
 - Units in target funds, including exchange traded funds (ETFs),
 - Derivative financial instruments and structured products,
 - are to be limited to a maximum of 30% of the sub-fund's assets in credit linked notes (CLNs).

- (b) up to 1/3:
- (ba) Investments in equity securities and rights (units, profit-participation certifications, participation certificates etc.) from issuers worldwide;
 - (bb) Investments in debt securities and rights (bonds, notes convertible bonds, bonds with warrants, etc.) and short-term liquid assets (money market instruments and sight and time deposits) which do not meet the requirements detailed under (aa);
 - (bc) The above-mentioned investments pursuant to (ba) and (bb) may also be made indirectly by purchasing the following individual products or a combination thereof:
 - Units in target funds, including exchange traded funds (ETFs),
 - Derivative financial instruments and structured products,
 - are to be limited to a maximum of 30% of the sub-fund's assets in credit linked notes (CLNs).
 - (c) The Fund Manager may invest up to a total of 10% of the assets of the sub-fund in investments other than those described above under (a) and (b) pursuant to Section 8;
 - (d) In addition, extensive use may be made of foreign exchange and derivatives for hedging purposes and for efficient portfolio management as well as for the purpose of active investment in securities and money market instruments and for active currency allocation.

Section 33F Risk diversification

Section 15 is applicable with the subsequent differences:

- Instead of Section 15(3)(a): Up to 20% of the assets of the sub-fund may be held in securities and money market instruments (including derivatives) pursuant to Section 15(1) of the same issuer or debtor.
- Section 15(3)(c) is not applicable.

Section 34F Accounting currency

The unit of account of the Emerging Market Debt sub-fund is the Swiss franc.

Section 35F Notice period

There is no notice period.

Section 36F Issue and redemption commission

The maximum issue commission is 5%.

The maximum redemption commission is 3%.

Section 37F Issue and redemption fees

The issue and redemption fees may not exceed a maximum of 1.0% in order to cover ancillary expenses.

Section 38F Management fee

| Unit classes | Management fee per annum |
|--------------|--------------------------|
| AST I / E | min. 0.10 / max. 1.30% |
| D / VBS | min. 0.10 / max. 1.50% |

A reduced management fee pursuant to Section 21(8) of the General Section shall not be applied.

The respective rate applied within the framework of the maximum fee is specified in the annual report.

Section 39F Performance fee

No performance fee is charged.

Section 40F Year end

The year end of the Emerging Market Debt sub-fund pursuant to Section 22(1) of the General Section is 31 October.

Section 41F Distribution of income

The income of the Emerging Market Debt sub-fund pursuant to Section 24(1) of the General Section shall be distributed in December each year at the latest.

Section 42F Authorisation

This Special Section Part F constitutes an integral part of the Fund Agreement approved by the Swiss Banking Commission for the first time on 27 December 2001, comprising the General Section and the Special Section.

XVII. Special Section G – Staatsanleihen AAA-AA FW hedged

Section 30G Sub-fund

A sub-fund with the name Staatsanleihen AAA-AA FW hedged exists as part of the Avadis Fund Umbrella Fund (the "Staatsanleihen AAA-AA FW hedged sub-fund").

Section 31G Unit classes

The Staatsanleihen AAA-AA FW hedged sub-fund has the following unit classes:

| Unit class | Investor | Unit of account | Issue¹ / redemption² fees | Management fee | Minimum investment amount for initial subscription and minimum holding / Investor qualification | Value date³ | Cut-off⁴ |
|------------|--|-----------------|---------------------------|------------------------|---|-------------|-------------|
| AST I | Avadis Investment Foundation | CHF | max. 1% / max. 1% | min. 0.10%, max. 1.20% | - | 2 | 16.00 (T-2) |
| VBS | Avadis Wealth Creation SICAV | | | min. 0.10%, max. 1.50% | Agreement with Avadis Vorsorge AG | | |
| D | Qualified investors in accordance with Section 5 of the Fund Agreement | | | | | | |
| E | Qualified investors in accordance with Section 5 of the Fund Agreement | | | | | | |

¹ At the investment level, a sub-fund shall incur ancillary expenses in conjunction with the issue and redemption of units only to the extent that in overall terms an issue or redemption surplus results on a bank working day. The Fund Manager may waive the imposition of issue and redemption costs to the extent that it is possible to offset issues and redemptions against each other on a bank working date. In this conjunction, the issuing and the redeeming investors must in each case be treated in the same manner.

² The issue and redemption fees are charged at the same rate across the individual unit classes.

³ Value dates after deduction of the issue/redemption price (valuation date).

⁴ Deadline for submitting subscription and redemption orders for Fund units: Orders received by the Custodian Bank no later than the time stated in the table on each bank working day are settled on the bank working day after next in the City of Zurich (valuation date = T).

⁵ Portfolio management agreement, advisory agreement, cooperation agreement or other agreement.

The AST I unit class is accumulating. The VBS, D and E unit classes are distributing. The reference currency is the Swiss franc (CHF).

The Fund Manager reserves the right to establish further classes subject to the provisions of Section 6(2) of the General Section.

Section 32G Investment objective and policy

1. The assets of the Staatsanleihen AAA-AA FW hedged sub-fund shall (following the deduction of liquid assets) be:
 - (a) at least 2/3 invested in debt securities and rights pursuant to Section 8(2)(b), (ba) which are not denominated in CHF and are issued or guaranteed by a foreign state and have a minimum rating of AA- (S&P, Fitch) or Aa3 (Moody's) from at least one rating agency;
 - (b) the above investments in accordance with a) may also be made indirectly by purchasing individual products of the following or a combination of the following products:
 - Units in target funds, including exchange traded funds (ETFs),
 - Derivative financial instruments.
 - (c) up to 1/3 invested in debt securities and rights pursuant to Section 8(2)(b) which in terms of their debtor or currency or quality rating do not satisfy the criteria pursuant to (1)(a) above;

- d) the above investments in accordance with c) can also be made indirectly by purchasing individual products of the following or a combination of the following products:
- Units in target funds, including exchange traded funds (ETFs),
 - Derivative financial instruments.
2. Convertible bonds, convertible notes and bonds with warrants may not be used.
3. The currency risk for investments that are not denominated in the sub-fund's unit of account - the CHF - will be at least 2/3 hedged with FX futures transactions or FX options.
4. No more than 49% of the assets of the sub-fund shall be invested in units of other investment funds pursuant to Section 8(2)(be), (bf).

