

# Credit Suisse Nova (Lux)

## Investment Company with Variable Capital under Luxembourg Law

Prospectus  
20 October 2025



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## 1. Information for Prospective Investors

This prospectus (the “**Prospectus**”) is valid only if accompanied by the last annual report, and also the latest semi-annual report if this was published after the latest annual report. These documents form part of this Prospectus.

This Prospectus does not constitute an offer or solicitation to subscribe for shares (“**Shares**”) in Credit Suisse Nova (Lux) (“**the Company**”) by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

The Prospectus contains provisions applicable to all Subfunds (Chapters 1–21) and specific provisions relating to each Subfund (Chapter 22, “**The Subfunds**”). The entire Prospectus containing all Subfunds is available at the registered office of the Company. The Company is allowed to issue one or several partial Prospectuses with regard to the distribution of one or several Subfunds or for a specific distribution country. Any partial Prospectus shall always contain the provisions applicable to all Subfunds in general (Chapters 1–21) as supplemented by the specific provisions relating to a particular Subfund (Chapter 22, “**The Subfunds**”) along with any additional provisions applicable locally in a distribution country.

**The Company’s Shares have not been, and will not be, registered under the United States Securities Act of 1933 (the “1933 Act”), any of the securities laws of any of the states of the United States. The Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws. Therefore, the Shares in the Subfunds described in this Prospectus may not be offered or sold directly or indirectly in the United States of America, except pursuant to an exemption from the registration requirements of the 1933 Act.**

**Further, the Board of Directors has decided that the Shares shall not be offered or sold, directly or indirectly, to any ultimate beneficial owner that constitutes a U.S. Person. As such, the Shares may not be directly or indirectly offered or sold to or for the benefit of a “U.S. Person”, which shall be defined as and include (i) a “United States person” as described in section 7701(a)(30) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), (ii) a “U.S. person” as such term is defined in Regulation S of the 1933 Act, as amended, (iii) a person that is “in the United States” as defined in Rule 202(a)(30)-1 under the U.S. Investment Advisers Act of 1940, as amended, or (iv) a person that does not qualify as a “Non-United States Person” as such term is defined in U.S. Commodities Futures Trading Commission Rule 4.7.**

The Company’s Shares have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law no. 25 of 1948, as amended) (the “**FIEL**”) and, accordingly, neither the Shares nor any interest in them may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any Japanese person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For this purpose, “**Japanese person**” means any person resident in Japan, including any corporation or other entity organized under the laws of Japan. The Shares will be placed with a limited number of investors in accordance with the FIEL. Any solicitation of the Shares shall not be made, if, as a result of such solicitation, the number of persons (including beneficial owners or legal entities, but excluding “**non-residents**” of Japan as defined in article 6, paragraph 1, item 6 of the Foreign Exchange and Foreign Trade Law of Japan, (Law no. 228 of 1949, as amended) who are solicited for purchase of the Shares (including newly issued Shares which are of the same kind as Shares as defined under article 1-6, item 1 of the enforcement order of the FIEL and which were issued within six months before the date of issue of the Shares) will exceed 49. Notwithstanding anything to the contrary, for purposes of determining compliance with the 49 persons limitation set forth above, the following shall apply: the Shares may be placed simultaneously with qualified institutional investors (a “**QII**”) as defined in article 2, paragraph 3, item 1 of the FIEL and article 10, paragraph 1 of the cabinet order regarding definitions under article 2 of the FIEL if the offer is made on the condition that the offerees (i) agree to transfer the Shares only to QIIs; and (ii) agree to notify any such transferee in writing of (a) the Shares have not been registered pursuant to Article 4, Paragraph 1 of FIEL since solicitation of the Shares falls in solicitation to QIIs, and (b) the transfer restriction described in clause (i) upon or prior to such transfer. If the requirements set forth in (i) and (ii) are met, the number of offerees that are QIIs will not be counted towards the 49 holder limitation set forth above.

Information which is not contained in this Prospectus, or in the documents mentioned herein which are available for inspection by the public, shall be deemed unauthorised and cannot be relied upon.

### **PRIIP**

The Company will comply with any relevant obligations and requirements prescribed by Regulation (EU) No 1286/2014 of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs), in particular the obligation to prepare and provide a key information document prior to the offering or selling of Shares to retail investors as defined in point (11) of article 4(1) of Directive 2014/65/EU of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (“**MiFID II**”), except with respect to any Subfund which is restricted to professional investors within the meaning of MiFID II.

## Information for investors in Switzerland

### i. General information

Neither the Company nor any Subfund have been registered with the Swiss Financial Market Supervisory Authority FINMA ("FINMA") for the offering (the term offering also includes advertising for collective investment schemes pursuant to article 127a CISO) to non-qualified (i.e. retail) investors within the meaning of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 ("CISA") and the corresponding Collective Investment Schemes Ordinance ("CISO") and it cannot be expected that FINMA would approve a corresponding registration application.

As a result, no person or entity is authorized to offer the Shares in Switzerland other than to qualified investors as defined in article 10 para 3 CISA in conjunction with articles 4 and 5 of the Swiss Financial Services Act of 15 June 2018 and article 10 para 3ter CISA as well as any applicable regulation issued by FINMA (together "Swiss Qualified Investor").

UBS Fund Management (Switzerland) AG, Aeschenvorstadt 1, 4051 Basel has been appointed as the Swiss Representative. Swiss Qualified Investors may obtain copies of the Prospectus, the Key Investor Information Document, copies of the Articles of Incorporation and the latest annual and semi-annual reports free of charge from the Swiss Representative. UBS Switzerland AG, Bahnhofstrasse 45, CH-8001 Zurich has been appointed as the Swiss Paying Agent.

With respect to Shares offered in Switzerland, the place of performance is at the registered office of the Swiss Representative. The place of jurisdiction is at the registered office of the Swiss Representative or at the registered office or domicile of the Shareholder.

### ii. Information in relation to the distribution

The Company and its agents may pay retrocessions as remuneration for offering activity in respect of shares in Switzerland. This remuneration may be deemed payment for the following services in particular:

- Stocking and distribution marketing and legal documents;
- Forwarding and/or providing the publications required by law as well as other publications;
- Complying to due diligence requirements delegated by the AIFM and pertaining to the Distributor;
- Clarifying and answering specific investor queries regarding the investment product or the provider.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The disclosure of the receipt of retrocessions is governed by the relevant provisions of the Swiss Financial Services Act of 15 June 2018.

In the case of offering activity in Switzerland, the Company and its agents may, upon request, pay rebates directly to investors. The purpose of rebates is to reduce the fees or costs incurred by the investor in question. Rebates are permitted provided that:

- they are paid from fees received by the AIFM and therefore do not represent an additional charge on the fund assets;
- they are granted on the basis on objective criteria;
- all investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by the AIFM are as follows:

- the volume subscribed by the investor or the total volume they hold in the collective investment scheme or, where applicable, in the product range of the promoter;
- the amount of the fees generated by the investor;
- the investment behaviour shown by the investor (e.g. expected investment period);
- the investor's willingness to provide support in the launch phase of a collective investment scheme.

At the request of the investor, the AIFM must disclose the amounts of such rebates free of charge.

### iii. Possibility of forwarding the Portfolio Management Fee

The Portfolio Manager may, in its sole discretion, forward all or part of its Portfolio Management Fee to investors or other recipients.

### Investor Rights

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise its investor rights directly against the Company, notably the right to participate in General Meetings of Shareholders if the investor is registered itself and in its own name in the registered account kept for the

Company and its Shareholders by the Company's Central Administration. In cases where an investor invests in the Company through an intermediary investing into the Company in its own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

UBS AG does not provide any tax advice. Potential investors should inform themselves as to the possible tax consequences, the legal requirements and any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, holding, conversion, redemption or disposal of Shares. Further tax considerations are set out in Chapter 9, "Expenses and Taxes".

Information about distribution in various countries may be set out in Chapter 20, "Marketing of Shares abroad".

Potential investors who are in any doubt about the contents of this Prospectus should consult their bank, broker, solicitor, accountant or other independent financial adviser.

This Prospectus may be translated into other languages. To the extent that there is any inconsistency between the English-language Prospectus and a version in another language, the English-language Prospectus shall prevail, unless stipulated otherwise by the laws of any jurisdiction in which the Shares are sold.

Investors should read and consider the risk discussion in Chapter 7, "Risk Factors", before investing in the Company.

2. Credit Suisse Nova (Lux) – Summary of Share Classes <sup>(1)</sup>

Subfund (Reference Currency)	Share Class	Currency	Minimum holding	Share Type <sup>(2)</sup>	Maximum Adjustment of the Net Asset Value	Maximum sales charge	Maximum management fee (per annum) <sup>(3)</sup>	Maximum FX hedging fee (per annum) <sup>(12)</sup>	Performance fee
UBS Nova (Lux)	"A"	EUR	n/a	D	2.00%	5.00%	1.50%	n/a	n/a
European Senior Loan Fund (EUR)	"AH" <sup>(7)</sup>	<sup>(7)</sup>	n/a	D	2.00%	5.00%	1.50%	n/a	n/a
	"AH" <sup>(7)</sup>	JPY	n/a	D	2.00%	5.00%	1.50%	n/a	n/a
	"AH" <sup>(7)</sup>	USD	n/a	D	2.00%	5.00%	1.50%	n/a	n/a
	"AH" <sup>(7)</sup>	CHF	n/a	D	2.00%	5.00%	1.50%	n/a	n/a
	"AH" <sup>(7)</sup>	SGD	n/a	D	2.00%	5.00%	1.50%	n/a	n/a
	"B"	EUR	n/a	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"BH" <sup>(7)</sup>	<sup>(7)</sup>	n/a	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"BH" <sup>(7)</sup>	JPY	n/a	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"DB" <sup>(4)</sup>	EUR	n/a	ACC	2.00%	n/a	n/a <sup>(5)</sup>	n/a	n/a
	"DBH" <sup>(4)(7)</sup>	<sup>(7)</sup>	n/a	ACC	2.00%	n/a	n/a <sup>(5)</sup>	n/a	n/a
	"DBH" <sup>(4)(7)</sup>	USD	n/a	ACC	2.00%	n/a	n/a <sup>(5)</sup>	n/a	n/a
	"EA" <sup>(10)</sup>	EUR	n/a	D	2.00%	3.00%	0.55%	n/a	n/a
	"EAH" <sup>(7)(10)</sup>	<sup>(7)</sup>	n/a	D	2.00%	3.00%	0.55%	n/a	n/a
	"EAH" <sup>(7)(10)</sup>	USD	n/a	D	2.00%	3.00%	0.55%	n/a	n/a
	"EB" <sup>(10)</sup>	EUR	n/a	ACC	2.00%	3.00%	0.55%	n/a	n/a
	"EBH" <sup>(7)(10)</sup>	<sup>(7)</sup>	n/a	ACC	2.00%	3.00%	0.55%	n/a	n/a
	"EBH" <sup>(7)(10)</sup>	USD	n/a	ACC	2.00%	3.00%	0.55%	n/a	n/a
	"FA" <sup>(13)(7)</sup>	<sup>(7)</sup>	13	D	2.00%	5.00%	1.50%	n/a	n/a
	"FAH" <sup>(13)(7)</sup>	<sup>(7)</sup>	13	D	2.00%	5.00%	1.50%	n/a	n/a
	"FB" <sup>(13)(7)</sup>	<sup>(7)</sup>	13	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"FBH" <sup>(13)(7)</sup>	<sup>(7)</sup>	13	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"IA"	EUR	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
	"IAH" <sup>(7)</sup>	<sup>(7)</sup>	-	D	2.00%	3.00%	0.65%	n/a	n/a
"IAH" <sup>(7)</sup>	USD	500'000	D	2.00%	3.00%	0.65%	n/a	n/a	
"IAH" <sup>(7)</sup>	CHF	500'000	D	2.00%	3.00%	0.65%	n/a	n/a	
"IAH" <sup>(7)</sup>	SGD	500'000	D	2.00%	3.00%	0.65%	n/a	n/a	
"IA5"	EUR	5'000'000	D	2.00%	3.00%	0.60%	n/a	n/a	
"IAH5" <sup>(7)</sup>	<sup>(7)</sup>	-	D	2.00%	3.00%	0.60%	n/a	n/a	
"IAH5" <sup>(7)</sup>	USD	5'000'000	D	2.00%	3.00%	0.60%	n/a	n/a	
"IAH5" <sup>(7)</sup>	CHF	5'000'000	D	2.00%	3.00%	0.60%	n/a	n/a	
"IAH5" <sup>(7)</sup>	SGD	5'000'000	D	2.00%	3.00%	0.60%	n/a	n/a	
"IB"	EUR	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a	
"IBH" <sup>(7)</sup>	<sup>(7)</sup>	-	ACC	2.00%	3.00%	0.65%	n/a	n/a	
"IBH" <sup>(7)</sup>	CHF	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a	
"IBH" <sup>(7)</sup>	USD	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a	
"IBH" <sup>(7)</sup>	SGD	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a	

Subfund (Reference Currency)	Share Class	Currency	Minimum holding	Share Type <sup>(2)</sup>	Maximum Adjustment of the Net Asset Value	Maximum sales charge	Maximum management fee (per annum) <sup>(3)</sup>	Maximum FX hedging fee (per annum) <sup>(1,2)</sup>	Performance fee
	"IB5"	EUR	5'000'000	ACC	2.00%	3.00%	0.60%	n/a	n/a
	"IBH5" <sup>(7)</sup>	<sup>(7)</sup>	-	ACC	2.00%	3.00%	0.60%	n/a	n/a
	"IBH5" <sup>(7)</sup>	CHF	5'000'000	ACC	2.00%	3.00%	0.60%	n/a	n/a
	"IBH5" <sup>(7)</sup>	USD	5'000'000	ACC	2.00%	3.00%	0.60%	n/a	n/a
	"IBH5" <sup>(7)</sup>	SGD	5'000'000	ACC	2.00%	3.00%	0.60%	n/a	n/a
	"KBA" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KBAH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KBB" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KBBH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KXA" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KXAH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KXB" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KXBH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"MA" <sup>(10)</sup>	EUR	25'000'000	D	2.00%	1.00%	0.50%	n/a	n/a
	"MAH" <sup>(7)(10)</sup>	<sup>(7)</sup>	-	D	2.00%	1.00%	0.50%	n/a	n/a
	"MAH" <sup>(7)(10)</sup>	CHF	25'000'000	D	2.00%	1.00%	0.50%	n/a	n/a
	"MAH" <sup>(7)(10)</sup>	USD	25'000'000	D	2.00%	1.00%	0.50%	n/a	n/a
	"MB" <sup>(10)</sup>	EUR	25'000'000	ACC	2.00%	1.00%	0.50%	n/a	n/a
	"MBH" <sup>(7)(10)</sup>	<sup>(7)</sup>	-	ACC	2.00%	1.00%	0.50%	n/a	n/a
	"MBH" <sup>(7)(10)</sup>	USD	25'000'000	ACC	2.00%	1.00%	0.50%	n/a	n/a
	"MBH" <sup>(7)(10)</sup>	CHF	25'000'000	ACC	2.00%	1.00%	0.50%	n/a	n/a
	"SBA" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SBAH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SBB" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SBBH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SXA" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SXAH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SXB" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SXBH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"UA" <sup>(9)</sup>	EUR	n/a	D	2.00%	5.00%	0.90%	n/a	n/a
	"UAH" <sup>(7)(9)</sup>	<sup>(7)</sup>	n/a	D	2.00%	5.00%	0.90%	n/a	n/a
	"UB" <sup>(9)</sup>	EUR	n/a	ACC	2.00%	5.00%	0.90%	n/a	n/a
	"UBH" <sup>(7)(9)</sup>	<sup>(7)</sup>	n/a	ACC	2.00%	5.00%	0.90%	n/a	n/a
	"UA500" <sup>(9)</sup>	EUR	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
	"UAH500" <sup>(7)(9)</sup>	<sup>(7)</sup>	-	D	2.00%	3.00%	0.65%	n/a	n/a
	"UAH500" <sup>(7)(9)</sup>	USD	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
	"UAH500" <sup>(7)(9)</sup>	CHF	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
	"UAH500" <sup>(7)(9)</sup>	SGD	500'000	D	2.00%	3.00%	0.65%	n/a	n/a

"UB500" <sup>(9)</sup>	EUR	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a
"UBH500" <sup>(7)(9)</sup>	<sup>(7)</sup>	-	ACC	2.00%	3.00%	0.65%	n/a	n/a
"UBH500" <sup>(7)(9)</sup>	USD	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a
"UBH500" <sup>(7)(9)</sup>	CHF	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a
"UBH500" <sup>(7)(9)</sup>	SGD	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a
"VA" <sup>(11)</sup>	EUR	n/a	D	2.00%	n/a	0.50%	n/a	n/a
"VAH" <sup>(7)(11)</sup>	<sup>(7)</sup>	-	D	2.00%	n/a	0.50%	n/a	n/a
"VAH" <sup>(7)(11)</sup>	USD	n/a	D	2.00%	n/a	0.50%	n/a	n/a
"VAH" <sup>(7)(11)</sup>	CHF	n/a	D	2.00%	n/a	0.50%	n/a	n/a
"VAH" <sup>(7)(11)</sup>	SGD	n/a	D	2.00%	n/a	0.50%	n/a	n/a
"VB" <sup>(11)</sup>	EUR	n/a	ACC	2.00%	n/a	0.50%	n/a	n/a
"VBH" <sup>(7)(11)</sup>	<sup>(7)</sup>	-	ACC	2.00%	n/a	0.50%	n/a	n/a
"VBH" <sup>(7)(11)</sup>	USD	n/a	ACC	2.00%	n/a	0.50%	n/a	n/a
"VBH" <sup>(7)(11)</sup>	CHF	n/a	ACC	2.00%	n/a	0.50%	n/a	n/a
"VBH" <sup>(7)(11)</sup>	SGD	n/a	ACC	2.00%	n/a	0.50%	n/a	n/a

Subfund (Reference Currency)	Share Class	Currency	Minimum holding	Share Type <sup>(2)</sup>	Maximum Adjustment of the Net Asset Value	Maximum sales charge	Maximum management fee (per annum) <sup>(3)</sup>	Maximum FX hedging fee (per annum) <sup>(12)</sup>	Performance fee
	"X1A" <sup>(13)</sup>	EUR	<sup>(13)</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"X1AH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"X1B" <sup>(13)</sup>	EUR	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"X1BH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"X2A" <sup>(13)</sup>	EUR	<sup>(13)</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"X2AH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"X2B" <sup>(13)</sup>	EUR	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"X2BH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"X3A" <sup>(13)</sup>	EUR	<sup>(13)</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"X3AH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"X3B" <sup>(13)</sup>	EUR	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"X3BH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"X4A" <sup>(6)(13)</sup>	EUR	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
UBS Nova (Lux)	"A"	USD	n/a	D	2.00%	5.00%	1.50%	n/a	n/a
Global Senior Loan Fund (USD)	"AH" <sup>(7)</sup>	<sup>(7)</sup>	n/a	D	2.00%	5.00%	1.50%	n/a	n/a
	"AH" <sup>(7)</sup>	EUR	n/a	D	2.00%	5.00%	1.50%	n/a	n/a
	"AH" <sup>(7)</sup>	CHF	n/a	D	2.00%	5.00%	1.50%	n/a	n/a
	"AH" <sup>(7)</sup>	SGD	n/a	D	2.00%	5.00%	1.50%	n/a	n/a
	"B"	USD	n/a	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"BH" <sup>(7)</sup>	<sup>(7)</sup>	n/a	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"BH" <sup>(7)</sup>	JPY	n/a	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"DB" <sup>(4)</sup>	USD	n/a	ACC	2.00%	n/a	n/a <sup>(5)</sup>	n/a	n/a
	"DBH" <sup>(4)(7)</sup>	<sup>(7)</sup>	n/a	ACC	2.00%	n/a	n/a <sup>(5)</sup>	n/a	n/a
	"EA" <sup>(10)</sup>	USD	n/a	D	2.00%	3.00%	0.65%	n/a	n/a
	"EAH" <sup>(7)(10)</sup>	<sup>(7)</sup>	n/a	D	2.00%	3.00%	0.65%	n/a	n/a
	"EAH" <sup>(7)(10)</sup>	CHF	n/a	D	2.00%	3.00%	0.65%	n/a	n/a
	"EAH" <sup>(7)(10)</sup>	EUR	n/a	D	2.00%	3.00%	0.65%	n/a	n/a
	"EB" <sup>(10)</sup>	USD	n/a	ACC	2.00%	3.00%	0.65%	n/a	n/a
	"EBH" <sup>(7)(10)</sup>	<sup>(7)</sup>	n/a	ACC	2.00%	3.00%	0.65%	n/a	n/a
	"EBH" <sup>(7)(10)</sup>	EUR	n/a	ACC	2.00%	3.00%	0.65%	n/a	n/a
	"FA" <sup>(13)(7)</sup>	<sup>(7)</sup>	<sup>13</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"FAH" <sup>(13)(7)</sup>	<sup>(7)</sup>	<sup>13</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"FB" <sup>(13)(7)</sup>	<sup>(7)</sup>	<sup>13</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"FBH" <sup>(13)(7)</sup>	<sup>(7)</sup>	<sup>13</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"IA"	USD	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
	"IAH" <sup>(7)</sup>	<sup>(7)</sup>	-	D	2.00%	3.00%	0.65%	n/a	n/a
	"IAH" <sup>(7)</sup>	EUR	500'000	D	2.00%	3.00%	0.65%	n/a	n/a

Subfund (Reference Currency)	Share Class	Currency	Minimum holding	Share Type <sup>(2)</sup>	Maximum Adjustment of the Net Asset Value	Maximum sales charge	Maximum management fee (per annum) <sup>(3)</sup>	Maximum FX hedging fee (per annum) <sup>(12)</sup>	Performance fee
	"IAH" <sup>(7)</sup>	CHF	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
	"IAH" <sup>(7)</sup>	SGD	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
	"IAH" <sup>(7)</sup>	GBP	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
	"IB"	USD	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a
	"IBH" <sup>(7)</sup>	<sup>(7)</sup>	-	ACC	2.00%	3.00%	0.65%	n/a	n/a
	"IBH" <sup>(7)</sup>	CHF	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a
	"IBH" <sup>(7)</sup>	EUR	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a
	"IBH" <sup>(7)</sup>	SGD	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a
	"KBA" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KBAH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KBB" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KBBH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KXA" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KXAH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KXB" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"KXBH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"MA" <sup>(10)</sup>	USD	25'000'000	D	2.00%	1.00%	0.50%	n/a	n/a
	"MAH" <sup>(7)(10)</sup>	<sup>(7)</sup>	-	D	2.00%	1.00%	0.50%	n/a	n/a
	"MAH" <sup>(7)(10)</sup>	CHF	25'000'000	D	2.00%	1.00%	0.50%	n/a	n/a
	"MAH" <sup>(7)(10)</sup>	EUR	25'000'000	D	2.00%	1.00%	0.50%	n/a	n/a
	"MB" <sup>(10)</sup>	USD	25'000'000	ACC	2.00%	1.00%	0.50%	n/a	n/a
	"MBH" <sup>(7)(10)</sup>	<sup>(7)</sup>	-	ACC	2.00%	1.00%	0.50%	n/a	n/a
	"MBH" <sup>(7)(10)</sup>	EUR	25'000'000	ACC	2.00%	1.00%	0.50%	n/a	n/a
	"MBH" <sup>(7)(10)</sup>	CHF	25'000'000	ACC	2.00%	1.00%	0.50%	n/a	n/a
	"MBH" <sup>(7)(10)</sup>	SGD	25'000'000	ACC	2.00%	1.00%	0.50%	n/a	n/a
	"SBA" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SBAH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SBB" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SBBH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SXA" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SXAH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	D	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SXB" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"SXBH" <sup>(14)</sup>	<sup>(7)</sup>	50'000	ACC	2.00%	n/a <sup>(14)</sup>	n/a <sup>(14)</sup>	n/a	n/a
	"UA" <sup>(9)</sup>	USD	n/a	D	2.00%	5.00%	1.15%	n/a	n/a
	"UAH" <sup>(7)(9)</sup>	<sup>(7)</sup>	n/a	D	2.00%	5.00%	1.15%	n/a	n/a
	"UAH" <sup>(7)(9)</sup>	CHF	n/a	D	2.00%	5.00%	1.15%	n/a	n/a
	"UB" <sup>(9)</sup>	USD	n/a	ACC	2.00%	5.00%	1.15%	n/a	n/a

"UBH" <sup>(7)(9)</sup>	<sup>(7)</sup>	n/a	ACC	2.00%	5.00%	1.15%	n/a	n/a
"UA500" <sup>(9)</sup>	USD	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
"UAH500" <sup>(7)(9)</sup>	<sup>(7)</sup>	-	D	2.00%	3.00%	0.65%	n/a	n/a
"UAH500" <sup>(7)(9)</sup>	EUR	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
"UAH500" <sup>(7)(9)</sup>	CHF	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
"UAH500" <sup>(7)(9)</sup>	SGD	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
"UAH500" <sup>(7)(9)</sup>	GBP	500'000	D	2.00%	3.00%	0.65%	n/a	n/a
"UB500" <sup>(9)</sup>	USD	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a
"UBH500" <sup>(7)(9)</sup>	<sup>(7)</sup>	-	ACC	2.00%	3.00%	0.65%	n/a	n/a
"UBH500" <sup>(7)(9)</sup>	CHF	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a
"UBH500" <sup>(7)(9)</sup>	EUR	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a
"UBH500" <sup>(7)(9)</sup>	SGD	500'000	ACC	2.00%	3.00%	0.65%	n/a	n/a
"VA" <sup>(11)</sup>	USD	n/a	D	2.00%	n/a	0.50%	n/a	n/a
"VAH" <sup>(7)(11)</sup>	<sup>(7)</sup>	-	D	2.00%	n/a	0.50%	n/a	n/a
"VAH" <sup>(7)(11)</sup>	EUR	n/a	D	2.00%	n/a	0.50%	n/a	n/a
"VAH" <sup>(7)(11)</sup>	CHF	n/a	D	2.00%	n/a	0.50%	n/a	n/a

Subfund (Reference Currency)	Share Class	Currency	Minimum holding	Share Type <sup>(2)</sup>	Maximum Adjustment of the Net Asset Value	Maximum sales charge	Maximum management fee (per annum) <sup>(3)</sup>	Maximum FX hedging fee (per annum) <sup>(12)</sup>	Performance fee
	"VAH" <sup>(7)(11)</sup>	SGD	n/a	D	2.00%	n/a	0.50%	n/a	n/a
	"VB" <sup>(11)</sup>	USD	n/a	ACC	2.00%	n/a	0.50%	n/a	n/a
	"VBH" <sup>(7)(11)</sup>	<sup>(7)</sup>	-	ACC	2.00%	n/a	0.50%	n/a	n/a
	"VBH" <sup>(7)(11)</sup>	EUR	n/a	ACC	2.00%	n/a	0.50%	n/a	n/a
	"VBH" <sup>(7)(11)</sup>	CHF	n/a	ACC	2.00%	n/a	0.50%	n/a	n/a
	"VBH" <sup>(7)(11)</sup>	SGD	n/a	ACC	2.00%	n/a	0.50%	n/a	n/a
	"X1A" <sup>(13)</sup>	USD	<sup>(13)</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"X1AH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"X1B" <sup>(13)</sup>	USD	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"X1BH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"X2A" <sup>(13)</sup>	USD	<sup>(13)</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"X2AH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"X2B" <sup>(13)</sup>	USD	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"X2BH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"X3A" <sup>(13)</sup>	USD	<sup>(13)</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"X3AH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	D	2.00%	5.00%	1.50%	n/a	n/a
	"X3B" <sup>(13)</sup>	USD	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"X3BH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
	"X4A" <sup>(6)(13)</sup>	USD	<sup>(13)</sup>	ACC	2.00%	5.00%	1.50%	n/a	n/a
UBS Nova (Lux)	"B"	USD	n/a	ACC	n/a	3.00%	2.00%	n/a	n/a
Portfolio Premium I (USD)	"X1B" <sup>(13)</sup>	USD	<sup>(13)</sup>	ACC	n/a	3.00%	2.00%	n/a	n/a
	"X1BH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	ACC	n/a	3.00%	2.00%	n/a	n/a
	"X2B" <sup>(7)</sup>	USD	<sup>(13)</sup>	ACC	n/a	3.00%	2.00%	n/a	n/a
	"X2BH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	ACC	n/a	3.00%	2.00%	n/a	n/a
	"X3B" <sup>(7)</sup>	USD	<sup>(13)</sup>	ACC	n/a	3.00%	2.00%	n/a	n/a
	"X3BH" <sup>(7)(13)</sup>	<sup>(7)</sup>	<sup>(13)</sup>	ACC	n/a	3.00%	2.00%	n/a	n/a

(1) This Summary of Share Classes should not be relied upon as a substitute for reading the Prospectus.

(2) ACC = accumulating share class / D = distributing share class

(3) The management fee actually payable will be disclosed in the respective annual or semi-annual report.

(4) Class DB and DBH Shares may only be acquired by investors that (i) have entered into a written agreement with a UBS Group entity for the purpose of explicit investment in the DB/DBH share class of the assets, or (ii) have entered into an asset management contract with a UBS Group entity belonging to the Asset Management Division, or (iii) have entered into an investment advisory or asset management agreement with a UBS group entity belonging to the Wealth Management Division provided that such entity has delegated investment advisory, respectively asset management to a UBS Group entity belonging to the Asset Management Division.

(5) Class DB and DBH Shares are not subject to a management fee but only to a management service fee, payable by the Company to the AIFM covering all fees and expenses as described in Chapter 9, "Expenses and Taxes", of not more than 0.35% p.a. Additional fees will be charged directly to the investor, upon the conditions of the separate agreement entered into between the investor and the relevant entity of UBS Group AG.

