

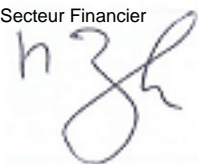
VISA 2023/174374-6166-0-PC

L'apposition du visa ne peut en aucun cas servir

d'argument de publicité

Luxembourg, le 2023-10-13

Commission de Surveillance du Secteur Financier



Rhenman & Partners Fund

A Luxembourg Investment Fund
(Fonds Commun de Placement)

Prospectus

Rhenman & Partners Fund – Rhenman Healthcare Equity L/S
(hereinafter “Rhenman Healthcare Equity L/S”)

25 October 2023

Rhenman & Partners Fund is organised as an umbrella FCP under Part II of the 2010 Law and qualifies as an AIF in accordance with the 2010 Law and the 2013 Law.

IMPORTANT INFORMATION

Rhenman & Partners Fund is a mutual investment fund managed by FundRock Management Company S.A..

The board of directors of the Management Company is offering units of one or several separate sub-funds on the basis of the information contained in this prospectus and in the documents referred to herein. No person is authorized to give any information or to make any representations concerning the Fund other than as contained in the Prospectus and in the documents referred to herein, and any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in this Prospectus shall be solely at the risk of the investor.

The Fund is established for an unlimited duration.

The distribution of the Prospectus is not authorized unless it is accompanied by the most recent annual and semi-annual reports (if any) of the Fund. Such report or reports are deemed to be an integral part of the Prospectus.

Units of the Fund may be issued in one or several separate Sub-Funds of the Fund. A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective and policy applicable to the relevant Sub-Fund. As a result, the Fund is an “umbrella fund” enabling investors to choose between one or more investment objectives by investing in one or more Sub-Funds. Investors may choose which one or more Sub-Fund(s) may be most appropriate for their specific risk and return expectations as well as their diversification needs. Furthermore, in accordance with the management regulations of the Fund, the Management Company may issue Units of different classes in each Sub-Fund; within each Sub-Fund, investors may then also choose the alternative Class features which are most suitable to their individual circumstances, given their qualification, the amount subscribed, the reference currency of the relevant Class and the fee structure of the relevant Class.

The Management Company has currently authorized the issuance of the Classes of Units that are more fully described in Part B of the Prospectus for the specific Sub-Funds.

Units of the different Classes if any, within the different Sub-Funds may be issued, redeemed and converted at prices computed on the basis of the net asset value per Unit of the relevant Class within the relevant Sub-Fund, as defined in the Management Regulations. However, Class I2 Units (as described in Part B of the Prospectus), may be issued or converted on basis of the gross net asset value (net asset value before accrual of performance fees) per Unit.

The Management Company may, at any time, create additional Classes of Units whose features may differ from the existing Classes and additional Sub-Funds whose investment objectives may differ from those of the Sub-Funds then existing. Upon creation of new Sub-Funds or Classes, the Prospectus will be updated or supplemented accordingly.

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

The distribution of the Prospectus and the offering of the Units may be restricted in certain jurisdictions. The Prospectus does not constitute an offer or solicitation in a jurisdiction where to do so is unlawful or where the person making the offer or solicitation is not qualified to do so or where a person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person in possession of the Prospectus and of any person wishing to apply for Units to inform themselves of and to observe all applicable laws and regulations of relevant jurisdictions.

Ineligible Applicants

The application for subscriptions requires each prospective applicant for Units to represent and warrant to the Fund that, among other things, he is able to acquire and hold Units without violating applicable laws.

Units may not be offered, sold or otherwise distributed to prohibited persons.

Prohibited Persons means any person, firm or corporate entity, determined in the sole discretion of the Management Company, as being not entitled to subscribe to or hold Units:

1. if in the opinion of the Management Company such holding may be harmful/damaging to the Fund;
2. if it may result in a breach of any law or regulation, whether Luxembourg or foreign;
3. if as a result thereof the Fund or the Management Company may become exposed to disadvantages of a tax, legal or financial nature that it would not have otherwise incurred; or
4. if such person would not comply with the eligibility criteria for Units (e.g. in relation to U.S. Persons or Specified U.S. Persons as described below).

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

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

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

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

Applicants for the subscription to Units will be required to certify that they are not U.S. Persons or Specified U.S. Persons and might be requested to prove that they are not Prohibited Persons.

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

Prospective investors are advised to consult their legal counsel prior to investing in units of the Fund in order to determine their status as non U.S. Persons/ non Specified U.S. Persons and as non-Prohibited Persons.

The Management Company may refuse to issue units to Prohibited Persons or to register any transfer of units to any Prohibited Person. Moreover the Management Company may at any time forcibly redeem/repurchase the units held by a Prohibited Person.

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

The value of the Units may fall as well as rise and a unitholder on transfer or redemption of Units may not get back the amount initially invested. Income from the Units may fluctuate in money terms and changes in rates of exchange may, among other things, cause the value of Units to go up or down. The levels and bases of, and reliefs from, taxation may change.

Investors should inform themselves and should take appropriate advice on the legal requirements as to possible tax consequences, 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, purchase, holding, redemption or disposal of the Units of the Fund.

All references in the Prospectus to EUR are to the legal currency respectively of the Grand Duchy of Luxembourg and to the legal currency of the countries participating in the Economic and Monetary Union.

MANAGEMENT AND ADMINISTRATION

Management Company and Alternative Investment Fund Manager

FundRock Management Company S.A.
33, rue de Gasperich
L-5826 Hesperange
Grand Duchy of Luxembourg

Administrative Agent including Registrar and Transfer Agent

UI efa S.A.
2, rue d'Alsace
P.O. Box 1725
L-1017 Luxembourg
Grand Duchy of Luxembourg

Board of Directors of the Management Company and Alternative Investment Fund Manager

Chairman

Mr. Michel Marcel VAREIKA
Independent Non-Executive Director
Luxembourg

Directors

Mr. Karl FUHRER
Executive Director – Global Head of Investment Management Oversight
FundRock Management Company S.A.
Luxembourg

Mrs. Carmel MC GOVERN
Independent Non-Executive Director
Luxembourg

Mr. David RHYDDERCH
Non-Executive Director
Global Head Financial Products
Apex Group

Conducting Officers of the Management Company and Alternative Investment Fund Manager

Mr. Emmanuel NANTAS

Director – Head of Compliance - RR, in charge of Branches, Compliance and AML/CFT

Mr. Franck CARMELLE

Director – Head of Alternatives Investments - in charge of IT, Administration of UCI's, Investment Management

Mr. Khalil HADDAD

Director – Head of Valuation - in charge of Valuation

Mr. Karl FUHRER

Executive Director - Global Head of Investment Management Oversight - in charge of Accounting and Marketing

Mr. Hugues SEBENNE

Director - Risk and Compliance - in charge of Risk Management

Depositary and Paying Agent in Luxembourg

Skandinaviska Enskilda Banken AB (publ)— Luxembourg Branch
4, rue Peternelchen
L-2370 Howald
Grand Duchy of Luxembourg

Portfolio Manager

Rhenman & Partners Asset Management AB
Strandvägen 5A
SE-114 51 Stockholm
Sweden

Global Distributor

FundRock Distribution S.A.
9A, rue Gabriel Lippmann
L-5365 Munsbach
Grand Duchy of Luxembourg

Prime Broker

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
SE-106 40 Stockholm
Sweden

Paying Agent in Sweden

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
SE-106 40 Stockholm
Sweden

Independent Authorized Auditor of the Fund

PricewaterhouseCoopers, *société coopérative*
2, rue Gerhard Mercator
L-2182 Luxembourg
Grand Duchy of Luxembourg

Auditor of FundRock Management Company S.A.

Deloitte Audit Sàrl
20 Bd de Kockelscheuer
L-1821 LuxembourgGrand Duchy of Luxembourg

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DEFINITIONS

“2010 Law”	Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended;
“2013 Law”	Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended;
“Administrator”	UI efa S.A. (“EFA”), acting as administration agent of the Fund;
“AIF”	alternative investment fund;
“AIFM”	alternative investment fund manager;
“Board of Directors”	board of directors of the Management Company and Alternative Investment Fund Manager;
“Business Day”	any day on which banks are open for business in Luxembourg City;
“CDR 2016/2251”	Commission Delegated Regulation (EU) 2016/2251 of the 4 October 2016 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012;
“Class” or “Classes”	Pursuant to the Management Regulations, the Directors may decide to issue, within each Sub-Fund, separate classes of Units (hereinafter referred to as a “ Class ” or “ Classes ”, as appropriate) whose assets will be commonly invested but where different currency hedging techniques and/or subscription, conversion or redemption fees and management charges and/or distribution policies, minimum subscription or holding amount or any other specific feature may be applied. If different Classes are issued within a Sub-Fund, the details of each Class are described in Part B;
“Connected Person”	The Management Company, the AIFM, the Portfolio Manager, the Prime Broker, the Depositary, the Global Distributor and any of its delegated agent, any Unitholder and any of their respective subsidiaries, affiliates, associates, agents or delegates;
“Counterparty”	SEB Affiliates acting as counterparties to the derivatives transactions or contracts entered into by the AIFM on behalf of the Fund;

“CSSF”		<i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg authority for the supervision of the financial sector;
“Depositary”		Skandinaviska Enskilda Banken AB (publ) – Luxembourg Branch, acting as depositary of the Fund;
“ECAI”		External Credit Assessment Institution;
“EEA”		European Economic Area, including the Member States of the European Union plus Iceland, Liechtenstein and Norway;
“EU”		European Union;
“FATCA”		The U.S. Foreign Account Tax Compliance Act;
“FATCA Law”		Luxembourg law of 24 July 2015 relating to FATCA;
“FCP”		<i>Fonds Commun de Placement</i> , a mutual contractual fund with no legal personality managed by a Luxembourg management company;
“Fund”		Rhenman & Partners Fund;
“funds of funds”		funds investing themselves into several other UCIs;
“Gross Net Asset Value”		a net asset value before accrual of performance fees per Unit;
“Ineligible Applicant”		An ineligible applicant as described under “ IMPORTANT INFORMATION ”;
“Investment Act”	Company	United States Investment Company Act of 1940 as amended;
“KID”		the Key Information Document according to Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance –based investment products;
“Management Company”		FundRock Management Company S.A.;
“Management Regulations”		management regulations of the Fund;
“Mémorial”		Mémorial C, Recueil des Sociétés et Associations, Luxembourg official journal;
“Minimum Requirement”	Holding	The minimum value of a holding of an Unitholder in a Sub-Fund as defined per Sub-Fund in Part B;

“Money Instruments”	Market	means instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time;
“Net Asset Value”		The net asset value of the Fund, a Sub-Fund or a Class, as the case may be, determined in accordance with the Management Regulations;
“Net Asset Value per Unit”		The Net Asset Value divided by the number of Units in issue or deemed to be in issue in a Sub-Fund or Class;
“OECD”		Organisation for Economic Co-operation and Development;
“Portfolio Manager” or “Portfolio Managers”	or	Portfolio Managers may be appointed by the AIFM to advise it for each Sub-Fund;
“Prime Broker” or “Prime Brokers”	or	an entity providing brokerage, dealing services, clearing, credit facilities, securities lending and borrowing facilities and foreign exchange to the Fund in respect of a given Sub-Fund;
“Prohibited Person”		An prohibited person as described under “ IMPORTANT INFORMATION ”;
“Prospectus”		This offering document;
“Redemption Price”		The Net Asset Value per Unit, as calculated as of the relevant Valuation Day;
“Registrar and Transfer Agent”		EFA, acting as registrar and transfer agent;
“Regulated Market”		A market within the meaning of Article 4(1)14 of Directive 2004/39/EC and any other market which is regulated, operates regularly and is recognised and open to the public;
“RESA”		Means the <i>Recueil Electronique des Sociétés et Associations</i> , the official electronic platform of central publication regarding companies and associations in Luxembourg;
“SFDR”		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;
“SEB AB”		Skandinaviska Enskilda Banken AB (publ);
“SEB Affiliates”		Entities within, and/or employees, agents, affiliates or subsidiaries of members of, the SEB Bank group of companies;

“Securities Act”	United States Securities Act of 1933, as amended;
“Specified U.S. Person”	Shall have the meaning given to it in §1.1473-1(c) of the Treasury Regulations regarding FATCA;
“Sub-Fund”	A separate portfolio of assets for which a specific investment policy applies and to which specific liabilities, income and expenditure will be applied. The assets of a Sub-Fund are exclusively available to satisfy the rights of Unitholders in relation to that Sub-Fund and the rights of creditors whose claims have arisen in connection with the creation, operation or liquidation of that Sub-Fund;
“Sustainability Risks”	environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investments made by a financial product;
“Taxonomy Regulation”	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088;
“Transferable Securities”	<p>Shall mean:</p> <ul style="list-style-type: none"> - shares and other securities equivalent to shares, - bonds and other debt instruments, - any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange, <p>excluding techniques and instruments relating to transferable securities and money market instruments that are used for the purpose of efficient portfolio management;</p>
“Treasury Regulations”	The U.S. Treasury Regulations issued on 17 January 2013;
“UCI”	An Undertaking for Collective Investment within the meaning of the first and second indents of Article 1(2) of Directive 2009/65/EC, as amended;
“United States”	The United States of America (including the States and the District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction;
“Unit” or “Units”	units of the Fund;

“U.S. Person” A resident of the United States, a corporation, partnership or other entity created in or under the laws of the United States or any person falling within the definition of the term “United States Person” under Regulation S promulgated under the Securities Act;

“Valuation Day” Any day as defined per Sub-Fund in Part B of this Prospectus.

All references to a Class shall, where no Classes have been created within a Sub-Fund, be deemed to be references to the Sub-Fund.

In this Prospectus all references to “U.S. Dollars”, “USD” and “U.S.\$” are to the United States Dollar, all references to “SEK” are to the Swedish Krona, all references to “Euro”, “EUR” and “€” are to the Single European Currency and all references to “NOK” are to the Norwegian Kroner.

PART A – GENERAL INFORMATION RELATING TO THE FUND

STRUCTURE OF THE FUND

The Fund has been established in Luxembourg pursuant to the provisions of Part II of the 2010 Law as an open-ended mutual investment fund and qualifies as an AIF in accordance with the the 2013 Law and the 2010 Law. The Fund is managed by FundRock Management Company S.A., a management company incorporated under chapter 15 of the 2010 Law and having its registered office in Luxembourg. The Management Company also acts as an AIFM in accordance with the provisions of Chapter 2 of the 2013 Law.

The Fund is governed by the Management Regulations effective as of 5 June 2009 and which have been deposited with the Luxembourg *Registre de Commerce et des Sociétés*. A notice of such deposit may be published in the *Mémorial* on 18 June 2009. A notice of the amendment of the Management Regulations has been published for the last time in the RESA on 18 April 2019.

The Fund is an umbrella Fund and as such provides investors with the choice of investment in a range of several separate Sub-Funds each of which relates to a separate portfolio of liquid assets and other securities and assets permitted by law with specific investment objectives, as described in Part B of the Prospectus.

INVESTMENT CHOICE

For the time being, the Fund offers Units in those Sub-Funds as further described individually in Part B of the Prospectus.

Upon creation of new Sub-Funds, the Prospectus shall be updated accordingly.

UNIT CLASSES

All Sub-Funds may offer more than one Class of Units. Each Class of Units within a Sub-Fund may have different features or be offered to different types of investors, but will participate in the assets of that Sub-Fund.

MINIMUM INVESTMENT AND HOLDING

The minimum initial and subsequent investments as well as the minimum holding requirements are set out for each Sub-Fund in Part B of the Prospectus.

OFFER PRICE

After the Initial Offer Period (specified for each Sub-Fund/Class in Part B of the Prospectus), the Offer Price of the Units will be equal to the Net Asset Value per Unit of the relevant Class (or Gross Net Asset Value for Class I2 Units) within the relevant Sub-Fund plus the subscription fee, if any, specified for each Sub-Fund/Class in Part B of the Prospectus.

DEALING

Units may normally be purchased or redeemed at prices based on the Net Asset Value per Unit of the relevant Class (or Gross Net Asset Value for Class I2 Units) within the relevant Sub-Fund for the relevant Valuation Day of each Sub-Fund (specified for each Sub-Fund in Part B of the Prospectus).

INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS

Investment Objective

The Fund has as investment objective to generate a consistent total return above the return generated by traditional investment vehicles by using non-conventional or alternative asset management strategies.

Investment Strategy

The investment strategy of each Sub-Fund is individually set out in Part B of the Prospectus. Different Portfolio Managers may be appointed by the AIFM to advise it for each Sub-Fund.

The AIFM will use the following global investment strategies for the Fund:

A. Rationale for Alternative Asset Management

Traditional asset management is based on the theory of market efficiency. Participation in the markets has a direct correlation to the economy at large. The ability to outperform markets, however, is contingent upon assuming additional incremental risk. This is reflected through individual unit volatility and general market behaviour. In contrast, alternative asset management assumes that markets are inherently inefficient over certain periods of time and attempts to capitalise on opportunities produced. The strategies used to do so attempt not to increase the overall risk profile and indeed in most cases strive to reduce it. Their ability to do so is predicated on many of the characteristics which clearly differentiate them from their traditional counterparts.

Traditional asset management focuses on the comparative performance of the long investment portfolio in relation to an appropriate index or benchmark. Portfolio indexation has led to a largely passive investment approach which is measured in relative terms. Alternative asset management is a much more dynamic approach as it seeks to generate positive returns in all market conditions through its combined long and short exposure. These strategies seek to achieve absolute rather than index-related performance.