At least two thirds of the assets of the sub-fund, following the deduction of liquid assets, must on a consolidated basis be invested in assets pursuant to Section 8(2)(ba) which are not denominated in CHF.

Section 33G Risk diversification

Section 15 is applicable.

The investment instruments specified under Section 16 are not used in the government bond AAA-AA FW hedged sub-fund, which is why Section 16 does not apply.

Section 34G Accounting currency

The unit of account of the Staatsanleihen AAA-AA FW hedged sub-fund is the Swiss franc.

Section 35G Notice period

There is no notice period.

Section 36G Issue and redemption commission

The maximum issue commission is 5%.

The maximum redemption commission is 3%.

Section 37G Issue and redemption fees

The issue and redemption fees may not exceed a maximum of 1.0% in order to cover ancillary expenses.

Section 38G Management fee

| Unit classes | Management fee per annum |
|--------------|--------------------------|
| AST I | min. 0.10% / max. 1.20% |
| D / VBS | min. 0.10% / max. 1.50% |
| E | min. 0.10% / max. 1.30% |

A reduced management fee pursuant to Section 21(8) of the General Section shall not be applied.

The respective rate applied within the framework of the maximum fee is specified in the annual report.

Section 39G Performance fee

No performance fee is charged.

Section 40G Year end

The year end of the Staatsanleihen AAA-AA FW hedged sub-fund pursuant to Section 22(1) of the General Section is 31 October.

Section 41G Authorisation

This Special Section Part G constitutes an integral part of the Fund Agreement approved by the Swiss Banking Commission for the first time on 27 December 2001, comprising the General Section and the Special Section.

XVIII. Special Section H – Aktien Schweiz

Section 30H Sub-fund

A sub-fund with the name Aktien Schweiz exists as part of the Aktien Schweiz.

Section 31H Unit classes

The Aktien Schweiz sub-fund has the following unit classes:

| Unit class | Investor | Unit of account | Issue ¹ / redemption ² fees | Management fee | Minimum investment amount for initial subscription and minimum holding / Investor qualification | Value date ³ | Cut-off ⁴ |
|------------|--|-----------------|---|----------------|---|-------------------------|----------------------|
| D | Qualified investors within the meaning of Section 5 The Fund Agreement | CHF | max. 0.20% / max. 0.20% | max. 0.50% | Agreement with Avadis Vorsorge AG ⁵ | 2 | 16.00 (T-2) |
| E | | | | max. 0.45% | Agreement with Ecofin Holding AG companies ⁶ | | |
| AST I | Avadis Investment Foundation | | | max. 0.40% | - | | |
| VBS | Avadis Wealth Creation SICAV | | | max. 0.50% | - | | |

¹ At the investment level, a sub-fund shall incur ancillary expenses in conjunction with the issue and redemption of units only to the extent that in overall terms an issue or redemption surplus results on a bank working day. The Fund Manager may waive the imposition of issue and redemption costs to the extent that it is possible to offset issues and redemptions against each other on a bank working date. In this conjunction, the issuing and the redeeming investors must in each case be treated in the same manner.

² The issue and redemption fees are charged at the same rate across the individual unit classes.

³ Value dates after deduction of the issue/redemption price (valuation date).

⁴ Deadline for submitting subscription and redemption orders for Fund units: Orders received by the Custodian Bank no later than the time stated in the table on each bank working day are settled on the bank working day after next in the City of Zurich (valuation date = T).

⁵ Portfolio management agreement, advisory agreement, cooperation agreement or other agreement.

⁶ Portfolio management agreement, advisory agreement, or other agreement.

The AST I unit class is accumulating. The unit classes VBS, D and E are distributing. The reference currency is the Swiss franc (CHF).

The Fund Manager reserves the right to establish further classes subject to the provisions of Section 6(2) of the General Section.

Section 32H Investment objective and policy

1. The assets of the Aktien Schweiz sub-fund shall (following the deduction of liquid assets) be:
 - (a) at least 2/3 invested in direct or indirect investments in equities and book-entry equities pursuant to Section 8(2)(a), limited to companies which are domiciled in Switzerland and included in the UBS-100 Total Return Index. These units may in some cases also be overweighted. This may possibly lead to a concentration of the sub-fund's assets on a small number of securities held in the index, possibly leading to increased specific risk components and therefore to overall fund risk higher than the reference index risk (market risk);
 - (b) up to 1/3 invested in:
 - (ba) direct and indirect investments in equities and book-entry equities pursuant to Section 8(2)(a) which do not satisfy the criteria pursuant to (a) above.
 - (bb) direct and indirect investments in debt securities and book-entry debt securities pursuant to Section 8(2)(b).
 - (bc) units in other investment funds pursuant to Section 8(3)(gc) and (gd).

At least two thirds of the assets of the sub-fund, following the deduction of liquid assets, must on a consolidated basis be invested in companies pursuant to Section 8(2)(aa) which are domiciled in Switzerland.

The sub-fund may not invest directly or indirectly in assets which are classified as alternative investments pursuant to the Professional Retirement, Heirs and Invalidity Pension Ordinance (BVV2). The following are deemed alternative investments pursuant to BVV2:

- Hedge funds, private equity, insurance linked securities, commodities and infrastructure;
- Claims not denominated in a monetary amount or for which full or partial repayment is subject to conditions;
- Securitised claims such as asset-backed securities or other claims arising from a transfer of risk, such as claims against a target company or claims based on credit derivatives;
- Senior secured loans.

Section 33H Risk diversification

Section 15 is applicable.

Section 16 is not applicable.

The Management Company may invest up to 10% of the segment assets in target funds.

Section 34H Accounting currency

The unit of account of the Aktien Schweiz sub-fund is the Swiss franc.

Section 35H Notice period

There is no notice period.

Section 36H Issue and redemption commission

The maximum issue commission is 5%.

The maximum redemption commission is 3%.

Section 37H Issue and redemption fees

The issue and redemption fees may not exceed a maximum of 0.50% in order to cover ancillary expenses.

Section 38H Management fee

The management company applies a management fee for the unit classes pursuant to Section 21(1) of the General Section as follows:

| Unit classes | Management fee per annum |
|---------------------|---------------------------------|
| E | max. 0.45% |
| D / VBS | max. 0.50% |
| AST I | max. 0.40% |

The respective rate applied within the framework of the maximum fee is specified in the annual report.