(6) Class X4A are non-voting ordinary shares that may be offered for distribution in certain countries through certain distributors and/or financial intermediaries at the discretion of the AIFM.

(7) The AIFM may decide on the issue of Class AH, BH, DBH, EAH, EBH, FAH, FBH, IAH, IAH5, IBH, IBH5, KBAH, KBBH, KXAH, KXBH, MAH, MBH, SBAH, SBBH, SXAH, SXBH, UAH, UBH, UAH500, UBH500, VAH, VBH, X1AH, X1BH, X2AH, X2BH, X3AH and X3BH Shares in any additional freely convertible currencies as well as on their initial offering price at any time. Shareholders have to check with the agents mentioned in Chapter 14, "Information to Shareholders", if Shares of Class AH, BH, DBH, EAH, EBH, FAH, FBH, IAH, IAH5, IBH, IBH5, KBAH, KBBH, KXAH, KXBH, MAH, MBH, SBAH, SBBH, SXAH, SXBH, UAH, UBH, UAH500, UBH500, VAH, VBH, X1AH, X1BH, X2AH, X2BH, X3AH and X3BH have been issued in additional currencies in the meantime before submitting a subscription application. With Share Class AH, BH, DBH, EAH, EBH, FAH, FBH, IAH, IAH5IBH, IBH5, MAH, MBH, UAH, UBH, UAH500, UBH500, VAH, VBH, X1AH, X1BH, X2AH, X2BH, X3AH and X3BH the risk of an overall depreciation of the Subfund's Reference Currency of the Share Class is reduced significantly by

hedging the Net Asset Value of the respective Share Class AH, BH, DBH, EAH, EBH, FAH, FBH, IAH, IAH5, IBH, IBH5, MAH, MBH, UAH, UBH, UAH500, UBH500, VAH, VBH, X1AH, X1BH, X2AH, X2BH, X3AH and X3BH – calculated in the Subfund's Reference Currency – against the respective Alternate Currency by means of forward foreign exchange transactions.

The Net Asset Value of the Shares of these Alternate Currency Classes does not develop in the same way as that of the Share Classes issued in the Reference Currency.

- (8) The performance fee is set out in Chapter 22, "The Subfunds".
- (9) Class UA, UAH, UB, UBH, UA500, UAH500, UB500 and UBH500 Shares are exclusively reserved for investors who subscribe Shares of this Class via a financial intermediary domiciled in the United Kingdom or the Netherlands, or who have concluded a written agreement with a financial intermediary which explicitly provides for the acquisition of trailer fee-free classes, or who subscribe for Shares of this Class pursuant to a written asset management agreement with an independent asset manager carrying on business in the European Economic Area, Latin America or the Middle East and whose conduct is regulated by a recognised financial services regulator in their place of business.
- (10) Class EA, EAH, EB, EBH, MA, MAH, MB and MBH Shares may only be acquired by institutional investors.
- (11) Class VA, VAH, VB and VBH Shares may only be acquired by those investors who have concluded a discretionary asset management agreement with the Fixed Income business of UBS Asset Management.
- (12) The FX hedging fee actually payable will be disclosed in the respective annual or semi-annual report.
- (13) Class FA, FAH, FB, FBH, X1A, X1B, X1AH, X1BH, X2A, X2B, X2AH, X2BH, X3A, X3B, X3AH and X3BH - Shares are exclusively reserved for UBS Group AG affiliates and may be offered for distribution in certain countries through certain distributors and/or financial intermediaries at the discretion of the AIFM. The initial minimum investment and holding amount will be defined separately between the distributor and/or financial intermediary and the AIFM, at the sole discretion of the AIFM.
- (14) Class KBA, KBAH, KBB, KBBH, KXA, KXAH, KXB and KXBH Shares are exclusively reserved for investors who have signed a written agreement with UBS Asset Management Switzerland AG or one of its affiliates on investing in one or more sub-funds of the Company. Class SBA, SBAH, SBB, SBBH, SXA, SXAH, SXB and SXBH Shares are exclusively reserved for institutional investors who have signed a written agreement with UBS Asset Management Switzerland AG or one of its affiliates. All applicable costs relating to asset management, fund administration (comprising the costs incurred by the Company, the administrative agent and the Depositary) and distribution services for classes are charged to investors under the aforementioned agreements, except for the fund administration (comprising the costs of the Company, the administrative agent and the Depositary) costs attributable to Classes KBA, KBAH, KBB, KBBH, KXA, KXAH, KXB, KXBH, SBA, SBAH, SBB, SBBH, SXA, SXAH, SXB, and/or SXBH which are charged directly to the sub-fund.

### 3. The Company

The Company is an undertaking for collective investment in transferable securities in the legal form of an investment company with variable capital (*société d'investissement à capital variable*, SICAV) subject to Part II of the law of 17 December 2010 on undertakings for collective investment, as amended ("Law of 17 December 2010") transposing Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS Directive") and qualifies as alternative investment fund ("AIF") in accordance with Part II of the Law of 17 December 2010 and the law of 12 July 2013 on alternative investment fund managers ("Law of 12 July 2013") transposing Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 ("AIFM Directive"). The Company was established on 15 November 2005. The Company has designated UBS Asset Management (Europe) S.A. to act as its alternative investment fund manager ("the AIFM"). In accordance with Annex I of the Law of 12 July 2013, the AIFM performs investment management activities (i.e. portfolio and/or risk management). In addition, the AIFM performs administrative duties (including, in particular, valuation and pricing, the maintenance of the shareholder register and the issue and redemption of shares), marketing and other activities related to the assets of the Company, if applicable. The details of the AIFM's rights and duties are governed by the Law of 12 July 2013 and the management agreement with the Company ("Management Agreement").

In accordance with Part II of the Law of 17 December 2010 as well as the Law of 12 July 2013 and following the approval by the Luxembourg supervisory authority (*Commission de Surveillance du Secteur Financier*, "CSSF"), the AIFM delegated the aforementioned duties as follows:

The portfolio management duties will be performed by the portfolio managers ("Portfolio Managers") named for the relevant Subfund in Chapter 22, "The Subfunds" and the central administration duties by UBS Fund Administration Services Luxembourg S.A. ("Central Administration").

The Company is registered with the Luxembourg Trade and Companies Register ("*Registre de commerce et des sociétés*") under no. B 111 925. Its articles of incorporation ("Articles of Incorporation") were first published in the "*Mémorial, Recueil des Sociétés et Associations*" ("*Mémorial*") on 1 December 2005 and are filed in their legally binding form for public reference with the Luxembourg Trade and Companies Register. The last amendments of the Articles of Incorporation took place on 18 October 2018 and have been published in the Luxembourg *Recueil Électronique des Sociétés et Associations* ("RESA"). The legally binding version is deposited with the Trade and Companies Register. All amendments to the Articles of Incorporation will be announced in accordance with Chapter 14, "Information to Shareholders" and become legally binding for all Shareholders subsequent to their approval by the general meeting of Shareholders. Whereas the initial capital of the Company amounted to US\$ 50,000, it will thereafter correspond to the total net asset value of the Company. The minimum capital of the Company shall be the equivalent in US\$ of EUR 1,250,000.

The Company has an umbrella structure and therefore consists of at least one subfund (each referred to as a "Subfund").

Each Subfund represents a portfolio containing different assets and liabilities and is considered to be a separate entity in relation to the shareholders (each a "Shareholder") and third parties. The rights of Shareholders and creditors concerning a Subfund or which have arisen in relation to the establishment, operation or liquidation of a Subfund are limited to the assets of that Subfund. No Subfund will be liable with its assets for the liabilities of another subfund.

The Board of Directors of the Company ("Board of Directors") may at any time establish new Subfunds with Shares having similar characteristics to the Shares in the existing Subfunds and create and issue new classes ("Classes") or types of Shares within any Subfund, in which case this Prospectus shall be amended accordingly.

The characteristics of each possible Class of Shares are described elsewhere in this Prospectus and in particular in Chapter 6, "Investment in Credit Suisse Nova (Lux)", and in Chapter 22, "The Subfunds".

The individual Subfunds shall be designated by the names given in Chapter 22, "The Subfunds". The reference currency ("Reference Currency") in which the net asset value of the corresponding Shares of a Subfund is expressed is given in Chapter 22, "The Subfunds".

This Prospectus complies with the disclosure requirements of Article 21 of the Law of 12 July 2013.

### 4. Investment Policy

The primary objective of the Company is to provide investors with an opportunity to invest in professionally managed portfolios. The investment objective and policy of the individual Subfunds are described in Chapter 22, "The Subfunds" and the investments of the individual Subfunds are conducted in accordance with the investment restrictions as set out in Chapter 22, "The Subfunds".

The assets of the Company will be allocated, in accordance with the principle of risk-spreading, by the AIFM acting in its sole and exclusive discretion, in accordance with the policies to be set out by the Board of Directors of the Company from time to time and following the different investment objectives and strategies for each Subfund. The AIFM may make these allocations with the assistance of the Portfolio Managers. Details of any Portfolio Manager for the relevant Subfund are set out in Chapter 22, "The Subfunds".

Unless otherwise specified in Chapter 22, "The Subfunds", the Company may, for each Subfund, enter into standard agreements for the purpose of investment, including but not limited to the ISDA Master Agreement, the Global Master Securities Lending Agreement or equivalent agreements under any relevant national law.

As a rule, each of the Subfunds may hold ancillary liquid assets.

While ensuring observance of the risk-spreading principle, a newly authorised Subfund may derogate from risk diversification rules as defined for such Subfund in Chapter 22, "The Subfunds" for six months following the launch date of the Subfund, unless specified otherwise in respect of a Subfund in Chapter 22, "The Subfunds". If the investment limits detailed in Chapter 22, "The Subfunds", for the relevant Subfund are exceeded for reasons beyond the reasonable control of the AIFM or as a result of the exercise of subscription rights, the AIFM must reduce its holding of the relevant securities as a priority objective for its sales transactions so as to comply with the relevant investment limits, taking due account of the interests of the Shareholders.

**The strategies and instruments used by individual Subfunds may be speculative and entail substantial risks. There can be no assurance that the investment objectives of a Subfund will be attained. For further information, see Chapter 7, "Risk Factors", and Chapter 22, "The Subfunds", for the relevant Subfund.**

#### Securities Lending

Subject to the investment restrictions set out below, a Subfund may from time to time enter into securities lending transactions for the purpose of efficient portfolio management. The decision to enter into securities lending transactions (or to stop securities lending transactions, temporarily or permanently) will be made on the basis of costs and benefits analysis carried out in the best interest of the shareholders of the relevant Subfunds (e.g., at the occasion of large subscriptions or redemptions).

A securities lending agreement is an agreement whereby title to the "loaned" securities is transferred by a "lender" to a "borrower" with the borrower contracting to deliver "equivalent securities" to the lender at a later date ("securities lending").

Securities lending may be effected only via recognised clearing houses such as Clearstream International or Euroclear, or using first-class financial institutions that specialise in such activities and following the procedure specified by them. In the case of securities lending transactions, the Company must, in principle, receive collateral, the value of which must at least correspond to the total value of the securities lent out and any accrued interest thereon. This collateral must be issued in a form of financial collateral permitted by the provisions of Luxembourg law. Such collateral is not required if the transaction is effected via Clearstream International or Euroclear, or another organisation which guarantees the Company that the value of the securities lent will be refunded.

The provisions of the section entitled "Collateral management" shall apply accordingly to the management of collateral that was left to the Company within the scope of securities lending. In derogation of the provisions of the section entitled "Collateral management", shares from the finance sector are accepted as securities within the framework of securities lending.

The AIFM has appointed UBS Europe SE, Luxembourg Branch as securities lending agent to enter into, for and on behalf of the Company, securities lending transactions with UBS Switzerland AG. In its capacity as securities lending agent, UBS Europe SE, Luxembourg Branch is also responsible for management of collateral provided by UBS Switzerland AG, including daily valuation, performing controls regarding the collateral quality, ensuring compliance of UBS Switzerland AG with the collateral terms agreed in the global master securities lending agreement between UBS Europe SE, Luxembourg branch, as agent, and UBS Switzerland AG, as well as other related administrative services. UBS Switzerland AG, in its capacity as lending principal in its own name and for its own account lends the securities borrowed from the Company to other market participants and also performs, to the benefit of the Company certain agent-type activities not performed by the securities lending agent (such as finding ultimate securities lending counterparties and negotiating arm's length lending terms). By acting as principal, UBS Switzerland AG also provides credit risk intermediation to the benefit of the Company.

UBS Switzerland AG and UBS Europe SE, Luxembourg Branch are remunerated for their services from the gross revenues received from securities lending transactions entered into by UBS Switzerland AG with third party borrowers as follows: UBS Switzerland AG and UBS Europe SE, Luxembourg Branch first deduct from such gross revenues a cost component of 6 bps p.a., calculated on the value

of the lent securities (4.5 bps of such cost component are attributed to UBS Switzerland AG and 1.5 bps are attributed to UBS Europe SE, Luxembourg Branch). The remaining portion of the gross revenues is then split as follows: 80% is returned to the relevant Subfund, 15% is retained by UBS Switzerland AG and 5% is retained by UBS Europe SE, Luxembourg Branch. The investors should therefore note that the effective portion of the overall gross revenue returned to the Subfund generated on all securities lending transactions effected with respect to such Subfund in any accounting year will be lower than 80%, however, will in no case be lower than 50%. Such effective portion of the overall gross revenues returned to the Subfund will depend on the lending fees at which underlying securities are lent by UBS Switzerland AG, and will be disclosed in the Subfund's annual report. Despite acting as principal UBS Switzerland AG will not retain any own margin on the lending fees generated with third parties and only deduct the aforementioned cost components but otherwise fully pass through to the Company the respective proportion of gross revenues generated in the market.

All other fees for operating the securities lending program are paid from the securities lending agent's portion of the gross revenues. This covers all direct and indirect costs incurred through securities lending activities. UBS Europe SE, Luxembourg Branch and UBS Switzerland AG are part of the UBS Group. Furthermore, the Company has drawn up internal framework agreements regarding securities lending. These framework agreements contain, among other things, the relevant definitions, the description of the principles and standards of the contractual management of the securities lending transactions, the quality of the collateral, the approved counterparties, the risk management, the fees to be paid to third parties and fees to be received by the Company, as well as the information to be published in the annual and semi-annual reports.

The Board of Directors of the Company has approved instruments of the following asset classes as collateral from securities lending transactions and determined the following haircuts to be used on these instruments:

Asset class	Minimum haircut (% deduction from market value)
<b>Fixed and variable-rate interest-bearing instruments</b>	
Instruments issued by a state belonging to the G-10 (excluding the US, Japan, the UK, Germany and Switzerland including their federal states and cantons as issuers) and with a minimum rating of A*	2%
Instruments issued by the US, Japan, the UK, Germany and Switzerland, including their federal states and cantons**	0%
Bonds with a minimum rating of A	2%
Instruments issued by supranational organisations	2%
Instruments issued by an entity and belonging to an issue with a minimum rating of A	4%
Instruments issued by a local authority and with a minimum rating of A	4%
<b>Shares</b>	8%
Shares listed on the following indexes are accepted as permissible collateral:	Bloomberg ID
Australia (S&P/ASX 50 INDEX)	AS31
Austria (AUSTRIAN TRADED ATX INDX)	ATX
Belgium (BEL 20 INDEX)	BEL20
Canada (S&P/TSX 60 INDEX)	SPTSX60
Denmark (OMX COPENHAGEN 20 INDEX)	KFX
Europe (Euro Stoxx 50 Pr)	SX5E
Finland (OMX HELSINKI 25 INDEX)	HEX25
France (CAC 40 INDEX)	CAC

Germany (DAX INDEX)	DAX
Hong Kong (HANG SENG INDEX)	HSI
Japan (NIKKEI 225)	NKY
Netherlands (AEX-Index)	AEX
New Zealand (NZX TOP 10 INDEX)	NZSE10
Norway (OBX STOCK INDEX)	OBX
Singapore (Straits Times Index STI)	FSSTI
Sweden (OMX STOCKHOLM 30 INDEX)	OMX
Switzerland (SWISS MARKET INDEX)	SMI
Switzerland (SPI SWISS PERFORMANCE IX)	SPI
UK (FTSE 100 INDEX)	UKX
U.S. (DOW JONES INDUS. AVG)	INDU
U.S. (NASDAQ 100 STOCK INDX)	NDX
U.S. (S&P 500 INDEX)	SPX
U.S. (RUSSELL 1000 INDEX)	RIY

\* In this table, "rating" refers to the rating scale used by S&P. Ratings by S&P, Moody's and Fitch are used with their corresponding scales. If the ratings given to a certain issuer by these rating agencies are not uniform, then the lowest rating shall apply.

\*\* Unrated issues by these states are also permissible. No haircut is applied to these either.

In general, the following requirements apply to securities lending agreements:

- (i) Counterparties to a securities lending agreement will be entities with legal personality typically located in OECD jurisdictions. These counterparties will be subject to a credit assessment. Where the counterparty is subject to a credit rating by any agency registered and supervised by ESMA, that rating shall be taken into account in the credit assessment. Where a counterparty is downgraded to A2 or below (or comparable rating) by such a credit rating agency, a new credit assessment in respect of the counterparty will be undertaken without delay.
- (ii) The Company must be able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.
- (iii) securities lending agreements do not constitute borrowing or lending for the purposes of the UCITS Directive.
- (iv) All the revenues arising from securities lending transactions, net of direct and indirect operational costs/fees, will be returned to the relevant sub-fund.
- (v) Any direct and indirect operational costs/fees arising from securities lending transactions that may be deducted from the revenue delivered to the relevant sub-fund must not include hidden revenue. Such direct and indirect operational costs/fees will be paid to the entities outlined in the respective annual or semi-annual report of the Company, which shall indicate the amounts of the respective fees and whether the entities are related to the AIFM or the Depositary.

The Company and its sub-funds may under no circumstances deviate from their investment objectives as a result of the securities lending transactions. Equally, the use of these transactions may not cause the risk level of the sub-fund in question to increase significantly with regard to its original risk level (i.e. without the use of these transactions). With regards to the risks inherent to the use of these transactions, reference is made here to the information contained in the paragraph entitled "Securities Lending" in the section 7 "Risk Factors". The Company ensures that it or one of its appointed service providers will monitor and manage the risks incurred through the use of these transactions, particularly counterparty risk, as part of the risk management procedure. The monitoring of

potential conflicts of interest arising from transactions with companies associated with the Company, the AIFM and the Depository is primarily carried out through reviewing the contracts and corresponding processes on a regular basis. Furthermore, the Company ensures that, despite the use of these transactions, the investors' redemption orders can be processed at any time.

#### Total Return Swaps

A total return swap ("TRS") is an OTC derivative contract in which one counterparty (the total return payer) transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty (the total return receiver). Total return swaps can be either funded or unfunded.

The Subfunds may from time to time enter into total return swap transactions for the purpose of efficient portfolio management and, when applicable, as part of their respective investment policies as described in Chapter 22, "The Subfunds". The Subfunds will get 100 % of the net revenues generated from total return swaps after deduction of costs, including, in particular, transaction fees and costs for collateral paid to the swap counterparty. For unfunded total return swaps, such transaction fees are typically paid under the form of an agreed interest rate, which may be either fixed or floating. For funded total return swaps, the Subfund will make an upfront payment of the notional amount of the total return swap, typically with no further periodic transaction costs. A partially funded total return swap combines the characteristics and cost profile of both funded and unfunded total return swaps, in the relevant proportions. Costs for collateral typically take the form of a periodic fixed payment, depending on the amounts and frequency of collateral being exchanged. Information on costs and fees incurred by each Subfund in this respect, as well as the identity of the entities to which such costs and fees are paid and any affiliation they may have with the AIFM, if applicable, will be available in the semi-annual and annual reports.

The Subfunds will receive cash and non-cash collateral for total return swap transactions, in accordance with the Company's collateral policy as further described in Chapter 17, "Regulatory Disclosure". The collateral received will be valued mark-to-market on a daily basis, as is common industry standard, and in accordance with Chapter 8 "Net Asset Value". The collateral received will be adjusted on a daily basis. The collateral received will be held in a separate collateral account and is therefore segregated from the other assets of the Subfund.

The Subfunds may only enter into TRS in respect of eligible assets which fall within their investment policies.

The Subfunds may only enter into total return swap transactions through a regulated first-class financial institution of any legal form with a minimum credit rating of investment grade quality specialised in this type of transaction which has its registered office in one of the OECD countries.

The Subfunds may use total returns swaps where further specified in Chapter 22, "The Subfunds".

#### Other Securities Financing Transactions

Apart from securities lending transactions and total return swaps, the Subfunds do not intend to make use of the other securities financing transactions ("SFTs") covered by Regulation (EU) 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.

#### Collective Management of Assets

For the purpose of efficient management of the Company and where the investment policies so permit, the AIFM may opt to manage all or part of the assets of certain Subfunds in common. Assets so managed shall be referred to hereinafter as a "pool". Such pools are created solely for internal management purposes and do not constitute a separate legal entity. Therefore, they cannot be directly accessed by investors. Each of the jointly managed Subfunds shall remain entitled to its own specific assets. The assets jointly managed in the pools may be divided and transferred to all the participating Subfunds at any time.

If the assets of several Subfunds are pooled in order to be managed jointly, a written record is kept of that portion of the assets in the pool which can be allocated to each of the Subfunds concerned, with reference to the Subfund's original share in this pool. The rights of each participating Subfund to the jointly managed assets shall relate to each individual position in the respective pool. Additional investments made for the jointly managed Subfunds shall be allocated to these Subfunds in an amount proportionate to their participation while assets, which have been sold, shall be deducted from each participating Subfund's assets accordingly.

#### Cross-investments between Subfunds of the Company

The Subfunds of the Company may, subject to the conditions provided for in the Law of December 17, 2010, subscribe, acquire and/or hold securities to be issued

or issued by one or more Subfunds of the Company under the following

conditions:

- the target Subfund does not, in turn, invest in the Subfund invested in this target Subfund; and
- no more than 10% of the assets of the target Subfund whose acquisition is contemplated may be invested in aggregate in shares of other target Subfunds of the Company; and
- voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the Subfund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- in any event, for as long as these securities are held by the Company, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the Law of December 17, 2010.

#### Sustainability Considerations

Subfunds of the Company do not follow a dedicated ESG investment strategy and sustainability is neither the objective, nor a mandatory part of the investment process of the Subfunds. UBS AM does not take into account the EU Taxonomy-alignment of investments in the investment decision process. Accordingly, the investments underlying these Subfunds do not take into account the EU criteria for environmentally sustainable economic activities.

Please note, Sustainable Investing is an on-going legislative act. Regulatory requirements are evolving and might change in the future. When there are legislative changes, the Prospectus will be updated accordingly. Additionally, new methods arise and availability of data is constantly improving. This might have an impact on the implementation, monitoring and reporting of ESG Factors as described in this Prospectus. Investors should read and consider the risk factors entitled "Sustainability Risk" and "Sustainable Investing Risks" in Chapter 7, "Risk Factors", before investing in Subfunds.

These Subfunds do not consider principal adverse impacts on sustainability factors for the purpose of article 7 of the Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (the "SFDR").

## 5. Risk and Liquidity Management

#### Risk Management

The AIFM has established and maintains a permanent risk management function that implements effective risk management policies and procedures in order to identify, measure, manage and monitor on an ongoing basis all risks relevant to each Subfund's investment strategy including, in particular, market, credit, liquidity, counterparty, operational and all other relevant risks. Furthermore, the risk management process ensures an independent review of the valuation policies and procedures as per Article 70 (3) of Commission delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision ("AIFM Regulation").

The risk profile of each Subfund shall correspond to the size, portfolio structure and investment strategy as specified for each Subfund in Chapter 22, "The Subfunds".

The Subfunds may, for the purpose of (i) hedging, (ii) efficient portfolio management and/or (iii) implementing its investment strategy, use all financial derivative instruments.

The AIFM applies a comprehensive process based on qualitative and quantitative risk measures to assess the risks of each Subfund. It thereby differentiates between Subfunds investing mostly in liquid or sufficiently liquid securities and derivatives ("Liquid AIFs") and Subfunds mainly investing in illiquid assets (such as real estate and private equity) ("Illiquid AIFs").

Liquid AIFs are subject to the standard risk management setup of the AIFM, entailing a standard monitoring process which consists of pre-defined monitoring items and cycles. Illiquid AIFs are typically subject to a dedicated risk management setup entailing the establishment of a dedicated monitoring map, enhanced pre-trade due diligence and a customized monitoring process which consists of dedicated monitoring items and cycles aligned with the Subfund's requirements. As part of their investment policy, the Subfunds may invest in financial derivative instruments, provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in the investment policy of the respective Subfund, as specified for each Subfund in Chapter 22, "The Subfunds". When a transferable security or a money market instrument embeds a derivative instrument, the derivative instrument shall be taken into account when complying with the requirements of this Chapter.

The global exposure of the Subfunds will be calculated either through (i) the Value-at-Risk (VaR) methodology or through (ii) the commitment methodology taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

The Value-at-Risk methodology provides a measure of the potential loss that could arise over a given time interval under normal market conditions, and at a given confidence level.

According to the commitment methodology, financial derivative instruments are converted into equivalent positions in the underlying asset while taking into consideration any netting and hedging effects. In addition, the commitment methodology considers any other arrangements that are likely to generate incremental exposure to the AIF. Such other arrangements may include, but are not limited to, reinvestment of borrowings or securities lending.

The risk management of the AIFM supervises the compliance of these provisions in accordance with the requirements of applicable circulars or regulation issued by the CSSF or any other European authority authorized to issue related regulation or technical standards.

#### Leverage

In accordance with the Law of 12 July 2013, the AIFM will for each Subfund provide to competent authorities and investors the level of leverage of the AIF both on a gross and on a commitment method basis in accordance with the gross method as set out in Article 7 and the commitment method as set out in Article 8 of the AIFM Regulation.

The Subfunds will set a maximum level of leverage which may be employed as indicated for the respective Subfunds in Chapter 22, "The Subfunds".

#### Liquidity Management

The AIFM employs appropriate liquidity management methods and adopts procedures which enable it to monitor the liquidity risk of each Subfund. The AIFM ensures that, for each Subfund it manages, the investment and financing strategy, the liquidity profile and the redemption policy are consistent. As further specified in Chapter 6 iii., "Redemption of Share", the Company may apply tools and arrangements necessary to handle illiquid assets (such as gates and side pockets).

The above shall not apply to un-leveraged closed-ended Subfunds in accordance with the AIFM Regulation and the ESMA Guidelines 2012/844.

## 6. Investment in Credit Suisse Nova (Lux)

### i. General Information Concerning Shares

Each Subfund may issue Shares of Classes A, AH, B, BH, DB, DBH, EA, EAH, EB, EBH, FA, FAH, FB, FBH, IA, IAH, IA5, IAH5, IB, IBH, IB5, IBH5, KBA, KBAH, KBB, KBBH, KXA, KXAH, KXB, KXBH, MA, MAH, MB, MBH, SBA, SBAH, SBB, SBBH, SXA, SXAH, SXB, SXBH, UA, UAH, UA500, UAH500, UB, UBH, UB500, UBH500, VA, VAH, VB, VBH, X1A, X1AH, X1B, X1BH, X2A, X2AH, X2B, X2BH, X3A, X3AH, X3B, X3BH and X4A. The Share Classes which are issued within each Subfund, together with the related fees and sales charges as well as the Reference Currency are set out in Chapter 2, "Summary of Share Classes". A redemption fee will not be charged.

In addition, certain other fees, charges and expenses shall be paid out of the assets of the Subfunds. For further information, see Chapter 9, "Expenses and Taxes".

All Share Classes are only available in uncertificated form and will exist exclusively as book entries.

Shares are issued in registered form only.

The Shares which make up each such Share Class will be either accumulating Shares or distributing Shares.

#### Accumulating Shares

Class B, BH, DB, DBH, EB, EBH, FB, FBH, IB, IBH, IB5, IBH5, KBB, KBBH, KXB, KXBH, MB, MBH, SBB, SBBH, SXB, SXBH, UB, UBH, UB500, UBH500, VB, VBH, X1B, X1BH, X2B, X2BH, X3B, X3BH and X4A Shares are accumulating Shares. Details of the characteristics of accumulating Shares are included in Chapter 11, "Appropriation of Net Income and Capital Gains".

#### Distributing Shares

Class A, AH, EA, EAH, FA, FAH, IA, IAH, IA5, IAH5, KBA, KBAH, KXA, KXAH, MA, MAH, SBA, SBAH, SXA, SXAH, UA, UAH, UA500, UAH500, VA, VAH, X1A, X1AH, X2A, X2AH, X3A and X3AH Shares are distributing Shares. Details of the characteristics of distributing Shares are included in Chapter 11, "Appropriation of Net Income and Capital Gains".

#### Share Classes dedicated to a specific type of Investors

Class DB and DBH Shares may only be acquired by investors (i) that have entered into a written agreement with a UBS Group entity for the purpose of explicit investment in the DB and DBH share class of the assets, or (ii) have entered into an asset management contract with a UBS Group entity belonging to the Asset Management Division, or (iii) have entered into an investment advisory or asset management agreement with a UBS group entity belonging to the Wealth Management Division, provided that such entity has delegated investment advisory, respectively asset management to a UBS Group entity belonging to the Asset Management Division.

The agreements that are eligible for these share classes are determined by the

AIFM.