Alternative asset management strategies are not constrained to investing in, and maintaining only long positions in, equities and bonds. They have the distinct ability to use both long and short positions within their strategic constructs. Both traditional and alternative investment styles may use derivative instruments for hedging and position-building purposes. Outright and directional positions, however, may also be used to various degrees within alternative portfolios dependent on investment style. Leverage, while generally not being permitted in traditional strategies, may be used to a significant degree in certain alternative investment strategies. However, a hedge fund does not necessarily make use of leverage.

B. Hedge Fund Strategies and Definitions

Hedge fund strategies in the traditional sense seek to reduce market risk in investment portfolios through offsetting long and short positions. Alternative asset management is simply the expansion of the traditional Hedge fund definition through the use of more diverse strategies and methodologies. A wide range of investment disciplines are represented which vary both in nature, risk and performance attributes. In general terms, the alternative asset management strategies include, among others, the following:

Global Macro funds take advantage of macro-economic trends. Global Macro managers profit by identifying price-value disparities and persistent trends in stock markets, interest rates, foreign exchange rates, and physical commodities and take leveraged bets on the price movement that they anticipate in these markets. To identify these pricing disparities, they use a top-down global approach that concentrates on forecasting how global macroeconomic and political events affect the valuations of the financial instruments. The funds can comprise all asset classes and all markets.

Equity Hedge (Long-Short Equities) combines core long holdings of equities with short sales of stock or stock index options. Certain managers adjust long and short positions to achieve and maintain market neutrality in their portfolio. Other managers remain consistently either net long or net short, while still others may, depending on market conditions, shift their exposure between net long and net short. Generally, the short exposure is intended to generate an ongoing positive return in addition to acting as a hedge against a general stock market decline. Long positions are taken in stocks that are expected to outperform the market, offset by short sales of stocks that are expected to under-perform the market. Successful implementation of this strategy therefore requires a consistent ability to identify stocks whose performance will be significantly different from that of the market as a whole.

Arbitrage funds take advantage of pricing differences between highly correlated assets. Typical arbitrage strategies would include convertible bond, fixed income or derivatives arbitrage.

Event-Driven investment strategies invest in the outcome of exceptional and disruptive events that may occur in the corporate life cycle, such as bankruptcies, financial restructurings, mergers, acquisitions, spin-offs, etc. The uncertainty about the outcome of these events creates investment opportunities for a specialist who can correctly anticipate their outcomes. Generally, these extraordinary corporate events will fall into three categories: risk arbitrage opportunities, distressed securities situations and special situations.

CTAs (Commodity Trading Advisors) trade bonds, stock indices, currencies or commodities, such as coffee or gold etc. on the world's future markets. There are two principal types of CTAs: (1) Systematic traders who attempt to predict future pricing with quantitative evaluation of historical data and (2) Discretionary traders who base their trading decisions on fundamental or technical market analysis.

Investment restrictions

Depending on the investment strategy of each Sub-Fund, certain of the investment restrictions set out below may not be applicable to the relevant Sub-Fund. The investment restrictions which are not applicable to a given Sub-Fund are set out in Part B of the Prospectus.

1. Restrictions applicable to investments in underlying funds

Investments by the Fund in UCIs are subject to the following restrictions:

Each Sub-Fund may not invest more than 20% of its net assets in units/shares issued by the same underlying fund.

For the purpose of this 20% limit, each sub-fund of an underlying fund with multiple compartments is to be considered as a distinct underlying fund provided that the principle of segregation of the commitments of the different sub-funds of an underlying fund towards third parties is ensured.

Each Sub-Fund may hold more than 50% of the units/shares of an underlying fund, provided that, if the underlying fund is an underlying fund with multiple compartments, the investment of the Fund in the legal entity constituting the underlying fund represents less than 50% of the net assets of the relevant Sub-Fund.

Further to the restrictions set forth above, underlying funds must be subject to risk diversification requirements comparable to those applicable to undertakings for collective investment which are subject to Part II of the 2010 Law and such underlying funds must be subject in their home country to a permanent supervision by a supervisory authority set up by law in order to ensure the protection of investors. Only funds which have been set up in a Member State of the EEA, Switzerland, the United States of America, Canada, Hong-Kong, Australia or Japan are deemed to meet such condition.

When a Sub-Fund invests in other underlying funds the Sub-Fund may be liable to transaction costs such as subscription fees and redemption fees as well as to custodian fees and administration fees.

Each Sub-Fund may invest up to 20% of its net assets in underlying funds of funds should a more restrictive limit not be specified in Part B for each Sub-Fund.

Such investments may have as a result a duplication or even a triplication of certain fees. However, the Fund will ensure that such a decision will not result in an accumulation of fees detrimental to the relevant Sub-Fund's unitholders. The reasons behind such investments are that:

- they may provide the Sub-Funds indirect access to underlying funds, which do not accept new subscriptions;
- certain funds of funds offer more favourable liquidity conditions than other underlying funds in which they invest;
- certain funds of funds investing in other underlying funds and specialized in one or a limited number of management strategies may offer the Sub-Fund a significant degree of diversification.

Each Sub-Fund makes sure that its portfolio of underlying funds presents appropriate liquidity features to enable the Fund to meet its obligation to repurchase its units.

2. Restrictions applicable to investments in transferable securities other than those issued by an underlying fund

In addition to the investment restrictions referred to in section 1. above, the Fund shall not:

- 1) invest more than 10% of the assets of each Sub-Fund in transferable securities which are not quoted on a stock exchange or dealt in on another Regulated Market, which operates regularly and is recognised and open to the public;
- 2) acquire more than 10 % of the securities of the same nature issued by the same issuer;
- 3) invest more than 20% of the assets of each Sub-Fund in securities issued by the same issuer.

The restrictions set forth under (1). (2). and (3). above are not applicable to securities issued or guaranteed by a member State of the OECD or by its local authority or by supranational institutions and organisations with European, regional or worldwide scope consisting of one or several member states of the OECD. Each Sub-Fund may invest up to 100% of its assets into securities issued by one single OECD member State should a more restrictive limit not be specified in Part B of the Prospectus. However, each Sub-Fund may not invest more than 30% of its assets in one single issue of securities of such an OECD member State.

The restrictions set forth under (1)., (2). and (3). above are not applicable to units or shares issued by underlying funds, to which apply the restrictions set forth in section 1. here above.

3. Rules for diversification of risks regarding short sales

- a. Short sales may not result in a Sub-Fund holding:
 - 1) A short position on transferable securities which are not listed on a stock exchange or dealt in on another Regulated Market, operating regularly and being recognised and open to the public. However, each Sub-Fund may hold short positions on transferable securities which are not quoted and not dealt on a Regulated Market if such securities are highly liquid and do not represent more than 10% of the Sub-Fund's assets;
 - 2) a short position on transferable securities which represent more than 10% of the securities of the same type issued by the same issuer;
 - 3) a short position on transferable securities of the same issuer, (i) if the sum of the sales price of the short positions relating thereto represents more than 10% of the Sub-Fund's assets or (ii) if the short position entails a commitment exceeding 5% of the assets.
- b. The commitments arising from short sales on transferable securities at a given time correspond to the cumulative non-realised losses resulting, at that time, from the short sales made by a Sub-Fund. The non-realised loss resulting from a short sale is the positive amount equal to the market price at which the short position can be covered less the price at which the relevant transferable security has been sold short.
- c. The aggregate commitments of each Sub-Fund resulting from short sales may at no time exceed 50% of the assets of the relevant Sub-Fund. If a Sub-Fund enters into uncovered sales, it must hold sufficient assets enabling it at any time to close the open positions resulting from such short sales.
- d. The short positions of transferable securities for which a Sub-Fund holds adequate coverage are not considered for the purpose of calculating the total commitments referred to above. It is to be noted that the fact that a Sub-Fund has granted a security, of whatever nature, on its assets to third parties to guarantee its obligations towards such third parties, is not to be considered as adequate coverage for the Sub-Fund's commitments, from the point of view of that Sub-Fund.
- e. In connection with short sales of transferable securities, each Sub-Fund is authorized to enter into securities borrowing transactions with first class professionals specialized in this type of transaction. The counterparty risk resulting from the difference between (i) the value of the assets transferred by a Sub-Fund to a lender as security in the context of the securities borrowing transactions and (ii) the debt of a Sub-Fund owed to such lender may not exceed 20% of the Sub-Fund's assets. It is to be noted that the Sub-Fund may, in addition, grant guarantees in the context of systems of guarantees which do not result in a transfer of ownership or which limit the counterparty risk by other means.

4. Borrowings

A Sub-Fund may borrow permanently and for investment purposes from first class professionals specialised in this type of transaction.

Such borrowings are limited to 200% of the net assets of the relevant Sub-Fund. Consequently, the value of the assets of the Sub-Fund may not exceed 300% of its net assets. If the Fund adopts a strategy which presents a high degree of correlation between long and short positions, it is authorised to borrow up to 400% of its net assets.

The counterparty risk resulting from the difference between (i) the value of the assets transferred by a Sub-Fund to a lender as security in the context of the borrowing transactions and (ii) the debt of the Sub-Fund owed to such lender may not exceed 20% of the Sub-Fund's assets. A Sub-Fund may, in addition, grant guarantees in the context of systems of guarantee which do not result in a transfer of ownership or which limit the counterparty risk by other means.

The counterparty risk resulting from the sum of (i) the difference between the value of the assets transferred as security in the context of the borrowing of securities and the amounts due under item 3.e. above and (ii) the difference between the assets transferred as security and the amounts borrowed referred to above may not exceed, in respect of a single lender, 20% of a Sub-Fund's assets.

5. Use of derivative financial instruments and other techniques

Each Sub-Fund is authorised to make use of the derivative financial instruments and the techniques referred to hereafter provided that the underlying assets of such derivative financial instruments are or relate to transferable securities as defined in the 2010 Law from time to time, financial indices, interest rates, money market instruments, exchange rate and/or foreign currencies.

The derivative financial instruments may include, amongst others, options, futures and forward contracts on financial instruments and options on such contracts, swap contracts by private agreement on any type of financial instruments as well as any other financial derivative instruments permissible under the 2010 Law and applicable regulations.

The maximum total leverage resulting from the use of these financial derivative instruments or techniques will be set out for each Sub-Fund, if appropriate, in Part B of the Prospectus. The derivative financial instruments must be dealt on an organized market or contracted by private agreement with first class professionals specialized in this type of transactions and supervised by the local Financial Supervisory Authority in the local domicile.

The aggregate commitments resulting from short sales of transferable securities together with the commitments resulting from financial derivative instruments entered into by private agreement and, if applicable, the commitments resulting from financial derivative instruments dealt on an organised market may not exceed at any time the assets of the Sub-Funds.

a. Restrictions relating to derivative financial instruments

- 1) Margin deposits in relation to derivative financial instruments dealt on an organized market as well as the commitments arising from derivative financial instruments contracted by private agreement may not exceed 50% of the assets of each Sub-Fund. The reserve of liquid assets of each Sub-Fund must represent at least an amount equal to the margin deposits made by the Sub-Fund. Liquid assets do not only comprise time deposits and regularly negotiated money market instruments the remaining maturity of which is less than 12 months, but also treasury bills and bonds issued by OECD member countries or their local authorities or by supranational institutions and organisations with European, regional or worldwide scope as well as bonds listed on a stock exchange or dealt on a Regulated Market, which operates regularly and is open to the public, issued by first class issuers and being highly liquid.
- 2) A Sub-Fund may not borrow to finance margin deposits.
- 3) A Sub-Fund may not enter into contracts relating to commodities other than commodity future contracts. However, each Sub-Fund may acquire, for cash consideration, derivatives on precious metals which are negotiable on an organized market. All contracts entered into by a Sub-Fund will be liquidated and/or rolled over before delivery date. No physical deliveries will be traded. In addition, such derivatives shall furthermore be subject to any restrictions relating to financial derivatives as set out in this Prospectus.
- 4) The premiums paid for the acquisition of options outstanding are included in the 50% limit referred to under item (1) above.
- 5) Each Sub-Fund must ensure an adequate spread of investment risks by sufficient diversification.
- 6) A Sub-Fund may not hold an open position in anyone single contract relating to a derivative financial instrument dealt in on an organized market or a single contract relating to a derivative financial instrument entered into by private agreement for which the margin required or the commitment taken, respectively, represents 5% or more of the assets of the Sub-Fund.
- 7) The Premiums paid to acquire options outstanding having identical characteristics may not exceed 5% of the assets of each Sub-Fund.

- 8) A Sub-Fund may not hold an open position in derivative financial instruments relating to a single commodity or a single category of forward contracts on financial instruments for which the margin required (in relation to derivative financial instruments negotiated on an organized market) together with the commitment (in relation to derivative financial instruments entered into by private agreement) represent 20% or more of the assets of the Sub-Fund.
- 9) The commitment in relation to a transaction on a derivative financial instrument entered into by private agreement by a Sub-Fund corresponds to the non-realized loss resulting, at that time, from the relevant transaction.

b. Securities Borrowing

The Sub-Funds will enter into securities financing transactions within the meaning of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse, including securities borrowing transactions. In case a Sub-Fund enters into the securities borrowing transactions, it will be specified in Part B of the Prospectus.

When entering into securities borrowing transactions, the Sub-Fund concerned will borrow from first class professionals specialised in this type of transaction.

The securities borrowed shall comply with the provisions set out in the investment objective and policy of the relevant Sub-Fund.

Counterparty selection

The counterparties to the securities borrowing transactions with the Sub-Funds shall be selected by using creditworthy financial institutions specialised in the relevant type of transactions located in the Nordic countries and the United Kingdom, taking into consideration criteria such as legal status and minimum credit rating. The counterparties shall be subject to prudential supervision and belonging to the categories of counterparties that are regulated by the relevant financial supervisory authority and approved by the Board of Directors.

The counterparty risk resulting from the difference between (i) the value of the assets transferred by a Sub-Fund to a lender as security in the context of the security borrowing transactions and (ii) the debt of the Sub-Fund owed to such lender may not exceed 20% of the Sub-Fund's assets. In addition to the transfer of title over assets granted as collateral, a Sub-Fund may grant guarantees in the context of systems of guarantee which do not result in a transfer of ownership.

All revenues arising from securities borrowing transactions, net of direct and indirect operational costs and fees will be returned to each Sub-Fund.

c. Securities lending

To the maximum extent allowed by, and within the limits set forth in the Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions, in particular the provisions of the CSSF Circular 08/356 relating to the rules applicable to undertakings for collective investments when they use certain techniques and instruments relating to transferable securities and money market instruments, each Sub-Fund may for the purpose of generating additional capital or income or for reducing costs or risks engage in securities lending transactions.

Prior to the use of any securities lending transactions within the meaning of the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse, the investment objective and policy of the relevant Sub-Fund will disclose whether securities lending transactions are being traded.

Use of the aforesaid techniques and instruments involves certain risks, some of which are listed in the following paragraphs, and there can be no assurance that the objective sought to be obtained from such use will be achieved.

In relation to securities lending transactions, investors must notably be aware that (A) if the borrower of securities lent by a Sub-Fund fail to return these there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Sub-Fund, or (iii) yield a sum less than the amount of collateral to be returned; and that (C) delays in the return of securities on loans may restrict the ability of a Sub-Fund to meet delivery obligations under security sales or payment obligations arising from redemptions requests.

6. Cash and cash equivalents

Each Sub-Fund may hold on an ancillary basis cash and cash equivalents. In this respect, time deposits in depository institutions and money market instruments which are regularly negotiated and which have a residual maturity of 12 months or less from the acquisition date shall be deemed to be cash equivalents.

Based on the appraisal of the Portfolio Manager with regard to the market conditions, up to 100% of each Sub-Fund's net assets may however be invested in cash or cash equivalent instruments as described above if this is in the best interest of the Unitholders.

The Portfolio Manager will furthermore observe the principle of risk diversification when investing in such instruments (e.g. (i) by ensuring that not more than 20% of a Sub-Fund's assets are held in cash and cash equivalent instruments with one single bank and (ii) by investing in cash equivalent instruments issued by different issuers and having different maturities).

7. Management of Collateral and Collateral Policy

In the context of OTC financial derivative transactions, the Fund may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Management Company on behalf of the Fund in such case. All assets received by the Fund in the context of efficient portfolio management techniques shall be considered as collateral for the purpose of this section.

Eligible Collateral

Collateral received by the Fund may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and CSSF Circulars issued from time to time notably in terms of liquidity and issuer credit quality, valuation, correlation, collateral diversification, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

- (i) Liquidity and issuer credit quality – any collateral received other than cash shall be of high quality, highly liquid and traded on a Regulated Market.
- (ii) Valuation – collateral received shall be valued on at least a daily basis and assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place;
- (iii) Correlation – the collateral received by the Fund shall be issued by an entity that is independent from the counterparty;
- (iv) Collateral diversification (asset concentration) – collateral shall 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 the Fund receives from a counterparty of efficient portfolio management and OTC financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of the respective Sub-Fund's net asset value. When the Fund is exposed to different counterparts, the different baskets of collateral shall be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, the Fund 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. In such a case, the Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the respective Sub-Fund's net asset value.