Section 39H Performance fee

No performance fee is charged.

Section 40H Year end

The year end of the Aktien sub-fund pursuant to Section 22(1) of the General Section is 31 October.

Section 41H Distribution of income

The income of the Aktien Schweiz sub-fund pursuant to Section 24(1) of the General Section shall be distributed in December each year at the latest.

Section 42H Authorisation

This Special Section Part H constitutes an integral part of the Fund Agreement approved by the Swiss Banking Commission for the first time on 27 December 2001, comprising a General Section and a Special Section.

XIX. Special Section I – Obligationen CHF Inland

Section 30I Sub-fund

A sub-fund with the name Obligationen CHF Inland (the "Obligationen CHF Inland sub-fund") exists as part of the Avadis Fund Umbrella Fund.

Section 31I Unit classes

The Obligationen CHF Inland sub-fund has the following unit classes:

| Unit class | Investor | Unit of account | Issue ¹ / redemption ² fees | Management fee | Minimum investment amount for initial subscription and minimum holding / Investor qualification | Value date ³ | Cut-off ⁴ | |
|------------|--|-----------------|---|------------------------------|---|-------------------------|----------------------|---|
| D | Qualified investors within the meaning of Section 5 The Fund Agreement | CHF | max. 0.40% / max. 0.20% | max. 0.50% | Agreement with Avadis Vorsorge AG ⁵ | 2 | 16.00 (T-2) | |
| E | | | | max. 0.45% | Agreement with Ecofin Holding AG companies ⁶ | | | |
| AST I | | | | Avadis Investment Foundation | max. 0.40% | | | - |
| VBS | | | | Avadis Wealth Creation SICAV | max. 0.50% | | | |

¹ At the investment level, a sub-fund shall incur ancillary expenses in conjunction with the issue and redemption of units only to the extent that in overall terms an issue or redemption surplus results on a bank working day. The Fund Manager may waive the imposition of issue and redemption costs to the extent that it is possible to offset issues and redemptions against each other on a bank working date. In this conjunction, the issuing and the redeeming investors must in each case be treated in the same manner.

² The issue and redemption fees are charged at the same rate across the individual unit classes.

³ Value dates after deduction of the issue/redemption price (valuation date).

⁴ Deadline for submitting subscription and redemption orders for Fund units: Orders received by the Custodian Bank no later than the time stated in the table on each bank working day are settled on the bank working day after next in the City of Zurich (valuation date = T).

⁵ Portfolio management agreement, advisory agreement, cooperation agreement or other agreement.

⁶ Portfolio management agreement, advisory agreement, or other agreement.

The AST I unit class is accumulating. The unit classes VBS, D and E are distributing. The reference currency is the Swiss franc (CHF).

The Fund Manager reserves the right to establish further classes subject to the provisions of Section 6(2) of the General Section.

Section 32I Investment objective and policy

1. The assets of the Obligationen CHF Inland sub-fund shall (following the deduction of liquid assets) be:
 - (a) at least 2/3 invested in direct and indirect investments in debt securities and rights pursuant to Section 8(2)(b) which are denominated in CHF and are limited to debtors domiciled in Switzerland, whereby attention shall be paid to the high quality of the investments;
 - (b) up to 1/3 invested in:
 - (ba) directly in debt securities and book-entry securities pursuant to Section 8(2)(b) of domestic and foreign debtors which do not meet the quality, currency and headquarters criteria pursuant to (a) above.
 - (bb) short-term liquid investments pursuant to Section 8(2)(be), (bf).
 - (c) not more than 25% invested in convertible bonds, convertible notes and warrant-linked bonds.

At least two thirds of the assets of the sub-fund, following the deduction of liquid assets, must on a consolidated basis be invested in assets pursuant to Section 8(2)(ba) denominated in CHF debtors which are domiciled in Switzerland.

The sub-fund may not invest directly or indirectly in assets which are classified as alternative investments pursuant to the Professional Retirement, Heirs and Invalidity Pension Ordinance (BVV2). The following are deemed alternative investments pursuant to BVV2:

- Hedge funds, private equity, insurance linked securities, commodities and infrastructure;
- Claims not denominated in a monetary amount or for which full or partial repayment is subject to conditions;
- Securitised claims such as asset-backed securities or other claims arising from a transfer of risk, such as claims against a target company or claims based on credit derivatives;
- Senior secured loans.

Section 33I Risk diversification

Section 15 is applicable.

Section 16 is not applicable.

The Management Company may invest up to 10% of the segment assets in target funds.

Section 34I Accounting currency

The unit of account of the Obligationen CHF Inland sub-fund is the Swiss franc.

Section 35I Notice period

There is no notice period.

Section 36I Issue and redemption commission

The maximum issue commission is 5%.

The maximum redemption commission is 3%.

Section 37I Issue and redemption fees

The issue and redemption fees may not exceed a maximum of 1.0% in order to cover ancillary expenses.

Section 38I Management fee

The management company applies a management fee for the unit classes pursuant to Section 21(1) of the General Section as follows:

| Unit classes | Management fee per annum |
|---------------------|---------------------------------|
| AST I | max. 0.40% |
| D / VBS | max. 0.50% |
| E | max. 0.45% |

The respective rate applied within the framework of the maximum fee is specified in the annual report.

Section 39I Performance fee

No performance fee is charged.

Section 40I Year end

The year end of the Obligationen CHF Inland sub-fund pursuant to Section 22(1) of the General Section is 31 October.

Section 41I Distribution of income

The income of the Obligationen CHF Inland sub-fund pursuant to Section 24(1) of the General Section shall be distributed in December each year at the latest.

Section 42I Authorisation

This Special Section Part I constitutes an integral part of the Fund Agreement approved by the Swiss Banking Commission for the first time on 27 December 2001, comprising the General Section and the Special Section.

XX. Special Section J – Obligationen CHF Ausland

Section 30J Sub-fund

A sub-fund with the name Obligationen CHF Ausland (the "Obligationen CHF Ausland sub-fund") exists as part of the Avadis Fund Umbrella Fund.