Where such approved discretionary asset management agreement or other approved agreement, as determined by the AIFM, has been terminated, Class DB and DBH - Shares held by the investor at that time shall be either compulsorily redeemed or, according to the request of investor, converted into another Share Class. Moreover, Class DB and DBH Shares are not transferable without the Company's approval. Class DB and DBH Shares are not subject to a management fee, but only to a management service fee, payable by the Company to the AIFM covering all fees and expenses as described in Chapter 9, "Expenses and Taxes". Class KBA, KBAH, KBB, KBBH, KXA, KXAH, KXB and KXBH Shares are exclusively reserved for investors who have signed a written agreement with UBS Asset Management Switzerland AG or one of its affiliates on investing in one or more sub-funds of the Company. All applicable costs relating to asset management, fund administration (comprising the costs incurred by the Company, the administrative agent and the Depositary) and distribution services for classes are charged to investors under the aforementioned agreements, except for the fund administration (comprising the costs of the Company, the administrative agent and the Depositary) costs attributable to Classes KBA, KBAH, KBB, KBBH, KXA, KXAH, KXB and/or KXBH which are charged directly to the sub-fund.

Class MA, MAH, MB and MBH Shares may only be acquired by institutional investors according to Article 174 (2) c) of the Law of December 17, 2010. Class MA, MAH, MB and MBH Shares are subject to initial minimum investment and holding requirements and benefit from the reduced management fee and sales charge as specified in Chapter 2, "Summary of Share Classes".

Class EA, EAH, EB and EBH Shares may only be acquired by institutional investors according to Article 174 (2) c) of the Law of December 17, 2010. Class EA, EAH, EB and EBH Shares benefit from the reduced management fee and sales charge as specified in Chapter 2, "Summary of Share Classes".

Class SBA, SBAH, SBB, SBBH, SXA, SXAH, SXB and SXBH Shares are exclusively reserved for institutional investors who have signed a written agreement with UBS Asset Management Switzerland AG or one of its affiliates. All applicable costs relating to asset management, fund administration (comprising the costs incurred by the Company, the administrative agent and the Depositary) and distribution services for classes are charged to investors under the aforementioned agreements, except for the fund administration (comprising the costs of the Company, the administrative agent and the Depositary) costs attributable to Classes SBA, SBAH, SBB, SBBH, SXA, SXAH, SXB, and/or SXBH which are charged directly to the sub-fund.

Class UA, UAH, UB and UBH Shares are exclusively reserved for investors who subscribe Shares of this Class via a financial intermediary domiciled in the United Kingdom or The Netherlands, or who have concluded a written agreement with a financial intermediary which explicitly provides for the acquisition of trailer fee-free classes or who subscribe for Shares of this Class pursuant to a written asset management agreement with an independent asset manager carrying on business in the European Economic Area, Latin America or the Middle East and whose conduct is regulated by a recognised financial services regulator in their place of business.

Class UA, UAH, UA500, UAH500, UB, UBH, UB500 and UBH500 Shares are subject to a sales charge and shall benefit from a reduced management fee as specified in Chapter 2, "Summary of Share Classes".

Class VA, VAH, VB and VBH Shares may only be acquired by those investors who have concluded a discretionary asset management agreement with the Fixed Income business of UBS Asset Management. Class VA, VAH, VB and VBH Shares benefit from the reduced management fee as specified in Chapter 2, "Summary of Share Classes".

Class FA, FAH, FB, FBH, X1A, X1AH, X1B, X1BH, X2A, X2AH, X2B, X2BH, X3A, X3AH, X3B, X3BH and X4A Shares may be offered for distribution in certain countries through certain distributors and/or financial intermediaries at the discretion of the AIFM. The initial minimum investment and holding amount will be defined separately between the distributor and/or financial intermediary and the AIFM, at the sole discretion of the AIFM. These types of Share Classes benefit from a reduced management fee and sales charge as specified in Chapter 2, "Summary of Share Classes".

#### Minimum Holding

Class IA, IAH, IA5, IAH5, IB, IBH, IB5, IBH5, KBA, KBAH, KBB, KBBH, KXA, KXAH, KXB, KXBH, MA, MAH, MB, MBH, SBA, SBAH, SBB, SBBH, SXA, SXAH, SXB, SXBH, UA500, UAH500, UB500, UBH500, X1A, X1AH, X1B, X1BH, X2A, X2AH, X2B, X2BH, X3A, X3AH, X3B, X3BH and X4A Shares are subject to an initial minimum investment and holding amount and benefit from reduced management fees and sales charges (if applicable) as specified in Chapter 2, "Summary of Share Classes".

#### Hedged Share Classes

Depending on the Subfund, Class AH, BH, DBH, EAH, EBH, FAH, FBH, IAH, IAH5, IBH, IBH5, KBAH, KBBH, KXAH, KXBH, MAH, MBH, SBAH, SBBH, SXAH, SXBH, UAH, UAH500, UBH, UBH500, VAH, VBH, X1AH, X1BH, X2AH, X2BH, X3AH and X3BH Shares are issued in one or more alternate currencies, as set out in Chapter 2, "Summary of Share Classes". In order to reduce the risk of an overall

depreciation of the Subfund's Reference Currency against the alternate currency of the Share Classes AH, BH, DBH, EAH, EBH, FAH, FBH, IAH, IAHS, IBH, IBHS, KBAH, KBBH, KXAH, KXBH, MAH, MBH, SBAH, SBBH, SXAH, SXBH, UAH, UAH500, UBH, UBH500, VAH, VBH, X1AH, X1BH, X2AH, X2BH, X3AH and X3BH, the net asset value of the respective Share Classes AH, BH, DBH, EAH, EBH, FAH, FBH, IAH, IAHS, IBH, IBHS, KBAH, KBBH, KXAH, KXBH, MAH, MBH, SBAH, SBBH, SXAH, SXBH, UAH, UAH500, UBH, UBH500, VAH, VBH, X1AH, X1BH, X2AH, X2BH, X3AH and X3BH as calculated in the Subfund's Reference Currency, will be hedged against the respective alternate currency of Share Classes AH, BH, DBH, EAH, EBH, FAH, FBH, IAH, IAHS, IBH, IBHS, KBAH, KBBH, KXAH, KXBH, MAH, MBH, SBAH, SBBH, SXAH, SXBH, UAH, UAH500, UBH, UBH500, VAH, VBH, X1AH, X1BH, X2AH, X2BH, X3AH and X3BH through the use of forward foreign exchange transactions. The aim of this approach is, as far as possible, to mirror the performance of the Share Class in the Subfund's Reference Currency minus any hedge costs.

Within this approach, the currency risk of the investment currencies (except for the Reference Currency) versus the alternate currency will not be hedged or will only be partially hedged. Investors are made aware that currency hedging is never perfect – it aims to reduce the effects of currency movements on a share class but it cannot eliminate them entirely. The foreign exchange transactions in relation to Share-Class Hedging will be executed by UBS Asset Management Switzerland AG, an affiliate of UBS Group, acting in its capacity as FX hedging agent for the purpose of FX hedging activities including determination of the appropriate hedging positions and placement of FX trades (the "FX Hedging Agent").

There is an additional cost to Hedged Share Classes as set out in Chapter 9, "Expenses and Taxes" section ii, "Expenses". Class AH, BH, EAH, EBH, FAH, FBH, IAH, IAHS, IBH, IBHS, MAH, MBH, UAH, UAH500, UBH, UBH500, VAH, VBH, X1AH, X1BH, X2AH, X2BH, X3AH, X3BH and X4A Shares are subject to the management fee and sales charge as set out in Chapter 2, "Summary of Share Classes". Subscription of IA, IAH, IA5, IAHS, IB, IBH, IBH5, KBA, KBAH, KBB, KBBH, KXA, KXAH, KXB, KXBH, MA, MAH, MB, MBH, SBA, SBAH, SBB, SBBH, SXA, SXAH, SXB, SXBH, UA500, UAH500, UB500, UBH500, X1A, X1AH, X1B, X1BH, X2A, X2AH, X2B, X2BH, X3A, X3AH, X3B, X3BH and X4A Shares is subject to the minimum initial investment and holding requirements as set out in Chapter 2, "Summary of Share Classes". The net asset value of the Shares of this alternate currency class ("Alternate Currency Class") does not develop in the same way as that of the Share Classes issued in the Reference Currency.

#### Issue Price

Unless otherwise determined by the Company, the initial issue price of Share Classes A, AH, B, BH, FA, FAH, FB, FBH, UA, UAH, UA500, UAH500, UB, UBH, UB500, UBH500, VA, VAH, VB, VBH, X1A, X1AH, X1B, X1BH, X2A, X2AH, X2B, X2BH, X3A, X3AH, X3B, X3BH and X4A amounts to EUR 100, CHF 100, USD 100, GBP 100, AUD 100, JPY 10'000, SGD 100, CZK 2'000 and PLZ 300 and Share Classes DB, DBH, EA, EAH, EB, EBH, IA, IAH, IA5, IAHS, IB, IBH, IB5, IBHS, MA, MAH, MB and MBH amounts to EUR 1000, CHF 1000, USD 1000, GBP 1'000, AUD 1000, JPY 100'000, SGD 1'000, CZK 20'000 and PLZ 3'000, depending on the currency denomination of the Share Class in the respective Subfund and its characteristics.

After the initial offering, Shares may be subscribed at the applicable net asset value ("Net Asset Value").

The Company may, at any time, decide on the issue of Share Classes in any additional freely convertible currencies at an initial issue price to be determined by the Company.

Except in case of Alternate Currency Share Classes, Share Classes shall be denominated in the Reference Currency of the Subfund to which they relate (as specified in Chapter 2, "Summary of Share Classes").

Investors may, at the discretion of the central administration ("Central Administration"), pay the subscription monies for Shares in a convertible currency other than the currency in which the relevant Share Class is denominated. As soon as the receipt is determined by the depository of the Company ("Depository Bank"), such subscription monies shall be automatically converted by the Depository Bank into the currency in which the relevant Shares are denominated. Further details are set out in Chapter 6 ii., "Subscription of Shares".

The Company may at any time issue, within a Subfund, one or more Share Classes denominated in a currency other than the Subfund's Reference Currency. The issue of each further Alternate Currency Class is specified in Chapter 2, "Summary of Share Classes".

The Company may enter into forward currency contracts for, and at the expense of, this Alternate Currency Class in order to minimize the effect of price fluctuations in this alternate currency.

However, no assurance can be given that the hedging objective will be achieved. The Net Asset Value of the Shares of these Alternate Currency Classes does not develop in the same way as that of the Share Classes issued in the Reference Currency.

In the case of Subfunds with Alternate Currency Classes, the currency hedging

transactions for one Share Class may, in exceptional cases, adversely affect the Net Asset Value of the other Share Classes.

Shares may be held through collective depositories. In such cases, Shareholders shall receive a confirmation in relation to their Shares from the depository of their choice (for example, their bank or broker), or Shares may be held by Shareholders directly in a registered account kept for the Company and its Shareholders by the Company's Central Administration. These Shareholders will be registered by the Central Administration. Shares held by a depository may be transferred to an account of the Shareholder with the Central Administration or to an account with other depositories approved by the Company or with an institution participating in the securities and fund clearing systems. Conversely, Shares held in a Shareholder's account kept by the Central Administration may at any time be transferred to an account with a depository.

#### ii. Subscription of Shares

Shares may be purchased on any Subscription Date specified as such in Chapter 22, "The Subfunds", (except on 24 December and 31 December where the Subfunds are closed for new subscription applications), for the relevant Subfund at the net asset value per Share of the relevant Class of Shares of the Subfund, calculated on the date that is defined as valuation day ("Valuation Day") for the relevant Subfund (based on the method of calculating the "Net Asset Value" as described in Chapter 8), plus the applicable sales charges and any taxes.

In addition, the Company may in the interest of the Shareholders accept transferrable securities and other assets permitted by the Law of December 17, 2010 as payment for subscription ("contribution in kind"), provided, the offered transferrable securities and other assets correspond to the investment policy and the investment restrictions of the relevant Subfund. Each payment of Shares in return of a contribution in kind is subject to a valuation report issued by the auditor of the Company. The Board of Directors of the Company may, at its sole discretion, reject all or several offered transferable securities and other assets without giving reasons. All costs caused by such contribution in kind (including the costs for the valuation report, broker fees, expenses, commissions, etc.) shall be borne by the relevant investor.

Written subscription applications must be submitted to the Central Administration or a distributor authorised by the Company to accept applications for the subscription or redemption of Shares ("Distributor").

The subscription applications shall be settled as defined in Chapter 22, "The Subfunds", for the relevant Subfund.

Subscription applications must be received before the cut-off time as specified for the relevant Subfund. Applications received after the relevant cut-off time on a Subscription Date shall be deemed to have been received prior to the cut-off-time on the following Subscription Date.

Payment must be received within the time period specified for the relevant Subfund in Chapter 22, "The Subfunds".

Sales charges on Shares shall accrue to the banks and other financial institutions engaged in the distribution of the Shares. Any taxes incurred on the issue of Shares shall also be charged to the investor. Subscription monies shall be paid in the currency in which the relevant Shares are denominated or, if requested by the investor and at the sole discretion of the Central Administration, in another convertible currency. Payment shall be effected by bank transfer to the bank accounts of the Depository Bank, details of which are given on the subscription form.

The issue of Shares shall be made upon the receipt of the issue price in cleared funds by the Depository Bank. Notwithstanding the above, the Company may, at its own discretion, decide that the subscription application will only be accepted following the receipt of cleared funds by the Depository Bank.

Investors may, at the discretion of the Central Administration, pay the subscription monies for Shares in a convertible currency other than the currency in which the relevant Class of Shares is denominated. Such subscription monies which are received by the Depository Bank as cleared funds shall be automatically converted by the Depository Bank into the currency in which the relevant Shares are denominated. The proceeds of conversion from the currency of payment to the currency of denomination less fees and exchange commission shall be allocated to the purchase of Shares.

The minimum value or number of Shares which must be held by a Shareholder in a particular Class of Shares is set out in Chapter 2, "Summary of Share Classes". Such minimum holding requirement may be waived in any particular case at the sole discretion of the AIFM.

Subscriptions and redemptions of fractional Shares shall be permitted up to three decimal places. Fractional shares have no voting rights. A holding of fractional Shares shall entitle the Shareholder to proportional rights in relation to such Shares. It may be the case that clearing institutions will be unable to process holdings of fractional Shares. Investors should verify whether that is the case.

Within the scope of their distribution activities, the Company is entitled to refuse at its own discretion subscriptions and temporarily or permanently suspend or limit the sale of Shares. Subject to the provisions set out hereafter in section ix "Listing of Shares" of this Chapter 6, the Central Administration is entitled to refuse subscription, transfer or conversion in whole or in part for any reason and

may in particular prohibit or limit the sale, transfer or conversion of Shares to individuals or corporate bodies in certain countries if such transaction might be detrimental to the Company or result in the Shares being held directly or indirectly by a Prohibited Person (included but not limited to any U.S. Person) or if such subscription, transfer or conversion in the relevant country is in contravention of applicable laws. The subscription, transfer or conversion for Shares and any future transactions shall not be processed until the information required by the Central Administration, included but not limited to know your customer and anti-money laundering checks, is received.

### iii. Redemption of Shares

The Company shall in principle redeem Shares on any Redemption Date specified as such in Chapter 22, "The Subfunds", (except on 24 December and 31 December where the Subfunds are closed for new redemption applications), for the relevant Subfund at the net asset value per Share of the relevant Class of Shares of the Subfund, calculated on the date that is specified as a Valuation Day for the relevant Subfund (based on the method of calculating the "Net Asset Value" as described in Chapter 8) minus the applicable redemption charges and any taxes. Whether and to what extent the redemption price is lower or higher than the purchase price paid depends on the development of the net asset value of each Class of Shares.

Redemption applications must be submitted to the Central Administration or other Distributors. Redemption applications for Shares held by a depository must be submitted to the depository concerned. Redemption applications must be received before the cut-off time specified for the relevant Subfund. Applications received after the relevant cut-off time on a Redemption Date shall be deemed to have been received prior to the cut-off time on the following Redemption Date.

If the execution of a redemption application would result in the relevant investor's holding in a particular Class of Shares falling below the minimum holding requirement for that Class as set out in Chapter 2, "Summary of Share Classes", then such Shareholder shall be deemed to have requested the redemption of all of his Shares of that Class.

Class DB and DBH Shares, which may only be purchased by investors under an approved discretionary asset management agreement or other approved agreement, as determined by the AIFM, with a subsidiary of UBS Group AG, shall be either compulsorily redeemed or, according to the request of investor, converted into another Share Class if the corresponding discretionary asset management agreement or other approved agreement, as determined by the AIFM, has been terminated.

Equally, Shares of Classes, which may only be purchased by certain investors shall automatically be redeemed if the investor does not satisfy the requirements for that Class anymore.

Since provision must be made for an adequate proportion of liquidity in the Subfunds' assets, payment of the redemption price of the Shares shall be made within a reasonable delay following calculation of the redemption price (see, however, section v. "Suspension of Calculation of the Net Asset Value and of the Issue, Redemption and Conversion of Shares" hereunder). This delay is specified for the relevant Subfund in Chapter 22, "The Subfunds", but shall not apply where specific statutory provisions, such as foreign exchange or other transfer restrictions or other circumstances beyond the Depository Bank's control make it impossible to transfer the redemption amount.

In the case of very large redemption applications, the Company may decide to defer payment until it has sold corresponding assets without undue delay. Where such a measure is necessary, all redemption applications received on the same day shall be settled at the same price.

Further, the Company may apply tools and arrangements necessary to handle illiquid assets in order to respond to redemption requests. In particular, the Company may apply gates and side pockets in accordance with the applicable rules and with the prior approval of the CSSF. Whether such arrangements may be applied is specified for the relevant Subfund in Chapter 22, "The Subfunds". However, under exceptional circumstances and if in the interest of the relevant Subfund and its Shareholders, the Board of Directors may decide to apply gates and side pockets on an ad-hoc basis, although the possibility to use such arrangements is not provided for in the relevant Subfund in Chapter 22, "The Subfunds". Should the Company consider it necessary to apply any such tool or arrangement, investors applying for or who have already applied for redemption of Shares in the respective Subfund shall be notified, in accordance with Chapter 14 "Information to Shareholders", of the application without delay so that they are given the opportunity to withdraw their application.

Payment shall be made by means of remittance to a bank account in the currency that is legal tender in the country where payment is to be made, after conversion of the sum in question. If, at the sole discretion of the Depository Bank, payment is to be made in a currency other than that in which the relevant Shares are denominated, the amount to be paid shall be the proceeds of conversion from the currency of denomination to the currency of payment less all fees and exchange commission.

Upon payment of the redemption price, the corresponding Share shall cease to

be valid.

The Company is entitled to compulsorily redeem all Shares held by a Prohibited Person, as set out below.

### iv. Conversion of Shares

Unless stated otherwise in Chapter 22, "The Subfunds", holders of a particular Class of Shares of a Subfund may at any time convert some or all of their Shares into Shares of the same Class in another Subfund or into another Class in the same or another Subfund, (except on 24 December and 31 December where the Subfunds are closed for new conversion applications), (based on the method of calculating the "Net Asset Value" as described in Chapter 8), provided this satisfies the requirements (see Chapter 22, "The Subfunds") for the Class of Shares into which such Shares are converted. The fee charged for such conversions shall not exceed half the initial sales charge of the Class into which the Shares are converted. Conversion charges on Shares shall accrue to the banks and other financial institutions engaged in the distribution of the Shares.

Unless stated otherwise in Chapter 22, "The Subfunds", conversion applications must be completed and received in the same manner (including as to deadlines for acceptance) as for subscription and redemption of Shares.

Where processing an application for the conversion of Shares would result in the relevant investor's holding in a particular Class of Shares falling below the minimum holding requirement for that Class set out in Chapter 2, "Summary of Share Classes", then such Shareholder shall be deemed to have requested the conversion of all of his Shares in that Class of Shares.

Where Shares denominated in one currency are converted into Shares denominated in another currency, the fees and exchange commission incurred are taken into consideration and deducted.

### v. Suspension of Calculation of the Net Asset Value and of the Issue, Redemption and Conversion of Shares

The Company may suspend calculation of the net asset value and/or the issue, redemption and conversion of Shares of a Subfund:

- a) where a substantial proportion of the assets cannot be valued because a stock exchange or market is closed on a day other than usual public holiday, or when trading on such stock exchange or market is restricted or suspended; or
- b) where a substantial proportion of the assets of the Subfund is not freely disposable because a political, economic, military, monetary or any other event beyond the control of the Company does not permit the disposal of the Subfund's assets, or such disposal would be detrimental to the interests of Shareholders; or
- c) where a substantial proportion of the assets of the Subfund cannot be valued because disruption to the communications network or any other factor makes valuation impossible; or
- d) where for any other reason the value of the assets of the Subfund cannot be promptly and/or accurately ascertained; or
- e) where a substantial proportion of the assets is not available for transactions because restrictions on foreign exchange or other types of restrictions make asset transfers impracticable or it can be objectively demonstrated that transactions cannot be effected at normal foreign exchange transaction rates; or
- f) where the Company or a Subfund is being or may be wound-up, on or following the date on which such decision is taken by the Board of Directors or on which notice is given to the Shareholders of a general meeting of Shareholders at which a decision to wind-up the Company or a Subfund is to be proposed; or
- g) in the case of a merger of the Company or a Subfund, where the Board of Directors considers this justified for the protection of the Shareholders; or
- h) where the net asset value of one or more investment funds in which the Subfund a substantial part of its assets invests is suspended; or
- i) in any other circumstance or circumstances beyond the control and responsibility of the Board of Directors, where a failure to do so might result in the Company or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the Company or its Shareholders might not otherwise have suffered.

Investors applying for, or who have already applied for, the subscription, redemption or conversion of Shares in the respective Subfund shall be notified of the suspension without delay so that they are given the opportunity to withdraw their application.

Notice of the suspension shall be published as described in Chapter 14, "Information to Shareholders" if, in the opinion of the Board of Directors of the Company, the suspension is likely to last for longer than one week.

Suspension of the calculation of the net asset value of one Subfund shall not affect the calculation of the net asset value of the other Subfunds if none of the above conditions apply to such other Subfunds.

**vi. Market Timing**

The Company does not permit practices related to “Market Timing” (i.e. a method through which an investor systematically subscribes and redeems or converts Shares of Classes within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value. The Board of Directors or the AIFM therefore reserves the right to reject subscription and conversion applications from an investor who the Company suspects of using such practices and to take, if appropriate, the necessary measures to protect the other investors of the Company.

**vii. Measures to Combat Money Laundering**

Pursuant to the applicable provisions of Luxembourg laws and regulations in relation to the fight against money laundering and terrorist financing (“AML/CTF”), obligations have been imposed on the Company as well as on other professionals of the financial sector to prevent the use of funds for money laundering and financing of terrorism purposes.

The Company and the AIFM will ensure their compliance with the applicable provisions of the relevant Luxembourg laws and regulations, including but not limited to the Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing (the “2004 AML/CTF Law”), the Grand-Ducal Regulation of 10 February 2010 providing detail on certain provisions of the 2004 AML/CTF Law (the “2010 AML/CTF Regulation”), CSSF Regulation N°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing (“CSSF Regulation 12-02”) and relevant CSSF Circulars in the field of AML/CTF, including but not limited to CSSF Circular 18/698 on the authorization and organization of investment fund managers incorporated under Luxembourg law (“CSSF Circular 18/698”, and the above, all as amended from time to time, collectively referred to as the “AML/CTF Rules”).

In accordance with the AML/CTF Rules, the Company and the AIFM are required to apply due diligence measures on the investors (including on their ultimate beneficial owner(s)), their delegates and the assets of the Company in accordance with their respective policies and procedures put in place from time to time, and to apply enhanced customer due diligence measures on nominees/intermediaries acting on behalf of investors, if required by applicable Law and Regulations.

Among others, the AML/CTF Rules require a detailed verification of a prospective investor’s identity. In this context, the Company and the AIFM, or the Central Administration or any Distributor, nominee or any other type of intermediary (as the case may be), acting under the responsibility and supervision of the Company and the AIFM will require prospective investors to provide them with any information, confirmation and documentation deemed necessary in their reasonable judgment, applying a risk-based approach, to proceed such identification.

The Company and the AIFM reserve the right to request such information as is necessary to verify the identity of a prospective or current investor. In the event of delay or failure by a prospective investor to produce any information required for verification purposes, the Company and the AIFM are entitled to refuse the application and will not be liable for any interest, costs or compensation. Similarly, when Shares are issued, they cannot be redeemed or converted until full details of registration and anti-money laundering documents have been completed.

The Company and the AIFM moreover reserve the right to reject an application, for any reason, in whole or in part in which event the application monies (if any) or any balance thereof will, to the extent permissible, be returned without unnecessary delay to the prospective investor by transfer to the prospective investor’s designated account or by post at the prospective investor’s risk, provided the identity of the prospective investor can be properly verified pursuant to the AML/CTF Rules. In such event, the Company and the AIFM will not be liable for any interest, costs or compensation.

In addition, the Company and the AIFM, or the Central Administration or any Distributor, nominee or any other type of intermediary (as the case may be), acting under the responsibility and supervision of the Company and the AIFM, may request investors to provide additional or updated identification documents from time to time pursuant to on-going client due diligence requirements under the AML/CTF Rules, and investors shall be required and accept to comply with such requests.

Failure to provide proper information, confirmation or documentation may, among others, result in (i) the rejection of subscriptions, (ii) the withholding of redemption proceeds by the Company or (iii) the withholding of outstanding dividend payments. Moreover, prospective or current investors who fail to comply with the above requirements may be subject to additional administrative or criminal sanctions under applicable laws, including but not limited to the laws of the Grand Duchy of Luxembourg. None of the Company, the AIFM, the Central Administration or any Distributor, nominee or any other type of intermediary (as the case may be) has any liability to an investor for delays or failure to process subscriptions, redemptions or dividend payments as a result of the investor providing no or only incomplete documentation. The Company and the AIFM moreover reserve all rights and remedies available under applicable law to ensure their compliance with the AML/CTF Rules.

Pursuant to the Luxembourg law of 13 January 2019 on the register of beneficial owners (the “RBO Law”), the Company is required to collect and make available certain information on its beneficial owner(s) (as defined in the AML/CTF Rules). Such information includes, among others, first and last name, nationality, country of residence, personal or professional address, national identification number and information on the nature and the scope of the beneficial ownership interest held by each beneficial owner in the Company. The Company is further required, among others, (i) to make such information available upon request to certain Luxembourg national authorities (including the Commission de Surveillance du Secteur Financier, the Commissariat aux Assurances, the Cellule de Renseignement Financier, Luxembourg tax and other national authorities as defined in the RBO Law) and upon motivated request of other professionals of the financial sector subject to the AML/CTF Rules, and (ii) to register such information in a publicly available central register of beneficial owners (the “RBO”).

That being said, the Company or a beneficial owner may however, on a case by case basis and in accordance with the provisions of the RBO Law, formulate a motivated request with the administrator of the RBO to limit the access to the information relating to them, e.g. in cases where such access could cause a disproportionate risk to the beneficial owner, a risk of fraud, kidnapping, blackmail, extortion, harassment or intimidation towards the beneficial owner, or where the beneficial owner is a minor or otherwise incapacitated. The decision to restrict access to the RBO does, however, not apply to the Luxembourg national authorities, nor to credit institutions, financial institutions, bailiffs and notaries acting in their capacity as public officers, which can thus always consult the RBO. In light of the above RBO Law requirements, any persons willing to invest in the Company and any beneficial owner(s) of such persons (i) are required to provide, and agree to provide, the Company and the case being the AIFM, the Central Administration or their Distributor, nominee or any other type of intermediary (as the case may be), with the necessary information in order to allow the Company to comply with its obligations in terms of beneficial owner identification, registration and publication under the RBO Law (regardless of applicable rules regarding professional secrecy, banking secrecy, confidentiality or other similar rules or arrangements), and (ii) accept that such information will be made available among others to Luxembourg national authorities and other professionals of the financial sector as well as to the public, with certain limitations, through the RBO.

Under the RBO Law, criminal sanctions may be imposed on the Company in case of its failure to comply with the obligations to collect and make available the required information, but also on any beneficial owner(s) that fail to make all relevant necessary information available to the Company.

**viii. Prohibited Person and Compulsory Redemption and Transfer of Shares**

For the purpose of this section a “Prohibited Person” means any person, corporation, limited liability company, trust, partnership, estate or other corporate body, if in the sole opinion of the AIFM, the holding of Shares of the relevant Subfund may be detrimental to the interests of the existing Shareholders or of the relevant Subfund, if it may result in a breach of any law or regulation, whether Luxembourg or otherwise, or if as a result thereof the relevant Subfund or any subsidiary or investment structure (if any) may become exposed to tax or other legal, regulatory or administrative disadvantages, fines or penalties that it would not have otherwise incurred or, if as a result thereof the relevant Subfund or any subsidiary or investment structure (if any), the AIFM and/or the Company, may become required to comply with any registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply. The term “Prohibited Person” includes (i) any investor which does not meet the definition of Eligible Investors as defined for the respective Subfund in Chapter 6, “Investment in Credit Suisse Nova (Lux)” (if any), (ii) any U.S. Person or (iii) any person who has failed to provide any information or declaration required by the AIFM or the Company within one calendar month of being requested to do so. The term “Prohibited Person” moreover includes natural persons or entities acting, directly or indirectly, in contravention of any applicable AML/CTF Rules or who are the subject of sanctions, including those persons or entities that are included on any relevant lists maintained by the United Nations, the North Atlantic Treaty Organization, the Organisation for Economic Cooperation and Development, the Financial Action Task Force, the U.S. Central Intelligence Agency, and the U.S. Internal Revenue Service, all as may be amended from time to time.

The Company will not accept investments by or on behalf of Prohibited Persons. The subscriber represents and warrants that the proposed subscription for Shares, whether made on the subscriber’s own behalf or, if applicable, as an agent, trustee, representative, intermediary, nominee, or in a similar capacity on behalf of any other beneficial owner, is not a Prohibited Person and further represents and warrants that the investor will promptly notify the Company of any change in its status or the status of any underlying beneficial owner(s) with respect to its representations and warranties regarding Prohibited Person.