The list of eligible jurisdictions includes, but is not limited to, Canada, Denmark, Finland, France, Germany, the Netherlands, Norway, Sweden, Switzerland, the United Kingdom and the United States of America;

Moreover, collateral received shall also comply with the provisions of Article 48(2) of the 2010 Law:

- (i) It should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty;
- (ii) Risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the risk management process;
- (iii) Where there is a title transfer, the collateral received shall be held by the depositary of the Fund. 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;

Subject to the abovementioned conditions, collateral received by the Fund may consist of the following instruments as provided by the CDR 2016/2251:

- (i) Cash in an OECD country currency in accordance with Article 4(1) (a) of CDR 2016/2251;
- (ii) Debt securities issued or guaranteed by Member States' central governments or central banks in accordance with Article 4(1) (c) of CDR 2016/2251;
- (iii) Debt securities issued by Member States' regional governments or local exposures whose exposures are treated as exposures to the central government of that Member State listed in Article 115(2) of the Regulation (EU) 575/2013, and in accordance with CDR 2016/2251;
- (iv) Debt securities issued by multilateral banks listed in Article 117(2) of the Regulation (EU) of 575/2013, and in accordance with CDR 2016/2251;
- (v) Debt securities issued by international organisations listed in Article 118 of the Regulation (EU) No 575/2013, and in accordance with CDR 2016/2251;
- (vi) Corporate bonds, and in accordance with CDR 2016/2251;
- (vii) Convertible bonds provided they can be converted only into equities which are included in an index specified pursuant to point (a) of Article 197(8) of the Regulation (EU) No 575/2013;
- (viii) Equities included in an index specified pursuant to point (a) of Article 197(8) of the Regulation (EU) No 575/2013, and in accordance with CDR 2016/2251;

- (ix) The following debt securities issued by third countries' governments or central banks in accordance with Article 4(1) of CDR 2016/2251: Norway, Switzerland, United Kingdom, United States of America and Canada.

Level of Collateral

The Management Company, on behalf of the Fund will determine the required level of collateral for OTC financial derivatives transactions by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

Rules for application of haircuts

Collateral will be valued on a daily basis using available market prices and the value of collateral will be adjusted by applying relevant haircuts. For this purpose, in accordance with Article 6 of CDR 2016/2251, the Management Company will rely on the credit quality assessments issued by a recognised ECAI or the credit quality of (ECAI) of an export credit agency and thus will use standard haircuts to be applied by asset type, maturity and credit quality of the issuer.

The following haircuts will be applied:

1) Cash Collateral

- (i) Cash variation margin shall be subject to a haircut of 0%;
- (ii) Cash initial margin shall be subject to a haircut of 8% when the cash initial margin has been posted in a currency other than the currency in which the payments in case of early termination or default have to be made in accordance with the single derivative contract, the relevant exchange of collateral agreement or the relevant credit support annex ("termination currency").

In case no termination currency has been set out, the above haircut of 8% shall apply to the market value of all the assets posted as collateral.

2) Non-Cash Collateral

(i) Haircuts applicable to debt securities

Table 1 - Debt securities

Collateral		Credit Quality Step	Maturity		
			≤ 1 year	>1 ≤ 5 year(s)	> 5 years
(i)	Debt securities issued or guaranteed by Member States' central governments or central banks in accordance with Article 4(1) (c) of CDR 2016/2251	1	0.5%	2%	4%
(ii)	Debt securities issued by Member States' regional governments or local exposures whose exposures are treated as exposures to the central government of that Member State listed in Article 115(2) of Regulation (EU) 575/2013 and in accordance with CDR 2016/2251.				
(iii)	Debt securities issued by multilateral banks listed in Article 117(2) of Regulation (EU) of 575/2013 and in accordance with CDR 2016/2251.	2-3	1%	3%	6%
(iv)	Debt securities issued by international organisations listed in Article 118 of the Regulation (EU) No 575/2013 and in accordance with CDR 2016/2251				
(v)	Convertible bonds provided they can be converted only into equities which are included in an index specified pursuant to point (a) of article 197(8) of Regulation (EU) No 575/2013	1-3	15%		
(vi)	Corporate bonds in accordance with CDR 2016/2251.	1	1%	4%	8%
		2-3	2%	6%	12%

To determine the credit quality step, the second best rating from Moody's, S&P and Fitch shall be used and mapped using the table below. For the avoidance of the doubt, no credit quality step 4 is mapped since all debt securities shall be having an issuer rating of investment grade.

Table 2 – Credit Quality step mapping table

Credit Rating Agency	Rating type	Credit Quality Step		
		1	2	3
Fitch Ratings	Long-term Issuer Credit ratings scale	AAA, AA	A	BBB
Moody's Investors Service	Global long-term rating scale	Aaa, Aa	A	Baa
Standard & Poor's ratings Services	Long-term issuer credit ratings scale	AAA, AA	A	BBB

- (ii) Equities in main indices and bonds convertible to equities in main indices shall have a haircut of 15 %;
- (iii) Non cash initial margin posted in a currency other than the currency in which the payments in case of early termination or default have to be made in accordance with the single derivative contract, the relevant exchange of collateral agreement or the relevant credit support annex shall be subject to an additional haircut of 8%;
- (iv) In case no termination currency has been set out, the above haircut of 8% shall apply to the market value of all the assets posted as collateral.
- (v) Non-Cash variation margin posted in a currency other than those agreed in an individual derivative contract, the relevant governing master netting agreement or the relevant credit support annex shall be subject to an additional haircut of 8%.

The Management Company reserves the right to review and amend the above haircuts at any time when the market conditions have changed and when and if this is deemed in the best interest of the Fund.

Reinvestment of Collateral

Non-Cash Collateral received by the Fund may not be sold, re-invested or pledged.

Restrictions on the re-use of Cash Collateral

Cash Collateral received by the Fund shall neither be re-invested nor pledged.

GENERAL RISK CONSIDERATIONS

1) GENERAL

An investment in a Sub-Fund involves certain risks relating to the particular Sub-Fund's structure and investment objectives which investors should evaluate before making a decision to invest in such Sub-Fund.

The investments within each Sub-Fund are subject to market fluctuations and to the risks inherent in all investments; accordingly, no assurance can be given that the investment objective will be achieved.

Investors should make their own independent evaluation of the financial, market, legal, regulatory, credit, tax and accounting risks and consequences involved in investment in a Sub-Fund and its suitability for their own purposes. In evaluating the merits and suitability of an investment in a Sub-Fund, careful consideration should be given to all of the risks attached to investing in a Sub-Fund.

The following is a brief description of certain factors which should be considered along with other matters discussed elsewhere in this Prospectus. The following however, does not purport to be a comprehensive summary of all the risks associated with investments in any Sub-Fund.

An investment in Units of the Sub-Fund carries substantial risk and is suitable only for investors who accept the risks, can assume the risk of losing their entire investment and who understand that there is no recourse other than to the assets of the relevant Sub-Fund.

Early termination: In the event of the early termination of the Fund, the Management Company would have to distribute to the Unitholders their pro-rata interest in the assets of the Fund. The Fund's investments would have to be sold by the Management Company or distributed to the Unitholders. It is possible that at the time of such sale or redemption certain investments held by the Fund may be worth less than the initial cost of the investment, resulting in a loss to the Fund and to its Unitholders. Moreover, in the event the Fund terminates prior to the complete amortization of organizational expenses, any unamortized portion of such expenses will be accelerated and will be debited from (and thereby reduce) amounts otherwise available for distribution to Unitholders.

Changes in applicable law: The Management Company and AIFM must comply with various regulatory and legal requirements, including securities laws and tax laws as imposed by the jurisdictions under which it operates. Should any of those laws change over the life of the Fund, the regulatory and legal requirements to which the Fund and its Unitholders may be subject could differ materially from current requirements.

Foreign exchange/Currency risk: The AIFM/the Portfolio Manager may invest its assets in securities denominated in a wide range of currencies. The Net Asset Value expressed in its respective reference currency will fluctuate in accordance with the changes in foreign exchange rate between the base currency of the Fund and the currencies in which the Fund's investments are denominated.

Commission and fee(s) amounts: The payment of a fee calculated on the basis of performance results could encourage the AIFM / or the Portfolio Manager to select more risky and volatile placements than if such fees were not applicable.

Potential Conflicts of Interests: The Management Company, the AIFM, the Portfolio Manager, the Prime Broker, the Depositary, the Global Distributor and any of its delegated agent, any Unitholder and any of their respective subsidiaries, affiliates, associates, agents or delegates may:

1. contract or enter into any financial, banking or other transactions or arrangements with one another or with the Management Company/AIFM including, without limitation, investment by the Fund in securities or investment by any Connected Person in any company or body any of whose investments form part of the assets of the Fund or be interested in any such contracts or transactions;
2. invest in and deal with Units, securities, assets or any property of the kind included in the property of the Fund for their respective individual accounts or for the account of a third party; and
3. deal as agent or principal in the sale or purchase of securities and other investments to or from the Fund through or with a Connected Person.

Any asset of the Fund in the form of cash or securities may be deposited with any Connected Person. Any asset of the Sub-Fund in the form of cash may be invested in certificates of deposit or banking investments issued by any Connected Person. Banking or similar transactions may also be undertaken with or through a Connected Person.

Entities within, and/or employees, agents, affiliates or subsidiaries of members of, the SEB Bank group of companies are likely to be counterparties to the derivatives transactions or contracts entered into by the AIFM on behalf of the Fund. In addition, in many cases the Counterparty may be required to provide valuations of such derivative transactions or contracts. These valuations may form the basis upon which the value of certain assets of the Fund is calculated. The AIFM acknowledges that SEB Affiliates may have a potential conflict of interest by virtue of acting as Counterparty and/or providing such valuations. However, the AIFM believes that such conflicts can be adequately managed, and expects that the Counterparty will be suitable and competent to provide such valuations and will do so at no further cost to the Fund which would be the case if the services of a third party were engaged to provide valuations.

Emerging Markets risks: The Funds may invest in emerging markets. Such investments are subject to the following risks:

In certain countries, there is the possibility of expropriation of assets, confiscatory taxation, political, economic or social instability (including risk of war) or diplomatic developments which could affect investment in those countries. There may be less publicly available information about certain financial instruments than some investors would find customary and entities in some countries may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which certain investors may be accustomed.

Certain financial markets, while generally growing in volume, have for the most part, substantially less volume than more developed markets, and securities of many companies are less liquid and their prices more volatile than securities of comparable companies in more sizable markets. There are also varying levels of government supervision and regulation of exchanges, financial institutions and issuers in various countries. In addition, the manner in which foreign investors may invest in securities in certain countries, as well as limitations on such investments, may affect the investment operations of the Fund.

Emerging country debt will be subject to high risk and will not be required to meet a minimum rating standard and may not be rated for creditworthiness by any internationally recognised credit rating organisation. The issuer or governmental authority that controls the repayment of an emerging country's debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. As a result of the foregoing, a government obligor may default on its obligations. If such an event occurs, the Fund may have limited legal recourse against the issuer and/or guarantor. Remedies must, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of foreign government debt securities to obtain recourse may be subject to the political climate in the relevant country. In addition, no assurance can be given that the holders of commercial debt will not contest payments to the holders of other foreign government debt obligations in the event of default under their commercial bank loan agreements.

Settlement systems in emerging markets may be less well organised than in developed markets. Thus there may be a risk that settlement may be delayed and that cash or securities of the Fund may be in jeopardy because of failures or of defects in the systems. In particular, market practice may require that payment shall be made prior to receipt of the security which is being purchased or that delivery of a security must be made before payment is received. In such cases, default by a broker or bank through whom the relevant transaction is effected might result in a loss being suffered by the Fund investing in emerging market securities.

The Fund will seek, where possible, to use counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that the Fund will be successful in eliminating this risk, particularly as counterparties operating in emerging markets frequently lack the substance or financial resources of those in developed countries.

There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or to be transferred to the Fund. Furthermore, compensation schemes may be non-existent or limited or inadequate to meet the Fund's claims in any of these events.

Attention should be drawn to the fact that the Net Asset Value per Unit can go down as well as up. An investor may not get back the amount he has invested, particularly if Units are redeemed soon after they are issued and the Units have been subject to charges. Changes in exchange rates may also cause the Net Asset Value per Unit in the investor's reference currency to go up or down. No guarantee as to future performance of or future return from the Fund, can be given.

In addition to the above mentioned general risks which are inherent in all investments, the investment in the Fund entails above-average risks and is only appropriate for investors who can take the risk to lose the entire investment. The specific risks related to the investment in the Fund are described below.

2) RISKS OF INVESTING IN UNDERLYING FUNDS

Certain Sub-Funds may invest in underlying funds. Such investments are subject to the following risks:

Severalty of underlying funds: In order to ensure diversification in terms of management strategies and markets, the AIFM/the Portfolio Manager will select a certain number of underlying funds who operate independently. Although such diversification intends to reduce the risk of loss while preserving the ability to benefit from price fluctuations, no guarantee can be given that the diversification of the underlying funds shall not result globally in losses recorded on certain underlying funds exceeding the profits generated by others.

Inadvertent concentration: It is possible that a number of underlying funds might take substantial positions in the same security at the same time. This inadvertent concentration would interfere with the Fund's goal of diversification. The AIFM/the Portfolio Manager will attempt to alleviate such inadvertent concentration as part of its regular monitoring and reallocation process. Conversely the AIFM/the Portfolio Manager may at any given time, hold opposite positions, such position being taken by different underlying funds. Each such position shall result in transaction fees for the Fund without necessarily resulting in either a loss or a gain. Moreover, the AIFM/the Portfolio Manager may proceed to a reallocation of assets between underlying funds and liquidate investments made in one or several of them. Finally, the AIFM/the Portfolio Manager may also, at any time, select additional underlying funds. Such assets reallocations may impact negatively the performance of one or several of the underlying funds.

Future returns: No assurance can be given that the strategies employed by the underlying funds in the past to achieve attractive returns will continue to be successful or that the return on the Fund's investments will be similar to that achieved by the Fund or such underlying funds in the past.

Risks of special techniques used by underlying funds: Many of the underlying funds in which the AIFM/the Portfolio Manager will invest will use special investment techniques that may subject the Fund's investments to risks different from those posed by investments in equity and fixed income funds. The Fund in any event is not designed to correlate to the broad equity market, and should not be viewed as a substitute for equity or fixed income investments.

Risks of leverage: The investment strategies adopted by the underlying funds often employ leverage. Some of the Sub-Funds may not pre-determine any maximum leverage, as certain investment strategies such as pure arbitrage based strategies by default utilize more leverage than other strategies without necessarily incurring higher risk. Such Sub-Fund will, therefore, view leverage on an individual basis, based on investment strategy and event risk.

Risks of borrowing: The underlying funds may borrow funds for the purpose of a leveraged trading technique. A particular underlying fund may not be subject to any limitations on the amount of its borrowings, and the amount of borrowings that the underlying fund may have outstanding at any time may be large in comparison to its capital. Furthermore, given that the AIFM/the Portfolio Manager may borrow in order to invest in underlying funds, the investors must be aware that they may suffer a greater risk resulting from the decline of the net asset value of the underlying funds invested with this borrowing facility and therefore, the Fund's capital risk exposure will be higher.

Borrowing money to purchase securities may provide an underlying fund with the opportunity for greater capital appreciation, but, at the same time, will increase the underlying fund's and indirectly the Fund's exposure to capital risk and higher current expenses. Moreover, if the underlying fund's assets are not sufficient to pay the principal of, and interest on, the underlying fund's debt when due, the Fund could sustain a total loss of its investment in the underlying fund.

Currency risk: The value of an investment represented by an underlying fund in which the Sub-Funds of the Fund invests may be affected by fluctuations in the currency of the country where such underlying fund invests, by foreign exchange rules, or by the application of the various tax laws of the relevant countries (including withholding taxes), government changes or variations of the monetary and economic policy of the relevant countries.

Investment in unregulated underlying funds: As the Sub-Fund may invest its net assets in shares or units of underlying funds which are not submitted in their State of origin to a permanent control exercised by a regulatory authority set up by law in order to ensure the protection of the investors, investments in any of the Sub-Funds are subject to a corresponding risk. Although the risks inherent to investments in underlying funds (whether regulated or unregulated) are limited to the loss of the initial investment contributed by the relevant Sub-Funds, investors should nevertheless be aware that investments in unregulated underlying funds are more risky than investments in regulated underlying funds. This may be due to the absence of accounting standards and the absence of a regulatory authority imposing rules and regulations to the entity exercising the depositary and/or administration functions. Investors should note that the Sub-Fund may invest on an ancillary basis in unregulated underlying funds notwithstanding that it may also invest part of its net assets in regulated underlying funds.

Volatility/Concentration: Investments by the Sub-Funds will be made in regulated or non-regulated underlying funds that are generally set up in the form of a limited partnership, corporation or unit trust. The Sub-Funds shall only invest in such limited partnerships where the Sub-Funds shall be free to realize its investment at any time and independently from the other partners. Many of these underlying funds can be highly leveraged and sometimes take large positions with high volatility. Underlying funds may concentrate in only one geographic area or asset investment category, thereby taking on the risk of the market and of rapid changes to the relevant geographic area or investment category. These investments may be speculative.

Valuation of underlying funds: The method by which the Net Asset Value per Unit of the Sub-Funds will be calculated presumes the AIFM's ability to value the holdings in underlying funds. In valuing those holdings, the AIFM will need to rely on financial information provided by the underlying funds themselves. Independent valuation sources such as exchange listing may not be available for underlying funds.