Section 31J Unit classes

The Obligationen CHF Ausland sub-fund has the following unit classes:

| Unit class | Investor | Unit of account | Issue ¹ / redemption ² fees | Management fee | Minimum investment amount for initial subscription and minimum holding / Investor qualification | Value date ³ | Cut-off ⁴ | |
|------------|--|-----------------|---|------------------------------|---|-------------------------|----------------------|---|
| D | Qualified investors within the meaning of Section 5 The Fund Agreement | CHF | max. 0.40% / max. 0.20% | max. 0.50% | Agreement with Avadis Vorsorge AG ⁵ | 2 | 16.00 (T-2) | |
| E | | | | max. 0.45% | Agreement with Ecofin Holding AG companies ⁶ | | | |
| AST I | | | | Avadis Investment Foundation | max. 0.40% | | | - |
| VBS | | | | Avadis Wealth Creation SICAV | max. 0.50% | | | |

¹ At the investment level, a sub-fund shall incur ancillary expenses in conjunction with the issue and redemption of units only to the extent that in overall terms an issue or redemption surplus results on a bank working day. The Fund Manager may waive the imposition of issue and redemption costs to the extent that it is possible to offset issues and redemptions against each other on a bank working date. In this conjunction, the issuing and the redeeming investors must in each case be treated in the same manner.

² The issue and redemption fees are charged at the same rate across the individual unit classes.

³ Value dates after deduction of the issue/redemption price (valuation date).

⁴ Deadline for submitting subscription and redemption orders for Fund units: Orders received by the Custodian Bank no later than the time stated in the table on each bank working day are settled on the bank working day after next in the City of Zurich (valuation date = T).

⁵ Portfolio management agreement, advisory agreement, cooperation agreement or other agreement.

⁶ Portfolio management agreement, advisory agreement, or other agreement.

The AST I unit class is accumulating. The unit classes VBS, D and E are distributing. The reference currency is the Swiss franc (CHF).

The Fund Manager reserves the right to establish further classes subject to the provisions of Section 6(2) of the General Section.

Section 32J Investment objective and policy

- The assets of the Obligationen CHF Ausland sub-fund shall (following the deduction of liquid assets) be:
 - at least 2/3 invested in direct and indirect investments in debt securities and rights pursuant to Section 8(2)(b) which are denominated in CHF and are limited to companies not domiciled Switzerland, whereby attention shall be paid to the high quality of the investments;
 - a maximum of 1/3 invested directly and indirectly in debt securities and book-entry securities pursuant to Section 8(2)(b) of domestic and foreign debtors which do not meet the quality, currency and headquarters criteria pursuant to (a) above.
- Not more than 1/3 invested in indirect investments pursuant to Section 8(2)(be), (bf).
- Not more than 25% invested in convertible bonds, convertible notes and warrant-linked bonds.
- At least two thirds of the assets of the sub-fund, following the deduction of liquid assets, must on a consolidated basis be invested only in companies pursuant to Section 8(2)(ba), denominated in CHF and restricted to companies which are not domiciled in Switzerland.

The sub-fund may not invest directly or indirectly in assets which are classified as alternative investments pursuant to the Professional Retirement, Heirs and Invalidity Pension Ordinance (BVV2). The following are deemed alternative investments pursuant to BVV2:

- Hedge funds, private equity, insurance linked securities, commodities and infrastructure;
- Claims not denominated in a monetary amount or for which full or partial repayment is subject to conditions;
- Securitised claims such as asset-backed securities or other claims arising from a transfer of risk, such as claims against a target company or claims based on credit derivatives;
- Senior secured loans.

Section 33J Risk diversification

Section 15 is applicable.

Section 16 is not applicable.

The Management Company may invest up to 10% of the segment assets in target funds.

Section 34J Accounting currency

The unit of account of the Obligationen CHF Ausland sub-fund is the Swiss franc.

Section 35J Notice period

There is no notice period.

Section 36J Issue and redemption commission

The maximum issue commission is 5%.

The maximum redemption commission is 3%.

Section 37J Issue and redemption fees

The issue and redemption fees may not exceed a maximum of 1.0% in order to cover ancillary expenses.

Section 38J Management fee

The management company applies a management fee for the unit classes pursuant to Section 21(1) of the General Section as follows:

| Unit classes | Management fee per annum |
|--------------|--------------------------|
| AST I | max. 0.40% |
| D / VBS | max. 0.50% |
| E | max. 0.45% |

The respective rate applied within the framework of the maximum fee is specified in the annual report.

Section 39J Performance fee

No performance fee is charged.

Section 40J Year end

The year end of the Obligationen CHF Ausland sub-fund pursuant to Section 22(1) of the General Section is 31 October.

Section 41J Distribution of income

The income of the Obligationen CHF Ausland sub-fund pursuant to Section 24(1) of the General Section shall be distributed in December each year at the latest.

Section 42J Authorisation

This Special Section Part J constitutes an integral part of the Fund Agreement approved by the Swiss Banking Commission for the first time on 27 December 2001, comprising the General Section and the Special Section.

XXI. Special Section K – Aktien Emerging Markets Index

Section 30K Sub-fund

A sub-fund with the name Aktien Emerging Markets Index (the "Aktien Emerging Market Index sub-fund") exists as part of the Avadis Fund Umbrella Fund. The investment manager is State Street Global Advisors France S.A., Paris.

Section 31K Unit classes

The Aktien Emerging Markets Index sub-fund has the following unit classes:

| Unit class | Investor | Unit of account | Issue¹ / redemption² fees | Management fee | Minimum investment amount for initial subscription and minimum holding / Investor qualification | Value date³ | Cut-off⁴ |
|------------|--|-----------------|---------------------------|------------------------|---|-------------|-------------|
| AST I | Avadis Investment Foundation | CHF | max. 1.00% / max. 1.00% | min. 0.10%, max. 1.20% | - | 2 | 16.00 (T-2) |
| VBS | Avadis Wealth Creation SICAV | | | min. 0.10%, max. 1.50% | | | |
| D | Qualified investors within the meaning of Section 5 The Fund Agreement | | | | | | |

¹ At the investment level, a sub-fund shall incur ancillary expenses in conjunction with the issue and redemption of units only to the extent that in overall terms an issue or redemption surplus results on a bank working day. The Fund Manager may waive the imposition of issue and redemption costs to the extent that it is possible to offset issues and redemptions against each other on a bank working date. In this conjunction, the issuing and the redeeming investors must in each case be treated in the same manner.

² The issue and redemption fees are charged at the same rate across the individual unit classes.

³ Value dates after deduction of the issue/redemption price (valuation date).

⁴ Deadline for submitting subscription and redemption orders for Fund units: Orders received by the Custodian Bank no later than the time stated in the table on each bank working day are settled on the bank working day after next in the City of Zurich (valuation date = T).