If the Board of Directors discovers at any time that any beneficial owner of the Shares is a Prohibited Person, either alone or in conjunction with any other person, whether directly or indirectly, the Board of Directors may at its discretion and without liability, compulsorily redeem the Shares in accordance with the

rules set out in the Articles of Incorporation of the Company and upon redemption, the Prohibited Person will cease to be the owner of those Shares. The Board of Directors may require any Shareholder of the Company to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a Prohibited Person.

Further, Shareholders shall have the obligation to immediately inform the Company to the extent that the ultimate beneficial owner of the Shares held by such Shareholders becomes or will become a Prohibited Person.

Subject to the provisions set out hereafter in section ix "Listing of Shares" of this Chapter 6, the Board of Directors has the right to refuse any transfer, assignment or sale of Shares in its sole discretion if the Board of Directors reasonably determines that it would result in a Prohibited Person holding Shares, either as an immediate consequence or in the future.

Subject to the provisions set out hereafter in section ix "Listing of Shares" of this Chapter 6, any transfer of Shares may be rejected by the Central Administration and the transfer shall not become effective until the transferee has provided the required information under the applicable know your customer and anti-money laundering rules.

#### ix. Listing of Shares

The Shares of a Subfund may be listed on a stock exchange, such as the Luxembourg Stock Exchange.

The Shares of one or more Subfunds admitted to trading on the Luxembourg Stock Exchange, as the case may be, will be freely negotiable and transferable on such stock exchange and trades registered thereon may not be cancelled by the Company. The restrictions of ownership will nevertheless apply to any party to which Shares are transferred on the Luxembourg Stock Exchange. The holding at any time of any Shares by a party which does not satisfy the restrictions of ownership may result in the compulsory redemption of such Shares by the Company in accordance with the provisions of this Prospectus and the Articles.

## 7. Risk Factors

**Potential investors should consider the following risk factors before investing in the Company.** The list of risk factors set out below does, however, not purport to be a complete explanation of the risks involved in investing in the Company. Potential investors should carefully read the entire Prospectus, including any additional risk factors listed in Chapter 22, "The Subfunds", for the relevant Subfund and inform themselves, and where appropriate consult their investment adviser, as to the tax consequences of buying, holding, converting, redeeming or otherwise disposing of Shares under the law of their country of citizenship, residence or domicile (further details are set out in Chapter 9, "Expenses and Taxes").

Investors should be aware that the investments of the Company are subject to normal market fluctuations and other risks inherent in investing in securities and other financial instruments. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company. There is no assurance that the investment objective of a particular Subfund will actually be achieved or that any appreciation in the value of the assets will occur. Past performance is not a reliable indicator of future results.

The net asset value of a Subfund may vary as a result of fluctuations in the value of the underlying assets of such Subfund and the income derived therefrom.

Investors are reminded that in certain circumstances their right to redeem Shares may be suspended (see Chapter 6, section v. "Suspension of Calculation of the Net Asset Value and of the Issue, Redemption and Conversion of Shares").

Depending on the currency of the investor's domicile, exchange-rate fluctuations may adversely affect the value of an investment in one or more of the Subfunds. Moreover, in the case of an alternate currency class in which the currency risk is not hedged, the result of the associated foreign-exchange transactions may have a negative influence on the performance of the corresponding Class of Shares.

#### Market Risk

Market risk is a general risk which may affect all investments to the effect that the value of a particular investment could change in a way that is detrimental to the Company's interests. In particular, the value of investments may be affected by uncertainties such as international, political and economic developments or changes in government policies.

#### General Risks of Listing

The Shares of a Subfund may be listed on a stock exchange, such as the Luxembourg Stock Exchange. Once issued, any trading in such Shares through the exchange is subject to the general price fluctuations of the market.

The market value of, and the income derived from, the Shares can fluctuate and there is no guarantee that the market price of the Shares on the exchange will reflect fully their underlying Net Asset Value. Investors may not get back the full value of their investment when selling Shares on a stock exchange. Subject to the requirements of this Prospectus, Shares may be transferred via trades on the

stock exchange or off-market, on a private basis. An investment in the Shares should only be made with the knowledge that it may be redeemed only in accordance with the Subfund's redemption provisions.

#### Interest Rate Risk

Subfunds investing in fixed income securities may fall in value due to fluctuations in interest rates. Generally, the value of fixed income securities rises when interest rates fall. Conversely, when interest rates rise, the value of fixed income securities can generally be expected to decrease. Long term fixed income securities will normally have more price volatility than short term fixed income securities.

#### Foreign Exchange Risk

The Subfunds' investments may be made in other currencies than the relevant Reference Currency and therefore be subject to currency fluctuations, which may affect the net asset value of the relevant Subfunds favourably or unfavourably. Currencies of certain countries may be volatile and therefore may affect the value of securities denominated in such currencies. If the currency in which an investment is denominated appreciates against the Reference Currency of the relevant Subfund, the value of the investment will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the investment.

The Subfunds may enter into hedging transactions on currencies to protect against a decline in the value of investments denominated in currencies other than the Reference Currency, and against any increase in the cost of investments denominated in currencies other than the Reference Currency. However, there is no guarantee that the hedging will be successfully achieved.

Although it is the policy of the Company to hedge the currency exposure of Subfunds against their respective Reference Currencies, hedging transactions may not always be possible and currency risks cannot therefore be excluded.

#### Credit Risk

Subfunds investing in fixed income securities are subject to the risk that issuers may not make payments on such securities. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity. Subfunds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

#### Counterparty Risk

The Company may enter into over-the-counter transactions which will expose the Subfunds to the risk that the counterparty may default on its obligation to perform under such contracts. In the event of bankruptcy of counterparty, the Subfunds could experience delays in liquidating the position and significant losses.

#### EU Bank Recovery and Resolution Directive

Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (the "BRRD") was published in the Official Journal of the European Union on June 12, 2014 and entered into force on July 2, 2014. The stated aim of the BRRD is to provide resolution authorities, including the relevant Luxembourg resolution authority, with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers' exposure to losses.

In accordance with the BRRD and relevant implementing laws, national prudential supervisory authorities can assert certain powers over credit institutions and certain investment firms which are failing or are likely to fail and where normal insolvency would cause financial instability. These powers comprise write-down, conversion, transfer, modification, or suspension powers existing from time to time under, and exercised in compliance with any laws, regulations, rules or requirements in effect in the relevant EU Member State relating to the implementation of BRRD (the "Bank Resolution Tools").

The use of any such Bank Resolution Tools may affect or restrain the ability of counterparties subject to BRRD to honour their obligations towards the Subfunds, thereby exposing the Subfunds to potential losses.

The exercise of Bank Resolution Tools against investors of a Subfund may also lead to the mandatory sale of part of the assets of these investors, including their shares/units in that Subfund. Accordingly, there is a risk that a Subfund may experience reduced or even insufficient liquidity because of such an unusually high volume of redemption requests. In such case the Company may not be able to pay redemption proceeds within the time period stated in this Prospectus.

Furthermore, exercising certain Bank Resolution Tools in respect of a particular type of securities may, under certain circumstances, trigger a drying-up of liquidity in specific securities markets, thereby causing potential liquidity problems for the Subfunds.

#### Liquidity Risk

There is a risk that the Company will suffer liquidity issues because of unusual

market conditions, an unusually high volume of redemption requests or other reasons. In such case the Company may not be able to pay redemption proceeds within the time period stated in this Prospectus.

### Custody Risk

All assets of the Company comprising the portfolios of the various Subfunds, and any collateral held by the Company (as applicable) for those Subfunds, will be held under the custody or supervision of the Depositary Bank.

In accordance with the Law of December 17, 2010, the Depositary Bank may delegate parts of its custody functions to third parties only where (i) the Depositary Bank has exercised due skill, care and diligence in the selection and appointment of any third parties to whom it intends to delegate parts of its tasks, (ii) the Depositary Bank continues to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of these third party delegates in respect of the matters delegated to it, (iii) such third party delegate, at all times during the performance of the tasks delegated to it, segregates the assets of the clients of the Depositary Bank from its own assets and from the assets of the Depositary Bank in such a way that they can, at any time, be clearly identified as belonging to clients of a particular depositary, and (iv) such third party delegate takes all necessary steps to ensure that, in the event of insolvency of a third-party delegate, the assets of the Company held by such third party delegate are unavailable for distribution among, or realization for the benefit of, the creditors of such third-party delegate.

Despite the foregoing, custody risks may nevertheless arise from the possibility that, to the detriment of a Subfund, such Subfund could be denied access, in whole or in part, to assets held in custody in circumstances that arise as a result of an external event beyond the Depositary Bank's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. When the Depositary Bank is holding cash or a third party custodian is holding cash collateral for the benefit of the relevant Subfund as further described in Chapter 17, "Regulatory Disclosure" and "Collateral Management" under this Chapter 7, "Risk Factors", the latter will be exposed to the credit risk of the Depositary Bank and/or any sub-custodian used by the Depositary Bank or the third party custodian holding cash collateral for the benefit of the relevant Subfund. Cash held by the Depositary Bank and sub-custodians or the third-party custodian holding cash collateral for the benefit of the relevant Subfund will not be segregated in practice but will be a debt owing from the Depositary Bank and/or other sub-custodians or any third party custodian holding cash collateral for the benefit of the relevant Subfund to the relevant Subfunds as a depositor. Such cash will be co-mingled with cash belonging to other clients of the Depositary Bank or sub-custodians or third-party custodian holding cash collateral for the benefit of the relevant Subfund. In the event of the insolvency of the Depositary Bank and/or sub-custodians or third party custodian holding cash collateral for the benefit of the relevant Subfund, the Company will be treated as a general unsecured creditor of the Depositary Bank and/or sub-custodians or third party custodian holding cash collateral for the benefit of the relevant Subfund in relation to cash holdings of the Company and its Subfunds. The Company may face difficulties and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the relevant Subfund(s) will lose some or all of their cash. To mitigate the Company's exposure to the Depositary Bank or sub-custodian or third party custodian holding cash collateral for the benefit of the relevant Subfund, the AIFM employs specific procedures to ensure that the Depositary Bank or third party custodian holding cash collateral for the benefit of the relevant Subfund is each a reputable institution and that the credit risk is acceptable to the Company. Investors are invited to consider Chapter 16 "Depositary Bank" for further information on the liability of the Depositary Bank.

### Management Risk

The Company is actively managed and therefore the Subfunds may be subject to management risks. The Company will apply its investment strategy (including investment techniques and risk analysis) when making investment decisions for the Subfunds, however no assurance can be given that the investment decision will achieve the desired results. The Company may in certain cases decide not to use investment techniques, such as derivative instruments, or, they may not be available, even under market conditions where their use could be beneficial for the relevant Subfund.

### Sustainability Risks

Pursuant to EU Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "SFDR"), the Subfunds are required to disclose the manner in which Sustainability Risks (as defined hereafter) are integrated into the investment decision and the results of the assessment of the likely impacts of Sustainability Risks on the returns of the Subfunds.

Sustainability risks means an environmental, social or governance event or condition that, if it occurs, could have a material negative impact on the value of the investment. The materiality of sustainability risks is determined by the

likelihood, magnitude and time-horizon of the risk materializing.

Sustainability risks can be understood as a sub-category of traditional risk types (e.g. credit, market, liquidity, operational and strategy risk) and are identified and managed in the context of risk management processes of the AIFM.

As sustainability risks differ between asset classes and investment styles, they are defined at Subfund level. The Portfolio Manager identifies sustainability risks by considering sector, industry and company exposure of the portfolio either in absolute terms or relative to the benchmark. Proprietary analysis may be supported by specific frameworks which define industry-specific ESG factors material to a company.

The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, region and asset class. For all Subfunds, sustainability risks may result in a negative impact on the returns of the Subfund. Generally, acute and chronic physical risks, new carbon taxes and changing consumer behavior have been identified as being highly relevant. These risks may lead to increased default risks for investments. Further information is provided in the section "Special Risk Profile" of Chapter 22 "The Subfunds".

### Sustainable Investing Risks

Given the nascent nature of ESG /sustainability regulations and guidelines, the AIFM and the Portfolio Managers may need to review the representations that are made in this Prospectus regarding the ESG classifications and descriptions in response to evolving statutory, regulatory or internal guidance or changes in industry approach to classification. As such, any ESG classification mentioned in this Prospectus is therefore subject to change. Since sustainability-related practices differ by region, industry and issue and are evolving accordingly, the practice or the assessment of such sustainability-related practice by the Subfunds, respectively their Portfolio Managers and the AIFM may change over time. Similarly, new sustainability requirements imposed by jurisdictions in which the Portfolio Managers do business and/or in which the Subfunds are marketed may result in additional compliance costs, disclosure obligations or other implications or restrictions on the Subfunds or on their Portfolio Managers and the AIFM. Under such requirements, the Portfolio Managers and the AIFM may be required to classify the Subfunds against certain criteria, some of which can be open to subjective interpretation. Especially their views on the appropriate classification may develop over time, including in response to statutory or regulatory guidance or changes in industry approach and this may include making a change to the classification of the Subfunds. Such change to the relevant classification may require certain actions to be taken, including new investments and disinvestments or new processes to be set up to meet the corresponding classification requirements and capture data about the Subfunds' investments, which may lead to additional cost, disclosure and reporting obligations.

Furthermore, investors shall note that the AIFM and the Portfolio Managers are, wholly or in part, reliant on public and third-party sources of information as well as potentially information produced by the issuer itself. Further, the ability of the AIFM and the Portfolio Managers to verify such data may be limited by the integrity of the data available in respect of the underlying constituents at the relevant point in time and the status and evolution of global laws, guidelines and regulations in relation to the tracking and provision of such ESG data. ESG data derived from private, public and third-party sources of information may be incorrect, unavailable, or not fully updated. Updates may also be subject of a time lag. ESG classification/scoring also reflects the opinion of the assessing party (including external parties, such as rating agencies or other financial institutions). In the absence of a standardized ESG scoring system, each assessing party has therefore its own research and analysis framework. Therefore, ESG scoring or risk levels given by different assessing parties to the same investment can vary greatly. This also applies for certain investments for which the AIFM and the Portfolio Managers may only have limited access to data from external parties in respect of the underlying constituents of an investment, due to, e.g. absence of look-through data. In such cases, the AIFM and the Portfolio Managers will attempt to assess such information on a best-effort basis. Such data gaps could also result in the incorrect assessment of a sustainability practice and/or related sustainability risks and opportunities.

Investors shall also note that the non-financial / ESG-performance of a portfolio might differ from its financial performance and the AIFM and the Portfolio Managers cannot give any representation as to the correlation of financial and ESG performance. Adhering to a new ESG classification, respectively a change of ESG classification may also lead to transactional costs to reposition the underlying portfolio as well as new disclosure, reporting, compliance and risk management related costs. Following ESG objectives does not necessarily imply suitability for meeting the investor's or client's overall investment objectives, nor any investor/client specific sustainability preferences.

### Investment Risk

#### Investments in Equities

The risks associated with investments in equity (and equity-type) securities include in particular significant fluctuations in market prices, adverse issuer or market information and the subordinate status of equity compared to debt

securities issued by the same company.

Investors should also consider the risk attached to fluctuations in exchange rates, possible imposition of exchange controls and other restrictions.

#### **Investments in Fixed Income Securities**

Investments in securities of issuers from different countries and denominated in different currencies offer potential benefits not available from investments solely in securities of issuers from a single country, but also involve certain significant risks that are not typically associated with investing in the securities of issuers located in a single country. Among the risks involved are fluctuations in interest rates as well as fluctuations in currency exchange rates (as further described above under section "Interest Rate Risk" and "Foreign Exchange Risk") and the possible imposition of exchange control regulations or other laws or restrictions applicable to such investments. A decline in the value of a particular currency in comparison with the Reference Currency of the Subfund would reduce the value of certain portfolio securities that are denominated in such a currency.

An issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, may fluctuate independently of each other.

As the net asset value of a Subfund is calculated in its Reference Currency, the performance of investments denominated in a currency other than the Reference Currency will depend on the strength of such currency against the Reference Currency and on the interest rate environment in the country issuing the currency. In the absence of other events that could otherwise affect the value of non-Reference Currency investments (such as a change in the political climate or an issuer's credit quality), an increase in the value of the non-Reference Currency can generally be expected to increase the value of a Subfund's non-Reference Currency investments in terms of the Reference Currency.

The Subfunds may invest in investment grade debt securities. Investment grade debt securities are assigned ratings within the top rating categories by rating agencies on the basis of the creditworthiness or risk of default. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant debt securities issue. Moreover, the Subfunds may invest in debt instruments in the non-investment grade sector (high yield debt securities). Compared to investment grade debt securities, high yield debt securities are generally lower-rated securities and will usually offer higher yields to compensate for the reduced creditworthiness or increased risk of default attached to these debt instruments. SEC Rule 144A provides a safe harbour exemption from the registration requirements of the 1933 Act for resale of restricted securities to qualified institutional buyers, as defined in the rule. The advantage for Investors may be higher returns due to lower administration charges. However, dissemination of secondary market transactions in rule 144A securities is restricted and only available to qualified institutional buyers. This might increase the volatility of the security prices and, in extreme conditions, decrease the liquidity of a particular rule 144A security.

#### **Investments in Warrants**

The leveraged effect of investments in warrants and the volatility of warrant prices make the risk attached to investments in warrants higher than in the case of investment in equities. Because of the volatility of warrants, the volatility of the share price of any Subfund investing in warrants may potentially increase.

#### **Use of Derivatives**

While the use of financial derivative instruments can be beneficial, financial derivative instruments also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments.

Derivatives are highly specialized financial instruments. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself, without there being any opportunity to observe the performance of the derivative under all possible market conditions.

If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price.

Since many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, rate or index may result in a loss substantially greater than the amount invested in the derivative itself.

The other risks associated with the use of derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Many derivatives are complex and are often valued subjectively. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to the Company. Consequently, the Company's use of derivatives may not always be an effective means of, and sometimes could be counterproductive to, furthering the Company's investment objectives.

Derivative instruments also carry the risk that a loss may be sustained by the Company as a result of the failure of the counterparty to a derivative to comply

with the terms of the contract (as further described under "Counterparty Risk" above). The default risk for exchange-traded derivatives is generally less than for privately negotiated derivatives, since the clearing house, which is the issuer or counterparty to each exchange-traded derivative, provides a guarantee of performance. In addition, the use of credit derivatives (credit default swaps, credit linked notes) carries the risk of a loss arising for the Company if one of the entities underlying the credit derivative defaults.

Moreover, OTC derivatives may bear liquidity risks. The counterparties with which the Company effects transactions might cease making markets or quoting prices in certain of the instruments. In such cases, the Company might not be in a position to enter into a desired transaction in currencies, credit default swaps or total return swaps or to enter into an offsetting transaction with respect to an open position which might adversely affect its performance. Unlike exchange-traded derivatives, forward, spot and option contracts on currencies do not provide the AIFM with the possibility to offset the Company's obligations through an equal and opposite transaction. Therefore, through entering into forward, spot or options contracts, the Company may be required, and must be able, to perform its obligations under these contracts.

The use of derivative instruments may or may not achieve its intended objective.

#### **Investments in Hedge Fund Indices**

In addition to the risks entailed in traditional investments (such as market, credit and liquidity risks), investments in hedge fund indices entail a number of specific risks that are set out below.

The hedge funds underlying the respective index, as well as their strategies, are distinguished from traditional investments primarily by the fact that their investment strategy may involve the short sale of securities and, on the other hand, by using borrowings and derivatives, a leverage effect may be achieved. The leverage effect entails that the value of a fund's assets increases faster if capital gains arising from investments financed by borrowing exceed the related costs, notably the interest on borrowed monies and premiums payable on derivative instruments. A fall in prices, however, causes a faster decrease in the value of the Company's assets. The use of derivative instruments, and in particular of short selling, can in extreme cases lead to a total loss in value.

Most of the hedge funds underlying the respective index were established in countries in which the legal framework, and in particular the supervision by the authorities, either does not exist or does not correspond to the standards applied in western Europe or other comparable countries. The success of hedge funds depends in particular on the competence of the fund managers and the suitability of the infrastructure available to them.

#### **Investments in Commodity Indices**

In addition to the risks entailed in traditional investments (such as market, credit and liquidity risks), investments in commodity indices are subject to greater price fluctuations compared to traditional investments. When included in a broadly diversified portfolio, however, investments in commodity indices generally show only a low correlation to traditional investments.

#### **Investments in Target Funds**

Investors should note that investments in shares or units of undertakings for collective investment in transferable securities authorized according to Directive 2009/65/EC ("UCITS") and/or other undertakings for collective investment within the meaning of Article 1, paragraph 2, points a) and b) of Directive 2009/65/EC ("UCI"), whether or not established in a Member State ("Target Funds") may incur costs both at the Subfund level and at the level of the Target Funds. Furthermore, the value of the units or shares in the Target Funds may be affected by currency fluctuations, currency exchange transactions, tax regulations (including the levying of withholding tax) and any other economic or political factors or changes in the countries in which the Target Fund is invested, along with the risks associated with exposure to the emerging markets.

The investment of the Subfunds' assets in units or shares of Target Funds entails a risk that the redemption of the units or shares may be subject to restrictions, with the consequence that such investments may be less liquid than other types of investment.

#### **Investments in illiquid Assets**

When the Company invests in securities, which are not traded on exchanges or on regulated markets, it may be unable to readily sell such securities. Moreover, there may be contractual restrictions on resale of such securities. In addition, the Company may engage in futures contracts or options thereon in limited circumstances, and such instruments may also be subject to illiquid situations when market activity decreases or when a daily fluctuation limit has been reached. Most futures exchanges restrict the fluctuations in future contract prices during a single day by regulations referred to as "daily upper limits". When the price of a future contract increases or falls to the maximum limit, the Company may be prevented from promptly liquidating unfavourable positions, which may result in losses.

**Investments in Asset-Backed Securities and Mortgage-Backed Securities**

The Subfunds may have exposure to asset-backed securities ("ABS") and mortgage-backed securities ("MBS"). ABS and MBS are debt securities issued by a special purpose vehicle (SPV) with the aim to pass through of liabilities of third parties other than the parent company of the issuer. Such securities are secured by an asset pool (mortgages in the case of MBS and various types of assets in the case of ABS). Compared to other traditional fixed income securities such as corporate or government issued bonds, the obligations associated with these securities may be subject to greater counterparty, liquidity and interest rate risks as well as other types of risks, such as reinvestment risk (arising from included termination rights, prepayment options), credit risks on the underlying assets and advance repayments of principal resulting in a lower total return (especially, if repayment of the debt is not concurrent with redemption of the assets underlying the claims).

ABS and MBS assets may be highly illiquid and therefore prone to substantial price volatility.

**Small to medium-sized Companies**

Investing in the securities of smaller, lesser-known companies involves greater risk and the possibility of greater price volatility due to the less certain growth prospects of smaller firms, the lower degree of liquidity of the markets for such stocks and the greater sensitivity of smaller companies to changing market conditions.

**Hedged Share Class Risk**

The hedging strategy applied to hedged Share Classes may vary from one Subfund to another. Each Subfund will apply a hedging strategy which aims to reduce currency risk between the Reference Currency of the respective Subfund and the nominal currency of the hedged Share Class while taking various practical considerations into account. The hedging strategy aims to reduce, however may not totally eliminate, currency exposure.

Investors should note that there is no segregation of liabilities between the individual Share Classes with a Subfund. Hence, there is a risk that under certain circumstances, hedging transactions in relation to a hedged Share Class could result in liabilities affecting the Net Asset Value of the other Share Classes of the same Subfund. In such case assets of other Share Classes of such Subfund may be used to cover the liabilities incurred by the hedged Share Class.

**Clearing and Settlement Procedures**

Different markets also have different clearing and settlement procedures. Delays in settlement may result in a portion of the assets of a Subfund remaining temporarily uninvested and no return is earned thereon. The inability of the AIFM to make intended security purchases due to settlement problems could cause a Subfund to miss attractive investment opportunities. The inability to dispose of portfolio securities due to settlement problems could result either in losses to a Subfund due to subsequent declines in value of the portfolio security or, if a Subfund has entered into a contract to sell the security, could result in possible liability to the purchaser.

**Investment Countries**

The issuers of fixed income securities and the companies, the shares of which are purchased, are generally subject to different accounting, auditing and financial reporting standards in the different countries of the world. The volume of trading, volatility of prices and liquidity of issuers may vary from one market or country to another. In addition, the level of government supervision and regulation of securities exchanges, securities dealers and listed and unlisted companies is different throughout the world. The laws and regulations of some countries may restrict the Company's ability to invest in securities of certain issuers located in those countries.

**Concentration in Certain Countries/Regions**

Where a Subfund restricts itself to investing in securities of issuers located in a particular country or countries, such concentration will expose the Subfund to the risk of adverse social, political or economic events which may occur in that country or countries.

The risk increases if the country in question is an emerging market. Investments in these Subfunds are exposed to the risks which are described in Chapter 22, "The Subfunds", for the relevant Subfund. These may be exacerbated by the special factors pertaining to this emerging market.

**Industry/Sector Risk**

The Subfunds may invest in specific industries or sectors or a group of related industries. These industries or sectors may, however, be affected by market or economic factors, which could have a major effect on the value of the Subfund's investments.

**Leveraging Risk**

Some of the Subfunds may maintain net open positions in securities, currencies

or financial instruments with an aggregate value in excess of such Subfund's net asset value (leverage). The leverage factor and its calculation method are specified in the relevant Subfund. Such leverage presents the potential for significant profits but also entails a high degree of risk including the risk that losses in excess of the amount invested will be sustained.

Even where a Subfund will not be leveraged, certain transactions may give rise to a form of leverage if the Subfund may borrow funds and/or employ financial instruments and techniques with an embedded leverage effect. The consequence of the leverage effect is that the value of a Subfund's assets increases faster if capital gains arising from investments financed through leverage exceed the related costs, notably the interest on borrowed monies and premiums payable on derivative instruments. A fall in prices, however, causes a faster decrease in the value of the fund's assets. In extreme cases this may result in individual Subfunds becoming worthless.

In any instance, the liability of each shareholder is limited to the amount invested in the relevant Share Class.

**Commodity Risk**

Certain Subfunds' investments in commodity linked derivative instruments may subject the relevant Subfund to greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Use of leveraged commodity-linked derivatives creates an opportunity for increased return but, at the same time, creates the possibility for greater loss (including the likelihood of greater volatility of the net asset value of the relevant Subfund).

**Securities Lending**

The Subfunds may enter into securities lending transactions subject to the conditions and limits set out in this Prospectus. Securities lending transactions involve counterparty risk, including the risk that the securities lent cannot be returned or redeemed on time. If the borrower of securities fails to return the securities lent by a sub-fund, there is a risk that the collateral received may be realised at a lower value than the securities lent, whether due to inaccurate pricing of the collateral, adverse market movements, a deterioration in the creditworthiness of the collateral issuer, illiquidity of the market on which the collateral is traded, negligence or insolvency of the custodian holding collateral or termination of legal agreements, e.g. due to insolvency, which adversely affects the performance of the Subfund. If the other party to a securities lending transaction should default, the Subfund might suffer a loss to the extent that the proceeds from the sale of the collateral held by the Company in connection with the securities lending transaction are less than the value of the securities lent. In addition, in the event of bankruptcy or similar proceedings of the other party to the securities lending transaction or its failure to return the securities as agreed, the sub-fund could suffer losses, including loss of interest on or principal of the securities and costs associated with delay and enforcement of the securities lending agreement.

The Subfunds will only use securities lending transactions for the purpose of either reducing risks (hedging) or generating additional capital or income for the relevant Subfund. When using such techniques, the Subfund will comply at all times with the provisions set out in this Prospectus. The risks arising from the use of securities lending transactions will be closely monitored and techniques (including collateral management) will be employed to seek to mitigate those risks. Although it is expected that the use of securities lending transactions will generally not have a material impact on a Subfund's performance, the use of such transactions may have a significant effect, either negative or positive, on the Subfund's net asset value.

**Total Return Swaps**

A total return swap is an OTC derivative contract in which the total return payer transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to the total return receiver. In exchange, the total return receiver either makes an upfront payment to the total return payer, or makes periodic payments based on set rate which can be either fixed or variable. A TRS thus typically involves a combination of market risk and interest rate risk, as well as counterparty risk.

In addition, due to the periodic settlement of outstanding amounts and/or periodic margin calls under the relevant contractual agreements, a counterparty may, under unusual market circumstances, have insufficient funds available to pay the amounts due. Moreover, each TRS is a bespoke transaction among others with respect to its reference obligation, duration, and contractual terms, including frequency and conditions for settlement. Such lack of standardisation may adversely affect the price or conditions under which a TRS can be sold,

liquidated or closed out. Any TRS therefore involves certain degree of liquidity risk.

Finally, as any OTC derivative, a TRS is a bilateral agreement which involves a counterparty which may, for any reason, not be in a position to fulfil its obligations under the TRS. Each party to the TRS is therefore exposed to counterparty risk and, if the agreement includes the use of collaterals, to the risks related to collateral management.

Investors are invited to consider the relevant risk warnings on Market Risk, Interest Rate Risk, Liquidity Risk, Counterparty Risk and Collateral Management set out in this Chapter.

#### **Collateral Management**

Where the AIFM on behalf of a Subfund enters into OTC financial derivative and/or efficient portfolio management techniques, collateral may be used to reduce counterparty risk exposure. Collateral will be treated in accordance with the Company's collateral policy as set out in Chapter 17, "Regulatory Disclosures". The exchange of collateral involves certain risks, including operational risk related to the actual exchange, transfer and booking of collateral. Collateral received under a title transfer arrangement will be held by the Depositary Bank in accordance with the usual terms and provisions of the Depositary Bank Agreement. For other types of collateral arrangement, the collateral can be held by a third-party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral. The use of such third-party custodians may involve additional operational and clearing and settlement risk, as well as counterparty risk.