In particular, investors are warned that:

- the Net Asset Value per Unit of the Sub-Funds may be determined only after the value of their investments itself is determined, which may take a certain time after the relevant Valuation Day;
- the number of Units subscribed by an investor may therefore not be determined until the Net Asset Value per Unit is determined.

Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

Accumulation of fees: As the Sub-Funds may invest in underlying funds, the Unitholders of the relevant Sub-Funds may incur a duplication of fees and commissions (such as management fees including performance fees, custody and transaction fees, administration fees and audit fees). To the extent these underlying funds invest in turn in other funds, Unitholders may incur additional fees to those mentioned above.

3) RISKS OF USING SPECIAL INVESTMENT TECHNIQUES

Special investment techniques: The general use of currency hedging techniques and instruments, compared to traditional forms of investment may involve greater risks.

Risks of options trading: In seeking to enhance performance or hedge assets, the AIFM/the Portfolio Manager may use options.

Both the purchasing and selling of call and put options entail risks. Although an option buyer's risk is limited to the amount of the purchase price of the option, an investment in an option may be subject to greater fluctuation than an investment in the underlying securities. In theory, an uncovered call writer's loss is potentially unlimited, but in practice the loss is limited by the term of existence of the call. The risk for a writer of a put option is that the price of the underlying security may fall below the exercise price.

Investing in futures is volatile and involves a high degree of leverage: Futures markets are highly volatile markets. The profitability of the Fund will partially depend on the ability of the AIFM/the Portfolio Manager to make a correct analysis of the market trends, influenced by governmental policies and plans, international political and economical events, changing supply and demand relationships, acts of governments and changes in interest rates. In addition, governments may from time to time intervene on certain markets, particularly currency markets.

Such interventions may directly or indirectly influence the market. Given that only a small amount of margin is required to trade on futures markets, the operations of the managed futures portion of the Fund shall be characterized by a high degree of leverage. As a consequence, a relatively small variation of the price of a futures contract may result in substantial losses for the Fund and a correlated reduction of the Net Asset Value of the Units of the Fund.

Futures markets may be illiquid: Most futures markets limit fluctuation in futures contracts prices during a single day. When the price of a futures contract has increased or decreased by an amount equal to the daily limit, positions can be neither taken nor liquidated unless the AIFM/the Portfolio Manager is willing to trade at or within the limit. In the past futures contracts prices have exceeded the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the Fund from promptly liquidating unfavourable positions and thus subject the Fund to substantial losses. In addition, even if the prices do not get close to such limits, the AIFM/the Portfolio Manager may be in a position not to obtain satisfying prices if the volumes traded on the market are insufficient to meet liquidation requests. It is also possible that a stock exchange, the Commodity Futures Trading Commission in the United States or another similar institution in another country suspends the listing of a particular contract, instructs the immediate liquidation of the contract or limits transactions on a contract to the sole transactions against delivery.

Options on Futures: The AIFM/the Portfolio Manager may engage in the management of options, in particular options on futures contracts. Such management carries risks similar to the risks inherent to the uncovered management of futures contracts on commodities as far as such options are volatile and imply a high degree of leverage. The specific movements of the commodities and futures contracts markets, which represent the underlying assets of the options may not be predicted with precision. The buyer of an option may lose the entire purchase price of the option. The seller of an option may lose the difference between the premium received for the option and the price of the commodity or of the futures contract underlying the option that the seller must buy or deliver, upon the exercise of the option.

Swap Trading: The AIFM/the Portfolio Manager may enter into one or more swaps in connection with a currency hedge or as a part of a strategy. Swap agreements are not traded on exchanges but rather banks and dealers act as principals by entering into an agreement to pay and receive certain cash flow over a certain time period, as specified in the swap agreement. Consequently, the Fund is subject to the risk of a swap counterparty's inability or refusal to perform according to the terms of the swap agreement. The swap market is generally unregulated by any governmental authority. To mitigate the counterparty risk resulting from swap transactions, the Fund will enter into such transactions only with highly rated, first class financial institutions with which it has established ISDA agreements.

The use of credit default swaps can be subject to higher risk than direct investment in transferable securities. The market for credit default swaps may from time to time be less liquid than transferable securities markets. However, the AIFM/ the Portfolio Manager only intends to invest in credit default swaps which are liquid.

The AIFM/the Portfolio Manager will therefore always seek to be in a position enabling it to liquidate its exposure to credit default swaps in order to meet redemption requests. In relation thereto, the exposure of the Fund on a reference issuer resulting from these credit default swaps will be aggregated with the exposure resulting from direct investments in order to ensure that no more than 20% of the assets of each Sub-Fund will be exposed to the same reference issuer. Furthermore, in relation to credit default swaps where the AIFM/the Portfolio Manager buys protection, the Fund is subject to the risk of the counterparty of the credit default swaps defaulting. To mitigate the counterparty risk resulting from credit default swap transactions, the Fund will only enter into credit default swaps with highly rated financial institutions specialised in this type of transaction and in accordance with the standard terms laid down by the ISDA.

4) COUNTERPARTY RISK

The Fund may have credit exposure to one or more counterparties by virtue of its investment positions including via the use of credit default swaps or securities borrowing. To the extent that a counterpart defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Such risks will increase where the AIFM/the Portfolio Manager uses only a limited number of counterparties.

5) SECURITIES LENDING TRANSACTIONS RISKS

Use of the aforesaid techniques and instruments involves certain risks, some of which are listed in the following paragraphs, and there can be no assurance that the objective sought to be obtained from such use will be achieved.

In relation to securities lending transactions, investors must notably be aware that (A) if the borrower of securities lent by a Sub-Fund fail to return these there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Sub-Fund, or (iii) yield a sum less than the amount of collateral to be returned; and that (C) delays in the return of securities on loans may restrict the ability of a Sub-Fund to meet delivery obligations under security sales or payment obligations arising from redemptions requests.

6) STRUCTURAL RISKS

Equity Market Neutral: A market neutral strategy requires both a long and short position. To the extent the AIFM/the Portfolio Manager is unable to maintain a balanced position because of trade execution delays, forced liquidations of short or leveraged positions due to losses or failure to “match” long and short positions, the strategy will not be market neutral. In addition, to the extent that long and short positions are not matched by industry sectors, a sector-wide but not market-wide price move may result in market, as opposed to stock picking, losses.

Long/Short strategies: The Sub-Fund, within the limits set forth in the Investment restrictions, and the underlying funds in which it invests, will routinely sell securities short. Since the borrowed securities sold short must later be replaced by market purchases, any appreciation in the market price of these securities (which is potentially unlimited) results in a loss. Purchasing securities to close out the short position can itself cause their market price to rise, further increasing losses. Furthermore, the Sub-Fund or an underlying fund may be prematurely forced to close out a short position if a counterpart from which the Sub-Fund or an underlying funds has borrowed such security demands its return.

OTC transactions: The AIFM/the Portfolio Manager may engage in OTC transactions with banks or brokers acting as counterpart. Participants to such markets are not protected against defaulting counterparts in their transactions because such contracts are not guaranteed by a clearinghouse.

Market Participant Risk: The institutions, including brokerage firms and banks, with which the Fund or the underlying funds execute trades, may encounter financial difficulties that impair the operational capabilities or the capital position of such counterpart. The AIFM/the Portfolio Manager will have no control whatsoever over the counter parties or brokers used by the underlying funds.

Prime Broker: In relation to the transfer of title of certain assets of the Fund to the Prime Broker and the Fund’s corresponding right to receive equivalent securities, the Fund will not benefit from a security over the Prime Broker’s assets. In the event of an insolvency of the Prime Broker, the Fund might not be able to recover the entire value of the relevant securities.

Performance Fee: The Performance Fee may result in substantially higher payments to the Portfolio Manager than alternative arrangements in other types of investment vehicles. The existence of the Performance Fee may create an incentive for the Portfolio Manager to make riskier or more speculative investments than it would otherwise make in the absence of such allocation. The Performance Fee will include amounts in respect of any unrealised appreciation of the Sub-Fund’s investments and there is no guarantee that such amounts may eventually be realised.

7) SUSTAINABILITY RISKS

Sustainability Risks: The SFDR requires transparency with regard to the integration of evaluations of environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investments made by a financial product and consideration of adverse sustainability impacts of the actions financial products and financial market participants.

More information on the incorporation of Sustainability Risks and opportunities into day-to-day business operations are to be found on <https://rhepa.se/en/>

Sustainability Risks are integrated into the investment decision making and risk monitoring to the extent that they represent a potential or actual material risks and/or opportunities for maximizing the long-term risk-adjusted returns. The Portfolio Manager considers sustainability risks as part of its broader analysis of potential investments and the factors considered will vary depending on the security in question, but typically include ownership structure, board structure and membership, capital allocation track record, management incentives, labour relations history, and climate risks.

Due to the nature of the Fund's investment strategy and types of securities it holds, the Fund is exposed to varied Sustainability Risks which include, but are not limited to:

- corporate governance malpractices (e.g. board structure, executive remuneration);
- unitholder rights (e.g. election of the likely directors, capital amendments);
- changes to regulation (e.g. greenhouse gas emissions restrictions, governance codes);
- physical threats (e.g. extreme weather, climate change, water shortages);
- brand and reputational issues (e.g. poor health & safety records, cyber security breaches);
- supply chain management (e.g. increase in fatalities, lost time injury rates, labour relations); and
- work practices (e.g. observation of health, safety and human rights provisions).

Assets held by the Fund may be subject to partial or total loss of value because of the occurrence of a Sustainability Risk due to fines, reduction of demand in the asset's products or services, physical damage to the asset or its capital, supply chain disruption, increased operating costs, inability to obtain additional capital, or reputational damage.

A Sustainability Risk event may arise and impact a specific investment or may have a broader impact on an economic sector, geographical or political region or country which may impact the portfolio of the Fund in its entirety.

Legal Risk associated with SFDR and Taxonomy Regulation: The Fund seeks to comply with all legal obligations applicable to it but notes there may be challenges in meeting all the requirements of the SFDR and the Taxonomy Regulation as they are introduced due to both delays in implementation of the legislation and lack of clarity. The Fund may be required to incur costs in order to comply with these new requirements during the initial implementation phase and may also be required to incur further costs as the requirements change and further elements are introduced.

If there are adverse political developments or changes in government policies as the implementation phase progresses this increases the likelihood of such changes to the relevant legal measures. These elements could have an impact on the viability of the Fund and its returns.

MANAGEMENT COMPANY AND AIFM

The Fund is managed for the Unitholders' account by FundRock Management Company S.A. acting as the Management Company and the AIFM.

The Management Company was incorporated for an unlimited period on 10 November 2004 in the form of a "*société anonyme*" in Luxembourg under the name of "RBS (Luxembourg) S.A.". With effect from 31 December 2015 it changed its name to FundRock Management Company S.A. It is authorised and regulated by the CSSF as (i) a management company subject to Chapter 15 of the 2010 Law, and (ii) as alternative investment fund manager regulated under Chapter 2 of the law of the 2013 Law. It has a subscribed and paid-up capital of EUR 10,000,000.

It has its registered office in Luxembourg at 33, rue de Gasperich, L-5826 Hesperange, Luxembourg. The articles of incorporation of the Management Company were published in the Mémorial C, official gazette of the Grand-Duchy of Luxembourg, as of 6 December 2004. The last amendment of the articles was published on 31 March 2016.

As AIFM, the Management Company may carry out any activities connected directly or indirectly to, and/or deemed useful and/or necessary for, the accomplishment of its objectives, remaining however, within the limitations set forth in, but to the furthest extent permitted by, the provision of its governing laws and regulations. The AIFM has been entrusted with the duties pertaining to the investment management functions of the Fund, namely (a) the portfolio management function and (b) the risk management function.

In accordance with Part II of the 2010 Law as well as the 2013 Law and following approval by the CSSF, the AIFM has delegated the portfolio management of the Sub-Funds as set out in Part B of this Prospectus. Information about conflicts of interest that may arise from this delegation is available at the registered office of the AIFM.

The Board of Directors of the Management Company has the broadest powers to act in the Management Company's name and to carry out as well all acts of administration and marketing relating to the Fund's objective, without prejudice to the limitations imposed by law, the articles of incorporation of the Management Company and the Management Regulations.

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 2013 Law.

The accounts of the Management Company are audited by an independent authorised auditor. This task has been entrusted to Deloitte Audit Sàrl.

The Management Company also acts as management company for other investment funds. The names of these other funds are available upon request at the registered office of the Management Company.

PORTFOLIO MANAGER

The AIFM is responsible for the investment objectives and policies of each Sub-Fund and for the investment management and administration of the Fund.

The AIFM may, in relation to each Sub-Fund, from time to time appoint one or more portfolio managers, who may, subject to the approval of the AIFM, sub-delegate their powers, in which case the Prospectus will be updated or supplemented accordingly. The Portfolio Manager(s) appointed in relation to each Sub-Fund are set out in Part B of this Prospectus.

The Portfolio Managers provide the AIFM with advice, reports and recommendations in connection with the management of the assets of the Sub-Funds and shall advise the AIFM as to the selection of liquid assets and other securities and assets constituting the portfolios of the Sub-Funds and have discretion, on a day-to-day basis and subject to the overall control and responsibility of the AIFM, to purchase and sell such liquid assets and other securities and otherwise to manage the Sub-Funds' portfolios. This also includes order execution powers of the Portfolio Manager. Any management activities of the Portfolio Managers shall be subject to compliance with the investment objective, strategy and restrictions of the relevant Sub-Funds as set out in this Prospectus as well as with any additional restrictions and directions notified by the AIFM of the Fund to the Portfolio Managers from time to time.

The Portfolio Managers may from time to time, under their own responsibility, appoint one or several investment advisors to advise the Portfolio Managers in relation to the management of the assets of the Fund. The appointment of one or more investment advisors will not lead to an increase of expenses for the Fund. In case of the appointment of any such investment advisors by the Portfolio Manager, the Portfolio Manager shall exercise reasonable care in the selection and supervision of the relevant investment advisors.

DEPOSITARY AND PAYING AGENT

Skandinaviska Enskilda Banken AB (publ) – Luxembourg Branch S.A., has been appointed as depositary of all of the Fund's assets, including its cash and securities, which will be held either directly or through other financial institutions such as correspondents, nominees, agents or delegates of the Depositary.

Skandinaviska Enskilda Banken AB (publ) – Luxembourg Branch registered with the Luxembourg Trade and Companies Register under number B39819, having its place of business at 4, rue Peternelchen, L-2370 Howald, Grand-Duchy of Luxembourg, is a branch of Skandinaviska Enskilda Banken AB (publ), a credit institution incorporated under and pursuant to the laws of Sweden and registered with the Swedish Companies Registration Office under number 502032-9081 with registered office address at 106 40 Stockholm, Sweden.

SEB AB is subject to the prudential supervision of the Swedish Financial Supervisory Authority, Finansinspektionen. The Depositary is furthermore supervised by the CSSF, in its role as host member state authority.

The Depositary has been appointed for the safe-keeping of the assets of the Fund which comprises the custody of financial instruments, the record keeping and verification of ownership of other assets of the Fund as well as the effective and proper monitoring of the Fund's cash flows in accordance with the provisions of the 2010 Law, as amended from time to time, and the Depositary Agreement.

In addition, the Depositary shall also ensure that (i) the sale, issue, repurchase, redemption and cancellation of Units are carried out in accordance with Luxembourg law and the Management Regulations; (ii) the value of the Units is calculated in accordance with Luxembourg law and the Management Regulations; (iii) the instructions of the Management Company are carried out, unless they conflict with applicable Luxembourg law and/or the Management Regulations; (iv) in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits and notify the AIFM in case of non-remittance and request restitution of the assets of the Fund from the counterparty where possible; and (v) the Fund's incomes are applied in accordance with Luxembourg law and the Management Regulations.

In carrying out its functions the Depositary acts honestly, fairly, professionally and independently and solely in the interest of the investors. The Depositary is on an ongoing basis analyzing, based on applicable laws and regulations as well as its conflict of interest policy potential conflicts of interests that may arise while carrying out its functions.

When performing its activities, the Depositary obtains information relating to funds which could theoretically be misused (and thus raise potential conflict of interests issues) in relation to e.g. the interests of other clients of the SEB Group, whether engaging in trading in the same securities or seeking other services, particularly in the area of offering services competing with the interests of other counterparties used by the funds/fund managers, and the interests of the Depositary's employees in personal account dealings.

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

For further details on management, monitoring and disclosure of potential conflicts of interest please refer to Instruction for Handling of Conflicts of Interest in Skandinaviska Enskilda Banken AB (publ) – Luxembourg Branch S.A. which can be found on the following webpage: <https://sebgroup.lu/conflictsofinterest>

In compliance with the provisions of the Depositary Agreement and the 2010 Law, as amended from time to time, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties in relation to financial instruments that can be held in custody, duly entrusted to the Depositary for custody purposes, and/or all or part of its duties regarding the record keeping and verification of ownership of other assets of the Fund to one or more delegate(s), as they are appointed by the Depositary from time to time.

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

Where the law of a third country requires that financial instruments are held in custody by a local entity and no local entity satisfies the delegation requirements of article 34bis, paragraph 3, lit. b) i) of the 2010 Law, as amended, the Depositary may delegate its functions to such local entity to the extent required by the law of that third country for as long as there are no local entities satisfying the aforementioned requirements.