The AST I unit class is accumulating. The VBS and D unit classes are distributing. The reference currency is the Swiss franc (CHF).

The Fund Manager reserves the right to establish further classes subject to the provisions of Section 6(2) of the General Section.

Section 32K Investment objective and policy

- The assets of the Aktien Emerging Markets Index sub-fund shall (following the deduction of liquid assets) be:
 - at least 80% invested directly in equities and book-entry equities pursuant to Section 8(2)(a), limited to companies which are included in the MSCI Emerging Markets Index;
 - up to 20% invested in:
 - direct and indirect investments in worldwide equities and book-entry equities pursuant to Section 8(2)(a) which do not satisfy the criteria pursuant to (a) above.
 - short-term liquid assets such as bank deposits and money market instruments pursuant to Section 8(2)(g).

A maximum of up to 20% of the assets of the sub-fund may be invested indirectly. Indirect investments within the meaning of this paragraph are (i) collective investment schemes (including ETFs) in assets pursuant to a) and b) above and (ii) derivatives pursuant to a) and b) above.
- Investments are mainly in foreign currencies. Currency risks may be hedged. As it is not necessary to permanently and extensively hedge, there may possibly be a decline in value due to exchange rate fluctuations.

The sub-fund shall not engage in repurchase transactions or securities lending.

The sub-fund may not invest directly or indirectly in assets which are classified as alternative investments pursuant to the Professional Retirement, Heirs and Invalidity Pension Ordinance (BVV2). The following are deemed alternative investments pursuant to BVV2:

- Hedge funds, private equity, insurance linked securities, commodities and infrastructure;
- Claims not denominated in a monetary amount or for which full or partial repayment is subject to conditions;
- Securitised claims such as asset-backed securities or other claims arising from a transfer of risk, such as claims against a target company or claims based on credit derivatives;
- Senior secured loans.

Section 33K Risk diversification

Section 15 is applicable.

Section 16 is not applicable.

Section 34K Accounting currency

The unit of account of the Aktien Emerging Markets sub-fund is the Swiss franc.

Section 35K Notice period

There is no notice period.

Section 36K Issue and redemption commission

The maximum issue commission is 5%.

The maximum redemption commission is 3%.

Section 37K Issue and redemption fees

The issue and redemption fees may not exceed a maximum of 1.0% in order to cover ancillary expenses.

Section 38K Management fee

| Unit classes | Management fee per annum |
|--------------|--------------------------|
| AST I | min. 0.10 / max. 1.20% |
| D / VBS | min. 0.10 / max. 1.50% |

The respective rate applied within the framework of the maximum fee is specified in the annual report.

Section 39K Performance fee

No performance fee is charged.

Section 40K Year end

The year end of the Aktien Emerging Markets Index sub-fund pursuant to Section 22(1) of the General Section is 31 October.

Section 41K Distribution of income

The income of the Aktien Emerging Markets Index sub-fund pursuant to Section 24(1) of the General Section shall be distributed in December each year at the latest.

Section 42K Authorisation

This Special Section Part K constitutes an integral part of the Fund Agreement approved by the Swiss Banking Commission for the first time on 27 December 2001, comprising the General Section and the Special Section.

Annex

Supplementary information about the Fund Agreement of the Avadis Fund.

A contractual Umbrella Fund under Swiss law of the type "Other fund for traditional investments" for qualified investors.

1. Information on the Fund Manager

1.1 General information on the Fund Manager

The company Lombard Odier Asset Management (Switzerland) SA, domiciled in Lancy, is responsible for the management of the fund.

Since its foundation in 1972, the Fund Manager has managed collective investment schemes.

The Fund Manager has share capital of CHF 26 million, which is divided into 26,000 fully paid units. The sole shareholder of the Fund Manager is LOIM Holding SA.

As at 30 October 2015 the Board of Directors of the Fund Manager comprises the following members:

- Hugo Bänziger, Chairman of the Board of Directors;
- Hubert Keller, Delegate of the Board of Directors;
- Jeremy Bailey, Member of the Board of Directors;
- Patrick Zurstrassen, Member of the Board of Directors;
- Peter Clarke, Member of the Board of Directors.

As at 30 October 2015, the Executive Board of the Fund Manager comprises the following members.

- Hubert Keller, Delegate of the Board of Directors;
- Alexandre Meyer;
- Pauline Rivier.

The Fund Manager as at 30 September 2015 manages a total of 70 sub-funds in Switzerland, which had assets under management totalling CHF 20.3 billion as at 30 September 2015.

1.2 Delegation of investment decisions

A. Aktien Emerging Markets sub-fund

The investment manager for this sub-fund are:

- **Arrowstreet Capital L.P., Boston**

The exact execution of the mandate is governed by an investment management agreement concluded between the Fund Manager and Arrowstreet Capital L.P., Boston.

The investment manager is registered with the U.S. Securities and Exchange Commission (SEC), which is recognised as equivalent by FINMA pursuant to Art. 31(3) CISA.

- **JPMorgan Asset Management (UK) Limited, London**

The exact execution of the mandate is governed by an investment management agreement concluded between the Fund Manager and JPMorgan Asset Management (UK), London.

The investment manager is registered with the UK Financial Conduct Authority (FCA), which is recognised by FINMA as equivalent pursuant to Art. 31(3) CISA.

JPMorgan Asset Management (UK) Limited, London has sub-delegated asset management to JPMorgan Investment Management Inc., New York as back-up manager.

JPMorgan Investment Management Inc. is registered with the U.S. Securities and Exchange Commission (SEC), which is recognised by FINMA as equivalent pursuant to Art. 31(3) CISA.

B. Immo-Aktien Europa sub-fund

The investment manager for this sub-fund is:

- **AXA Investment Managers Paris, Paris**

The exact execution of the mandate is governed by an investment management agreement concluded between the Fund Manager and AXA Investment Managers Paris.

The investment manager is subject to supervision by the Autorité des marchés financiers (AMF), which is recognised as equivalent by FINMA pursuant to Art. 31(3) CISA.

C. Immo-Aktien Nordamerika sub-fund

The investment manager for this sub-fund is:

- **AEW Capital Management L.P., Boston**

The exact execution of the mandate is governed by an investment management agreement concluded between the Fund Manager and AEW Capital Management L.P., Boston.

The investment manager is registered with the U.S. Securities and Exchange Commission (SEC), which is recognised as equivalent by FINMA pursuant to Art. 31(3) CISA.