Collateral received will consist of either cash or transferable securities that meet the criteria set out in the Company's collateral policy. Transferable securities received as collateral are subject to market risk. The AIFM aims to manage this risk by applying appropriate haircuts, valuing collateral on a daily basis, and accepting only high-quality collateral. However, some residual market risk must be expected to remain.

Non-cash collateral must be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. However, in adverse market circumstances, the market for certain types of transferable securities may be illiquid and, in extreme cases, may cease to exist. Any non-cash collateral therefore involves a certain degree of liquidity risk.

Any collateral received will not be sold, re-invested or pledged. Accordingly, no risk is expected to arise from the reuse of collateral.

Risks linked to the management of collateral will be identified, managed and mitigated in accordance with the AIFM's risk management process concerning the Company. Investors are invited to consider the relevant risk warnings on Market Risk, Counterparty Risk, Liquidity Risk and Clearing and Settlement Procedures set out in this Chapter.

#### **Legal, Regulatory, Political and Tax Risk**

The AIFM and the Company must at all times comply with applicable laws and regulations in each of the various jurisdictions where it is active, or where the Company makes its investments or holds its assets. Legal or regulatory constraints or changes to applicable laws and regulations may affect the AIFM or the Company, as well as the assets and liabilities of any of its Subfunds and may require a change in the investment objectives and policy of a Subfund. Substantive changes in applicable laws and regulations may make the investment objectives and policy of a Subfund more difficult or even impossible to achieve or implement, which may prompt the AIFM to take appropriate action, which may include the discontinuation of a Subfund.

The assets and liabilities of a Subfund, including but not limited to the financial derivative instruments used by the AIFM to implement the Subfund's investment objectives and policy may also be subject to change in laws or regulations and/or regulatory action which may affect their value or enforceability. In the implementation of a Subfund's investment objectives and policy, the AIFM may have to rely on complex legal agreements, including, but not limited to, master agreements for financial derivatives agreements, confirmations and collateral arrangements and securities lending agreements. Such agreements may be drawn up by industry bodies established outside of the Grand Duchy of Luxembourg and subject to foreign laws, which may imply an additional element of legal risk. Whilst the AIFM will ensure that it receives appropriate advice from reputable legal counsel, it cannot be excluded that such complex legal agreements, whether governed by domestic or foreign laws, may be held unenforceable by a competent court due to legal or regulatory developments or for any other reason.

Recently, the global economic environment has been characterised by an increase in political risk in both developed and developing countries. The performance of the Subfunds or an investor's possibility to purchase, sell or redeem Shares may be adversely affected by market disruption due in particular to changes in general economic conditions and uncertainties caused by political developments such as the results of popular votes or referenda, changes in economic policy, the rescinding of free trade agreements, adverse developments

in diplomatic relations, increased military tension, active armed conflict, changes in government agencies or policies, the imposition of restrictions on the transfer of capital and changes in the industrial and financial outlook in general. By means of reference, a "developed country" would be a country that is classified by the World Bank as being a "high income country" and/or not included in an emerging market financial index by a leading index provider and shall be understood as a country which, unlike emerging countries, is considered in common practice to have a mature and sophisticated economy, in particular with advanced technological infrastructures, diversified sectors of activity, quality healthcare system and higher access to education.

Changes in tax laws or fiscal policy in any country where the AIFM or the Company is active, or where a Subfund is invested or holds assets, may adversely affect the performance of a Subfund or any of its Share Classes. Investors are invited to consider the relevant risk warning on Taxation, and to consult with their professional advisers to assess their individual tax position.

#### **Armed Conflict Risk**

At a future date following its investments, a Subfund may find itself in a situation where it has exposure to issuers that are based or have business operations or assets in a region where an armed conflict, caused either by state actors or by non-state actors, is occurring. As a consequence of such armed conflict, trade, payment infrastructure, control over investments and business operations may be significantly impeded, and, as such, investments in such region may suffer extensive losses. Such Subfund may suffer losses because of the adverse impact of such armed conflict on the Subfund's investments in such a region or in an issuer with either business operations or assets in such a region.

In addition, in the context of an armed conflict, the conflicted parties and/or other countries and/or international or supranational bodies may impose Sanctions, other restrictions on trade or free movement of capital and/or asset freezes, directly or indirectly related to the conflict or targeted at certain individuals, companies, public institutions, critical industrial, technological and/or financial infrastructure, currencies and/or the overall economy of one or more conflicted parties. Such Sanctions and/or other restrictions (including rating restrictions) may have a significant adverse impact on the investments of a Subfund and lead to considerable losses in value of the Subfund's assets. Sanctions may further cause the assets of a Subfund to become stranded as a result of the inability of the Subfund to value such assets and/or to sell such assets due to their unanticipated or premature economic depreciation. Such Sanctions may also affect investors in a Subfund and may require the adoption of certain measures, including the segregation of investors affected by those Sanctions in a separate share class providing limited exposure to the Subfund's investment portfolio. The scope of Sanctions and/or other restrictions may be very broad and their practical implementation and monitoring may be challenging. Any failure to fully implement and abide by any applicable Sanctions and/or other restrictions may cause additional financial and/or reputational damage to the Subfund or its assets.

#### **Taxation**

The proceeds from the sale of securities in some markets or the receipt of any dividends and other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source.

It is possible that the tax law (and/or the current interpretation of the law) as well as the practice in countries, into which the Subfunds invest or may invest in the future, might change. As a result, the Company could become subject to additional taxation in such countries that is not anticipated either at the date of this Prospectus or when investments are made, valued or disposed of.

#### **FATCA**

The Company may be subject to regulations imposed by foreign regulators, in particular the Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act (commonly known as "FATCA"). FATCA provisions generally impose a reporting to the U.S. Internal Revenue Service of non-U.S. financial institutions that do not comply with FATCA and U.S. persons' (within the meaning of FATCA) direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Failure to provide the requested information will lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends.

Under the terms of FATCA, the Company will be treated as a Foreign Financial Institution (within the meaning of FATCA). As such, the Company may require all investors to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above-mentioned regulations. Should the Company become subject to a withholding tax as a result of FATCA, the value of the Shares held by all Shareholders may be materially affected.

The Company and/or its Shareholders may also be indirectly affected by the fact that a non-U.S. financial entity does not comply with FATCA regulations even if the Company satisfies with its own FATCA obligations.

Despite anything else herein contained, the Company shall have the right to:

- withhold any taxes or similar charges that it is legally required to withhold by applicable laws and regulations in respect of any shareholding in the Company;
- require any Shareholder or beneficial owner of the Shares to promptly furnish such personal data as may be required by the Company in its discretion in order to comply with applicable laws and regulations and/or to promptly determine the amount of withholding to be retained;
- divulge any such personal information to any tax authority, as may be required by applicable laws or regulations or requested by such authority; and
- delay payments of any dividend or redemption proceeds to a Shareholder until the Company holds sufficient information to comply with applicable laws and regulations or determine the correct amount to be withheld.

#### Common Reporting Standard

The Company may be subject to the Standard for Automatic Exchange of Financial Account Information in Tax matters (the "Standard") and its Common Reporting Standard (the "CRS") as set out in the Luxembourg law dated 18 December 2015 implementing Council Directive 2014/107/EU of 9 December 2014 as regards mandatory automatic exchange of information in the field of taxation (the "CRS Law").

Under the terms of the CRS Law, the Company is to be treated as a Luxembourg Reporting Financial Institution. As such, as of 30 June 2017 and without prejudice to other applicable data protection provisions, the Company will be required to annually report to the Luxembourg tax authority personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) certain shareholders as per the CRS Law (the "Reportable Persons") and (ii) Controlling Persons of certain non-financial entities ("NFEs") which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS Law (the "Information"), will include personal data related to the Reportable Persons.

The Company's ability to satisfy its reporting obligations under the CRS Law will depend on each Shareholder providing the Company with the Information, along with the required supporting documentary evidence. In this context, the Shareholders are hereby informed that, as data controller, the Company will process the Information for the purposes as set out in the CRS Law. The Shareholders undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Company.

The term "Controlling Person" means in the present context any natural persons who exercise control over an entity. In the case of a trust it means the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, persons in equivalent or similar positions. The term "Controlling Persons" must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.

The Shareholders are further informed that the Information related to Reportable Persons within the meaning of the CRS Law will be disclosed to the Luxembourg tax authority annually for the purposes set out in the CRS Law. In particular, Reportable Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg tax authority.

Similarly, the Shareholders undertake to inform the Company within thirty (30) days of receipt of these statements should any included personal data be not accurate. The Shareholders further undertake to immediately inform the Company of, and provide the Company with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Any Shareholder that fails to comply with the Company's Information or documentation requests may be held liable for penalties imposed on the Company and attributable to such shareholder's failure to provide the Information.

#### Sanctions

Certain countries or designated persons or entities may, from time to time, be subject to sanctions and other restrictive measures imposed by states or supranational authorities (for example, but not limited to, the European Union or the United Nations), or their agencies (collectively, "Sanctions").

Sanctions may be imposed among others on foreign governments, state-owned enterprises, sovereign wealth funds, specified companies or economic sectors, as well as non-state actors or designated persons associated with any of the foregoing. Sanctions may take different forms, including but not limited to trade embargoes, prohibitions or restrictions to conduct trade or provide services to targeted countries or entities, as well as seizures, asset freezes and/or the prohibition to provide or receive funds, goods or services to or from designated persons.

Sanctions may adversely affect companies or economic sectors in which the

Company, or any of its Subfunds, may from time to time invest. The Company could experience, among others, a decrease in value of securities of any issuer due to the imposition of Sanctions, whether directed towards such issuer, an economic sector in which such issuer is active, other companies or entities with which such issuer conducts business, or towards the financial system of a certain country. Because of Sanctions, the Company may be forced to sell certain securities at unattractive prices, at inopportune moments and/or in unfavourable circumstances where it may not have done so in the absence of Sanctions. Even though the Company will make reasonable efforts, acting in the best interest of the investors, to sell such securities under optimal conditions, such forced sales could potentially result in losses for the Subfunds concerned. Depending on the circumstances, such losses could be considerable. The Company may also experience adverse consequences due to an asset freeze or other restrictive measures directed at other companies, including but not limited to any entity that serves as a counterparty to derivatives, or as a sub-custodian, paying agent or other service provider to the Company or any of its Subfunds. The imposition of Sanctions may require the Company to sell securities, terminate ongoing agreements, lose access to certain markets or essential market infrastructure, cause some or all of a Subfund's assets to become unavailable, freeze cash or other assets belonging to the Company and/or adversely affect the cash flows associated with any investment or transaction.

The Company, the AIFM, the Depositary, the Portfolio Manager and any other members from the UBS Group (collectively, the "Fund Parties") are required to comply with all applicable sanctions laws and regulations in the countries in which the Fund Parties conduct business (recognizing that certain of the sanctions regimes have implications for cross-border or foreign activities) and will implement the necessary policies and procedures to this effect (collectively, "Sanctions Policies"). The Shareholders should note that these Sanctions Policies will be developed by the Fund Parties in their discretion and best judgment and may involve protective or preventive measures that go beyond the strict requirements of applicable laws and regulations imposing any Sanctions, which may further negatively impact the investments of the Company.

#### 8. Net Asset Value

The net asset value (the "Net Asset Value") of the Shares of each Subfund shall be calculated on the date that is defined as Valuation Day for the relevant Subfund under the responsibility of the AIFM by the Central Administration. Only full banking days shall be considered as Valuation Day if not otherwise stipulated in the relevant Subfund.

If a Valuation Day falls on a day which is a holiday in countries whose stock exchanges or other markets are decisive for valuing the majority of a Subfund's assets, the board of directors of the AIFM may decide, by way of exception, that the Net Asset Value of the Shares in this Subfund will not be determined on such days.

For determining the net asset value, the assets and liabilities of the Company shall be allocated to the Subfunds (and to the individual Share Classes within each Subfund), the calculation is carried out by dividing the net asset value of the Subfund by the total number of Shares outstanding for the relevant Subfund or the relevant Share Class. If the Subfund in question has more than one Share Class, that portion of the net asset value of the Subfund attributable to the particular Class will be divided by the number of issued Shares of that Class.

The Net Asset Value of an alternate currency class (the "Alternate Currency Class") shall be calculated first in the Reference Currency of the relevant Subfund. Calculation of the Net Asset Value of the Alternate Currency Class shall be carried out through conversion at the mid-market rate between the Reference Currency and the alternate currency.

The Net Asset Value of the Alternate Currency Class will in particular reflect the costs and expenses incurred for the currency conversion in relation to subscription, redemption and conversion of Shares in this Class and for hedging the currency risk.

Unless otherwise specified in Chapter 22, "The Subfunds", the assets of each Subfund shall be valued as follows:

- Securities which are listed or regularly traded on a stock exchange shall be valued at the last available traded price. If such a price is not available for a particular trading day, the mid-price (the mean of the bid and ask prices) or alternatively the bid price may be taken as a basis for the valuation.
- If a security is traded on several stock exchanges, the valuation shall be made by reference to the exchange which is the main market for this security.
- If a security is traded on a secondary market with regulated trading among securities dealers (with the effect that the price reflects market conditions), the valuation may be based on this secondary market.
- Securities traded on a regulated market shall be valued in the same way as those listed on a stock exchange.
- Securities that are not listed on a stock exchange and are not traded on a regulated market shall be valued at their last available market price. If no such price is available, the AIFM shall value these securities in accordance with other criteria to be established by the board of directors of the AIFM

and on the basis of the probable sales price, the value of which shall be estimated with due care and in good faith.

- f) Derivatives shall be treated in accordance with the above. OTC swap transactions will be valued on a consistent basis based on bid, offer or mid prices as determined in good faith pursuant to procedures established by the board of directors of the AIFM. If, in the opinion of the board of directors of the AIFM, such values do not reflect the fair market value of the relevant OTC swap transactions, the value of such OTC swap transactions will be determined in good faith by the board of directors of the AIFM or by such other method as it deems in its discretion appropriate.
- g) The valuation price of a money market instrument which has a maturity or remaining term to maturity of less than 397 days and does not have any specific sensitivity to market parameters, including credit risk, shall, based on the net acquisition price or on the price at the time when the investment's remaining term to maturity falls below 3 months, be progressively adjusted to the repayment price while keeping the resulting investment return constant. In the event of a significant change in market conditions, the basis for the valuation of different investments shall be brought into line with the new market yields.
- h) Units or shares of UCITS or other UCIs shall be valued on the basis of their most recently calculated Net Asset Value, where necessary by taking due account of the redemption fee. Where no Net Asset Value and only buy and sell prices are available for units or shares of UCITS or other UCI, the units or shares of such UCITS or other UCIs may be valued at the mean of such buy and sell prices.
- i) Fiduciary and fixed-term deposits shall be valued at their respective nominal value plus accrued interest.
- j) Loans shall be valued at a price equal to the last reported price as supplied by recognized quotation services or broker-dealers. Loans for which no reliable market valuations are available shall be valued based on the escalation procedure as established by the board of directors of the AIFM.

The amounts resulting from such valuations shall be converted into the Reference Currency of each Subfund at the prevailing mid-market rate. Foreign exchange transactions conducted for the purpose of hedging currency risks shall be taken into consideration when carrying out this conversion.

If a valuation in accordance with the above rules is rendered impossible or incorrect due to particular or changed circumstances, the board of directors of the AIFM shall be entitled to use other generally recognised and auditable valuation principles in order to reach a proper valuation of the Subfund's assets. In any event, the board of directors of the AIFM ensures the proper independent valuation of the assets of each Subfund. Where the nature of the assets of a Subfund requires expert valuation, an external valuer shall be appointed by the AIFM in accordance with the provisions of the Law of 12 July 2013. The external valuer shall perform its functions impartially and with the requested due skill, care and diligence, and shall not delegate the valuation function to a third party. The external valuer will value the properties using a formal set of guidelines on the basis of widely-accepted valuation standards, adapted as necessary to respect individual market considerations and practices.

Investments which are difficult to value (in particular those which are not listed on a secondary market with a regulated price-setting mechanism) are valued on a regular basis using comprehensible, transparent criteria. For the valuation of private equity investments, the board of directors of the AIFM may use the services of third parties which have appropriate experience and systems in this area. The board of directors of the AIFM and the auditor shall monitor the comprehensibility and transparency of the valuation methods and their application.

The Net Asset Value of a Share shall be rounded up or down, as the case may be, to the next smallest unit of the Reference Currency which is currently used unless stated otherwise in Chapter 22, "The Subfunds".

The Net Asset Value of one or more share Classes may also be converted into other currencies at the mid-market rate should the Company's Board of Directors decide to effect the issue and redemption of shares in one or more other currencies. Should the Board of Directors determine such currencies, the Net Asset Value of the respective shares in these currencies shall be rounded up or down to the next smallest unit of currency.

The total Net Asset Value of the Company shall be calculated in Swiss Francs.

With respect to the protection of investors in case of Net Asset Value calculation error, the Company intends to comply with the principles and rules set out in CSSF Circular 24/856 on the protection of investors in case of NAV calculation error, an instance of non-compliance with the investment rules and other errors at undertaking for collective investment level, subject to the following:

- the tolerance threshold applicable to the Company for the Net Asset Value calculation error shall be maximum 2.5% (two and a half percent);
- the correction shall be made under the control of the Auditor of the Company; and
- the provisions of CSSF Circular 24/856 foreseeing any notification to the CSSF are not applicable provided that the tolerance threshold set out

above is not exceeded.

It may not always be possible for the investor to be indemnified in case of net asset value calculation errors and/or non-compliance with investment rules and/or other errors at the level of the Company. Investors are advised to seek advice in relation to their rights which may be negatively impacted.

#### Adjustment of the Net Asset Value (Single Swing Pricing)

In order to protect existing Shareholders and subject to the conditions set out in Chapter 22, "The Subfunds", the Net Asset Value per Share Class of a Subfund may be adjusted upwards or downwards by a maximum percentage ("swing factor") indicated in Chapter 22, "The Subfunds", in the event of a net surplus of subscription or redemption applications on a particular Valuation Day. In such case the same Net Asset Value applies to all incoming and outgoing investors on that particular Valuation Day.

The adjustment of the Net Asset Value aims to cover in particular but not exclusively transaction costs, tax charges and bid/offer spreads incurred by the respective Subfund due to subscriptions, redemptions and/or conversions in and out of the Subfund. Existing Shareholders would no longer have to indirectly bear these costs, since they are directly integrated into the calculation of the Net Asset Value and hence, are borne by incoming and outgoing investors.

The Net Asset Value may be adjusted on every Valuation Day on a net deal basis. The Board of Directors can set a threshold (net capital flows that need to be exceeded) to apply the adjustment to the Net Asset Value. Shareholders should note that the performance calculated on the basis of the adjusted Net Asset Value might not reflect the true portfolio performance as a consequence of the adjustment of the Net Asset Value.

## 9. Expenses and Taxes

### i. Taxes

The following summary is based on the laws and practices currently applicable in the Grand Duchy of Luxembourg and is subject to changes thereto.

Unless otherwise stated in Chapter 22, "The Subfunds", the Company's assets are subject to a tax ("*taxe d'abonnement*") in the Grand Duchy of Luxembourg of max. 0.05% p.a., payable quarterly. In the case of Share Classes that may only be acquired by institutional investors (pursuant to Article 174 [2] d) of the Law of December 17, 2010), this tax rate is 0.01% p.a. The Net Asset Value of each Subfund at the end of each quarter is taken as the basis for calculation.

The Company's income is not taxable in Luxembourg. In Luxembourg, no tax shall be deducted at source from any Company income distributed to Shareholders. Dividends, interest, income and gains received by the Company on its investments may be subject to non-recoverable withholding tax or other taxes in the countries of origin.

According to the legislation currently in force, Shareholders are not required to pay any income, gift, inheritance or other taxes in Luxembourg, unless they are resident or domiciled in Luxembourg or maintain a permanent establishment there.

The tax consequences will vary for each investor in accordance with the laws and practices currently in force in a Shareholder's country of citizenship, residence or temporary domicile, and in accordance with his or her personal circumstances. Investors should therefore ensure they are fully informed in this respect and should, if necessary, consult their financial adviser.

### ii. Expenses

Apart from the above-mentioned "*taxe d'abonnement*", and unless stated otherwise in Chapter 22, "The Subfunds", the Company shall bear the costs specified below:

- a) all costs of buying and selling securities and other assets, including inter alia standard brokerage, clearing account maintenance fees, fees charged by clearing platforms, bank charges and costs related to continuous linked settlement (CLS);
- b) the cost incurred by the Central Administration in connection with the due performance of its duties;
- c) a monthly management fee as specified in Chapter 2, "Summary of Share Classes" payable to the AIFM for each of the Subfunds. Apart from the Central Administration fees, the Portfolio Manager(s) and the distributors shall be paid out of this monthly management fee. In case, the AIFM requires the Company to pay such fees directly to the Central Administration. In case the AIFM would require the Company to pay the Portfolio Manager(s) or the distributors fees directly to the services providers, the management fee shall be reduced accordingly. The management fee may be charged at different rates for individual Subfunds and Share Classes within a Subfund or may be waived in full;
- d) additional performance-related fees for the respective Subfund, as set out in Chapter 22, "The Subfunds", if any;
- e) An annual FX hedging fee of up to 0.10% p.a. payable to the FX Hedging Agent is charged to the Alternate Currency Classes of the Subfunds, as set out in Chapter 2, "Summary of Share Classes" and Chapter 6, "Investment

in Credit Suisse Nova (Lux)". The FX hedging fee is calculated on a *pro rata temporis* basis on the basis of the average net assets of the relevant Alternate Currency Class upon calculation of its net asset value. No separate FX hedging fee shall apply to the Subfunds managed by UBS Asset Management (Americas) LLC, New York. Margins / spreads charged by the FX counterparties are not covered by the FX hedging fee;

- f) fees payable to the Depository Bank and Prime Brokers at rates agreed from time to time with the Company on the basis of usual market rates prevailing in Luxembourg, and which are based on the average total net assets of the respective Subfund and/or the value of transferable securities and other assets held or determined as a fixed sum; the fees payable to the Depository Bank may not exceed 0,10% p.a. although in certain cases the transaction fees and the fees of the Depository Bank's correspondents may be charged additionally;
- g) costs of obtaining and maintaining a listing of Shares and all professional and other fees and expenses incurred in connection therewith;
- h) fees incurred for collateral management in relation to derivative transactions;
- i) expenses, including those for legal and tax advice, which may be incurred by the Company, the Portfolio Manager or the Depository Bank through measures taken on behalf of the Shareholders (such as legal and other fees associated with transactions on behalf of the fund) as well as license fees payable to licensors of certain trademarks, service marks, or indices;
- j) any fees payable to agencies, firms or other institutions (including but not limited to proxy voting delegates) used by the AIFM solely for the purpose of complying with regulatory requirements;
- k) the cost of preparing, depositing and publishing any documents including the articles of incorporation, notifications for registration, prospectuses or written memoranda for all government authorities and stock exchanges (including local securities dealers' associations) which are required in connection with the Company or with the offering of the Shares; the cost of printing and distributing annual and semi-annual reports for the Shareholders in all required languages, together with the cost of printing and distributing all other reports and documents which are required by the relevant legislation or regulations (including and for the avoidance of doubt, any regulatory reporting requirement to the CSSF) of the above-mentioned authorities; any license fees payable to the index providers; any fees payable to providers of risk management systems or providers of data for those risk management systems being used by the AIFM for the purpose of fulfilling regulatory requirements; the cost of book-keeping and calculating the daily Net Asset Value, the cost of notifications to Shareholders including the publication of prices for the Shareholders, the fees and costs of the Company's auditors, the remuneration of the members of the Board of Directors and their reasonable and documented travel and out-of-pocket expenses, insurance coverage (including director/manager insurance), and all other similar administrative expenses, and other expenses directly incurred in connection with the offer and sale of Shares, including the cost of printing copies of the aforementioned documents or reports as are used in marketing the Company Shares. The cost of advertising may also be charged;
- l) all other charges incurred for sales activities and other services rendered to the Company but not mentioned in the present section.

All recurring fees shall first be deducted from investment income, then from the gains from securities transactions and then from fixed assets. The costs of establishing the Company and the Subfunds as well as other nonrecurring expenses may be written off over a period of up to five years.

The costs of establishing new Subfunds or Classes of Shares shall also be written off over a maximum of five years.

The expenses attributable to the individual Subfunds are allocated directly; otherwise the expenses shall be divided among the individual Subfunds in proportion to the total net assets of each Subfund.

Without prejudice to the aforesaid, unless supported by the AIFM and/or the Portfolio Manager, any costs and expenses incurred with respect to the realization of assets or otherwise related to the liquidation of a Subfund, such as the legal, advisory, asset recovery and administrative costs of liquidation, shall be borne by the relevant Subfund in liquidation. Any such costs in relation to the liquidation of a subfund are borne by all investors holding Shares of the subfund at the time the decision to liquidate the subfund is taken by the Company.

## 10. Accounting Year

The accounting year of the Company closes on 31 October of each year.

## 11. Appropriation of Net Income and Capital Gains

### Accumulating Shares

No distribution is envisaged for accumulating Share Classes of the Subfunds (see Chapter 6, "Investment in Credit Suisse Nova (Lux)") and the income generated shall be used to increase the Net Asset Value of the Shares after deduction of general costs. However, the Company may distribute within the limits provided

by law from time to time, in whole or in part, net income and/or realised capital gains, after deduction of realised capital losses.

### Distributing Shares

The Board of Directors is entitled to determine the payment of dividends and decides to what extent the distributions are to be made from the net investment income attributable to each distributing Class of the respective Subfund in question (see Chapter 6, "Investments in Credit Suisse Nova (Lux)").

In addition, gains made on the sale of assets may be distributed to investors. Further distributions from the Subfund's assets may be carried out in order to achieve an appropriate distribution ratio. In the event of a distribution, this may take place on an annual basis or at any intervals to be specified by the Board of Directors, unless otherwise specified in Chapter 22, "The Subfunds".

Appropriation of the annual result as well as other distributions are proposed by the Board of Directors to the Annual General Meeting and are determined by the latter.

Distributions may not cause that the Company's capital falls below the minimum amount prescribed by law.

### General Information

Payment of income distributions shall be made in the manner described in Chapter 6, section iii, "Redemption of Shares".

Claims for distributions which are not made within five years of maturity shall lapse and the assets involved shall revert to the respective Subfund.

## 12. Lifetime, Liquidation and Merger

Unless stated otherwise in Chapter 22, "The Subfunds", the Company and the Subfunds have been established for an unlimited period. However, an extraordinary general meeting of Shareholders may dissolve the Company. The validity of this decision needs the minimum quorum prescribed by law. If the Company is liquidated, the liquidation shall be carried out in accordance with Luxembourg law and the liquidator(s) named by the general meeting of Shareholders shall dispose of the Company's assets in the best interests of the Shareholders and the net liquidation proceeds of the Subfunds shall be distributed pro rata to the Shareholders of the Subfunds.

The Board of Directors may from time to time decide to dissolve, merge or divide any Class or any Subfund of the Company.

The dissolution of a Subfund by a compulsory redemption of Shares related to such Subfund shall be made upon a resolution of the Board of Directors, if the dissolution is deemed appropriate as the Subfund may no longer be appropriately managed within the interests of the Shareholders. In such an event, having regard to the interests of Shareholders, the Company may elect to distribute either cash and/or the other assets to Shareholders.

The dissolution of a Subfund may also be made upon a resolution of a general meeting of Shareholders in the relevant Subfund. The quorum and majority requirements prescribed by Luxembourg law for decisions regarding amendments to the Articles are applicable to such meetings.

Any decision of the Board of Directors of the Company to dissolve a Subfund shall be notified in accordance with Chapter 14 "Information to Shareholders". The Net Asset Value of Shares in the Subfund concerned will be paid out on the date of the mandatory redemption.

Any liquidation and redemption proceeds that cannot be distributed to the Shareholders at the closure of the liquidation shall be deposited with the "Caisse de Consignation" in Luxembourg until the statutory period of limitation has elapsed.

Unless stated otherwise in Chapter 22, "The Subfunds", the Board of Directors of the Company as well as a general meeting of the Shareholders in a Subfund may resolve to merge such Subfund with another existing Subfund or to contribute the Subfund to another investment company with variable capital (the "SICAV") under Luxembourg or foreign law against issue of shares of such other SICAV to be distributed to the Shareholders in such Subfund. Any such resolution shall be notified in accordance with Chapter 14, "Information to Shareholders". The notification shall be made prior to the merger by providing for at least one month a possibility for the Shareholders of such shares to require redemption, without payment of any redemption fee or other costs, prior to the implementation of the transaction. There shall be no quorum requirement for general meetings of Shareholders which decide on the merger of different Subfunds within the Company and decisions may be taken by a simple majority of the presented Shares of the Subfunds concerned. Decisions regarding the contribution of assets and liabilities of a Subfund to another UCI are subject to the quorum and majority requirements provided by Luxembourg law for the amendments to the Articles of Incorporation. In case of a merger of a Subfund with a foreign UCI, decisions of the general meeting of the Subfunds concerned shall be binding only upon Shareholders who have voted in favour of such merger.

The Board of Directors may decide to divide or merge the Shares of any Class in any Subfund.

In all cases, the Board of Directors of the Company will be competent to decide on the merger of subfunds resp. the division or merger in any subfund. Insofar as

a merger requires the approval of the Shareholders pursuant to the provisions of the Law of August 10, 1915 or the Law of December 17, 2010, the meeting of Shareholders deciding by simple majority of the votes cast by Shareholders present or represented at the meeting is competent to approve the effective date of such a merger. No quorum requirement will be applicable. Only the approval of the Shareholders of the Subfunds concerned by the merger will be required.