In order to ensure that its tasks are only delegated to delegates providing an adequate standard of protection, the Depositary has to exercise all due skill, care and diligence as required by the 2010 Law, as amended, in the selection and the appointment of any delegate to whom it intends to delegate parts of its tasks and has to continue to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of any delegate to which it has delegated parts of its tasks as well as of any arrangements of the delegate in respect of the matters delegated to it. In particular, any delegation is only possible when the delegate at all times during the performance of the tasks delegated to it segregates the assets of the Fund from the Depositary's own assets and from assets belonging to the delegate in accordance with the 2010 Law, as amended. The Depositary's liability shall not be affected by any such delegation unless otherwise stipulated in the 2010 Law, as amended and/or the Depositary Agreement.

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

The Depositary is liable to the Fund or its investors for the loss of a financial instrument held in custody by the Depositary and/or a delegate. In case of loss of such financial instrument, the Depositary has to return a financial instrument of an identical type or the corresponding amount to the Fund without undue delay.

In accordance with the provisions of the 2010 Law, as amended, the Depositary will not be liable for the loss of a financial instrument, if such loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary shall be liable to the Fund and to the investors for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its duties in accordance with applicable law, in particular the 2010 Law, as amended and/or the Depositary Agreement.

The Management Company, acting on behalf of the Fund, and the Depositary may terminate the Depositary Agreement at any time by giving ninety (90) days' notice in writing. In case of a voluntary withdrawal of the Depositary or of its removal by the Fund, the Depositary must be replaced at the latest within two (2) months after the expiry of the aforementioned termination notice by a successor depositary to whom the Fund's assets are to be delivered and who will take over the functions and responsibilities of the Depositary. If the Management Company/Company does not name such successor depositary in time the Depositary may notify the CSSF of the situation. The Management Company/Company will take the necessary steps, if any, to initiate the liquidation of the Fund, if no successor depositary bank has been appointed within two (2) months after the expiry of the aforementioned termination notice of ninety (90) days.

Skandinaviska Enskilda Banken AB (publ) – Luxembourg Branch S.A., has also been appointed as paying agent of the Fund in Luxembourg.

Skandinaviska Enskilda Banken AB (publ) has been appointed as paying agent of the Fund in Sweden.

In such capacity, Skandinaviska Enskilda Banken AB (publ) – Luxembourg Branch S.A. and Skandinaviska Enskilda Banken AB (publ) shall be responsible for the collection of subscription monies in relation to the issue of Units as well as for making payments in relation to the redemption of Units and, if applicable, payments of dividends to Unitholders.

ADMINISTRATOR

FundRock Management Company S.A. has delegated, under its responsibility, certain administrative functions (including the registrar and transfer agent function) to UI efa S.A., a *société anonyme* established in Luxembourg.

The Administrator shall perform the general administrative functions required by Luxembourg law and for the processing of the issue and redemption of Units, the calculation of the net asset value of Units and the maintenance of accounting records.

FundRock Management Company S.A. shall remunerate the Administrator out of the Administration Fee which it receives from the Fund.

PRIME BROKER

In accordance with and under the conditions set out in the 2013 Law, the AIFM may appoint one or several prime brokers in relation to each Sub-Fund to provide brokerage, dealing services, clearing, credit facilities, securities lending services, securities borrowing facilities and foreign exchange to the Fund in respect of a given Sub-Fund.

As a general rule, the Prime Broker must be subject to the supervision of a recognized regulatory authority, honourable, competent and have sufficient financial assets. In addition, the Prime Broker will be regularly subject to due diligence procedures initiated by the Depositary in order to ensure that the above mentioned conditions are met. The Depositary will have an on-line access to the systems of the Prime Broker, enabling the Depositary to verify how the assets of the Fund have been invested and where and how such assets are available.

In relation to the purchase and sale transactions that the Prime Brokers will settle for the Fund, the Prime Brokers may provide financing to the Fund and may hold assets and cash on behalf of the Fund in connection with such settlement and financing transactions. As security for the payment and performance of its obligations and liabilities to the Prime Brokers, the Fund will normally advance to the Prime Brokers collateral in the form of securities or cash.

As continuing security for the due payment of the liabilities of the Fund towards the Prime Broker, all assets of the Fund held by or to the order of the Prime Broker will typically be charged in favour of the Prime Broker.

In relation to credit facilities, securities lending or securities borrowing, the Fund may grant collateral to the Prime Broker by way of an outright transfer of title of certain assets. The counterparty risk resulting from the difference between (i) the value of the assets transferred by the Fund to the Prime Broker as security in the context of the securities borrowing transactions and (ii) the debt of the Fund owed to the Prime Broker may not exceed 20% of the Fund's assets.

Beneficial ownership of any securities recorded as being held by the Prime Broker in the securities account opened in the books of the Prime Broker shall vest or remain vested in the Fund, and such securities shall be held by the Prime Broker upon trust for the Fund. Except as set out in the prime brokerage agreement, the Prime Broker shall have no right to withdraw securities from, or rehypothecate securities in, the securities account.

The AIFM will typically be obliged to indemnify on demand each of the Prime Broker, its officers, directors, employees, agents and affiliated companies from and against any stamp, documentary and other similar duties and taxes, all and any withholding and similar taxes and all claims, proceedings, expenses, costs, losses, damages and liabilities of every description (including legal fees, accountant fees, fines and penalties) which may be sustained or incurred by, or asserted against, the Prime Broker, its officers, directors, employees, agents and affiliated companies in connection with or arising out of the settlement of any transaction and the performance of the services provided pursuant to the prime brokerage agreement.

The Prime Broker shall use all reasonable care in the performance of its duties under the prime brokerage agreement but shall not be responsible for any loss or damage suffered by the Fund as a result of the Prime Broker performing or failing to perform such duties unless the same results from an act of negligence, fraud or wilful default by the Prime Broker, and in which event the liability of the Prime Broker shall not exceed the market value (as determined by the Prime Broker in good faith in any commercially reasonable manner) of the securities affected by such negligence, fraud or wilful default at the time when the same is notified to the Prime Broker.

The Prime Broker or any affiliated company to the Prime Broker may give advice, make recommendations to or enter into transactions with or for the Fund notwithstanding that it and/or an affiliated company may have an interest, relationship or arrangement that is material in relation to the advice, recommendation or transaction concerned.

GLOBAL DISTRIBUTOR

FundRock Distribution S.A. will act as Global Distributor (the “Global Distributor ”), according to the Global Distribution Agreement between Fundrock Management Company S.A., acting for and on behalf of Rhenman & Partners Fund and Fundrock Distribution S.A. made on 28 June 2023, to place the Fund’s Units in each Sub-Fund in any jurisdiction within the European Economic Area, under the respect of respective local legal requirements. The Global Distributor may conclude contractual arrangements with dealers as its sub-placement agents to place the Fund’s Units.

The Global Distributor of the Fund is responsible on a day-to-day basis, under supervision of the Directors, for providing access to fund platforms, fund distribution support and direct representation.

FundRock Distribution S.A. was incorporated for an unlimited period on 23 March 2021 in the form of a “*société anonyme*” in Luxembourg. It is authorised and regulated by the CSSF as an investment firm providing services 1-Reception and transmission of orders in relation to one or more financial instruments, 5-Investment advice and acting as an Authorised Family Office not performing actively the activity Family Office. It has a subscribed and paid-up capital of EUR 350,000.

It has its registered office in Luxembourg at 9a, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg. The articles of incorporation of the Global Distributor were published in the Mémorial C, official gazette of the Grand-Duchy of Luxembourg, as of 7 April 2021. The last amendment of the articles was published on 2 February 2022.

The Global Distributor has delegated the GDPR Support Services to the Management Company.

The Global Distributor shall also receive marketing and communications support from the Management Company as and whenever needed.

The Global Distributor offers different services or roles to the Fund depending on its needs and marketing strategy:

- Role as Global Distributor
 - Sub-distributor initial and on-going due diligence as well as other on-going monitoring if applicable
- Access to fund platforms
 - The Fund benefits from already negotiated master agreements with these partners which allows a fast on-boarding and benefits of scale
 - The Global Distributor is continuously researching new platforms to better answer local/global markets needs as well as the Fund's requests
- Regulatory oversight service
 - Enabling the deployment of local resources by our clients, or
 - Providing “chaperoning” resources depending on the Fund's business needs, allowing them to benefit from our licence and expertise
- Direct distribution service
 - Recruited and seeking to acquire additional local asset raising sales capabilities
 - Subject to successful investment due diligence, the Global Distributor can be mandated to develop new markets or new segments untapped by the Fund's own sales resources
- Cap Intro service
 - Leveraging on Apex Group recently acquired dedicated social platform (www.profilir.com)
 - Assist the Fund in achieving greater visibility among asset owners (portfolio managers interviews, newspapers publications etc..)
 - Offer data room capabilities if necessary

The Global Distributor shall also receive a global financial service from the Management Company.

The Global Distributor will also receive IT technical maintenance and operation services from the Management Company.

The accounts of the Global Distributor are audited by an independent authorised auditor. This task has been entrusted to Deloitte Audit S.à r.l.

The Global Distributor may exceptionally appoint other global distributors to distribute Units of the Sub-Funds. If another global distributor different from FundRock Distribution S.A. is appointed to distribute Units of a Sub-Fund in one or several jurisdictions, the details of such global distributor may be specified in the relevant Annex. Global distributors and sub-distributors may establish and administer one or more investment plans for the benefit of retail investors wishing to invest in certain Sub-Funds.

The Global Distributor expects that in relation to Units to be offered to retail investors the relevant global distributor and/or sub-distributor will offer to enter into arrangements with the relevant investors to provide nominee services to those investors in relation to the Units or arrange for third party nominee service providers to provide such nominee services to the underlying investors.

All nominee service providers must be (i) professionals of the financial sector of a country which are subject under their local regulations to anti money laundering rules equivalent to those required by Luxembourg law or (ii) professionals established in another country provided they are a subsidiary of a professional of the financial sector of a country referred in (i) above and they are obliged to follow anti money laundering rules equivalent to those required by Luxembourg law because of internal group policies. Whilst and to the extent that such arrangements subsist, such underlying investors will not appear in the Register of the Fund and will have no direct right of recourse against the Fund.

Any global distributor(s), sub-distributor(s) or nominee service providers holding their Units through Euroclear or Clearstream Luxembourg or any other relevant clearing system as an accountholder also will not be recognised as the registered Shareholder in the Register. The relevant nominee of Euroclear or Clearstream Luxembourg or the other relevant clearing system will be recognised as the registered Shareholder in the Register in such event, and in turn would hold the Units for the benefit of the relevant accountholders in accordance with the relevant arrangements. The terms and conditions of any distribution agreement including arrangements to provide nominee services will have to allow that an underlying investor who has invested in the Fund through a nominee, may at any time, require the transfer in his name of the Units subscribed through the nominee. After this transfer, the investor will receive evidence of his shareholding at the confirmation of the transfer from the nominee.

Shareholders may subscribe directly to the Fund without having to go through a global distributor or a nominee.

It is permitted to FundRock Distribution S.A. in its function as Global Distributor to receive any monies in relation to the subscription and/or redemption of the Fund's Units. Such monies will always be payable to an account of the Fund with the Depositary.

In compensation for its services as Global Distributor, FundRock Distribution S.A. is entitled to such fees as described in Part B.

AUDITOR

The accounts of the Fund are audited by an independent authorised auditor. This task has been entrusted to PricewaterhouseCoopers, *société coopérative*, 2, rue Gerhard Mercator, L-2182 Luxembourg (the “**Auditor**”). The Auditor must carry out the duties provided by the 2010 Law and by the 2013 Law. In this context, the main mission of the Auditor is to audit the accounting information given in the annual report. The Fund applies the Luxembourg Generally Accepted Accounting Principles (the “**Lux GAAP**”) for the preparation of its annual reports. The Auditor is also subject to certain reporting duties vis-à-vis the regulators as more fully described in the 2010 Law and in the 2013 Law.

INVESTORS RIGHTS AGAINST SERVICE PROVIDERS

Unitholders shall not have any direct contractual rights against the Portfolio Manager, the Depositary, the AIFM, the Administrator and the Auditor or any other third party service providers who have entered or will enter, from time to time, into a contractual relationship with the Fund or the AIFM.

In accordance with the 2010 Law and the 2013 Law, liability of the Depositary to Unitholders shall be invoked through the Management Company and/or the AIFM. Should the Management Company fail to act despite a written notice to that effect from a Unitholder within a period of three months following receipt of such notice, that Unitholder may directly invoke the liability of the Depositary.

FIGHT AGAINST MONEY LAUNDERING AND FINANCING OF TERRORISM

Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to, the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, and circulars of the CSSF, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the Registrar and Transfer Agent must in principle ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Registrar and Transfer Agent may require subscribers to provide any document it deems necessary to effect such identification.

In case of delay or failure by an applicant to provide the documents required, the application for subscription (or, if applicable, for redemption) will not be accepted. Neither the Fund, FundRock Management Company S.A. nor the Registrar and Transfer Agent have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

Unitholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

PREVENTION OF LATE TRADING AND MARKET TIMING

Late trading is to be understood as the acceptance of a subscription or redemption order after the time limit fixed for accepting orders (the “**cut-off time**”) on the relevant day and the execution of such order at the price base on the net asset value applicable to such same day.

The Management Company considers that the practice of late trading is not acceptable as it violates the provisions of the Prospectus which provide that an order received after the cut-off time is dealt with at a price based on the next applicable net asset value. As a result, subscriptions and redemptions of Units shall be dealt with at an unknown net asset value. The cut-off time for subscriptions and redemptions is set out below in this Prospectus.

Market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems units or shares of the same undertaking for collective investment 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 of the undertaking for collective investment.

The Management Company considers that the practice of market timing is not acceptable as it may affect the Fund's performance through an increase of the costs and/or entail a dilution of the profit. As a result, the Management Company reserves the right to refuse any application for subscription of Units which might be related to market timing practices and to take any appropriate measures in order to protect investors against such practice.

THE UNITS

The Sub-Funds may offer several unit classes, which may differ in their charges, use of income, persons authorised to invest, minimum investment amount, reference currency or other characteristics etc.

The Management Company may however decide that no such Classes will be available in any of the Sub-Funds or alternatively that such Class may only be purchased upon prior approval of the Management Company as more fully disclosed in Part B of the Prospectus for each Sub-Fund individually.

Distribution

Unless otherwise laid down in Part B of the Prospectus for each Sub-Fund individually, the Management Company may decide to issue, for each Sub-Fund capitalisation units ("C" units) and distribution units ("D" units).

The "D" units will pay a dividend to its holders, whereas the "C" units will accumulate income.

Dividends are paid annually, except for those Sub-Funds where the Management Company would decide on a monthly, quarterly or semi-annual dividend payment.

Hedged/ Non hedged unit classes

The Management Company may furthermore issue unit classes which reference currency is not the base currency of the respective Sub-Fund. The reference currency of a unit class will be put in brackets. Investors must be aware that an investment in unit classes having a reference currency not being the same as the base currency of the respective Sub-Fund may lead to a currency risk. The Management Company may furthermore issue unit classes which reference currency is not the base currency of the respective Sub-Fund, but where the currency exposure of the reference currency against the base currency will be hedged. In case of a currency hedge in favour of the reference currency of a respective unit class, an "H-" will precede the currency denomination of this unit class. For example "(H-SEK)" means that the reference currency of the unit class (SEK) is hedged against fluctuation of the base currency of the Sub-Fund.

Hedging costs will be borne by the respective unit class.

Classes with specific currency hedges serve the purpose of achieving similar performance numbers in local currency terms between the different classes.

Retail / institutional unit classes

The Management Company may furthermore issue units which i) may only be acquired by institutional investors ("I" unit class) as defined by Article 174 of the 2010 Law and ii) may be acquired by all investors ("R" unit class).

The net proceeds from the subscriptions are invested in the specific portfolio of assets constituting the relevant Sub-Fund.

The Management Company shall maintain for each Sub-Fund a separate portfolio of assets. As between Unitholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

The Fund shall be considered as one single entity. With regard to third parties, in particular towards the Fund's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it.

Units of any Class in any Sub-Fund will be issued in registered book-entry form only.

The inscription of the unitholder's name in the register of Units evidences his or her right of ownership of such registered Units. A holder of registered Units shall receive a written confirmation of his or her unitholding.

Forms for the transfer of Units are available at the registered office of the Management Company. Units are freely transferable except to Prohibited Persons.

All Units must be fully paid-up; they are of no par value and carry no preferential or pre-emptive rights.

Fractional Units may be issued with up to three decimals of a Unit should the subscribed amount not result in the issue of an even number of Units. Such fractional Units shall be entitled to a participation in the net results and in the proceeds of liquidation on a pro rata basis.

The Units of the Fund will not be listed on the Luxembourg Stock Exchange.

ISSUE AND SALE OF UNITS

Minimum Investment and Holding

The minimum investment and holding requirement per investor is described for each Sub-Fund in Part B of this Prospectus. The Management Company may waive the minimum amounts for the initial and/or subsequent subscriptions at its sole discretion.

Offer Price

After the Initial Offer Period (which shall be described for each Sub-Fund in Part B of this Prospectus) the offering price per Unit of each Class in each Sub-Fund (the “**Offer Price**”) is the total of (i) the Net Asset Value per Unit (or Gross Net Asset Value for Class I2 Units) plus (ii) the subscription fee, if any, specified for each Class within each Sub-Fund individually in Part B of the Prospectus. The Offer Price is available for inspection at the registered office of FundRock Management Company S.A.