D. Immo-Aktien Asien Pazifik sub-fund

The investment manager for this sub-fund is:

- **AEW Capital Management L.P., Boston**

The exact execution of the mandate is governed by an investment management agreement concluded between the Fund Manager and AEW Capital Management L.P., Boston.

The investment manager is registered with the U.S. Securities and Exchange Commission (SEC), which is recognised as equivalent by FINMA pursuant to Art. 31(3) CISA.

E. Unternehmensanleihen FW sub-fund

The investment managers for this sub-fund are:

- **Rogge Global Partners Plc, London**

The exact execution of the mandate is governed by an investment management agreement concluded between the Fund Manager and Rogge Global Partners Plc.

The investment manager is subject to the supervision of the Financial Services Authority (FSA), which is recognised by FINMA as equivalent pursuant to Art. 31(3) CISA.

- **Babson Capital Management LLC, Springfield, USA**

The exact execution of the mandate is governed by an investment management agreement concluded between the Fund Manager and Babson Capital Management LLC.

The investment manager is subject to the supervision of the United States Securities and Exchange Commission ("SEC"), which is recognised by FINMA as equivalent pursuant to Art. 31(3) CISA.

F. Emerging Market Debt sub-fund

The investment manager for this sub-fund is:

- **Stone Harbor Investment Partners LP, New York**

The exact execution of the mandate is governed by an investment management agreement concluded between the Fund Manager and Stone Harbor Investment Partners LP.

The investment manager is subject to the supervision of the United States Securities and Exchange Commission (SEC), which is recognised as equivalent by FINMA pursuant to Art. 31(3) CISA.

G. Staatsanleihen AAA-AA FW hedged sub-fund

The investment managers for this sub-fund are:

- **Colchester Global Investors Limited, London**

The exact execution of the mandate is governed by an investment management agreement concluded between the Fund Manager and Colchester Global Investors Limited.

The investment manager is registered with the UK Financial Conduct Authority (FCA), which is recognised by FINMA as equivalent pursuant to Art. 31(3) CISA.

The Investment Manager has delegated parts of the fund management to Colchester Global Investors (Singapore) Pte. Ltd., Singapore.

Colchester Global Investors (Singapore) Pte. Ltd., Singapore is subject to the supervision of the Monetary Authority of Singapore ("MAS"), which is recognised as equivalent by FINMA pursuant to Art. 31(3) CISA.

- **Wellington Management International Limited, London**

The exact execution of the mandate is governed by an investment management agreement concluded between the Fund Manager and Wellington Management International Limited.

The investment manager is registered with the UK Financial Conduct Authority (FCA), which is recognised by FINMA as equivalent pursuant to Art. 31(3) CISA.

Wellington Management International Limited has delegated parts of the fund management to Wellington Management Company, LLP; 280, Congress Street, Boston, MA 02210 USA.

Wellington Management Company, LLP; 280, Congress Street, Boston, MA 02210 USA is subject to the supervision of the United States Securities and Exchange Commission (SEC), which is recognised as equivalent by FINMA pursuant to Art. 31(3) CISA.

H. Aktien Schweiz sub-fund

The investment manager for this sub-fund is:

- **UBS AG, Division Asset Management, Zurich**

The exact execution of the mandate is governed by an investment management agreement concluded between the Fund Manager and UBS AG.

The investment manager is a bank supervised by the FINMA within the meaning of the Swiss Banking Act of 8 November 1934.

I. Obligationen CHF Inland sub-fund

The investment managers for this sub-fund are:

- **Syz Asset Management SA, Geneva**

Syz Asset Management is an authorised and supervised investment manager of collective investment schemes in accordance with the Federal Act on collective investment schemes.

The exact execution of the mandate is governed by an agreement concluded between the Fund Manager and the investment manager.

- **Credit Suisse, Division Credit Suisse Asset Management, Zurich**

The exact execution of the commission is governed by an investment management agreement concluded between the Fund Manager and Credit Suisse, Division Credit Suisse Asset Management.

The investment manager is a bank supervised by the FINMA within the meaning of the Swiss Banking Act of 8 November 1934.

J. Obligationen CHF Ausland sub-fund

The investment manager for this sub-fund is:

- **Syz Asset Management SA, Geneva**

Syz Asset Management is an authorised and supervised investment manager of collective investment schemes in accordance with the Federal Act on collective investment schemes.

The exact execution of the mandate is governed by an agreement concluded between the Fund Manager and the investment manager.

K. Aktien Emerging Markets Index sub-fund

The investment manager for this sub-fund is:

- **State Street Global Advisors France S.A., Paris**

State Street Global Advisors France S.A., Paris is subject to supervision by the Autorité des marchés financiers (AMF), which is recognised as equivalent by FINMA pursuant to Art. 31(3) CISA.

The exact execution of the mandate is governed by an investment management agreement concluded between the Fund Manager and State Street Global Advisor France S.A., Paris.

1.3 Delegation of other specific tasks

Both the accounting and the calculation of the net asset value for the umbrella fund are delegated to the Custodian Bank Lombard Odier & Co Ltd.

2. Information on the Custodian Bank

The Custodian Bank is Bank Lombard Odier & Co Ltd, Geneva.

The Custodian Bank is a public limited company with its registered office in Geneva. It was founded as a private bank in 1796 and specialises in asset management for private and institutional clients.

The Custodian Bank can mandate third-party and collective custodians inside or outside Switzerland with the safekeeping of the assets, provided that this is in the interest of efficient management. In the case of financial instruments, safekeeping duties may only be delegated to regulated third-party and collective securities depositories. This requirement shall not apply to compulsory safekeeping in a place where the duties cannot be delegated to a regulated third-party or collective securities depository, as in the case of mandatory legal requirements or arrangements specific to the investment product. The use of third-party custodians and collective securities depositories means that deposited securities are no longer owned solely by the Fund Manager, which instead becomes only a co-owner. Furthermore, if the third-party and collective securities depositories are not regulated, they cannot satisfy the organisational requirements that apply to Swiss banks.

It is responsible for taking due care in selecting and instructing the third parties and for checking that the custodians meet the selection criteria at all times.

In the case of delegation to third-party and collective custodians, the Fund Manager is no longer the sole owner of the deposited securities but instead a joint owner.

3. Paying Agent

The Paying Agent is the Custodian Bank, Bank Lombard Odier & Co Ltd, rue de la Corraterie 11, CH-1204 Geneva.