#### **Dissolution of a Subfund - FX Hedging transactions**

During the liquidation of a Subfund, the Portfolio Manager shall realize the assets of the Subfund in the best interest of the Investors. During such period, the Portfolio Manager shall no longer be bound by the investment restrictions applicable to the relevant Subfund and shall be free to suspend or cease all or part of the FX hedging transactions in relation to the Subfund's portfolio while acting in the best interest of the Investors. As far as the Share Class hedging is concerned, the Portfolio Manager or, if applicable, the FX hedging agent, shall maintain the FX hedging during the liquidation phase unless the Portfolio Manager or the Board of Directors of the Company respectively, determines that such Share Class hedging is no longer definitely in the best interest of the Investors (e.g., when the costs of hedging are expected to outweigh the benefits for Investors), in which case the Portfolio or, if applicable, the FX hedging agent, shall cease the FX hedging.

#### **Dissolution of a Share Class**

In case the value of a Share Class has fallen below, or has failed to reach, a level which the Board of Directors considers to be the minimum required for the economically efficient management of that Share Class, the Board of Directors may decide to terminate or deactivate that Share Class in accordance with the relevant provisions of the Articles of Incorporation.

### **13. Meetings of Shareholders**

The annual general meeting of the Shareholders is held in Luxembourg on the third Tuesday of March of each year at 11.00 a.m. (Central European Time) or, if such date is not a business day in Luxembourg, on the next following business day.

Generally, notices of all general meetings will be sent to the holders of registered Shares by registered mail or by any means of communication individually accepted by the holders of registered shares at least eight days prior to the meeting at their addresses shown in the register of Shareholders. Meetings of Shareholders of a specific Subfund may decide on issues which relate exclusively to that Subfund.

### **14. Information to Shareholders**

Information about the launch of new Subfunds may be obtained from the Company and the Distributors.

The audited annual reports shall be made available to Shareholders free of charge at the registered office of the Company, the AIFM, any Paying Agents, Information Agents, Central Administration or Distributors, within six months of the close of each accounting year. Unaudited semi-annual reports shall also be made available in the same way within three months of the end of the accounting period to which they refer.

The Generally Accepted Accounting Principles applicable in Luxembourg (so called Lux GAAP) are used for the establishment of the audited annual reports. Other information regarding the Company, as well as the issue and redemption prices of the Shares, may be obtained on any business day in Luxembourg at the registered office of the Company.

When applicable, registered Shareholders shall be informed in writing or by any other means of communication individually accepted by the Shareholders.

The Net Asset Value per share is published daily on the internet and may be published in various newspapers.

All notices to Shareholders, including any information relating to a suspension of the calculation of the Net Asset Value, shall be announced online and, if required, be published in the RESA and/or in various newspapers. Investors may obtain the Prospectus (entire Prospectus and partial Prospectus(es)), the latest annual and semi-annual reports and copies of the Articles of Incorporation free of charge from the registered offices of the Company. The necessary contracts including portfolio management agreements containing (where required according to local laws or regulations) further information on the respective portfolio manager's policies, procedures and potential conflicts of interest are available for inspection at the registered office of the Company during normal business hours.

### **15. Amendments to the Company Documentation**

The Articles of Incorporation may be amended from time to time in accordance with the quorum and majority requirements laid down by Luxembourg law and the Articles of Incorporation.

The Prospectus, including the details of the Subfunds in Chapter 22, "The Subfunds" may be amended from time to time by the Board of Directors with the

prior approval of the CSSF in accordance with Luxembourg law and regulations.

## **16. Management and Administration**

### **i. AIFM**

The Company has designated UBS Asset Management (Europe) S.A. to act as its AIFM. UBS Asset Management (Europe) S.A. was incorporated in Luxembourg on 1 July 2010 as an *Aktiengesellschaft* (public limited company) for an indefinite period. Its registered office is located at 33A avenue J.F. Kennedy, L-1855 Luxembourg.

The articles of association of the AIFM were published on 16 August 2010 by way of a notice of deposit in the *Mémorial C, Recueil des Sociétés et Associations* (the "Mémorial").

The consolidated version of the articles of association may be consulted at the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*). The corporate purpose of the AIFM is to manage undertakings for collective investment pursuant to Luxembourg law and to issue/redeem units or shares in these products, among other activities. In addition to the Company, the AIFM currently also manages other undertakings for collective investment. The AIFM has fully paid-up equity capital of EUR 13,000,000.

In order to cover potential liability risks resulting from professional negligence, the AIFM holds appropriate additional own funds in accordance with the provisions of the Law of 12 July 2013 and the AIFM Regulation to cover any potential professional liability resulting from its activities as AIFM.

The AIFM is subject to the provisions of Chapter 15 of the Law of 17 December 2010 and is authorized as alternative investment manager in accordance with Chapter 2 of the Law of 12 July 2013. In addition to the Company, the AIFM also manages other undertakings for collective investment including alternative investment funds.

### **ii. Portfolio Managers**

The Company's Board of Directors is responsible for investing the Subfunds' assets. The Board of Directors has appointed the AIFM to implement the Subfunds' investment policy on a day-to-day basis.

In order to implement the policy of each Subfund, the AIFM may delegate, under its permanent supervision and responsibility, the management of the assets of the Subfunds to one or more Portfolio Managers.

Pursuant to the portfolio management agreement ("**Portfolio Management Agreement**"), the Portfolio Manager has discretion, on a day-to-day basis and subject to the overall control and ultimate responsibility of the AIFM, to purchase and sell securities and otherwise to manage the relevant Subfund's portfolios. The Portfolio Manager(s) for the respective Subfunds are indicated the relevant Subfund supplement, under Chapter 22, "The Subfunds". The AIFM may at any time appoint a Portfolio Manager other than the one(s) named in Chapter 22, "The Subfunds", or may terminate the relation with any of the Portfolio Manager(s). The investors of such Subfund will be informed and the Prospectus will be modified accordingly. The Portfolio Manager may appoint, under its responsibility and control and at its own cost, affiliates within the UBS Group as sub-investment managers. The Portfolio Manager's liability shall not be affected by the fact that it has delegated portfolio management functions and duties to a sub-investment manager(s).

### **iii. Depositary Bank**

The Company has appointed UBS Europe SE, Luxembourg Branch as its Depositary within the meaning of the 2007 Law, the 2013 Law and the AIFM Regulation, pursuant to a depositary and paying agent services agreement dated 31 October 2013, as amended or supplemented from time to time (the "**Depositary Agreement**").

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

#### **Depositary duties**

The relationship between the Company, the AIFM and the Depositary is subject to the terms of the Depositary Agreement. Pursuant to the Depositary Agreement, the Depositary has been appointed for the safekeeping of financial instruments that can be held in custody, for the record keeping and verification of ownership of other assets of the Company as well as to ensure the effective and proper monitoring of the Company's cash flows in accordance with the provisions of the Law of 17 December 2010, the Law of 12 July 2013 and the Depositary Agreement. Assets held in custody by the Depositary shall not be reused by the Depositary, or any third party to which the custody function has been delegated, without the prior consent of the Company.

In addition, the Depositary shall also ensure that:

- i) the sale, issue, repurchase, redemption and cancellation of Shares are

- carried out in accordance with Luxembourg law and the Articles of Incorporation,
- ii) the value of the Shares is calculated in accordance with Luxembourg law and the Articles of Incorporation,
  - iii) the instructions of the AIFM or the Company are carried out, unless they conflict with Luxembourg law and/or the Articles of Incorporation,
  - iv) in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits, and
  - v) the Company's income is applied in accordance with Luxembourg law and the Articles of Incorporation.

The Depositary shall assume its duties and responsibilities in accordance with the provisions of the Law of 17 December 2010 and the Law of 12 July 2013. The Depositary must act honestly, fairly, professionally, independently and in the interest of the Company and its investors.

#### Delegation and conflict of interests

In compliance with the provisions of the Depositary Agreement and the Law of 12 July 2013, the Depositary may, subject to certain conditions, delegate part or all of its safe-keeping duties in relation to financial instruments that can be held in custody, to sub-custodian(s) (including any affiliates of UBS AG), as they are appointed by the Depositary from time to time.

Prior to the appointment of any sub-custodian and on an ongoing basis pursuant to applicable laws and regulations as well as its conflicts of interest policy, the Depositary shall assess potential conflicts of interest that may arise from the delegation of safekeeping functions. The Depositary is part of the UBS Group, a worldwide, full-service private banking, investment banking, asset management and financial services organization which is a major participant in the global financial markets. As such, potential conflicts of interest from the delegation of its safekeeping functions could arise as the Depositary and its affiliates are active in various business activities and may have differing direct or indirect interests. Irrespective of whether a given sub-custodian is part of the UBS Group or not, the Depositary shall exercise all due skill, care and diligence both in relation to the selection and appointment as well as in the ongoing monitoring of the relevant sub-custodian. Furthermore, the conditions of any appointment of a sub-custodian that is member of the UBS Group shall be negotiated at arm's length in order to ensure the interests of the Company and its investors. Should a conflict of interest occur and in case such conflict of interest cannot be mitigated, such conflict of interest as well as the decisions taken will be disclosed to the investors of the Company. An up-to-date description of any safe-keeping functions delegated by the Depositary and an up-to-date list of these sub-custodian(s) can be found on the following webpage: <https://www.ubs.com/global/en/legalinfo2/luxembourg.html>.

#### Liability

The Depositary shall be liable to the Company or its investors for the loss of a financial instrument held in custody within the meaning of article 19(8)(a) of the Law of 12 July 2013 and article 88 of the AIFMD Level II Regulation (the "Company Custodial Assets") by the Depositary or its sub-custodian (the "Loss of a Company Custodial Asset").

In case of Loss of a Company Custodial Asset, the Depositary shall return a financial instrument of an identical type or the corresponding amount to the Company without undue delay. In accordance with the provisions of the Law of 12 July 2013 and the AIFMD Level II Regulation, the Depositary shall not be liable for the Loss of a Company Custodial Asset (i) if such Loss of a Company Custodial Asset has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary or (ii) in case of Loss of a Company Custodial Asset held in custody by a sub-custodian and the Depositary has discharged itself of liability pursuant to the provisions of the Law of 12 July 2013 and the AIFMD Level II Regulation.

Without prejudice to the special liability of the Depositary in case of Loss of a Company Custodial Asset, the Depositary shall be liable for any loss or damage suffered by the Company resulting directly from the Depositary's negligence or intentional failure in the execution of the services under the Depositary Agreement.

The Depositary's liability shall not be affected by any delegation, unless otherwise stipulated in the Law of 12 July 2013, the Law of 17 December 2010 and/or the Depositary Agreement.

#### Termination

The Company and the Depositary may terminate the Depositary Agreement at any time by giving three (3) months' prior written notice. The Depositary Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. In case

no new depositary is appointed before the expiry of the notice period, the Depositary shall take all necessary steps to ensure good preservation of the interests of the Company's investors, including the obligation to maintain or open all the accounts necessary for the safekeeping of the different assets of the Company until the closure of liquidation of the Company.

#### Fees

The Depositary is entitled to receive remuneration for its services as agreed in the Depositary Agreement. In addition, the Depositary is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and disbursements, including, but not limited to, taxes, duties, charges and broker fees, whether existing now or imposed in the future and which are paid by the Depositary or for which the Depositary may be held liable and for the charges of any correspondents.

#### Depositary's independence from the Company

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

#### Outsourcing and data protection

Information about outsourcing and potential processing of investors' data by the Depositary may be found at <https://www.ubs.com/lu/en/wealth-management/about-us/europe-se.html>, specifically in the General Terms and Conditions (GTCs) of the Depositary (containing relevant outsourcing information) and the privacy notice (covering personal data processing pursuant to the applicable data protection laws).

#### iv. Central Administration

The AIFM has delegated all administrative duties related to the administration of the Company, including the issue and redemption of Shares, calculation of the Shares' Net Asset Value, accounting and maintenance of the register of Shareholders to UBS Fund Administration Services Luxembourg S.A., (the "Central Administration") a service company of UBS Group AG.

The Central Administration ensures the client communication function in accordance with CSSF Circular 22/811 on the authorisation and organisation of entities acting as UCI administrator.

The aforementioned functions have not been delegated and are assumed by the Central Administration. The Central Administration may sub-delegate under the control and responsibility of the AIFM a part or all of its duties to one or more third parties, in which case the Prospectus shall be updated accordingly.

#### v. Main Parties

##### Company

Credit Suisse Nova (Lux)  
33A, avenue J.F. Kennedy, L-1855 Luxembourg

##### Board of Directors of the Company

- Christian Maurer  
Managing Director, UBS Suisse Asset Management (Schweiz) AG, Zurich
- Emmanuel Begat  
Independent Director, Luxembourg
- Eric Chinchon  
Independent Director, Luxembourg

##### Independent Auditor of the Company

PricewaterhouseCoopers, Société cooperative  
2, rue Gerhard Mercator, L-2182 Luxembourg

##### AIFM

UBS Asset Management (Europe) S.A.  
33A, avenue J.F. Kennedy, L-1855 Luxembourg

##### Board of Directors of the AIFM

- Ann-Charlotte Lawyer  
Independent Director
- Francesca Prym  
CEO, UBS Asset Management (Europe) S.A.
- Eugene Del Cioppo  
Managing Director, UBS Fund Management Switzerland AG, Zurich
- Manuel Roller  
Managing Director, UBS Asset Management, Zurich

**Conducting Officers of the AIFM**

- Olivier Humbert
- Andrea Papazzoni
- Valerie Bernard
- Geoffrey Lahaye
- Nina Egelhof
- Andreas Rossi

**Depositary Bank**

UBS Europe SE, Luxembourg Branch  
33A, avenue J.F. Kennedy, L-1855 Luxembourg

**Legal Advisor**

Linklaters LLP  
35, avenue John F. Kennedy, L-1855 Luxembourg

**Central Administration**

UBS Fund Administration Services Luxembourg  
S.A. 33A, avenue J.F. Kennedy, L-1855  
Luxembourg

**17. Regulatory Disclosure****Conflicts of Interest**

The Board of Directors, the AIFM, the Portfolio Manager, the Depositary, the Central Administration and the other service providers of the Company, and/or their respective affiliates, associates, employees or any person connected with them may be subject to various conflicts of interest in their relationships with the Company. The AIFM, the Company, the Portfolio Manager, the Central Administration and the Depositary have adopted and implemented a policy on conflicts of interest. They have taken suitable organisational and administrative measures to identify and manage conflicts of interest so as to minimise the risk of the Company's interests being prejudiced, as well as to ensure that the Company's shareholders are treated fairly in the event that a conflict of interest cannot be prevented. The AIFM, the Depositary, the Portfolio Manager, the Central Administration, the principal distributor, the Securities Lending Agent and the Securities Lending Service Provider are part of the UBS Group (the "Affiliated Person"). The Affiliated Person is a global, full-service private banking, investment banking, asset management and financial services organisation that is a major player in the global financial markets. As such, the Affiliated Person is engaged in various business activities and may have other direct or indirect interests in the financial markets in which the Company invests. The Affiliated Person (as well as its subsidiaries and branches) may serve as the counterparty in financial derivative contracts entered into with the Company. Conflicts of interest may also potentially arise if the Depositary is closely associated with a legally independent entity of the Affiliated Person that provides other products or services to the Company. In the conduct of its business, the Affiliated Person shall endeavour to identify, manage and where necessary prohibit any action or transaction that may lead to a conflict of interest between the various business activities of Affiliated Person and the Company or its shareholders. The Affiliated Person endeavours to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing. To this end, the Affiliated Person has implemented procedures to ensure that any business activities giving rise to a conflict that could harm the interests of the Company or its shareholders are carried out with an appropriate level of independence and that any conflicts are resolved fairly. Investors may obtain additional information on the Management Company and/or the Company's policy on conflicts of interest free of charge by addressing a written request to the AIFM. Despite the AIFM's best efforts and due care, there remains the risk that the organisational or administrative measures taken by the AIFM for the management of conflicts of interest may not be sufficient to ensure, with reasonable confidence, that all risks of damage to the interests of the Company or its shareholders are eliminated. If this should be the case, any non-mitigated conflicts of interest and any decisions taken in relation thereto will be notified to investors on the following website of the AIFM: [http://www.ubs.com/lu/en/asset\\_management/investor\\_information.html](http://www.ubs.com/lu/en/asset_management/investor_information.html). This information is also available free of charge at registered office of the AIFM. In addition, it must be taken into account that the AIFM and the Depositary are members of the same group. Accordingly, both these entities have put in place policies and procedures to ensure that they (i) identify all conflicts of interest arising from this relationship and (ii) take all reasonable steps to avoid such conflicts of interest. Where a conflict of interest arising out of the relationship between the AIFM and the Depositary cannot be avoided, the AIFM or the Depositary will manage, monitor and disclose that conflict of interest in order to prevent adverse effects on the interests of the Company and of the shareholders. A description of all custody tasks delegated by the Depositary, as well as a list of all delegates and sub-delegates of the Depositary can be found on the following webpage: <https://www.ubs.com/global/en/legalinfo2/luxembourg.html>. Up-to-date information on this will be made available to investors upon request.

**Handling complaints, strategy for exercising voting rights and best execution**

In accordance with Luxembourg laws and regulations, the AIFM provides additional information on procedures for handling complaints, the strategy for exercising voting rights as well as best execution on the following website: [http://www.ubs.com/lu/en/asset\\_management/investor\\_information.html](http://www.ubs.com/lu/en/asset_management/investor_information.html).

**Remuneration Policy**

The Board of Directors of the AIFM has adopted a remuneration policy that aims to ensure remuneration complies with the applicable regulations – in particular the provisions defined under (i) UCITS Directive 2014/91/EU, the ESMA final report on sound remuneration policies under the UCITS Directive and AIFMD published on 31 March 2016, (ii) the Alternative Investment Fund Managers (AIFM) Directive 2011/61/EU, enacted into Luxembourg national law by the Law of 12 July 2013, as amended, the ESMA guidelines on sound remuneration policies under the AIFMD, published on 11 February 2013 and (iii) the CSSF Circular 10/437 on Guidelines concerning the remuneration policies in the financial sector, issued on 1 February 2010 – as well as the guidelines of the UBS Group AG remuneration policy. This remuneration policy is reviewed at least annually. The remuneration policy promotes a solid and effective risk management framework, is aligned with the interests of investors, and prevents risks from being taken that do not comply with the risk profiles, the Management Regulations, or the Articles of Incorporation, as applicable. The remuneration policy also ensures compliance with the strategies, objectives, values and interests of the AIFM and the Company, including measures to prevent conflicts of interest.

Furthermore, this approach aims to:

- Evaluate performance over a multi-year period that is suitable to the recommended holding period of investors in the Subfund, in order to ensure that the evaluation process is based on the Company's long-term performance and investment risks, and that performance-related remuneration is actually paid out over the same period;
- Provide employees with remuneration that comprises a balanced mix of fixed and variable elements. The fixed remuneration component represents a sufficiently large portion of the total remuneration amount, which allows for a flexible bonus strategy. This includes the option not to pay any variable remuneration. This fixed remuneration is determined according to the individual employee's role, which includes their responsibilities and the complexity of their work, their performance, and the local market conditions. Furthermore, it should be noted that the AIFM may, at its own discretion, offer benefits to employees. These form an integral part of the fixed remuneration.

All information relevant hereto shall be disclosed in the annual reports of the AIFM in accordance with the provisions of UCITS Directive 2014/91/EU. More details about the current remuneration policy, including, but not limited to, the description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee (if any), are available at [http://www.ubs.com/lu/en/as-set\\_management/investor\\_information.html](http://www.ubs.com/lu/en/as-set_management/investor_information.html).

**OTC Derivatives Collateral Policy**

Where the Company enters into SFTs or total return swaps, collateral may be used to reduce counterparty risk exposure subject to the following principles:

- the Company currently accepts the following assets as eligible collateral:
  - Cash in US Dollars, Euros and Swiss Francs, and a Subfund's reference currency;
  - Government bonds, issued by OECD member countries, subject to a minimum long-term rating requirement of A+/A1;
  - Bonds issued by federal states, government agencies, supranational institutions, government special banks or governmental export-import banks, municipalities or cantons of OECD member countries, subject to a minimum long-term rating requirement of A+/A1;
  - Covered bonds issued by an issuer from an OECD member country, subject to a minimum long-term rating of AA-/Aa3;
  - Corporate bonds issued by an issuer from an OECD member country, subject to a minimum long-term rating of AA-/Aa3;
  - Shares representing common stock admitted to or dealt in on a regulated market of a Member State of the EU or on a stock exchange of a Member State of the OECD and included in a main index;
  - The collateral received will be valued mark-to-market on a daily basis, as is common industry standard, and in accordance with Chapter 8, "Net Asset Value". The collateral received will be adjusted on a daily basis. Assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place.
  - The collateral received by the Company must be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
  - Collateral must be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to

issuer concentration is considered to be respected if a Subfund receives from a counterparty of OTC derivative and/or efficient portfolio management transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its Net Asset Value. When a Subfund is exposed to different counterparties, the different baskets of collateral must be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this subparagraph, a Subfund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such a Subfund must receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Subfund's Net Asset Value.

- Risks linked to the management of collateral, such as operational and legal risks, will be identified, managed and mitigated in accordance with the AIFM's risk management process concerning the Company.
- Where there is a title transfer, the collateral received must be held by the Depository Bank. For other types of collateral arrangement, the collateral can be held by a third-party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- Collateral received must be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.
- Any collateral received must not be sold, re-invested or pledged.

#### OTC Derivatives Haircut Policy

The Company has implemented a haircut policy in respect of each class of assets received as collateral. A haircut is a discount applied to the value of a collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. The haircut policy takes account of the characteristics of the relevant asset class, the type and credit quality of the issuer of the collateral, the price volatility of the collateral and the results of any stress tests which may be performed in accordance with the collateral management policy. Subject to the framework of agreements in place with the relevant counterparty, which may or may not include minimum transfer amounts, it is the intention of the Company that any collateral received shall have a value, adjusted in light of the haircut policy.

According to the Company's haircut policy the following discounts will be made:

Type of Collateral	Discount
Cash, restricted to USD, EUR, CHF and a Subfund's reference currency	0%
Government bonds, issued by OECD member countries, subject to a minimum long-term rating requirement of A+ by S&P and/or A1 by Moody's	0.5% - 5%
Bonds issued by federal states, government agencies, supranational institutions, government special banks or governmental export-import banks, municipalities or cantons of OECD member countries, subject to a minimum long-term rating requirement of A+ by S&P and/or A1 by Moody's	0.5% - 5%
Covered bonds issued by an issuer from an OECD member country, subject to a minimum long-term rating of AA- by S&P and/or Aa3 by Moody's	1% - 8%
Corporate bonds issued by an issuer from an OECD member country, subject to a minimum long-term rating of AA- by S&P and/or Aa3 by Moody's	1% - 8%
Shares representing common stock admitted to or dealt in on a regulated market of a Member State of the EU or on a stock exchange of a Member State of the OECD and included in a main index	5% - 15%

In addition to the above haircuts, there will be an additional haircut of 1% - 8% on any collateral (cash, bonds or equity) in a different currency to that of its underlying transaction.

Moreover, in case of unusual market volatility, the AIFM reserves the right to increase the haircut it applies to collateral. As a consequence, the Company will receive more collateral to secure its counterparty exposure.

#### Inducements

Third parties, including Affiliated Person, may be remunerated or compensated in monetary form for distribution activities performed in relation to the Subfunds on terms the Company/AIFM has agreed with such parties. Such remuneration or compensation, if applicable, is generally expressed as a percentage of the annual management fee levied on the Subfunds calculated on the investor's average monthly holdings in the Subfunds' Shares. With reference to his transactions, an

investor may receive further details of such remuneration or compensation arrangements or any amount received by or shared with such parties on request. Third parties involved in portfolio management activities of the Subfunds, including Affiliated Person, whether they receive a service from another party or perform a service for the benefit of another party, may also receive from or grant benefits to these other parties in monetary or other form (including, but not limited to, soft dollar commissions, rebates or any other advantages). Such benefits, in monetary or other form, shall be used in the best interest of the Company, the relevant Subfund(s) and the investors and shall be disclosed to the AIFM. The Company, the AIFM and the third parties take reasonable steps to ensure that such benefits are not likely to conflict with any duty that the Company, the AIFM and the third parties are subject to under any relevant legal or regulatory provision.

#### Fair Treatment

Investors participate in the Subfunds by subscribing into, and holding, Shares of individual Share Classes. Individual Shares of a single Share Class bear the same rights and obligations in order to ensure equal treatment of all investors within the same Share Class of a Subfund. The Company and/or its AIFM may enter into arrangements with individual investors or a group of investors providing for special rights and entitlements for those investors that deviate from the rights, entitlements and obligations pertaining to a share class as disclosed in this Prospectus. Such rights or entitlements predominantly comprise, but are not limited to, rebates on fees charged to the Share Class, or specific disclosures, and will be granted solely based on objective criteria determined by the AIFM. Objective criteria include, but are not limited to (alternatively, or cumulatively):

- the current or anticipated volume subscribed or to be subscribed by an investor;
- the total volume held by an investor in a Subfund or in any other UBS sponsored product;
- the expected holding period for an investment in a Subfund;
- the investor's willingness to invest during the launch phase of the Subfund;
- the type of the investor (e.g. repackager, wholesaler, fund management company, asset manager, other institutional investor, or private individual);
- the fee volume or revenues generated by the investor with a group of, or all UBS Group affiliates;
- a legitimate purpose to obtain specific disclosures, which includes primarily legal, regulatory or tax obligations.

Any investor or prospect investor may obtain additional information on the existence and nature of such specific arrangements upon request addressed to the AIFM's registered office.

Whenever an investor obtains preferential treatment or the right to obtain preferential treatment, which would differ from the criteria indicated above, the Company or the AIFM will inform the eligible existing Shareholders, as well as any new investors before they invest in a Subfund, of the existence and nature of such preferential treatment.

#### Other disclosures

The following disclosures will be made in the annual report or in another appropriate periodic reporting, and where necessary on an ad hoc basis:

- Where available, the historical performance of each Subfund.
- Changes to the Depository Bank's liability.
- The loss of a financial instrument.
- Any changes to the maximum level of leverage which the AIFM may employ on behalf of each Subfund as well as any right of the re-use of collateral or any guarantee granted under the leveraging arrangement.
- The total amount of leverage employed by each Subfund.
- Any new arrangements for managing the liquidity of each Subfund.
- The percentage of each Subfund's assets which are subject to special arrangements arising from their illiquid nature.
- The current risk profile of each Subfund and the risk management systems employed by the AIFM to manage those risks.
- Any changes to risk management systems employed by the AIFM in accordance with point (c) of Article 23(4) of the AIFM Directive as well as its anticipated impact on each Subfund and their investors.

#### 18. Data Protection Policy

In accordance with the provisions of the Luxembourg Law of 1 August 2018 on the organisation of the National Data Protection Commission and the general data protection framework, as amended, and Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "data protection legislation"), the Company acts as a data controller and collects, stores and processes, by electronic or other means, the data provided by investors for the purpose of performing the services required by investors and in order to meet the Company's legal and supervisory obligations.

The data processed includes in particular the investor's name, contact details (including their postal or email address), bank account details, the amount and the nature of the investments in the Company (and if the investor is a legal entity, the data of natural persons connected with this legal entity, such as its contact person(s) and/or beneficial owner(s)) ("personal data").

Investors may decline to transfer personal data to the Company at their own discretion. However, in this case the Company is entitled to reject orders to subscribe shares.

Investors' personal data is processed when they enter into a relationship with the Company and in order to carry out the subscription of shares (i.e. to fulfil a contract), to safeguard the Company's legitimate interests and to meet the Company's legal obligations. Personal data is processed for the following purposes in particular: (i) to carry out subscriptions, redemptions and conversions of shares, pay dividends to investors and administer client accounts; (ii) to manage client relationships; (iii) to carry out checks relating to excess trading and market timing practices and for tax identification that may be mandated by Luxembourg or foreign legislation and regulations (including laws and regulations relating to FATCA and the CRS); (iv) to comply with applicable anti-money laundering regulations. Data provided by shareholders is also processed (v) to administer the Company's register of shareholders. In addition, personal data may be used (vi) for marketing purposes.

The above-mentioned legitimate interests include:

- the purposes listed in points (ii) and (vi) of the previous paragraph of this data protection section for which data may be processed;
- meeting the accounting and supervisory obligations of the Company in general;
- carrying out the Company's business in accordance with appropriate market standards.

For this purpose and in accordance with the provisions of the data protection legislation, the Company may transfer personal data to its data recipients (the "recipients"), who may be affiliated or external companies that assist the Company in its activities in relation to the above-mentioned purposes. These include in particular the alternative investment fund manager, the administrative agent, the distributors, the depositary, the paying agent, the portfolio manager, the domiciliary agent, the global distributor, the auditor and the legal advisor of the Company.

The recipients may pass on the personal data on their own responsibility to their representatives and/or agents (the "sub-recipients"), who may process the personal data solely for the purpose of assisting the recipients in performing their services for the Company and/or in meeting their legal obligations.

The recipients and sub-recipients may be located in countries inside or outside the European Economic Area (EEA) where data protection legislation may not provide an appropriate level of protection.

When transferring personal data to recipients and/or sub-recipients located in a country outside the EEA which does not have appropriate data protection standards, the Company shall establish contractual safeguards to ensure that investors' personal data is afforded the same protection as that provided by the data protection legislation and may use the model clauses approved by the European Commission to do so. Investors are entitled to request copies of the relevant documents that enable the transfer of personal data to these countries by sending a written request to the Company's address listed above.

When subscribing to shares, every investor is explicitly reminded that their personal data may be transferred to and processed by the above-mentioned recipients and sub-recipients, including companies located outside the EEA and in particular in countries that may not offer an appropriate level of protection.

The recipients and sub-recipients may process the personal data as processors when handling the data on the Company's instructions, or as controllers in their own right when processing the personal data for their own purposes, i.e. to meet their own legal obligations. The Company may also transfer personal data to third parties in accordance with the applicable legislation and regulations, such as government and supervisory authorities, including tax authorities inside or outside the EEA. In particular, personal data may be passed on to the Luxembourg tax authorities which in turn act as controllers and can forward this data to foreign tax authorities.