Investors whose applications are accepted will be allotted Units issued on the basis of the Net Asset Value per Unit (or Gross Net Asset Value for Class I2 Units) determined as of the Valuation Day (as defined in Part B of the Prospectus for each Sub-Fund individually) following receipt of the application order provided that such application is received by the Management Company at a time as defined in Part B of the Prospectus.

The subscription fee, if any, which shall revert to the Global Distributor is specified for each Class within each Sub-Fund individually in Part B of the Prospectus.

Applications for subscriptions with the Management Company will be required to be made in the reference currency of the relevant Class, if any, or in the base currency of the relevant Sub-Fund or in any other currency specified by the investor and accepted by the Management Company (in which case any currency conversion costs shall be borne by the investor) within a period as defined in Part B of the Prospectus for each Class within each Sub-Fund individually.

Upon the issue of Units, the Fund retains an amount per Unit equal to the applicable Net Asset Value per Unit (or Gross Net Asset Value for Class I2 Units).

Written confirmations of registered Units will be sent to Unitholders within five Business Days after the relevant Valuation Day.

The Management Company reserves the right to reject any application in whole or in part if, but not limited to, Anti Money Laundering requirements in accordance with the Luxembourg law and regulations applicable from time to time are not fulfilled and if the application has been received from a Prohibited Person as described beforehand, in which case subscription monies paid, or the balance thereof, as appropriate, will be returned to the applicant within seven Business Days thereafter. The AIFM further reserves the right to suspend at any time and without prior notice the issue of Units in one, several or all of the Sub-Funds.

The Management Company may agree to issue Units as consideration for a contribution in kind of securities, provided that such securities comply with the investment objectives, policies and restrictions of the relevant Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the auditor of the Fund (the “*réviseur d’entreprises agréé*”) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities shall be borne by the relevant Unitholders.

No Units of any Sub-Fund will be issued during any period when the calculation of the Net Asset Value per Unit in such Sub-Fund is suspended by the AIFM, pursuant to the powers reserved to it by Article 10 of the Management Regulations.

In the case of suspension of dealings in Units the application will be dealt with as of the first Valuation Day following the end of such suspension period.

DATA PROTECTION

Personal data related to identified or identifiable natural persons provided to, collected or otherwise obtained for and on behalf of the Fund will be processed by the Management Company (Controller) in accordance with the privacy policy which is available and can be accessed or obtained online (<https://www.fundrock.com/privacy-policy/>). All persons contacting, or otherwise dealing directly or indirectly with the Controller are invited to read and carefully consider the privacy policy, prior to contacting or otherwise so dealing, and in any event prior to providing or causing the provision of any Data directly or indirectly to the Controller.

REDEMPTION OF UNITS

Each Unitholder of the Fund may at any time request the Management Company to redeem as of the specific Valuation Day specified for each Class within each Sub-Fund in Part B of the Prospectus all or any of the Units held by such unitholder in any Class within each of the Sub-Funds.

Unitholders desiring to have all or any of their Units redeemed should apply in writing to the Management Company.

Redemption requests should contain the following information (if applicable): the identity and address of the unitholder requesting the redemption, the number of Units to be redeemed, the relevant Class, the relevant Sub-Fund and details as to whom payment should be made. All necessary documents (including without limitation any anti-money laundering documentation) to complete the redemption should be enclosed with such application.

Unitholders whose applications for redemption are accepted will have their Units redeemed as of any Valuation Day provided that the applications have been received in Luxembourg at a time defined in Part B of the Prospectus.

Units will be redeemed at a price equal to the Net Asset Value per Unit of the relevant Class within the relevant Sub-Fund less a redemption fee, if any, the rate of which is indicated in Part B of the Prospectus, if applicable.

The payment of the Redemption Price shall be made within a period as defined in Part B of the Prospectus for each Class within each Sub-Fund individually.

Payment will be made by wire and/or cheque mailed to the unitholder at the address indicated by him or her or by bank order to an account indicated by the unitholder, at such unitholder's expense and at the unitholder's risk.

The Redemption Price will be paid in the reference currency of the relevant Class, if any, or in the base currency of the relevant Sub-Fund or in any other freely convertible currency specified by the unitholder and accepted by the Management Company. In the last case, any currency conversion costs shall be borne by the unitholder. The Redemption Price may be higher or lower than the price paid at the time of subscription or purchase.

Units in any Sub-Fund will not be redeemed if the calculation of the Net Asset Value per Unit in such Sub-Fund is suspended by the AIFM in accordance with Article 10 of the Management Regulations.

If, as a result of any request for redemption, the aggregate Net Asset Value of the Units held by any unitholder in a Sub-Fund/Class would fall below the minimum holding requirement specified in Part B of the Prospectus for each Sub-Fund/Class, the Management Company may treat such request as a request to redeem the entire unitholding of such unitholder in such Sub-Fund/Class. At the discretion of the Board of Directors, the Management Company reserves the right to transfer any existing unitholder who falls below the minimum holding requirement for one Class of Units into another appropriate Class of Units without charge.

Furthermore, if in relation to any Valuation Day redemption requests pursuant to Article 11 of the Management Regulations relate to more than 10% of the Units in issue in a specific Sub-Fund, the Management Company may decide that part or all of such requests for redemption will be deferred proportionally for such period as the Management Company considers to be in the best interests of the Sub-Fund, but normally not exceeding one Valuation Day. In relation to the next Valuation Day following such period, these redemption requests will be met on a pro-rata basis in priority to later requests and in compliance with the principle of equal treatment of Unitholders.

The Management Company shall have the right, if the Board of Directors so determines, to satisfy payment of the Redemption Price to any unitholder who agrees, in specie by allocating to the holder investments from the portfolio of assets set up in connection with such Sub-Fund equal in value (calculated in the manner described in Article 9 of the Management Regulations) as of the Valuation Day, on which the Redemption Price is calculated, to the value of the Units to be redeemed. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other holders of Units and the valuation used shall be confirmed by a special report of the auditor of the Fund. The costs of any such transfers shall be borne by the transferee.

Compulsory Redemptions

The Management Company has the right to require the compulsory redemption of all Units held by or for the benefit of a Unitholder if the Management Company determines that the Units are held by or for the benefit of any Unitholder that is or becomes an Ineligible Applicant as described under “**Important Information**”. The Management Company also reserves the right to require compulsory redemption of all Units held by a Unitholder in a Sub-Fund if the Net Asset Value of the Units held in such Sub-Fund by the Unitholder is less than the applicable minimum holding requirement.

Unitholders are required to notify the Administrator immediately if at any time they become Prohibited Persons, including (but not limited to) U.S. Persons or Specified U.S. Persons or hold Units for the account or benefit of such persons.

When the Management Company becomes aware that a Unitholder (A) is a Prohibited Person or is holding Units for the account or benefit of a Prohibited Person; (B) is holding Units in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, tax, pecuniary or material administrative disadvantages for the Fund or its Unitholders; or (C) has failed to provide any information or declaration required by the Management Company within ten (10) days of being requested to do so, the Management Company will either (i) direct such Unitholders to redeem or to transfer the relevant Units to a person who is qualified or entitled to own or hold such Units or (ii) redeem the relevant Units as further set out in the Management Regulations.

If it appears at any time that a holder of Units of a Class restricted to Institutional Investors is not an Institutional Investor, the Management Company will either redeem the relevant Units in accordance with the above provisions or convert such Units into Units of a Class which is not restricted to Institutional Investors (provided there exists such a Class with similar characteristics) and notify the relevant Unitholder of such conversion.

Any person who becomes aware that he is holding Units in contravention of any of the above provisions and who fails to transfer or redeem his Units pursuant to the above provisions shall indemnify and hold harmless the Management Company, the Fund, the Depositary, the Administrator, the Portfolio Manager and the Unitholders of the Fund (each an “**Indemnified Party**”) from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to any of the above provisions.

CONVERSION OF UNITS

Unitholders have the right, subject to the provisions hereinafter specified and subject to any limitations set out in relation to one or more Classes and/or Sub-Funds in Part B of the Prospectus, to convert on the Valuation Day specified for each Sub-Fund in Part B of the Prospectus Units from one Class for Units of another Class within the same or another Sub-Fund.

The rate at which Units of any Class in any Sub-Fund shall be converted will be determined by reference to the respective Net Asset Values of the relevant Units (or Gross Net Asset Value for Class I2 Units) calculated as of the same specific Valuation Day following receipt of the documents referred to below by a time defined in Part B of the Prospectus for each Class individually in each Sub-Fund.

Any conversion of Units will be treated as a redemption of Units and a simultaneous purchase of Units. A converting unitholder may, therefore, realise a taxable gain or loss in connection with the conversion under the laws of the country of the unitholder's citizenship, residence or domicile.

All terms and notices regarding the redemption of Units shall equally apply to the conversion of Units.

No conversion of Units will be effected until a duly completed conversion request form or other written notification acceptable to the Administrative Agent has been received at the registered office of the Administrative Agent.

Written confirmations of unitholding (as appropriate) will be sent to Unitholders within 20 Business Days after the relevant Valuation Day, together with the balance resulting from such conversion, if any.

In converting Units from one Class into Units of another Class of the same or another Sub-Fund, a unitholder must meet applicable minimum investment requirements imposed by the acquired Class of Units in the relevant Sub-Fund, if any.

If, as a result of any request for conversion, the aggregate Net Asset Value of the Units held by the converting unitholder in a Class of Units falls below the minimum holding requirement indicated in Part B of the Prospectus, the Management Company may treat such request as a request to convert the entire unitholding of such unitholder in such Class of Units. At the discretion of the Board of Directors, the Management Company reserves the right to transfer any existing unitholder who falls below the minimum unitholding requirement for a Class of Units into another appropriate Class of Units without charge.

Units of any Class, if any, in any Sub-Fund will not be converted in circumstances where the calculation of the Net Asset Value per Unit of such Sub-Fund is suspended by the AIFM pursuant to Article 10 of the Management Regulations.

Restrictions on subscription and conversion

In order to inter alia protect existing unitholders, the Board of Directors may, at any time, decide to close any further subscriptions into any Sub-funds or unit class from investors having not yet invested into the said Sub-funds or unit class only (the “**Soft Closure**”).

Decision taken by the Board of Directors (the “**Decision**”) on Soft Closure may be of immediate effect or applicable within a period not exceeding 6 months of the Decision.

Notwithstanding, the conditions laid down as above, the Board of Directors may decide to re-open the Sub-Fund for further subscriptions into any Sub-Funds or unit class for any investors if the said Sub-Fund net assets fall below a minimum of EUR 450 million or any defined levels determined by the Board of Directors.

Background for a Soft Closure may be, without being restricted thereof, that the size of a given Sub-fund has reached such a level that the market it is invested into has also reached its capacity level and thus the Sub-fund cannot be managed according to the defined objectives and investment strategy.

In relation thereto, a notification will be displayed on the website <https://fundinfo.fundrock.com/> and will be updated according to the status of the said Units or Sub-funds.

CONTRACTUAL RELATIONSHIP ENTERED INTO FOR THE PURPOSE OF INVESTMENT

Certain of the main legal implications of the contractual relationship entered into between the Fund and any investor subscribing Units are described in the account opening documentation executed by the investor before, at the time and/or in the course of its subscription of Units.

Such account opening documentation also contains information on jurisdiction and the applicable law.

Some of the legal implications of the foregoing contractual relationship are also described in the Prospectus and the Management Regulations. Both the Prospectus and the Management Regulations are subject to Luxembourg law.

According to 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, a judgment given in a Member State of the EU shall be recognised in other Member States without any special procedure being required and shall be enforceable in other Member States without any declaration of enforceability being required.

DETERMINATION OF THE NET ASSET VALUE

1) CALCULATION AND PUBLICATION

The Net Asset Value per Unit of each Class within the relevant Sub-Fund shall be expressed in the reference currency of such Class or in the base currency of the Sub-Fund and shall be determined as of any Valuation Day by dividing the net assets of the Fund attributable to the relevant Class within the relevant Sub-Fund, being the value of the assets attributable to such class less the portion of liabilities attributable to such Class within such Sub-Fund, on any such Valuation Day, by the number of Units then outstanding, in accordance with the valuation rules set forth below.

The Net Asset Value per Unit may be rounded up or down to the nearest hundredth of a unit of the reference currency as the AIFM shall determine.

If since the time of determination of the Net Asset Value there has been a material change in the quotations in the markets on which a substantial portion of the investments attributable to the relevant Sub-Fund are dealt in or quoted, the AIFM may, in order to safeguard the interests of the Unitholders and the Fund, cancel the first valuation and carry out a second valuation for all applications received on the relevant Valuation Day.

The assets and liabilities of the Fund shall be allocated in the following manner:

- a) the issue price which shall be received upon issue of Units connected with a specific Sub-Fund shall be attributed in the accounts of the Fund to such Sub-Fund. Assets and liabilities of that Sub-Fund as well as income and expenses which are related to a specific Sub-Fund, shall be attributed to it taking into account the following provisions;
- b) an asset derived from another asset will be applied to the same Sub-Fund as the asset from which it was derived. On each revaluation of an asset the increase or decrease in value shall be applied to the Sub-Fund concerned;
- c) if the Fund incurs liability of any kind in connection with an asset attributable to a Sub-Fund, then such liability shall be attributed to the same Sub-Fund;
- d) if an asset or liability cannot be attributed to any Sub-Fund, then such asset or liability shall be allocated to all the Sub-Funds pro rata to the respective net asset values of the Sub-Funds;
- e) upon a distribution to holders of Units of a specific Sub-Fund or upon a payment of expenses on behalf of holders of Units of a specific Sub-Fund, the proportion of the total net asset attributable to such Sub-Fund shall be reduced by the amount of the distribution or of such expenses;
- f) all liabilities shall be attributed to each relevant Sub-Fund.

The assets of the Fund shall include:

- 1) all cash on hand or on deposit, including any interest accrued thereon;
- 2) all bills and notes payable and accounts receivable (including proceeds of securities sold but not delivered);
- 3) all bonds, time notes, shares, stock, debenture stocks, subscription rights, warrants, options and other securities, financial instruments and similar assets owned or contracted for by the Fund (provided that the Fund may make adjustments in a manner not inconsistent with paragraph 1. below with regard to fluctuations in the market value of securities caused by trading ex-dividends, ex-rights, or by similar practices);
- 4) all stock dividends, cash dividends and cash distributions receivable by the Fund to the extent information thereon is reasonably available to the Fund;
- 5) all interest accrued on any interest-bearing assets owned by the Fund except to the extent that the same is included or reflected in the principal amount of such asset;
- 6) the liquidating value of all forward contracts and all call or put options the Fund has an open position in;
- 7) the preliminary expenses of the Fund, including the cost of issuing and distributing Units of the Fund, insofar as the same have to be written off;
- 8) all other assets of any kind and nature including expenses paid in advance.

The value of such assets shall be determined as follows:

- a) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof;
- b) The value of assets, which are listed or dealt in on any stock exchange, is based on the closing price of the preceding business day on the stock exchange, which is normally the principal market for such assets;
- c) The value of assets dealt in on any other Regulated Market which is recognised, operating regularly and open to the public is based on the closing price of the preceding business day;

- d) In the event that any assets are not listed or dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange, or other Regulated Market as aforesaid, the price as determined pursuant to sub-paragraph (b) or (c) is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith;
- e) The liquidating value of options contracts not traded on exchanges or on other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established by the AIFM, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on exchanges or on other Regulated Markets shall be based upon the closing prices of these contracts on the preceding business day on exchanges and Regulated Markets on which the particular futures, forward or options contracts are traded by the Fund; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the board of directors may deem fair and reasonable;
- f) Credit default swaps will be valued at their present value of future cash flows by reference to standard market conventions, where the cash flows are adjusted for default probability. Interest rate swaps will be valued at their market value established by reference to the applicable interest rates' curve. Other swaps will be valued at fair market value as determined in good faith pursuant to the procedures established by the board of directors and recognised by the auditor of the Fund;
- g) Units or shares of open-ended underlying funds will be valued at their last determined and available net asset value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the AIFM on a fair and equitable basis and in good faith;
- h) All other securities and other assets will be valued at fair market value as determined in good faith pursuant to the procedures established by the AIFM.

The value of all assets and liabilities not expressed in the base currency of a Sub-Fund will be converted into the base currency of such Sub-Fund at rates last quoted by any major bank. If such quotations are not available, the rate of exchange will be determined in good faith by or under procedures established by the AIFM.

The AIFM, in its discretion, may permit some other method of valuation to be used if it considers that such valuation better reflects the fair value of any asset of the Fund.

The Net Asset Value per Unit and the issue and redemption prices per Unit of each Class within the relevant Sub-Fund may be obtained during business hours at the registered office of the AIFM.

The liabilities of the Fund shall include:

- 1) all loans, bills and accounts payable;
- 2) all accrued interest on loans of the Fund (including accrued fees for commitment for such loans);
- 3) all accrued or payable expenses (including, without limitation, administrative expenses, management fees, including incentive fees, if any, and depositary fees);
- 4) all known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid distributions declared by the Fund;
- 5) an appropriate provision for future taxes based on capital and income as of the Valuation Day, as determined from time to time by the Fund, and other reserves (if any) authorized and approved by the AIFM, as well as such amount (if any) as the AIFM may consider to be an appropriate allowance in respect of any contingent liabilities of the Fund;
- 6) all other liabilities of the Fund of whatsoever kind and nature reflected in accordance with generally accepted accounting principles. In determining the amount of such liabilities, the Fund shall take into account all charges and expenses payable by the Fund pursuant to Article 13 of the Management Regulations of the Fund. The Fund may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.