4. Auditors

PricewaterhouseCoopers SA, Geneva, have been appointed as the auditors.

5. Additional net asset value calculation

At the current time, no additional net asset value is calculated.

6. Information on the unit classes

- (a) Each Avadis Fund sub-fund may contain units in the classes AST I, AST II, VBS, D, D1, D2, D3, E, which differ with regard to the minimum subscription amount, the minimum holdings and/or ownership requirements, as well as the commissions and costs applicable to them.

All unit classes are open to qualified investors in accordance with Section 5 of the Fund Agreement, whereby the investors of certain unit classes must also fulfil the additional conditions described below.

- (b) In the case of all unit classes of the Immo-Aktien Nordamerika and Aktien Emerging Markets sub-funds, which are transparent for US withholding tax purposes, the provisions set out under the present (b) are also applicable.

All investors must submit a corresponding QI form for US tax purposes (e.g. W-8BEN). Investors who wish to assert claims arising from the double taxation treaties between Switzerland and the United States (DBA CH-USA) must support their claim and their eligibility to claim by means of form W-8BEN, filled out correctly and completely (Part II "Claim of Tax Treaty Benefits" must be filled out accordingly). Form W-8BEN must be renewed periodically on request (usually every three years). If an investor's eligibility to claim changes, he must submit an updated W-8BEN form immediately, even without being requested to do so.

The investor acknowledges that corporate actions that impact on investments in funds and involve US companies can entail non-recoverable US taxes as well as third-party costs. Such taxes and third-party costs can have a negative impact on the Fund's performance.

The unit classes AST II and D1 are open to qualified investors who are domiciled in Switzerland and who are tax-exempt. Potential investors include, for example, Swiss pension funds and investment foundations.

The unit classes AST I and D2 are open to qualified investors who are domiciled in Switzerland and have the right to partial relief from the US withholding tax on US dividends under DBA CH-US.

The unit classes D3 and E are open to qualified investors who have no right to relief from the US withholding tax on US dividends under DBA CH-US.

- (c) unit class "AST I" is open exclusively to Avadis Investment Foundation.
- (d) unit class "AST II" is open exclusively to Avadis Investment Foundation 2.
- (e) unit class "VBS" is open exclusively to the Avadis Wealth Creation SICAV.
- (f) unit classes D, D1, D2 and D3 are open exclusively to a circle of investors that have entered into an agreement with Avadis Vorsorge AG.

- (g) unit class E is open only to qualified investors that have concluded a portfolio management agreement, an advisory agreement, a cooperation agreement or another agreement with Ecofin Holding AG group companies.
- (h) Determining whether the minimum subscription or minimum holding rules have been complied with depends on the volume of investments made by the beneficial owners of the units. There is currently no minimum subscription amount for additional subscriptions.

The unitholders may at any time demand that their units be exchanged for units of a different unit class of the same or of another sub-fund on the basis of the net asset value of the two relevant classes, provided that all of the conditions of the class into which the exchange is to be made are fulfilled.

The Fund Manager may at any time decide to carry out an enforced repurchase of all units from unitholders whose holdings are below the minimum holdings for the relevant unit class set out in the Special Section, or who do not meet the other applicable conditions. In this case, the unitholder in question is notified accordingly in the form of a registered letter one month in advance, so that he has the opportunity to increase his holdings to the necessary volume or meet the requirements by other means, i.e. convert his units into units in a unit class for which he fulfils the requirements specified herein.

7. Issue and redemption commissions

No issue or redemption commission is currently charged.

8. Risk information and due diligence process

Credit derivatives

As asymmetrical derivatives, the basic concept behind credit derivatives is comparable to other OTC derivatives. In addition to counterparty and market risk, credit derivatives nonetheless entail special risks which are due to the high concentration of market participants, the complex process of valuing the instruments and a certain amount of uncertainty in legal respects. The Fund Manager endeavours to minimise these risks through appropriate measures. In individual cases legal disputes may nonetheless arise concerning to what extent underlying credit risks are actually covered. Should it become apparent that the risks were indeed not covered, the Umbrella Fund or its sub-funds may suffer additional losses.

High yield bonds

In the case of securities issued by issuers (high yield bonds) which in the view of the market do not have good credit ratings ("non-investment grade"), and which promise a higher yield than comparable government bonds, above-average volatility can be expected, whereby it is also not possible to exclude the possibility that the entire value of individual investments may be lost.

Hedge funds, funds of hedge funds - risk information

In contrast to traditional investments, where securities are acquired using the financial resources of the investor (so-called long positions), the alternative investment strategies pursued by hedge funds entail the short selling of assets, sometimes in substantial volumes, and the leverage effect generated by substantial borrowing and the use of derivative financial instruments can also be substantial. Many hedge funds may without restriction deploy derivative financial instruments (e.g. options, futures, forward currency transactions and swaps as well as interest rate swaps), and may pursue alternative investment styles and investment strategies (e.g. relative value, event-driven and directional trading), which may be associated with special risks. Indirect investments in hedge funds may moreover be performed in the form of structured products (e.g. hedge fund-linked notes without capital guarantee). A heightened loss risk exists to the extent that a sub-fund makes investments in alternative investments.

Funds of hedge funds - due diligence process

The target funds of the individual funds of hedge funds operate in a relatively unregulated environment and enjoy a high degree of freedom in respect of the strategies, investment instruments and investment methods which they deploy. For this reason, the careful selection of the individual funds of hedge funds is a very important aspect.

Investment managers continuously seek optimum investment opportunities within their fund of hedge fund universes. Investment opportunities are selected using quantitative as well as qualitative criteria in a multi-layered process (due diligence). Provisional selection is performed mainly on the basis of the quantitative criteria shown below. The qualitative criteria shown below are also included in the selection process. For the final selection, a detailed analysis of all aspects is performed, as a rule including discussions with the manager.

The quantitative part of the analysis comprises inter alia:

- Analysis of the historic yield and of the risk;
- Analysis of the maximum loss during a period (maximum draw down);
- Analysis of the number of positive and negative months.

The qualitative part of the analysis comprises inter alia:

- Analysis of the investment strategy, investment process and portfolio construction or diversification of the portfolio;
- Analysis of the organisation;
- Analysis of the specialist qualifications of the portfolio managers;
- Study of the contractual details (prospectus);
- Analysis of the transparency and availability of information (prospectus, portfolio, quality of the reporting etc.);
- Analysis of the support services environment (auditors, custodian bank, fund administrator, other counterparties).