In accordance with the provisions of the data protection legislation, every investor has the right, by sending a written request to the Company's address listed above, to the following:

- Access to his or her personal data (i.e. the right to obtain confirmation from the Company as to whether his or her personal data is being processed, the right to obtain certain information as to how the fund processes his or her personal data, the right of access to such data and the right to obtain a copy of the personal data processed (subject to any statutory exemptions));
- Rectification of their personal data if it is inaccurate or incomplete (i.e. the right to oblige the Company to update or correct inaccurate or incomplete personal data or factual errors accordingly);
- Restriction of the use of their personal data (i.e. the right to request that the processing of their personal data is restricted to the storage of such data in certain circumstances until they give consent);
- Objecting to the processing of their personal data, including to the processing of their personal data for marketing purposes (i.e. the right to object, on grounds relating to the specific situation of the investor, to the processing of personal data based on the performance of a task carried out in the public interest or the legitimate interests of the Company; the Company terminates such processing unless it can prove that there are compelling legitimate grounds for the processing which override the interests, rights and freedoms of the investor or that they need to process the data for the establishment, exercise or defence of legal claims);
- Deletion of their personal data (i.e. the right to request the erasure of personal data under certain conditions, including when processing of such data by the Company is no longer necessary in relation to the purposes for which it was collected or processed);
- Data portability (i.e. the right, where technically feasible, to request the transfer of data to the investor or another data controller in a structured, shared and machine-readable format).

Investors also have the right to lodge a complaint with the National Data Protection Commission at 1, Avenue du Rock'n'Roll, L-4361 Esch-sur-Alzette, Grand Duchy of Luxembourg, or with another national data protection authority if they are resident in another Member State of the European Union.

Personal data will not be stored for longer than required for the purpose for which the data is being processed. The relevant statutory time limits for data storage shall apply.

The Company and the AIFM are committed to protecting the personal data of the investors (including prospective investors) and of the other individuals whose personal information comes into their possession in the context of the investor's investments in the Company.

The Company and the AIFM have taken all necessary steps, to ensure compliance with the EU Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC and with any implementing legislation applicable to them (together, the "Data Protection Law") in respect of personal data processed by them in connection with investments made into the Company. This includes (non-exclusively) actions required in relation to: information about processing of the investor's personal data and, as the case may be, consent mechanisms, procedures for responding to requests to exercise individual rights, contractual arrangements with suppliers and other third parties, arrangements for overseas data transfers and record keeping and reporting policies and procedures. Personal data shall have the meaning given in the Data Protection Law and includes any information relating to an identifiable individual, such as the investor's name, address, invested amount, the investor's individual representatives' names as well as the name of the ultimate beneficial owner, where applicable, and such investor's bank account details.

When subscribing to the Shares, each investor is informed of the processing of his/her personal data (or, when the investor is a legal person, of the processing of such investor's individual representatives and/or ultimate beneficial owners' personal data) via a data protection notice which will be made available in the application form issued by the Company to the investors. This notice will inform the investors about the processing activities undertaken by the Company, the AIFM and their delegates in more details.

## 19. Certain Regulatory and Tax Matters

### Foreign Account Tax Compliance

Capitalized terms used in this section should have the meaning as set forth in the Luxembourg amended law dated 24 July 2015 (the "FATCA Law"), unless provided otherwise herein.

The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act (commonly known as "FATCA") generally impose a new reporting regime and potentially a 30% withholding tax with respect to (i) certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends ("Withholdable Payments") and (ii) a portion of certain non-US source payments from non-US entities that have entered into FFI Agreements (as defined below) to the extent attributable to Withholdable Payments ("Passthrough Payments"). As a general matter, the new rules are designed to require US persons' direct and indirect ownership of non-US accounts and non-US entities to be reported to the US Internal Revenue Service (the "IRS"). The 30% withholding tax regime applies if there is a failure to provide required information regarding US ownership.

Generally, the FATCA rules subject all Withholdable Payments and Passthrough Payments received by the Company to 30% withholding tax (including the share that is allocable to Non-US Investors) unless the Company enters into an agreement (a "FFI Agreement") with the IRS to provide information, representations and waivers of non-US law (including any information notice relating to data protection) as may be required to comply with the provisions of the new rules, including, information regarding its direct and indirect US account holders, or otherwise qualifies for an exemption, including an exemption under an intergovernmental agreement (or "IGA") between the United States and a country in which the non-US entity is resident or otherwise has a relevant presence.

The governments of Luxembourg and the United States have entered into an IGA regarding FATCA, implemented by the Luxembourg law transposing the Intergovernmental Agreement concluded on 28 March 2014 between the Grand Duchy of Luxembourg and the United States of America (the "FATCA Law"). Provided the Company adheres to any applicable terms of the FATCA Law, the Company will not be subject to withholding or generally required to withhold amounts on payments it makes under FATCA. Additionally, the Company will not have to enter into an FFI agreement with the IRS and instead will be required to obtain information regarding its Shareholders and to report such information to the Luxembourg tax authority, which, in turn, will report such information to the IRS.

Any tax caused by an Investor's failure to comply with FATCA will be borne by such Investor.

Each prospective Investor and each Shareholder should consult its own tax advisors regarding the requirements under FATCA with respect to its own situation.

Each Shareholder and each transferee of a Shareholder's interest in any Subfund shall furnish (including by way of updates) to the AIFM, or any third party designated by the AIFM (a "Designated Third Party"), in such form and at such time as is reasonably requested by the AIFM (including by way of electronic certification) any information, representations, waivers and forms relating to the Shareholder (or the Shareholder's direct or indirect owners or account holders) as shall reasonably be requested by the AIFM or the Designated Third Party to assist it in obtaining any exemption, reduction or refund of any withholding or other taxes imposed by any taxing authority or other governmental agency (including withholding taxes imposed pursuant to the Hiring Incentives to Restore Employment Act of 2010, or any similar or successor legislation or intergovernmental agreement, or any agreement entered into pursuant to any such legislation or intergovernmental agreement) upon the Company, amounts paid to the Company, or amounts allocable or distributable by the Company to such Shareholder or transferee. In the event that any Shareholder or transferee of a Shareholder's interest fails to furnish such information, representations, waivers or forms to the AIFM or the Designated Third Party, the AIFM or the Designated Third Party shall have full authority to take any and all of the following actions: (i) withhold any taxes required to be withheld pursuant to any applicable legislation, regulations, rules or agreements; (ii) redeem the Shareholder's or transferee's interest in any Subfund, and (iii) form and operate an investment vehicle organized in the United States that is treated as a "domestic partnership" for purposes of section 7701 of the Internal Revenue Code of 1986, as amended and transfer such Shareholder's or transferee's interest in any Subfund or interest in such Subfund assets and liabilities to such investment vehicle. If requested by the AIFM or the Designated Third Party, the Shareholder or transferee shall execute any and all documents, opinions, instruments and certificates as the AIFM or the Designated Third Party shall have reasonably requested or that are otherwise required to effectuate the foregoing. Each Shareholder hereby grants to the AIFM or the Designated Third Party a power of attorney, coupled with an interest, to execute any such documents, opinions, instruments or certificates on

behalf of the Shareholder, if the Shareholder fails to do so.

### Data protection information in the context of FATCA processing

In accordance with the FATCA Law, Luxembourg Financial Institutions ("FI") are required to report to the Luxembourg tax authority (i.e. *Administration des Contributions Directes*, the "Luxembourg Tax Authority") information regarding reportable persons such as defined in the FATCA Law.

The Company is considered a sponsored entity and as such a non-reporting Luxembourg financial institution and shall be treated as deemed compliant foreign FI as foreseen by FATCA. The Company is the data controller and processes personal data of Shareholders and Controlling Persons as reportable persons for FATCA purposes.

The Company processes personal data concerning Shareholders or their Controlling Persons for the purpose of complying with the Company's legal obligations under the FATCA Law. These personal data include the name, date and place of birth, address, U.S. tax identification number, the country of tax residence and residence address, the phone number, the account number (or functional equivalent), the account balance or value, the total gross amount of interest, the total gross amount of dividends, the total gross amount of other income generated with respect to the assets held in the account, the total gross proceeds from the sale or redemption of property paid or credited to the account, the total gross amount of interest paid or credited to the account, the total gross amount paid or credited to the Shareholder with respect to the account, standing instructions to transfer funds to an account maintained in the United States, and any other relevant information in relation to the Unitholders or their Controlling Persons for the purposes of the FATCA Law (the "FATCA Personal Data").

The FATCA Personal Data will be reported by the AIFM or the Central Administration, as applicable, to the Luxembourg Tax Authority. The Luxembourg Tax Authority, under its own responsibility, will in turn pass on the FATCA Personal Data to the IRS in application of the FATCA Law.

In particular, Shareholders and Controlling Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg Tax Authority.

FATCA Personal Data may also be processed by the Company's data processors ("Processors") which, in the context of FATCA processing, may include the AIFM of the Company and the Central Administration of the Company.

The Company's ability to satisfy its reporting obligations under the FATCA Law will depend on each Shareholder or Controlling Person providing the Company with the FATCA Personal Data, including information regarding direct or indirect owners of each Shareholder, along with the required supporting documentary evidence. Upon request of the Company, each Shareholder or Controlling Person must provide the Company with such information. Failure to do so within the prescribed timeframe may trigger a notification of the account to the Luxembourg Tax Authority.

Although the Company will attempt to satisfy any obligation imposed on it to avoid any taxes or penalties imposed by the FATCA Law, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a tax or penalty as result of the FATCA Law, the value of the Shares may suffer material losses.

Any Shareholder or Controlling Person that fails to comply with the Company's documentation requests may be charged with any taxes and penalties of the FATCA law imposed on the Company (inter alia: withholding under section 1471 of the U.S. Internal Revenue Code, a fine of up to 250.000 euros or a fine of up to 0,5 per cent of the amounts that should have been reported and which may not be less than 1.500 euros) attributable to such Shareholder's or Controlling Person's failure to provide the information and the Company may, in its sole discretion, redeem the Shares of such Shareholders.

Shareholders and Controlling Persons should consult their own tax advisor or otherwise seek professional advice regarding the impact of the FATCA-Law on their investment.

FATCA Personal Data will be processed in accordance with the provisions of the data protection notice which will be made available in the application form issued by the Company to the investors.

### Automatic Exchange of Information – Common Reporting Standard

Capitalized terms used in this section should have the meaning as set forth in the CRS Law, unless provided otherwise herein.

On 9 December 2014, the Council of the European Union adopted the Directive 2014/107/EU amending the Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation which now provides for an automatic exchange of financial account information between EU Member States ("DAC Directive"). The adoption of the aforementioned directive implements the OECD's CRS and generalizes the automatic exchange of information within the European Union as of 1 January 2016.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information between financial authorities. Under this Multilateral Agreement, Luxembourg

will automatically exchange financial account information with other participating jurisdictions as of 1 January 2016. The CRS Law implements this Multilateral Agreement, jointly with the DAC Directive introducing the CRS in Luxembourg law.

Under the terms of the CRS Law, the Company may be required to annually report to the Luxembourg tax authority the name, address, state(s) of residence, TIN(s), as well as the date and place of birth of i) each Reportable Person that is an account holder, ii) and, in the case of a Passive NFE within the meaning of the CRS Law, of each Controlling Person(s) that is a Reportable Person. Such information may be disclosed by the Luxembourg tax authority to foreign tax authorities.

The Company's ability to satisfy its reporting obligations under the CRS Law will depend on each Shareholder providing the Company with the Information, including information regarding direct or indirect owners of each Shareholder, along with the required supporting documentary evidence. Upon request of the Company, each Shareholder shall agree to provide the Company such information.

Although the Company will attempt to satisfy any obligation imposed on it to avoid any taxes or penalties imposed by the CRS Law, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a tax or penalty as result of the CRS Law, the value of the Shares may suffer material losses.

Any Shareholder that fails to comply with the Company's documentation requests may be charged with any taxes and penalties imposed on the Company attributable to such Shareholder's failure to provide the information and the Company may, in its sole discretion, redeem the Shares of such Shareholder. Shareholders should consult their own tax advisor or otherwise seek professional advice regarding the impact of the CRS Law on their investment.

#### **Data protection information in the context of CRS processing**

In accordance with the CRS Law, Luxembourg Financial Institutions ("FI") are required to report to the Luxembourg Tax Authority information regarding Reportable Persons such as defined in the CRS Law.

As Luxembourg Reporting FI, the Company is the data controller and processes personal data of Shareholders and Controlling Persons as Reportable Persons for the purposes set out in the CRS Law.

In this context, the Company may be required to report to the Luxembourg Tax Authority the name, residence address, TIN(s), the date and place of birth, the country of tax residence(s), the phone number, the account number (or functional equivalent), standing instructions to transfer funds to an account maintained in a foreign jurisdiction, the account balance or value, the total gross amount of interest, the total gross amount of dividends, the total gross amount of other income generated with respect to the assets held in the account, the total gross proceeds from the sale or redemption of property paid or credited to the account, the total gross amount of interest paid or credited to the account, the total gross amount paid or credited to the Shareholder with respect to the account, as well as any other information required by applicable laws of i) each Reportable Person that is an account holder, ii) and, in the case of a Passive NFE within the meaning of the CRS Law, of each Controlling Person that is a Reportable Person (the "CRS Personal Data").

CRS Personal Data regarding the Shareholders or the Controlling Persons will be reported by the Reporting FI to the Luxembourg Tax Authority. The Luxembourg Tax Authority, under its own responsibility, will in turn pass on the CRS Personal Data to the competent tax authorities of one or more Reportable Jurisdiction(s). The Company processes the CRS Personal Data regarding the Shareholders or the Controlling Persons only for the purpose of complying with the Company's legal obligations under the CRS Law.

In particular, Shareholders and Controlling Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg Tax Authority.

CRS Personal Data may also be processed by the Company's data processors ("Processors") which, in the context of CRS processing, may include the AIFM and the Central Administration of the Company.

The Company's ability to satisfy its reporting obligations under the CRS Law will depend on each Shareholder or Controlling Person providing the Company with the CRS Personal Data, including information regarding direct or indirect owners of each Shareholder, along with the required supporting documentary evidence. Upon request of the Company, each Shareholder or Controlling Person must provide the Company with such information. Failure to do so within the prescribed timeframe may trigger a notification of the account to the Luxembourg Tax Authority.

Although the Company will attempt to satisfy any obligation imposed on it to avoid any taxes or penalties imposed by the CRS Law, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a tax or penalty as result of the CRS Law, the value of the Shares may suffer material losses.

Any Shareholder or Controlling Person that fails to comply with the Company's documentation requests may be charged with any taxes and penalties of the CRS

Law imposed on the Company (inter alia: a fine of up to 250.000 euros or a fine of up to 0,5 per cent of the amounts that should have been reported and which may not be less than 1.500 euros) attributable to such Shareholder's or Controlling Person's failure to provide the information and the Company may, in its sole discretion, redeem the Shares of such Shareholder.

Shareholders should consult their own tax advisor or otherwise seek professional advice regarding the impact of the CRS Law on their investment.

CRS Personal Data will be processed in accordance with the provisions of the data protection notice which will be made available in the application form issued by the Company to the investors.

## **20. Marketing of Shares abroad**

The Company is currently not admitted for public sale in any other country but Luxembourg.

The Shares of the Company may be marketed to professional investors in other member states of the European Union in accordance with the Law of 12 July 2013.

#### **Distribution of Shares in Germany**

No notification pursuant to § 323 of the German Capital Investment Code (*Kapitalanlagegesetzbuch*) has been filed for the following Subfunds and the Shares in these Subfunds may not be marketed to investors in the Federal Republic of Germany:

- UBS Nova (Lux) Portfolio Premium I

## **21. Legal Rules, Applicable Law, Jurisdiction**

Investors are legally bound by the Articles of Incorporation and the terms of this Prospectus.

The relationship between the Investors and the Company shall be governed and construed in all respects in accordance with the laws of the Grand Duchy of Luxembourg. Any dispute or controversy between an Investor and the Company shall be submitted to the exclusive jurisdiction of the District Court of Luxembourg City.

Investors shall note that judgments falling within the scope of Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast) ("Regulation 1215/2012") and which are given and enforceable in a Member State shall be enforceable in another Member State without a declaration of enforceability being required, upon production of a copy of the judgment which satisfies the conditions necessary to establish its authenticity and a certificate to be issued by the court of origin. The recognition and enforcement of such judgments may be refused by the Luxembourg court only in the event of an application for refusal of recognition or enforcement and in accordance with the specific provisions contained in Regulation 1215/2012. In particular, recognition and enforcement shall be refused if the judgment issued by the court of origin is contrary to the Luxembourg public order (*ordre public*).

## 22. The Subfunds

### UBS Nova (Lux) European Senior Loan Fund

#### Investment Objective and Investment Policy

The investment objective of this Subfund is to achieve a high level of risk-adjusted income in the Reference Currency by investing primarily (directly and/or indirectly through the below mentioned instruments) in higher yielding, floating rate senior loans ("Senior Loans") and other senior floating rate debt instruments ("Other Debt Instruments") of European issuers and in any currency.

Senior Loans are debt instruments that provide the lender a senior claim to the borrower's assets which take priority over other unsecured loans or debt instruments. In case of bankruptcy of the borrower Senior Loans will supersede the claims of other creditors.

In addition, the Subfund may also invest in Senior Loans and Other Debt Instruments of issuers worldwide and in any currency.

The investments of the Subfund are not limited in terms of credit rating, geographical or sectorial criteria. This may lead to a concentration in geographical or sector terms. Any investments made in other currencies than the Reference Currency will in principle be hedged against the Reference Currency.

The Subfund does not intend to use indices within the meaning of the Regulation (EU) 2016/1011 (the "Benchmark Regulation"). Notwithstanding the preceding, the Subfund may refer to indices in its marketing materials or other documents in order to give Shareholders an overview over the Subfund's performance compared to such indices.

The Subfund qualifies as Liquid AIF, as defined in Chapter 5, "Risk and Liquidity Management".

UBS Asset Management categorises this Subfund as an ESG integration fund which does not promote particular ESG characteristics or pursues a specific sustainability or impact objective.

ESG integration is driven by considering financially material Sustainability Risks (as defined in Chapter 7 "Risk Factors" under section "Sustainability Risks") as part of the research process. For corporate issuers, this process utilizes a materiality framework which identifies the sustainability risk factors per sector. This, in combination with an assessment of the Issuer's Environmental, Social and Governance risk factors, informs the Investment Manager's proprietary Issuer ESG Score. Issuers with elevated sustainability-related risks are actively monitored via the Credit Investments Group (CIG) ESG Watchlist.

The Investment Manager applies exclusions in line with the UBS Asset Management Sustainability Exclusion Policy

(<https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html>).

UBS will actively exercise proxy voting rights based on the principles outlined in the UBS-AM Proxy Voting Policy with two fundamental objectives:

1. To maximise the value of our clients' investments;
2. To promote corporate practices that ensure invested companies are successful.

Please refer to the UBS-AM Proxy Voting Policy for principles and considerations applied when executing voting rights on behalf of client investment funds.

#### Investment Instruments

The exposure of the Subfund to Senior Loans and to Other Debt Instruments may be achieved by direct or indirect investments (including via Subsidiaries financed by the Subfund through equity or debt instruments of any kind (securitised or not) or combinations thereof) in the following instruments:

- **Secured and unsecured debt instruments and rights**  
such as loans, floating rate notes, floating rate bonds, fixed rate bonds, other floating rate debentures.
- **Money market instruments**  
such as treasury notes, certificates of deposit, commercial paper, medium-term notes and bankers acceptances.
- **Structured products**  
such as credit linked notes, tranches of asset backed securities, structured notes, collateralized loan obligations linked to the above assets. The relevant structured product must be either admitted to or dealt in on a regulated market or the liquidity of the structured product must be ensured contractually. In the latter case the structured product must be directly saleable or redeemable at the initiative of the Company. The valuation of these structured products must be reproducible at all times and be made on the basis of the latest available stock market price or a price used by an independent pricing service or, where no such price is available or the stock market price or the price used by an independent pricing service (such as LSTA/LPC Mark to Market Pricing or Mark-IT Partners) does not accurately reflect the fair market value, be conducted independently. Structured products must not entail any additional

payment liability.

- **Undertakings for Collective Investment**  
Units or shares of UCITS, open-ended or closed-end UCI.
- **Derivative Instruments**
  - **Exchange Traded Derivatives**  
The Subfund may enter into derivative instruments, including foreign exchange transactions and/or instruments (call and put options) and/or apply techniques which are based on Senior Loans and/or Other Debt Instruments, money market instruments or forward contracts on financial indices traded on a stock exchange or regulated market. The underlying indices must be sufficiently diversified, represent an adequate benchmark for the market to which they refer and be published in an appropriate manner.

- **OTC Derivatives**

The Subfund may enter into OTC derivatives (such as credit default swaps) provided (i) the underlying consists of instruments in which the Subfund may invest according to its respective investment objective, (ii) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and (iii) the OTC derivatives are subject to reliable and verifiable valuation and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the Subfund.

The overall risk associated with the derivatives must not exceed the total net assets of the Subfund.

The above derivative instruments may be used for hedging purposes, for efficient portfolio management of the Subfund or for investment purposes.

For the purpose of this section, "Subsidiaries" shall mean any company or other entity fully controlled by the Subfund. Subsidiaries may be set up in order to organize the acquisition of investment instruments by the Subfund on its own account. The Subsidiaries may not have any activity other than related to the acquisition, holding, financial management and selling of securities or investment instruments which qualify under the Investment Objective and Policy of the Subfund, as well as other activities related to the effective management of such Subsidiary. The participations in the Subsidiaries will be issued in registered form. The accounts of the Subsidiaries of the Subfund are audited by the Company's auditor's group, if required by the relevant laws and regulations. For the avoidance of doubt, the costs of setting up and operating Subsidiaries shall be covered by section 9 ii Expenses above.

#### Liquidity

The Subfund may hold liquid assets in such currencies in which investments are made or in which the redemption price is paid out.

#### Investment Restrictions

1.
  - a) The Subfund may not acquire more than 10% of the outstanding issue amount of a single loan.
  - b) The Subfund may not invest more than 10% of its total net assets in debt instruments and rights and/or securities issued by the same issuer.  
The restrictions set forth under a) and b) are not applicable to debt instruments and rights and/or securities issued or guaranteed by a member state of the OECD, or its local authorities or by supranational institutions and bodies with EU, regional or worldwide scope.
  - c) The exposure to a single counterparty with which the Subfund enters into OTC derivative transactions (see above under Investment Instrument) shall be limited to 20% of the total net assets of the Subfund.
  - d) The ceilings under the above paragraphs 1 a), b) and c) do not apply in case of acquisition by the Subfund of investment instruments issued by a Subsidiary, in which case a look through approach would be applied. For the avoidance of doubt, subject to the foregoing, the Subfund may invest up to one hundred per cent (100%) of its assets through one Subsidiary.
2. Bank deposits may be made to an unlimited extent with first-class financial institutions provided that the Subfund may not invest more than 20% of its total net assets in any combination of debt instruments, rights and/or securities and money market instruments issued by and deposits held with the same entity.
3. The Subfund may not invest more than 10% of its total net assets in units or shares of UCIs.
4. The Subfund may borrow for a short term up to a maximum of 25% of its net assets, in particular so that it is able, under normal circumstances, to immediately perform a redemption of Shares requested by Shareholders.
5. The Subfund may not act as guarantor for third parties.
6. The Subfund may not enter into securities lending transactions.
7. The Subfund does not intend to actively invest in equity or equity type securities except on an ancillary basis and/or in connection with a

reorganisation of an issuer. In no event shall the Subfund directly invest its assets in real estate, precious metals or commodities.

8. The Subfund may not carry out uncovered sales of transferable securities and/or money market instruments.
9. a) In relation to borrowing conducted within the limitations set out in this Prospectus, the Company may pledge or assign the assets of the Subfund concerned as collateral.  
b) Furthermore, the Company may pledge or assign the assets of the Subfund as collateral to counterparties of transactions involving OTC derivatives or financial derivative instruments in order to secure the payment and performance by the Subfund of its obligations to the relevant counterparty. To the extent counterparties require the provision of collateral exceeding the value of the risk to be covered by collateral or where the overcollateralization is caused by other circumstances (e.g. performance of the assets posted as collateral or provisions of customary framework documentation), such (excess) collateral may – also in respect of non-cash collateral – expose the Subfund to the counterparty risk of such counterparty and the Subfund may only have an unsecured claim in respect of such assets.

#### Leverage

The maximum level of leverage which the AIFM is entitled to employ on behalf of the Subfund is 125% in accordance with the commitment method and 225% in accordance with the gross method of the total net assets.

#### Special Risk Profile

Investors should read, be aware of and consider Chapter 7, “Risk Factors” of the Prospectus and all the “Risk Factors” set out therein.

Investors should be aware that the following risks may be relevant to this Subfund:

Since this Subfund may invest in debt instruments in the non-investment grade sector, the underlying debt instruments may present a greater risk in terms of downgrading or may exhibit a greater default risk than debt instruments of first-class issuers.

The higher return should be viewed as compensation for the greater degree of risk attached to the underlying debt instruments and the Subfund’s higher volatility.

Investments in Senior Loans are considered “medium” risk. Senior Instruments may be influenced by different factors, inter alia the economic development of issuers who are themselves affected by the development of the economic and political conditions in their respective countries.

The liquidity risk of the Subfund is set to “high”. Investments in specific themes are more concentrated than investments in a more diversified investment pool.

There is no guarantee to recover the initial investment.

Sustainability risks may result in a negative impact on the returns of the Subfund. The main sustainability risks are identified and managed in the context of the overall risk management process and may change over time.

Potential investors are also referred to the risks set out in Chapter 7, “Risk Factors” under section “Sustainability Risks”.

#### Special tax information

The Subfund does not anticipate acquiring any debt instruments and rights and/or securities or operating its business in a manner that may cause the Subfund to be deemed, for U.S. federal income tax purposes, to be engaged in a U.S. trade or business or otherwise subject to U.S. net income tax. However, due to the complexity of the tax rules it is not possible to guarantee that no such taxation may occur. Such taxation may adversely affect the Subfund’s income.

#### Valuation Day

The Net Asset Value of the Subfund shall be determined daily for subscriptions on any Business Day and twice a month for redemptions, on the 1<sup>st</sup> and the 15<sup>th</sup> calendar day (provided that such day is a Business Day), by using the closing prices of the previous Business Day (the “Valuation Day”) based on the method of calculating the “Net Asset Value” as described in Chapter 8, “Net Asset Value”.

A Business Day is a day when banks are open for business in Luxembourg and in New York.

#### Subscription of Shares

The Shares may be purchased on any Business Day (such date being referred to as the “Subscription Date”) prior to the Valuation Day at the Net Asset Value per Share Class, calculated on the Valuation Day following the receipt of the subscription application (based on the method of calculating the “Net Asset Value” as described in Chapter 8, “Net Asset Value”) plus the applicable sales charges and any taxes. Written subscription applications must be submitted to the Central Administration or a Distributor on a Subscription Date by 3 p.m. (Central European Time).

Subscription applications received after 3 p.m. (Central European Time) on a Subscription Date shall be deemed to have been received prior to 3 p.m. (Central

European Time) on the following Subscription Date.

Subscription applications shall be settled two (2) Business Days following the Valuation Day if receipt of the subscription application is confirmed by the respective Distributor on a Subscription Date, at the latest.

Payment must be received within two Business Days after the Valuation Day on which the issue price of the Shares was determined.

#### Redemption of Shares

The Shares may be redeemed by returning a duly completed redemption application to the Central Administration or a Distributor by 3 p.m. (Central European Time) twenty-two (22) Business Days (such date being referred to as the “Redemption Date”) prior to the relevant Valuation Day at the Net Asset Value per Share Class, calculated on the Valuation Day.

Redemption applications received after 3 p.m. (Central European Time) on a Redemption Date shall be deemed to have been received prior to 3 p.m. (Central European Time) on the following Redemption Date.

The Company shall in principle redeem Shares twice a month, on the 1<sup>st</sup> and 15<sup>th</sup> calendar day (the “Valuation Day”) of each month, provided that such a day is a Business Day. If such day is not a Business Day, the execution of the orders takes place the next following Business Day.

Payment of the redemption price of the Shares shall normally be made within two (2) Business Days following the Valuation Day. Given the specificities of the settlement cycle of the debt instruments held by the Subfund and to avoid liquidity shortages, the payment of the redemption amount may be deferred at a later date, strictly in the event that the net redemption requests exceed 5% of the Subfund’s total net assets. Any such deferral of redemption payment will be decided by the Board of Directors of the Company in coordination with the AIFM following a recommendation from the Portfolio Manager. The AIFM shall inform any redeeming investors in case of the deferral of the payment of redemption amount in accordance with chapter 14, “Information to Shareholders”.

There are no limits on redemptions applicable to this Subfund.

#### Adjustment of the Net Asset Value (Single Swing Pricing)

The Net Asset Value calculated in accordance with Chapter 8, “Net Asset Value” will be increased by up to a maximum of 2% per Share in the event of a net surplus of subscription applications or reduced by up to a maximum of 2% per Share in the event of a net surplus of redemption applications in respect of the applications received on the respective Valuation Day.

**Under exceptional circumstances the Company may, in the interest of Shareholders, decide to increase the maximum swing factor indicated above. In such case the Company would inform the investors in accordance with Chapter 14, “Information to Shareholders”.**

#### Central Administration Fee

The fees payable to the Central Administration will not exceed 0.35% p.a. of the Subfund’s average total Net Asset Value.