The AIFM shall establish a Sub-Fund in respect of each class of Units and may establish a Sub-Fund in respect of two or more classes of Units in the manner as described in the Management Regulations of the Fund.

2) TEMPORARY SUSPENSION OF THE CALCULATION

FundRock Management Company S.A. may temporarily suspend the determination of the Net Asset Value per Unit of any Sub-Fund and the issue, redemption and conversion of its Units from its Unitholders:

- a) during any period when any of the principal stock exchanges or other markets on which any substantial portion of the investments of the Fund attributable to such Sub-Fund from time to time is quoted or dealt in is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended, provided that such restriction or suspension affects the valuation on the investments of the Fund attributable to a Sub-Fund quoted thereon; or
- b) during the existence of any state of affairs which constitutes an emergency in the opinion of the AIFM as a result of which disposals or valuation of assets owned by the Fund attributable to such Sub-Fund would be impracticable; or
- c) during any breakdown in the means of communication normally employed in determining the price or value of any of the investments of such Sub-Fund or the current price or values on any stock exchange or other market in respect of the assets of such Sub-Fund; or
- d) when for any other reason the prices of any investments owned by the Fund attributable to any Sub-Fund cannot promptly or accurately be ascertained; or
- e) during any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of the Units of such Sub-Fund or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Units cannot in the opinion of the AIFM be effected at normal rates of exchange.

Any such suspension shall be published, if appropriate, by the AIFM and shall be notified to Unitholders having made an application for subscription and redemption of Units for which the calculation of the Net Asset Value has been suspended.

Such suspension as to any Sub-Fund shall have no effect on the calculation of the Net Asset Value per Unit, the issue and redemption of Units of any other Sub-Fund.

Any request for subscription or redemption shall be irrevocable except in the event of a suspension of the calculation of the Net Asset Value, in which case Unitholders may give notice that they wish to withdraw their application. If no such notice is received by the Management Company, such application will be dealt with as of the first Valuation Day as determined for each relevant Sub-Fund, following the end of the period of suspension.

DISTRIBUTION POLICY

Within each Sub-Fund, Units may be issued as capitalisation Units and/or as distribution Units. The features of the Units available within each Sub-Fund are set out in Part B of the Prospectus.

The distribution policy applicable to each Sub-Fund or Class is described in Part B of the Prospectus. However, in any event, no distribution may be made if, as a result, the Net Asset Value of the Fund would fall below Euro 1,250,000.

Dividends not claimed within five years of their due date will lapse and revert to the relevant Class within the relevant Sub-Fund.

No interest shall be paid on a distribution declared by the Fund and kept by it at the disposal of its beneficiary.

CHARGES AND EXPENSES

1) GENERAL

The following expenses shall be payable out of the assets of the relevant Sub-Fund: formation expenses, performance fees, if any, fees payable to its Management Company and AIFM, fees and expenses payable to its Auditors and accountants, Listing Agent, Prime Broker, any permanent representatives in places of registration, as well as any other agent employed by the Management Company and AIFM, fees and expenses for legal and auditing services, costs of providing tax information certificates for domestic and foreign tax purposes, any fees and expenses involved in registering at a stock exchange in the Grand Duchy of Luxembourg and in any other country, reporting and publishing expenses, including the costs of preparing, printing, advertising and distributing prospectuses (including the KID), advertising costs and other costs incurred directly in connection with the offer and the distribution (marketing) of units, explanatory memoranda, periodical reports or registration statements and the costs of any reports to Unitholders, costs of assessing the standing of the Fund by nationally and internationally recognised rating agencies, all taxes, duties, governmental and similar charges, and all other operating expenses, the costs for the publication of the issue and redemption prices, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex.

FundRock Management Company S.A. may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.

2) FORMATION AND LAUNCHING EXPENSES

Expenses incurred in connection with the establishment of the Fund and the creation of the first Sub-Fund, including professional fees and expenses incurred in the preparation and publication of the first Prospectus and any other related or supporting documents, as well as the governmental taxes, duties and any other publication expenses, were borne by the Fund and were amortized over a period of five years. In the event of early termination of the Fund, the unamortised portion of any costs and expenses will be accelerated, thereby decreasing amounts otherwise available for distribution.

For any additional Sub-Fund created within a period of five years from the incorporation of the Fund, expenses incurred in connection with the creation of such additional Sub-Fund shall be borne by the relevant Sub-Fund and written off over a period of five years. The additional Sub-Fund shall be charged a pro rata portion of the initial establishment expenses unamortized as of its launch date.

3) FEES OF FUNDROCK MANAGEMENT COMPANY S.A.

FundRock Management Company S.A. is entitled to receive out of each Sub-Fund's assets a fee payable on such terms as disclosed for each Sub-Fund individually in Part B of the Prospectus. Such fee includes the fee due to the Sub-Administrative Agent.

4) FEES OF THE PORTFOLIO MANAGER

The different Sub-Funds and Classes will incur annual portfolio management services fees, consisting of i) the investment management fee and ii) the research fee, payable to the Portfolio Manager as set out under Part B of the prospectus.

Furthermore the Portfolio Manager may be, if applicable, entitled to be paid out of each Sub-Fund's assets a performance fee as set out under Part B of the prospectus.

5) FEES OF THE DEPOSITARY

The fees and expenses to be paid to the Depositary are calculated on the basis as set out under Part B of the prospectus. In addition, the Depositary is entitled to be reimbursed out of the assets of the relevant Sub-Fund for its reasonable out-of-pocket expenses and disbursements.

TAXATION

The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of Units and is not intended as tax advice to any particular investor or potential Investor. Prospective investors should consult their own professional advisers as to the implications of buying, holding or disposing of Units and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Luxembourg.

The following is based on the Management Company's understanding of certain aspects of the law and practice currently in force in Luxembourg. There can be no guarantee that the tax position at the date of this Prospectus or at the time of an investment will endure indefinitely.

TAXATION OF THE FUND

The Fund is not subject to any taxes in Luxembourg on income or capital gains.

The Fund is however subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.05% per annum based on its net asset value at the end of the relevant quarter, calculated and paid quarterly.

A reduced subscription tax rate (*taxe d'abonnement*) of 0.01% per annum is applicable to:

- any Sub-Fund whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both;
- any Sub-Fund or Classes of Units provided that their Units are only held by one or more institutional investors within the meaning of article 174 of the 2010 Law (the “**Institutional Investor(s)**”).

Subscription tax exemption applies to:

- the portion of any Sub-Fund's assets (pro rata) invested in a Luxembourg UCI or any of its sub-funds subject itself to the subscription tax;
- any Sub-Fund (i) whose securities are only held by Institutional Investor(s), and (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and (iii) whose weighted residual portfolio maturity does not exceed 90 days, and (iv) that have obtained the highest possible rating from a recognised rating agency. If several Classes of Units are in issue in the relevant Sub-Fund meeting (ii) to (iv) above, only those Classes of Units meeting (i) above will benefit from this exemption;
- any Sub-Fund, whose main objective is the investment in microfinance institutions;
- any Sub-Fund, (i) whose securities are listed or traded on a stock exchange and (ii) whose exclusive object is to replicate the performance of one or more indices. If several Classes of Units are in issue in the relevant Sub-Fund meeting (ii) above, only those Classes of Units meeting (i) above will benefit from this exemption; and
- any Sub-Fund whose securities are reserved for (i) institutions for occupational retirement pension and similar investment vehicles, set-up on the initiative of one or more employers and (ii) companies of one or more employers investing funds they hold to provide retirement benefits to their employees.

WITHHOLDING TAX

Interest and dividend income received by the Fund may be subject to non-recoverable withholding tax in the country of origin. The Fund may further be subject to tax on the realised or unrealised capital appreciation of its assets in the country of origin.

Distributions by the Fund are not subject to withholding tax in Luxembourg.

TAXATION OF THE INVESTORS

From a Luxembourg tax perspective, the Fund as a co-ownership between the investors without legal personality, is in principle fully tax transparent. Investors in the Fund will be subject to tax on the income and capital gains derived from the investment in accordance with the laws in force in their country of residence.

Under current legislation, investors are not subject to any capital gains, income or withholding tax in Luxembourg except for those domiciled, resident or having a permanent establishment in Luxembourg.

As a matter of administrative practice, capital gains derived from the Fund are not subject to tax if realized at least 6 months after the subscription or purchase of the Units and provided that the investment in the Fund does not represent a substantial withholding, unless the Investor claims the strict application of the tax transparency of the Fund and will be regarded as having realized the profits and losses on the underlying investment in the Fund.

The investors are deemed realizing themselves the profits and losses of the Fund at the time the Fund realized them. Distributions of the Fund will be subject to income tax.

Non-Luxembourg resident investors are not subject to any capital gains, income or withholding tax unless not protected by a tax treaty, who hold through the Fund more than 10% of a Luxembourg company and have their Units in the Fund redeemed less than 6 months after subscription of the Units in the Fund.

The Management Company, on behalf of the Fund, collects the income generated after deduction of any withholding tax in the relevant countries. From a Luxembourg tax perspective, any potential entitlement to reduction in the rate of applicable withholding taxes depends on the status of the investors, as the Fund is a co-ownership between the investors. Where an investor is exempt from tax in his/her/its country of residence, or is eligible for treaty relief under a double tax treaty concluded between his/her/its country of residence and the country where the security is located, it may be possible to obtain a full or partial refund of his/her/its proportionate Unit of the withholding tax suffered by the Fund.

Automatic Exchange of Information

The Organisation for Economic Co-operation and Development has developed a common reporting standard (the “**CRS**”) to achieve a comprehensive and multilateral automatic exchange of information (the “**AEOI**”) on a global basis. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the “**Euro-CRS Directive**”) was adopted in order to implement the CRS among the Member States.

The Euro-CRS Directive was implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation (the “**CRS Law**”). The CRS Law requires Luxembourg financial institutions to identify financial assets holders and establish if they are fiscally resident in an EU Member State other than Luxembourg or in a country specified in a Grand-Ducal Regulation.

Accordingly, the Management Company, acting for and on behalf of the Fund, may require the investors to provide information in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status and report information regarding a unitholder and his/her/its account to the Luxembourg tax authorities (Administration des Contributions Directes), if such account is deemed a CRS reportable account under the CRS Law. The Luxembourg tax authorities will therefore transfer this information to the competent foreign authorities on a yearly basis. Under the CRS Law, the first exchange of information applied by 30 September 2017 for information related to the calendar year 2016. Under the Euro-CRS Directive, the first AEOI must be applied by 30 September 2017 to the local tax authorities of the Member States for the data relating to the calendar year 2016.

By investing in the Fund, the investor acknowledges that (i) the Management Company is responsible for the treatment of the personal data provided for in the CRS Law; (ii) the personal data will inter alia be used for the purposes of the CRS Law; (iii) the personal data may be communicated to the Luxembourg tax authorities; (iv) responding to CRS-related questions is mandatory and accordingly the potential consequences in case of no response; and (v) the investor has a right of access to and rectification of the data communicated to the Luxembourg tax authorities.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement (the "**Multilateral Agreement**") to automatically exchange information under the CRS. The Multilateral Agreement aims to implement the CRS among non-Member States; it requires agreements on a country-by-country basis.

The Management Company reserves the right to refuse any application for Units if the information provided or not provided does not satisfy the requirements under the CRS Law.

Investors should consult their professional advisors on the individual impact of the CRS.

FATCA

The Foreign Account Tax Compliance Act, a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the U.S. (the "**foreign financial institutions**" or "**FFIs**") to pass information about "**Financial Accounts**" held by "**Specified U.S. Persons**", directly or indirectly, to the U.S. tax authorities, the Internal Revenue Service (the "**IRS**") on an annual basis. A 30% withholding tax is imposed on certain U.S. source income of any FFI that fails to comply with this requirement. On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement (the "**Luxembourg IGA**") with the United States of America and a memorandum of understanding in respect thereof. The Fund would hence have to comply with such Luxembourg IGA as implemented into Luxembourg law by the Law of 24 July 2015 relating to FATCA (the "**FATCA Law**") in order to comply with the provisions of FATCA rather than directly complying with the U.S. Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Fund may be required to collect information aiming to identify its direct and indirect unitholders that are Specified U.S. Persons for FATCA purposes (the "**FATCA reportable accounts**"). Any such information on FATCA reportable accounts provided to the Management Company will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. The Management Company acting on behalf of the Fund intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its Unit of any such payments attributable to actual and deemed U.S. investments of the Fund. The Management Company will continually assess the extent of the requirements that FATCA and notably the FATCA Law place upon it.

To ensure the Fund's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Management Company, in its capacity as the Fund's management company, may:

- a) request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a unit's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such unitholder's FATCA status;
- b) report information concerning a unitholder and his account holding in the Fund to the Luxembourg tax authorities if such account is deemed a FATCA reportable account under the FATCA Law and the Luxembourg IGA;
- c) report information to the Luxembourg tax authorities (*Administration des Contributions Directes*) concerning payments to unitholders with FATCA status of a non-participating foreign financial institution;
- d) deduct applicable US withholding taxes from certain payments made to a unitholder by or on behalf of the Fund in accordance with FATCA, the FATCA Law and the Luxembourg IGA; and
- e) divulge any such personal information to any immediate payor of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

By investing in the Fund, (i) the Management Company is responsible for the treatment of the personal data provided for in the FATCA Law; (ii) the personal data will only be used for the purposes of the FATCA Law; (iii) the personal data may be communicated to the Luxembourg tax authorities; (iv) responding to FATCA-related questions is mandatory and accordingly the potential consequences in case of no response; and (v) the investor has a right of access to and rectification of the data communicated to the Luxembourg tax authorities.

The Management Company reserves the right to refuse any application for Units if the information provided by a potential investor does not satisfy the requirements under FATCA, the FATCA Law and the IGA.

Investors should consult their professional advisors on the individual impact of FATCA.

SUSTAINABLE FINANCE DISCLOSURES

In March 2018, the European Commission published an Action Plan on Financing Sustainable Growth (the “**EU Action Plan**”) that set out an EU strategy for sustainable finance.

The EU Action Plan identified several legislative initiatives, including SFDR.

SFDR requires transparency with regard to the integration of evaluations of environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investments made by a financial product, and consideration of adverse sustainability impacts of the actions financial products and financial market participants.

The Fund therefore seeks to comply on a best efforts basis with the relevant disclosure obligations and makes this disclosure as a means of achieving this objective.

Principal adverse impacts of investment decisions on sustainability factors are considered in the investment process and the first Principal Adverse Impact statement has been published and is available on the website of the Portfolio Manager.

Please refer to section entitled “**General Risk Considerations**” and the sub-sections entitled “**Sustainable Risks**” in respect of the risks related to sustainable finance disclosures.

TAXONOMY REGULATION DISCLOSURES

The Taxonomy Regulation is a piece of directly effective EU legislation that is applicable to the Fund.

Its purpose is to establish a framework to facilitate sustainable investment. It sets out harmonised criteria for determining whether an economic activity qualifies as environmentally sustainable and outlines a range of disclosure obligations to enhance transparency and to provide for objective comparison of financial products regarding the proportion of their investments that contribute to environmentally sustainable economic activities.

It is notable that the scope of environmentally sustainable economic activities, as prescribed in the Taxonomy Regulation, is narrower than the scope of sustainable investments under SFDR. Therefore, although there are disclosure requirements for both, these two concepts should be considered and assessed separately. This section addresses only the specific disclosure requirements of the Taxonomy Regulation.

Given the investment focus and the asset classes/sectors in which the Fund invests, the Portfolio Manager does not integrate a consideration of environmentally sustainable economic activities (as prescribed by the Taxonomy Regulation) into the investment process for the Fund. Therefore, for the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

GENERAL INFORMATION

1) MANAGEMENT REGULATIONS

The Management Regulations for the Fund have been signed by the Management Company and the Depositary as of 22 June 2018. Notice of their amendment was published in the *RESA* on 28 January 2019. Amendments may be made by the Management Company with the agreement of the Depositary. The amendments will become effective upon signature or any such date as provided for in the amending documents.

Unless specifically provided for certain situations in the Management Regulations no meetings of the Unitholders will be held. The subscription or acquisition of Units implies acceptance of the Management Regulations by the Unitholders.

2) PROCEDURE FOR AMENDING THE PROSPECTUS

Without prejudice to what may be required by applicable laws and regulations, by the CSSF and/or by the Management Regulations, any amendment to the Prospectus may be decided and implemented via any of the procedures described below.

The Fund may convey a material change of its investment strategy or investment policy or both, by a resolution of the Board of Directors of the Management Company provided the Unitholders concerned by the change are awarded a minimum 30 calendar day notice period during which they may redeem the Units concerned by the change free of redemption charge. For the avoidance of doubt, any non-material change to the Funds investment strategy or investment policy, or both, may be adopted by a simple resolution of the Board of Directors of the Management Company having immediate or even, as the case may be, retroactive effect.

Investors are reminded that subscription for or acquisition of one or more Units implies their complete and automatic adherence to the fact that any amendment conveyed to the Prospectus following any of the above acceptable and validly implemented procedures shall bind and be deemed approved by all investors.

Information on any material or essential amendment or change conveyed (or as the case may be in the process to be conveyed) to the Prospectus shall be made available or disclosed at the registered office of the Management Company until this amendment or change is incorporated to this core document.