In overall terms, the portfolio of the fund of hedge funds should exhibit a diversified style allocation that meets the above-mentioned conditions as optimally as possible.

The continuous monitoring of funds of hedge funds and regular contact with their managers are designed to identify negative developments from an early stage.

Emerging markets

Investments in emerging market countries are associated with a heightened risk.

In particular, the risk consists of:

- (a) the risk of a low or entirely absent volume of trade in the securities on the respective securities market, potentially leading to liquidity squeezes and comparatively wide price fluctuations;
- (b) the risk of uncertain political, economic and social conditions and the inherent risks of compulsory purchase or seizure, the risk of extraordinarily high inflation rates, prohibitive tax measures and other negative developments;
- (c) the risk of possible sizeable fluctuations in the currency exchange rate, differences in legal systems, existing or possible foreign exchange controls, customs or other constraints and any laws or other restrictions applied to investments;
- (d) political or other circumstances which restrict the investment opportunities of the sub-fund, such as restrictions on issuers or industries which are considered sensitive in terms of national interests, and
- (e) the risk of the absence of adequately developed legal structures for private or foreign investments and the risk of a possible absence of guaranteed private ownership.

9. Advantages and disadvantages of a fund of funds structure

The Umbrella Fund or its sub-funds respectively may also acquire units in numerous target funds in the manner of a fund of funds. This approach limits the risk of losses which may arise in the case of individual target funds. The key advantages and disadvantages vis-a-vis direct investments are:

Advantages:

- generally broader risk diversification;
- lower volatility;
- wide-ranging selection process for the investment manager in accordance with qualitative and quantitative criteria;
- ongoing control and monitoring of the various target funds;
- collective investment instruments also enable investors to invest who do not have direct access to target funds due to possible high minimum contributions, or who wish to limit their exposure for other reasons.

Disadvantages:

- the broad spread of risks may adversely affect performance;
- costs are imposed on the target funds which are incurred in addition to the direct costs;
- certain costs (fund management fee, audit fees, costs of calculating the net asset value, etc.) borne by the fund of funds are already incurred by the target funds, i.e. these costs can be incurred twice over, once by the fund of funds itself and once by the funds in which the fund of funds invests.

10. Retrocessions and discounts

10.1 **The Fund Manager and its agents may pay retrocessions as compensation for the distribution of fund units in or from Switzerland. This compensation may be paid for the following services:**

- Marketing and distributing the umbrella fund in Switzerland;
- Initiating and maintaining relationships with potential investors;
- Providing infrastructure services including operational, administrative and legal services.

Retrocessions are not considered to be a discount, even if they are passed on to investors in full or in part.

Recipients of retrocessions guarantee transparent disclosure and voluntarily notify the investor of the amount of compensation they might receive for distribution.

On request, the recipients of retrocessions shall disclose the actual amounts that they received for the distribution of collective investment schemes of these investors.

10.2 **The Fund Manager and its agents may grant discounts on request directly to investors within the framework of distribution in or from Switzerland. The purpose of discounts is to reduce the fees or costs payable by the investors in question. Discounts are permitted, provided that**

- they are paid from fees of the Fund Manager and thus do not place an additional burden on the fund assets;
- they are granted on the basis of objective criteria;
- they are granted to all investors who meet the objective criteria and request a discount for the same time periods and at the same rates.

The objective criteria for the Fund Manager to grant discounts are:

- the volume initially subscribed by the investor;
- the total volume held by the investor in the collective investment scheme or where appropriate in the product range of Lombard Odier Group;
- the amount of commission generated by the investor in the product range of Lombard Odier Group or in Lombard Odier Group;
- the investment behaviour of the investor (e.g. expected investment period);
- the investor's willingness to provide support in the launch phase of a collective investment scheme;
- the regulatory, fiscal and legal classification of the investor.

At the investor's request, the Fund Manager shall disclose the corresponding amount of the discount free of charge.

11. Publications of official notices by the Umbrella Fund/sub-funds

The organ of publication of the Umbrella Fund and of the respective sub-fund is the internet platform of fundinfo AG www.fundinfo.com.

12. Sales restrictions

The legal provisions of the relevant country shall apply if fund units are sold abroad. The investment fund currently has no authorised distributors in other countries, nor does it intend to seek them. The units of the fund were in particular not registered under the United States Securities Act of 1933 and, except in connection with a transaction that is not in violation of applicable US law, fund units may not be offered, sold, resold or supplied directly or indirectly to the US or to citizens or persons domiciled in the US or to corporations or other legal entities established or managed under the laws of the US.

13. Double taxation treaty

Because of the provisions in the respective bilateral treaties between Switzerland and the United Kingdom of Great Britain and Northern Ireland and the Republic of Austria on cooperation on matters relating to tax, paying agents in Switzerland are obliged to charge final withholding tax on amounts paid out of investment funds directly or indirectly to relevant persons domiciled in the United Kingdom or Austria, on distribution and/or accumulation as well when the units are sold or redeemed. The rate of final withholding tax is:

| Treaty country | Interest income | Dividend income | Other income | Capital gains |
|---|-----------------|-----------------|--------------|---------------|
| United Kingdom | | | | |
| - regular | 48% | 40% | 48% | 27% |
| - "non-UK domiciled individual", unless certified | 50% | 42.5% | 50% | 28% |
| Austria | 25% | | | |

Tax rates: As at December 2012

Individual sub-funds and/or individual unit classes cannot be transparent for the final withholding tax in a treaty country, i.e. the final withholding tax is not levied on the basis of the specific tax factors pertaining to the sub-fund and/or unit classes (fund reporting) but based on a calculated compensation.

At the express instruction of the person in question to the paying agent, the final withholding tax can be replaced by a voluntary notification to the tax authorities of the person's tax domicile.

The tax retention and the voluntary disclosure (notification) in accordance with the agreement on the taxation of savings income is not affected by the final withholding tax. If the tax retention is levied, it is deemed to be final. All higher agreement rates are levied additionally on the same basis for assessment.

14. Reclaiming withholding tax by the Funds

The Fund Manager may apply for a refund of all Swiss Federal withholding tax levied on the sub-fund's domestic income.

Foreign income and capital gains may be subject to withholding tax deductions in the country of investment. Insofar as is possible, these taxes will be reclaimed by the Fund on behalf of the investors domiciled in Switzerland under the terms of double taxation treaties or other corresponding agreements.