#### Costs Associated with Investments in Target Funds

Investors should note that in general when investing in shares or units of other UCITS and/or other UCIs (“Target Funds”) costs may be incurred at the level of the Subfund as well as the Target Funds. If the Subfund acquires shares/units of Target Funds that are managed, directly or by delegation, by the AIFM or by any other company with which the AIFM is linked by common management or control, or by a direct or indirect holding of more than 10% of the capital or votes (“Affiliated Funds”), the AIFM or the other company may not charge subscription or redemption fees on account of the Subfund’s investment in the shares/units of such Affiliated Funds.

Besides the expenses incurred by the AIFM in managing the Subfund, a management fee may also be charged for investments in Target Funds considered to be Affiliated Funds and be indirectly charged from the assets of the Subfund in respect of the Target Funds contained therein. In addition to such management fee, a performance fee may be indirectly charged from the assets of the Subfund in respect of the Target Funds contained therein.

#### Portfolio Manager

UBS Asset Management (Americas) LLC, New York and UBS Asset Management (UK) Limited have been appointed as Co-Portfolio Managers of this Subfund. The cash allocation between the Co-Portfolio Managers is being determined from time to time by UBS Asset Management (Americas) LLC, New York.

The Co-Portfolio Managers are expected, subject to the “at arms’ length” principle, to enter into a substantial number of transactions to purchase financial instruments from and sell financial instruments to affiliates on behalf of the Subfund.

In connection with investment recommendations and related transactions that may be viewed as principal transactions with UBS Asset Management (Americas) LLC, New York, UBS Group AG or their affiliates, UBS Asset Management (Americas) LLC, New York further intends to comply with Section 206(3) of the U.S. Investment Advisers Act of 1940 by requesting an independent approval of

such transactions. In this regard, UBS Asset Management (Americas) LLC, New York may enter into an agreement with an unaffiliated third party to serve as the conflicts review service provider to review and approve such transactions on a trade-by-trade basis. Related fees shall not be paid out of the assets of the Subfund.

## UBS Nova (Lux) Global Senior Loan Fund

### Investment Objective and Investment Policy

The investment objective of this Subfund is to achieve a high level of risk-adjusted income in the Reference Currency by investing primarily (directly and/or indirectly through the below mentioned instruments) in higher yielding, floating rate senior loans ("Senior Loans") and other senior floating rate debt instruments (collectively "Senior Loans" and "Other Debt Instruments") of issuers worldwide and in any currencies. The Subfund may invest in addition in other debt instruments.

Senior Loans are debt instruments that provide the lender a senior claim to the borrower's assets which take priority over other unsecured loans or debt instruments. In case of bankruptcy of the borrower Senior Loans will supersede the claims of other creditors.

The investments of the Subfund are not limited in terms of credit rating, geographical or sectorial criteria. This may lead to a concentration in geographical or sector terms. The average credit quality of the Subfund is expected to be below investment grade.

Any investments made in other currencies than the Reference Currency will in principle be hedged against the Reference Currency.

The Subfund does not intend to use indices within the meaning of the Regulation (EU) 2016/1011 (the "Benchmark Regulation"). Notwithstanding the preceding, the Subfund may refer to indices in its marketing materials or other documents in order to give Shareholders an overview over the Subfund's performance compared to such indices.

The Subfund qualifies as Liquid AIF, as defined in Chapter 5, "Risk and Liquidity Management".

UBS Asset Management categorises this Subfund as an ESG integration fund which does not promote particular ESG characteristics or pursues a specific sustainability or impact objective.

ESG integration is driven by considering financially material Sustainability Risks (as defined in Chapter 7 "Risk Factors" under section "Sustainability Risks") as part of the research process. For corporate issuers, this process utilizes a materiality framework which identifies the sustainability risk factors per sector. This, in combination with an assessment of the Issuer's Environmental, Social and Governance risk factors, informs the Investment Manager's proprietary Issuer ESG Score. Issuers with elevated sustainability-related risks are actively monitored via the Credit Investments Group (CIG) ESG Watchlist.

The Investment Manager applies exclusions in line with the UBS Asset Management Sustainability Exclusion Policy

(<https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html>).

UBS will actively exercise proxy voting rights based on the principles outlined in the UBS-AM Proxy Voting Policy with two fundamental objectives:

1. To maximise the value of our clients' investments;
2. To promote corporate practices that ensure invested companies are successful.

Please refer to the UBS-AM Proxy Voting Policy for principles and considerations applied when executing voting rights on behalf of client investment funds.

### Investment Instruments

The exposure of the Subfund to Senior Loans and to Other Debt Instruments may be achieved through investments in the following instruments:

- **Secured and unsecured debt instruments and rights**  
such as loans, floating rate notes, floating rate bonds, fixed rate bonds, other floating rate debentures.
- **Money market instruments**  
such as treasury notes, certificates of deposit, commercial paper, medium-term notes and bankers acceptances.
- **Structured products**  
such as credit linked notes, tranches of asset backed securities, structured notes, collateralized loan obligations linked to the above assets. The relevant structured product must be either admitted to or dealt in on a regulated market or the liquidity of the structured product must be ensured contractually. In the latter case the structured product must be directly saleable or redeemable at the initiative of the Company. The valuation of these structured products must be reproducible at all times and be made on the basis of the latest available stock market price or a price used by an independent pricing service or, where no such price is available or the stock market price or the price used by an independent pricing service (such as LSTA/LPC Mark to Market Pricing or Mark-IT Partners) does not accurately reflect the fair market value, be conducted independently. Structured products must not entail any additional payment liability.

- **Undertakings for Collective Investment**  
Units or shares of UCITS, open-ended or closed-end UCI.

### Derivative Instruments

#### Exchange Traded Derivatives

The Subfund may enter into derivative instruments, including foreign exchange transactions and/or instruments (call and put options) and/or apply techniques which are based on Senior Loans and/or Other Debt Instruments, money market instruments or forward contracts on financial indices traded on a stock exchange or regulated market. The underlying indices must be sufficiently diversified, represent an adequate benchmark for the market to which they refer and be published in an appropriate manner.

#### OTC Derivatives

The Subfund may enter into OTC derivatives (such as credit default swaps) provided (i) the underlying consists of instruments in which the Subfund may invest according to its respective investment objective, (ii) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and (iii) the OTC derivatives are subject to reliable and verifiable valuation and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the Subfund.

The overall risk associated with the derivatives must not exceed the total net assets of the Subfund.

### Liquidity

The Subfund may hold liquid assets in such currencies in which investments are made or in which the redemption price is paid out.

### Investment Restrictions

1. a) The Subfund may not acquire more than 10% of the outstanding issue amount of a single loan.  
b) The Subfund may not invest more than 10% of its total net assets in debt instruments and rights and/or securities issued by the same issuer.  
The restrictions set forth under a) and b) are not applicable to debt instruments and rights and/or securities issued or guaranteed by a member state of the OECD, or its local authorities or by supranational institutions and bodies with EU, regional or worldwide scope or issued by Brazil or Singapore.
- c) The exposure to a single counterparty with which the Subfund enters into OTC derivative transactions (see above under Investment Instruments) shall be limited to 20% of the total net assets of the Subfund.
2. Bank deposits may be made to an unlimited extent with first-class financial institutions provided that the Subfund may not invest more than 20% of its total net assets in any combination of debt instruments, rights and/or securities and money market instruments issued by and deposits held with the same entity.
3. The Subfund may not invest more than 10% of its total net assets in units or shares of UCIs.
4. The Subfund may borrow for a short term up to a maximum of 25% of its net assets, in particular so that it is able, under normal circumstances, to immediately perform a redemption of Shares requested by Shareholders.
5. The Subfund may not act as guarantor for third parties.
6. The Subfund may not enter into securities lending transactions.
7. The Subfund does not intend to actively invest in equity or equity type securities except on an ancillary basis and/or in connection with a reorganisation of an issuer. In no event shall the Subfund directly invest its assets in real estate, precious metals or commodities.
8. The Subfund may not carry out uncovered sales of transferable securities and/or money market instruments.
9. a) In relation to borrowing conducted within the limitations set out in this Prospectus, the Company may pledge or assign the assets of the Subfund concerned as collateral.  
b) Furthermore, the Company may pledge or assign the assets of the Subfund as collateral to counterparties of transactions involving OTC derivatives or financial derivative instruments in order to secure the payment and performance by the Subfund of its obligations to the relevant counterparty. To the extent counterparties require the provision of collateral exceeding the value of the risk to be covered by collateral or where the overcollateralization is caused by other circumstances (e.g. performance of the assets posted as collateral or provisions of customary framework documentation), such (excess) collateral may – also in respect of non-cash collateral – expose the Subfund to the counterparty risk of such counterparty and the Subfund may only have an unsecured claim in respect of such assets.

### Leverage

The maximum level of leverage which the AIFM is entitled to employ on behalf of the Subfund is 125% in accordance with the commitment method and 225% in accordance with the gross method of the total net assets.

#### Special Risk Profile

Investors should read, be aware of and consider Chapter 7, "Risk Factors" of the Prospectus and all the "Risk Factors" set out therein.

Investors should be aware that the following risks may be relevant to this Subfund:

Since this Subfund may invest in debt instruments in the non-investment grade sector, the underlying debt instruments may present a greater risk in terms of downgrading or may exhibit a greater default risk than debt instruments of first-class issuers.

The higher return should be viewed as compensation for the greater degree of risk attached to the underlying debt instruments and the Subfund's higher volatility.

Investments in Senior Loans are considered "medium" risk. Senior Instruments may be influenced by different factors, inter alia the economic development of issuers who are themselves affected by the development of the economic and political conditions in their respective countries. The liquidity risk of the Subfund is set to "high". Investments in specific themes are more concentrated than investments in a more diversified investment pool. There is no guarantee to recover the initial investment.

Sustainability risks may result in a negative impact on the returns of the Subfund. The main sustainability risks are identified and managed in the context of the overall risk management process and may change over time.

Potential investors are also referred to the risks set out in Chapter 7, "Risk Factors" under section "Sustainability Risks".

#### Special tax information

The Subfund does not anticipate acquiring any debt instruments and rights and/or securities or operating its business in a manner that may cause the Subfund to be deemed, for U.S. federal income tax purposes, to be engaged in a U.S. trade or business or otherwise subject to U.S. net income tax. However, due to the complexity of the tax rules it is not possible to guarantee that no such taxation may occur. Such taxation may adversely affect the Subfund's income.

#### Valuation Day

The Net Asset Value of the Subfund shall be determined daily for subscriptions on any Business Day and twice a month for redemptions, on the 1<sup>st</sup> and the 15<sup>th</sup> calendar day (provided that such day is a Business Day), by using the closing prices of the previous Business Day (the "Valuation Day") based on the method of calculating the "Net Asset Value" as described in Chapter 8, "Net Asset Value".

A Business Day is a day when banks are open for business in Luxembourg and in New York.

#### Subscription of Shares

The Shares may be purchased on any Business Day (such date being referred to as the "Subscription Date") prior to the Valuation Day at the Net Asset Value per Share Class, calculated on the Valuation Day following the receipt of the subscription application (based on the method of calculating the "Net Asset Value" as described in Chapter 8, "Net Asset Value") plus the applicable sales charges and any taxes. Written subscription applications must be submitted to the Central Administration or a Distributor on a Subscription Date by 3 p.m. (Central European Time).

Subscription applications received after 3 p.m. (Central European Time) on a Subscription Date shall be deemed to have been received prior to 3 p.m. (Central European Time) on the following Subscription Date.

Subscription applications shall be settled two (2) Business Days following the Valuation Day if receipt of the subscription application is confirmed by the respective Distributor on a Subscription Date, at the latest.

Payment must be received within two Business Days after the Valuation Day on which the issue price of the Shares was determined.

#### Redemption of Shares

The Shares may be redeemed by returning a duly completed redemption application to the Central Administration or a Distributor by 3 p.m. (Central European Time) ten (10) Business Days (such date being referred to as the "Redemption Date") prior to the relevant Valuation Day at the Net Asset Value per Share Class, calculated on the Valuation Day.

Redemption applications received after 3 p.m. (Central European Time) on a Redemption Date shall be deemed to have been received prior to 3 p.m. (Central European Time) on the following Redemption Date.

The Company shall in principle redeem Shares twice a month, on the 1<sup>st</sup> and 15<sup>th</sup> calendar day (the "Valuation Day") of each month, provided that such a day is a Business Day. If such day is not a Business Day, the execution of the orders takes place the next following Business Day.

Payment of the redemption price of the Shares shall normally be made within two

(2) Business Days following the Valuation Day. Given the specificities of the settlement cycle of the debt instruments held by the Subfund and to avoid liquidity shortages, the payment of the redemption amount may be deferred at a later date, strictly in the event that the net redemption requests exceed 5% of the Subfund's total net assets. Any such deferral of redemption payment will be decided by the Board of Directors of the Company in coordination with the AIFM following a recommendation from the Portfolio Manager. The AIFM shall inform any redeeming investors in case of the deferral of the payment of redemption amount in accordance with chapter 14, "Information to Shareholders".

There are no limits on redemptions applicable to this Subfund.

#### Adjustment of the Net Asset Value (Single Swing Pricing)

The Net Asset Value calculated in accordance with Chapter 8, "Net Asset Value" will be increased by up to a maximum of 2% per Share in the event of a net surplus of subscription applications or reduced by up to a maximum of 2% per Share in the event of a net surplus of redemption applications in respect of the applications received on the respective Valuation Day.

**Under exceptional circumstances the Company may, in the interest of Shareholders, decide to increase the maximum swing factor indicated above. In such case the Company would inform the investors in accordance with Chapter 14, "Information to Shareholders".**

#### Central Administration Fee

The fees payable to the Central Administration will not exceed 0.35% p.a. of the Subfund's average total Net Asset Value.

#### Costs Associated with Investments in Target Funds

Investors should note that in general when investing in shares or units of other UCITS and/or other UCIs ("Target Funds") costs may be incurred at the level of the Subfund as well as the Target Funds. If the Subfund acquires shares/units of Target Funds that are managed, directly or by delegation, by the AIFM or by any other company with which the AIFM is linked by common management or control, or by a direct or indirect holding of more than 10% of the capital or votes ("Affiliated Funds"), the AIFM or the other company may not charge subscription or redemption fees on account of the Subfund's investment in the shares/units of such Affiliated Funds.

Besides the expenses incurred by the AIFM in managing the Subfund, a management fee may also be charged for investments in Target Funds considered to be Affiliated Funds and be indirectly charged from the assets of the Subfund in respect of the Target Funds contained therein. In addition to such management fee, a performance fee may be indirectly charged from the assets of the Subfund in respect of the Target Funds contained therein.

#### Portfolio Manager

UBS Asset Management (Americas) LLC, New York, and UBS Asset Management (UK) Limited have been appointed as Co-Portfolio Managers of the Subfund. The cash allocation between the Co-Portfolio Managers is being determined from time to time by UBS Asset Management (Americas) LLC, New York.

The Co-Portfolio Managers are expected, subject to the "at arms' length" principle, to enter into a substantial number of transactions to purchase financial instruments from and sell financial instruments to affiliates on behalf of the Subfund.

In connection with investment recommendations and related transactions that may be viewed as principal transactions with UBS Asset Management (Americas) LLC, New York, UBS Group AG or their affiliates, UBS Asset Management (Americas) LLC, New York further intends to comply with Section 206(3) of the U.S. Investment Advisers Act of 1940 by requesting an independent approval of such transactions. In this regard, UBS Asset Management (Americas) LLC, New York may enter into an agreement with an unaffiliated third party to serve as the conflicts review service provider to review and approve such transactions on a trade-by-trade basis. Related fees shall not be paid out of the assets of the Subfund.

## UBS Nova (Lux) Portfolio Premium I

### Investment Objective and Investment Policy

The investment objective is to achieve the highest possible overall performance, consisting of current income, price gains and currency gains (in terms of the Reference Currency) by investing primarily in equities of companies worldwide. The Subfund may invest in addition in fixed income securities. A maximum of 10% of the Subfund's net assets could be invested in alternative asset classes, such as real estate, commodities, or hedge funds.

The Subfund qualifies as Liquid AIF, as defined in Chapter 5, "Risk and Liquidity Management".

The Subfund qualifies as a financial product under Art. 6 of SFDR.

### Investment Instruments

The exposure to the asset classes mentioned above may be achieved through investments in the following instruments:

- equities and equity-type instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.)
- debt instruments and rights (bonds, convertible bonds and warrant bonds, etc.)
- money market instruments (treasury notes, certificates of deposit, commercial paper, medium-term notes and bankers acceptances, etc.)
- units or shares of undertakings for collective investment in transferable securities ("UCITS"), open-ended or closed-end undertakings for collective investment ("UCIs"), including real estate funds, limited partnerships, hedge funds and funds of hedge funds. Investments in Closed-end UCIs not listed on a stock exchange or not traded on a regulated market open to the public are limited to 10 %.
- structured products on real estate funds, hedge funds or funds of hedge funds, hedge fund indices, real estate fund indices or commodity indices, to the extent that these are issued by first-class financial institutions and cash-settled (hereinafter, together referred to as "Structured Products", and each a "Structured Product"). Structured Products are synthetic investment instruments (generally debt instruments such as notes or certificates) which provide an economic, legal or other interest in underlying assets and derive their value by reference to the price or value of the underlying assets. The relevant Structured Product must be either admitted to or dealt in on a regulated market or the liquidity of the Structured Product must be ensured contractually. In the latter case the Structured Product must be directly saleable or redeemable at the initiative of the Company. In addition to the rules on risk diversification, the Company must ensure that the risks arising from the underlying assets or indices are sufficiently well diversified. The valuation of these Structured Products must be reproducible at all times and be made on the basis of the latest available stock market price or, where no such price is available or the stock market price does not accurately reflect the real market value, be conducted independently. Structured Products must not entail any additional payment liability. In addition, for Structured Products on hedge fund indices the following shall apply: no single hedge fund represented in the respective hedge fund index may account for more than 20% of the index.

### Derivative instruments

#### Exchange Traded Derivatives

The Subfund may enter into derivative instruments, including foreign exchange transactions and/or instruments (call and put options) and/or apply techniques which are based on securities, money market instruments or forward contracts on stock exchange indices traded on a stock exchange or regulated market. The underlying indices must be sufficiently diversified, represent an adequate benchmark for the market to which they refer and be published in an appropriate manner.

#### OTC Derivatives

The Subfund may enter into OTC derivatives provided (i) the underlying consists of instruments in which the Subfund may invest according to their respective investment objective, (ii) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and (iii) the OTC derivatives are subject to reliable and verifiable valuation and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the Subfund.

#### Options

The Subfund may acquire call and put options on securities, stock exchange indices and other permitted financial instruments. Moreover, the Subfund may sell call options on securities, stock exchange indices and other permitted financial instruments if it holds either the underlying securities, matching call options or other instruments which provide sufficient hedging for the

commitments arising from these contracts or if such transactions are hedged by matching contracts or similar instruments. When a put option on securities, stock exchange indices and other permitted financial instruments is sold, the sum equivalent to the positions taken must be covered by the Subfund's liquid assets, money market instruments or short-term debt securities, with a maximum term to maturity of twelve months, for the entire duration of the contract.

#### Derivatives on currencies and interests

In order to hedge the risk of unfavourable price movements, and for other purposes, the Subfund may buy and sell forward contracts on stock exchange indices and all other types of financial instruments.

In order to hedge currency risks and direct its assets towards one of the several other currency or currencies in accordance with the investment policy, the Subfund may sell currency futures or enter into forward exchange transactions with first-class financial institutions specializing in this type of transaction.

In order to hedge interest rate fluctuations, the Subfund may buy and sell interest rate futures as well as call and put options on interest rates, provided that the total commitments do not exceed the overall value of the corresponding securities portfolio held in such currency.

#### Swaps

In addition to the aforementioned transactions, and subject to the conditions and restrictions specified in the present section, the Subfund may engage in swap transactions (interest rate swaps, combined interest rate/currency swaps and credit default swaps), provided these are used for the purpose of efficient portfolio management and that the counterparty is a first-class financial institution specializing in this type of transaction.

#### Liquidity

The Subfund may hold liquid assets in such currencies in which investments are made or in which the redemption price is paid out.

#### Investment Restrictions

1. Subject to the provisions of section 4 below, not more than 10% of the net assets of the Subfund may be invested in transferable securities or money market instruments issued from the same issuer.
2. The Subfund may not acquire more than 10% - in total - of one category of securities or money market instruments issued by the same issuer. The restriction shall not apply if the gross amount of the debt securities or money market instruments and the net amount of the instruments in issue cannot be determined at the time of acquisition.
3. Subject to the provisions of section 5 below, a total of not more than 10% of the net assets of the Subfund may be invested in transferable securities that are not quoted on a stock exchange or traded on another regulated market or on a market involving banks, securities brokers and institutional investors which has similar liquidity characteristics to a stock market in an OECD country. Transferable securities or debt issues for which application for quotation has been made are considered to be equivalent to quoted paper, provided quotation is to be granted within one year of the date of issue of this paper. This restriction does not apply to debt issues or money market paper with a remaining term to maturity of less than 12 months.
4. The limit of 10% stipulated in section 1 does not apply if the transferable securities or money market instruments involved are issued or guaranteed by an OECD member state, its local authorities or a public international organization to which such a country belongs. In such a case, the Subfund must hold transferable securities or money market instruments originating from at least six different issues, and the transferable securities and money market instruments of any one issue may not exceed 30% of the Subfund's net assets.
5. The limit of 10% in section 3 does not apply to investments made in Structured Products (as defined above under "Investment Instruments"). For investments in Structured Products the following shall apply:  
Up to 20% of the net assets of the Subfund may be invested in Structured Products that are not quoted on a stock exchange or traded on another regulated market or on a market involving banks, securities brokers and institutional investors which has similar liquidity characteristics to a stock market in an OECD country (to the extent the applicable conditions set forth under "Investment Instruments" are satisfied).  
For the avoidance of doubt, the 10% limits set forth in section 1 and 2 equally apply to Structured Products.
6. Bank deposits may be made to an unlimited extent with first-class financial institutions provided that the Subfund may not invest more than 20% of its net assets in any combination of transferable securities and money market instruments issued by and deposits held with the same body.
7. The Subfund may not invest more than 30% of its total net assets in units or shares of UCIs which do not as a minimum comply with the principles of risk diversification and investor protection pursuant to Part II of the Law of 17 December 2010.

8. The Subfund may not invest more than 10% of its net assets in the same UCITS or UCI. The Subfund may not hold more than 25% of the units or shares issued by one and the same UCITS or UCI.
9. Investments in fund of funds (including fund of hedge funds) shall be limited to 30% of the net assets of the Subfund. In this context, every subfund of an umbrella fund is to be regarded as a separate UCITS or UCI provided that the principle of segregation of the obligations of the various subfunds of the relevant umbrella fund vis-à-vis third parties is ensured. The limits stipulated in section 8 equally apply to investments in fund of funds (including fund of hedge funds).
10. The Subfund may borrow for a short term up to a maximum of 25% of its net assets, in particular so that it is able under normal circumstances to immediately perform a redemption of Shares requested by Shareholders.
11. The Subfund may not grant loans or act as guarantor for third parties.
12. The Subfund may lend securities from its assets for the purpose of efficient portfolio management in accordance with the provisions of the CSSF Circular 08/356. The Subfund's expected exposure to securities lending transactions ranges between 0 – 30% of the Subfund's NAV, and the maximum exposure shall be 40% of the Subfund's NAV.
13. The Subfund may not directly invest its assets in real estate, precious metals or commodities.
14. The Subfund may not carry out uncovered sales of transferable securities and money market instruments.
15. a) In relation to borrowing conducted within the limitations set out in this Prospectus, the Company may pledge or assign the assets of the Subfund concerned as collateral.  
b) Furthermore, the Company may pledge or assign the assets of the Subfund as collateral to counterparties of transactions involving OTC derivatives or financial derivative instruments in order to secure the payment and performance by the Subfund of its obligations to the relevant counterparty. To the extent counterparties require the provision of collateral exceeding the value of the risk to be covered by collateral or where the overcollateralization is caused by other circumstances (e.g. performance of the assets posted as collateral or provisions of customary framework documentation), such (excess) collateral may – also in respect of non-cash collateral – expose the Subfund to the counterparty risk of such counterparty and the Subfund may only have an unsecured claim in respect of such assets.

#### Leverage

The maximum level of leverage which the AIFM is entitled to employ on behalf of the Subfund is 125% in accordance with the commitment method and 225% in accordance with the gross method of the total net assets.

#### Special Risk Profile

In addition to the risks entailed in traditional forms of investments (market, credit and liquidity risks), alternative investments (esp. hedge funds) entail a number of specific risks by the fact that their investment strategy may involve the short sale of securities and, on the other hand, by the fact that a leverage effect may ensue from taking up loans and using derivatives.

The consequence of the leverage effect is that the value of the assets increases faster if capital gains arising from investments financed by borrowing exceed the related costs, notably the interest on borrowed monies and premiums payable on derivative instruments. A fall in prices, however, causes a faster decrease in the value of the assets. The use of derivative instruments and especially of short selling can in extreme cases lead to the investment being written off altogether. Most of the hedge funds are issued in countries in which the legal framework, and especially supervision by the authorities, either does not exist or does not correspond to the standards applied in western Europe or other comparable countries. The success of hedge funds depends in particular on the competence of the fund managers and the suitability of the infrastructure available to them. The Subfund, however, will seek to minimize such risks by a strict selection of the alternative investment instruments and an adequate spreading of the risks involved. In addition, the overall risk incurred by the Subfund is limited due to the avoidance of leverage on the Subfund's assets.

Sustainability risks may result in a negative impact on the returns of the Subfund. The main sustainability risks are identified and managed in the context of the overall risk management process and may change over time.

Potential investors are also referred to the risks set out in Chapter 7, "Risk Factors" under section "Sustainability Risks".

#### Valuation Day

The Net Asset Value of the Subfund shall be determined daily for subscriptions and redemptions by using the closing price of the previous Business Day (the "Valuation Day") based on the method of calculating the "Net Asset Value" as described in Chapter 8, "Net Asset Value". A Business Day is a day when banks are open for business in Luxembourg and in Switzerland.

#### Subscription of Shares

The Shares may be purchased on any Business Day (such date being referred to as the "Subscription Date") prior to the Valuation Day at the Net Asset Value per Share Class, calculated on the Valuation Day following the receipt of the subscription application (based on the method of calculating the "Net Asset Value" as described in Chapter 8, "Net Asset Value") plus the applicable sales charges and any taxes. Written subscription applications must be submitted to the Central Administration or a Distributor on a Subscription Date by 3 p.m. (Central European Time).

Subscription applications received after 3 p.m. (Central European Time) on a Subscription Date shall be deemed to have been received prior to 3 p.m. (Central European Time) on the following Subscription Date.

Subscription applications shall be settled two Business Days following the Valuation Day if receipt of the subscription application is confirmed by the respective Distributor by 3 p.m. (Central European Time) on a Subscription Date. Payment must be received within two Business Days after the Valuation Day on which the issue price of the Shares was determined.

#### Redemption of Shares

The Shares may be redeemed on any Business Day (such date being referred to as the "Redemption Date") prior to the Valuation Day at the Net Asset Value per Share Class, calculated on the Valuation Day following the receipt of the redemption application (based on the method of calculating the "Net Asset Value" as described in Chapter 8, "Net Asset Value"). Written redemption applications must be submitted to the Central Administration or a Distributor on a Redemption Date by 3 p.m. (Central European Time).

Redemption applications received after 3 p.m. (Central European Time) on a Redemption Date shall be deemed to have been received prior to 3 p.m. (Central European Time) on the following Redemption Date.

Redemption applications shall be settled two Business Days following the Valuation Day if receipt of the redemption application is confirmed by the respective Selling Agent by 3 p.m. (Central European Time) on a Redemption Date.

#### Costs Associated with Investments in Target Funds

At any time, the Subfund's assets may be partially or fully invested in shares or units of other UCITS and/or other UCIs ("Target Funds") and accordingly the Subfund may have a fund of funds structure. Investors should note that in general when investing in shares of Target Funds costs may be incurred at the level of the Subfund as well as the Target Funds. If the Subfund acquires units or shares of Target Funds that are managed, directly or by delegation, by the AIFM or by another company with which the AIFM is linked by common management or control, or by a direct or indirect holding of more than 10% of the capital or votes ("Affiliated Funds"), the AIFM or the other company may not charge subscription or redemption fees on account of the Subfund's investment in the shares/units of such Affiliated Funds.

Besides the expenses incurred by the AIFM in managing the Subfund, a management fee may also be charged for investments in Target Funds considered to be Affiliated Funds and be indirectly charged from the assets of the Subfund in respect of the Target Funds contained therein. In addition to such management fee, a performance fee may be indirectly charged from the assets of the Subfund in respect of the Target Funds contained therein.

In no event shall the cumulative management fee (excluding performance fees, if applicable) at Subfund and Target Fund Level exceed 3.00%. **The Portfolio Manager may receive fees, commissions, reimbursements, discounts or other benefits in relation to investments made in other UCIs on behalf of the Subfund which are not being transferred or otherwise delivered in favour of the Subfund.**

#### Assets entrusted with financial service providers

In accordance with applicable law and the provisions of Chapter 16. iii. "Depository Bank" of the Prospectus, the safekeeping of the assets of the Company may be entrusted to financial service providers which have been appointed to this effect by the Depository Bank in agreement with the Company. The relevant financial service providers are namely trustees or nominees who keep the assets of the Company in their own name but for the account of the Depository Bank on behalf of the Company. The relevant financial service providers shall ensure that the assets kept for the account of the Depository Bank on behalf of the Company are segregated from other assets maintained by such financial service providers for their own account or the account of third parties. The liability of the Depository Bank shall not be affected by the fact that assets of the Company are entrusted to third parties in accordance with the principles set forth herein.

#### Portfolio Manager

UBS AG, Zurich has been appointed as Portfolio Manager for this Subfund.

**CREDIT SUISSE** 

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