Any amendment to the Prospectus is in principle decided by a simple resolution of the board of directors of the Management Company (as appointed from time to time, the “**Board of Directors**”). As a matter of illustration only, non-material amendments or changes (as those listed below) are typical amendments which will be adopted by a simple resolution of the Board of Directors of the Management Company having immediate or even, as the case may be, retroactive effect.

The following amendments and changes (which list is not exhaustive) will be deemed to be non-material and non-essential: (i) any amendment that is necessary or desirable to cure any ambiguity or to correct or supplement any provision of the Prospectus that would otherwise be inconsistent with the provisions of the Management Regulations or to correct any printing, stenographic or clerical error or omission, provided such correction does not adversely affect any Unitholder, (ii) any amendment that is necessary or desirable to satisfy any application requirements, conditions or guidelines contained in any opinion, directive, order, statute, rule or regulation of any governmental entity or of the CSSF or to comply with fiscal or other statutory or official requirements affecting the Fund, provided that such amendment is made in a manner which minimises any adverse effect on Unitholders, (iii) any amendment required by the CSSF in the course of the approval process of any amendment to this Prospectus, (iv) any update of factual information, or (v) any update made to the Prospectus following a change of the Management Regulations.

3) GENERAL LEGAL CONSIDERATIONS

Luxembourg law governs the Fund and the Management Company and AIFM.

Investors should note that all the regulatory protections provided by their local regulatory authority may not apply. Investors should consult their personal financial advisor for further information in this regard.

Investment in each Sub-Fund of the Fund may involve legal requirements, foreign exchange restrictions and tax considerations unique to each investor. The Management Company makes no representations with respect to whether any Unitholder is permitted to hold such Units. Prospective investors should consult their own legal and tax advisors regarding such considerations prior to making an investment decision.

4) INFORMATION TO UNITHOLDERS

Audited annual reports and unaudited semi-annual reports will be mailed free of charge by the Management Company to the Unitholders at their request. In addition, such reports will be available at the registered office of FundRock Distribution S.A., the Global Distributor or its Agents (if any) and the Depositary.

The Fund's and Sub-Funds' financial year will begin on the 1st January of each year and end on 31st December of the same year.

The accounts of the Fund are maintained in EURO.

Any other financial information concerning the Fund or the Management Company/AIFM, including the periodic calculation of the Net Asset Value per Unit, the issue and the redemption prices will be made available at the registered office of the Management Company, the Global Distributor or its Agents (if any) and the Depositary. Any other substantial information concerning the Fund may be published in such newspaper(s) and notified to Unitholders in such manner as may be specified from time to time by the Management Company.

5) LIQUIDATION OF THE FUND

The Fund may be liquidated at any time by the Management Company, the Management Company acting as liquidator. The Fund must be liquidated if the Management Company is wound up for any reason. According to legal requirements, this should be published by the Management Company in the RESA and in at least two newspapers, including at least one newspaper with appropriate circulations in those countries where the Fund is publicly distributed. Should an event occur causing liquidation of the Fund, the issue of Units in the Fund shall be ceased. The Management Company may decide to stop redemption of Units or accept redemption requests insofar as it is possible to ensure the equal treatment of the Unitholders.

The Depositary shall share any liquidation revenue for each Class within the Fund minus liquidation expenses and fees among the Unitholders of the relevant Class in the Fund in proportion to their holding of such Units in such Class, as instructed by the Management Company or by any liquidators that may have been appointed by the Management Company or the Depositary in agreement with the supervisory authorities. Liquidation revenue not distributed to Unitholders after conclusion of the liquidation proceedings shall be converted into Euro if required by law and shall be deposited by the Depositary on behalf of entitled Unitholders after conclusion of the liquidation proceedings with the Luxembourg Caisse de Consignation. Unless claimed within the statutory time limit, such amounts shall accrue to the Caisse de Consignation.

Unitholders, their heirs and/or heirs in title may not demand the liquidation and/or division of the Fund.

6) TERMINATION AND AMALGAMATION OF SUB-FUNDS /CLASSES OF UNITS

In the event that for any reason the value of the total net assets in any Sub-Fund or Class has decreased to, or has not reached, an amount determined by the Board of Directors to be the minimum level for such Sub-Fund or Class to be operated in an economically efficient manner (which amount is currently fixed at 1,000,000.- EUR) or in case of a substantial modification in the political, economic or monetary situation or as a matter of economic rationalization, the Board of Directors may decide to redeem all the Units of the relevant Sub-Fund or Class at the Net Asset Value per Unit (taking into account actual realization prices of investments and realization expenses) calculated on the Valuation Day at which such decision shall take effect. The Fund shall serve a notice to the holders of the relevant Units prior to the effective date for the compulsory redemption, which will indicate the reasons of and the procedure for the redemption operations: registered holders shall be notified in writing. Unless it is otherwise decided in the interests of, or to keep equal treatment between, the Unitholders, the Unitholders of the Sub-Fund or Class concerned may continue to request redemption of their Units free of charge (but taking into account actual realization prices of investments and realization expenses) prior to the date effective for the compulsory redemption.

Assets which may not be distributed to their beneficiaries upon the implementation of the redemption will be deposited with the *Caisse de Consignation* on behalf of the persons entitled thereto.

All redeemed Units shall be cancelled.

Under the same circumstances as provided by the first paragraph here above, the Board of Directors may decide to allocate the assets of any Sub-Fund to those of another existing Sub-Fund within the Fund or to another undertaking for collective investment organized under the provisions of Part II of the 2010 Law or to another sub-fund within such other undertaking for collective investment (the “**new Sub-Fund**”) and to redesignate the Units of the Sub-Fund concerned as Units of another Sub-Fund (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to Unitholders). Such decision will be published in the same manner as described in the first paragraph here above one month before its effectiveness (and, in addition, the publication will contain information in relation to the new Sub-Fund), in order to enable Unitholders to request redemption of their Units, free of charge, during such period.

RISK MANAGEMENT

The AIFM has established and maintains a permanent Risk Management function that is responsible for identifying, setting limits, measuring, monitoring, controlling and reporting the financial risks related to funds for which it acts as AIFM, as detailed in the applicable Luxembourg law and circulars. This includes, but is not limited to: global exposure, market risk, credit risk, liquidity risk, counterparty risk, operational risk, concentration risk, valuation risk, legal risks and hedging rules. The Risk Management function must control all risk factors which impact a portfolio's value, including idiosyncratic risks.

The AIFM applies a comprehensive process based on qualitative and quantitative risk measures to assess the risks of each Sub-Fund.

The risk profile of each Sub-Fund is established to adequately capture the size, portfolio structure and investment strategy as specified for each Sub-Fund in Part B, the “**Sub-Funds**”.

Valuation Process

A policy to determine principles for asset valuation has been established by the AIFM in order to ensure that all financial instruments of the AIFs are accurately valued and that any subjective valuation necessary is done with care and good faith. The policy is designed to avoid any conflict of interest and to ensure that the Fund is accurately valued in the best interest of the investors of the Fund. The AIFM has also established a Valuation Committee to further ensure that any valuation issues are escalated and resolved in line with the established principles.

Market Risk

The Sub-Funds' market risk is measured via a Value-at-Risk calculation, including a back-testing program and applicable stress-testing.

As part of its investment policy, the Sub-Funds 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 Sub-Fund, as specified for each Sub-Fund in Part B.

Leverage

Leverage means any method by which the Fund's exposure may be increased, whether through the borrowing of cash or of any other assets, via derivatives or by any other means. The Fund will employ leverage as provided for in the aforementioned sections of this Prospectus and Part B. A description of the risks associated with the use of leverage is contained below.

The Leverage of the Sub-Funds is measured both utilizing a gross method and on a commitment basis.

The exposure of an AIF calculated in accordance with the gross method shall be the sum of the absolute values of all positions valued in accordance with Article 17 of the 2013 Law and Article 7 of the 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 (the “**AIFM Regulation**”). For the calculation of the exposure with the gross method, the AIFM:

- excludes the value of any cash and cash equivalents which are highly liquid investments held in the base currency of the AIF, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three month high quality government bond;
- converts derivative instruments (if any) into the equivalent position in their underlying assets using the conversion methodologies set out in Article 10 of AIFM Regulation;
- excludes cash borrowings that remain in cash or cash equivalent where the amounts of that payable are known;
- includes exposure resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of the cash borrowed as referred to in paragraphs (1) and (2) of Annex I of AIFM Regulation;
- includes borrowing or other arrangements (if any) in accordance with Annex I of AIFM Regulation.

The exposure of an AIF calculated in accordance with the commitment method shall be the sum of the absolute values of all positions valued in accordance with Article 17 of the 2013 Law and Article 8 of the AIFM Regulation. For the calculation of the exposure of an AIF in accordance with the commitment method, the AIFM:

- converts each derivative instrument position (if any) into an equivalent position in the underlying asset of that derivative using the conversion methodologies set out in Article 10 and Annex II of the AIFM Regulation;
- applies netting and hedging arrangements;
- calculates the exposure created through the reinvestment of borrowings where such reinvestment;
- increases the exposure of the AIF as defined in paragraphs (1) and (2) of Annex I of the AIFM Regulation;
- includes other arrangements in the calculation in accordance with paragraphs (3) and (10) to (13) of Annex I of the AIFM Regulation.

The Sub-Funds will set a maximum level of leverage which may be employed as indicated for the respective Sub-Funds in Part B.

Leverage Risk

Some of the Sub-Funds may maintain net open positions in securities, currencies or financial instruments with an aggregate value in excess of such Sub-Fund's net asset value (leverage). The leverage factor and its calculation method are specified in the relevant Sub-Fund. 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 Sub-Fund will not be leveraged, certain transactions may give rise to a form of leverage if the Sub-Fund 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 the Sub-Fund's assets increases faster if capital gains arising from investments financed through leverage exceed the related costs, notably the interest 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.

Liquidity Risk Management

The liquidity risk is measured via assessing the liquidation time, liquidation cost (the "**LVaR**"), liquidity generating capacity, average liquidity exposure and average redemptions of the Sub-fund. Appropriate stress-tests are implemented and assessed.

The AIFM employs appropriate liquidity management methods and adopts procedures which enable it to monitor the liquidity risk of each Sub-Fund. The AIFM ensures that, for each Sub-Fund it manages, the investment and financing strategy, the liquidity profile and the redemption policy are consistent and such that each Sub-Fund may normally meet its Unit redemption obligations. As further specified in Section "**Redemption of Units**", the Fund may apply tools and arrangements necessary to handle illiquid assets (such as gates). Investors are further informed that the percentage of the assets of the Fund which are subject to special arrangements arising from their illiquid nature, any new arrangements for managing the liquidity of the Fund, as well as the current risk profile of the Fund and the risk management systems employed to manage those risks are or will be disclosed at the registered office of the AIFM. The frequency of timing of such disclosure is available at the registered office of the AIFM.

REGULATORY DISCLOSURE

Conflicts of Interest

The AIFM adopted a conflict of interest policy (the "**Conflict of Interest Policy**") to identify, manage and where necessary prohibit any action or transaction that may give rise to conflicts entailing a material risk of damage to the interest of the Fund or its Unitholders. The AIFM strives to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing. For this purpose, it has implemented procedures that shall ensure that any business activities involving a conflict, which may harm the interests of the Fund or its Unitholders, are carried out with an appropriate level of independence and that any conflicts are resolved fairly.

Notwithstanding its due care and best effort, there is a risk that the organizational or administrative arrangements made by the AIFM for the management of conflicts of interest are not sufficient to ensure with reasonable confidence, that risks of damage to the interests of the Fund or its Unitholders will be prevented. In such case where a conflict of interest cannot be avoided and/or that require particular actions, the AIFM will report to Unitholders by an appropriate durable medium and give reasons for the decision.

A paper version of the Conflicts of Interest Policy is available free of charge at the registered office of the AIFM.

Detailed information regarding the Conflict of Interest Policy can also be found on the following webpage of the AIFM: <https://www.fundrock.com/conflict-of-interest/>.

Preferential treatment of investors

Unitholders are being given a fair treatment by ensuring that they are subject to the same rights and, as the case may be, the same obligations vis-à-vis the Fund (as such rights are obligations notably result from the Management Regulations and this Prospectus) as those to which other Unitholders, having invested in, and equally or similarly contributed to, the same class of Units, are subject to. Notwithstanding the foregoing paragraph, it cannot be excluded that a Unitholder be given a preferential treatment in the meaning of, and to the widest extent, allowed by, the Management Regulations. Whenever a Unitholder obtains preferential treatment or the right to obtain a preferential treatment, a description of that preferential treatment, the type of Unitholders who obtained such preferential treatment and, where relevant, their legal or economic links with the Fund or the AIFM will be made available at the registered office of the AIFM within the same limits required by the 2013 Law.

Remuneration

The AIFM has established a remuneration policy that is applicable to all identified staff members as specified in the AIFM Regulation and the ESMA Guidelines 2013/201. Any relevant disclosures shall be made in the financial statements, if applicable, in accordance with the 2013 Law. An overview of the remuneration policy of the AIFM is available at its registered office and the full policy is also made available to the investors on their request at the registered office of the AIFM.

Other Policies

The Management Company will make the following additional information available at its registered office upon request in accordance with Luxembourg laws and regulations: the procedures relating to complaints handling, the strategy followed for the exercise of voting rights of the Fund, the best execution policy and the procedure for the giving and receiving of inducements.

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 Sub-Fund;
- Changes to the Depositary'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 Sub-Fund as well as any right of the re-use of collateral or any guarantee granted under the leveraging arrangement if applicable;
- The leverage employed by each Sub-Fund;
- Any new arrangements for managing the liquidity of each Sub-Fund;
- The percentage of each Sub-Fund's assets which are subject to special arrangements arising from their illiquid nature;
- The current risk profile of each Sub-Fund and the risk management systems employed by the AIFM to manage those risks;
- Any changes to the description given in this Prospectus of the risk management systems employed by the AIFM in accordance with point c of Article 21(4) of the 2013 Law as well as its anticipated impact on each Sub-Fund and their investors.

EU Benchmark Regulation

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

The following benchmark is used by the Sub-Funds indicated in the table below for the purpose of performance fee calculation:

Rhenman Healthcare Equity L/S	EURIBOR 3 MONTHS (EUR003M)
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The Euribor is provided by European Money Markets Institute (EMMI) currently included in the ESMA register of benchmark administrators. The inclusion of any further administrator of a benchmark used by a Sub-Fund within the meaning of the EU Benchmark Regulation in the ESMA register of benchmark administrators will be reflected in the Prospectus at its next update.

DOCUMENTS AVAILABLE

Copies of the following documents may be obtained for inspection during usual business hours on any Business Day in Luxembourg at the registered office of the Fund:

- 1) the Management Regulations;
- 2) the Prospectus and the Key Information Document (the “**KID**”);
- 3) the Depositary agreement;
- 4) the agreement with the Portfolio Manager referred to under the heading “**Portfolio Manager**”;
- 5) The prime brokerage agreement.

Upon request, the Management Regulations and the latest audited annual report may be obtained by Unitholders free of charge at the registered office of FundRock Management Company S.A., 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.

KIDs are made available to retail investors before subscribing to Units of the Fund on the following website <https://fundinfo.fundrock.com/> or in paper upon request.

PART B: SPECIFIC INFORMATION RELATING TO THE SUB-FUNDS

A. RHENMAN & PARTNERS FUND – RHENMAN HEALTHCARE EQUITY L/S

1. Investment Objective and Strategy

1.1 Investment Objective

The objective of the Sub-Fund is to generate a consistent total return above the return generated by traditional investment vehicles through investments in long/short equity strategies.

The Sub-Fund qualifies as an Article 6 financial product under SFDR. The investments underlying this Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

1.2 Investment Strategy

To achieve the investment objective, the Sub-Fund will invest in a global portfolio of equities, equity related derivatives, equity index derivatives and other equity related instruments, including but not limited to swaps (excluding total return swaps), convertibles and ETFs, with focus on the healthcare industry.

The investment process is based on fundamental analysis of company products, business strategy, operations and financial status and projections. In addition to this, scientific advice may be sought from external experts from all fields of Medicine but such advice will only be one of many factors in the decision making process.

A high degree of trading activity is an essential and integral part of achieving high returns.

The Sub-Fund may enter into short sales of transferable securities, i.e. sales of transferable securities which the Sub-Fund does not own. Short positions on transferable securities may be held via financial derivative instruments, including swaps (excluding total return swaps) and/or futures, within the limits set forth in article 3. of section “**Investment Restrictions**” set out in Part A of the Prospectus.

Total Return Swaps

The Sub-Fund will not enter into total return swap transactions or other financial derivative instruments with similar characteristics to gain or reduce exposure to a reference asset as well as to hedge the existing long positions or exposures.

The Sub-Fund is allowed to invest in different transferable securities and money market instruments. It can be effectively unexposed to equities and equity related instruments for long period of times and may at such times invest up to 100% in such instruments.

The Sub-Fund may enter into FX derivatives or hold currency positions for hedging purposes.

The Sub-Fund will not invest more than 10% of its net assets in underlying UCIs.

Stock lending and borrowing transactions

The Sub-Fund may enter into stock lending and stock borrowing transactions.

Maximum and expected proportion

The maximum proportion of the Sub-Fund's Net Asset Value that may be subject to stock lending shall not exceed 100% and the maximum proportion of the Sub-Fund's Net Asset Value that may be subject to stock borrowing shall not exceed 200% while the expected proportion is lower than 100%.

2. Market Risk

The global exposure of the Sub-Fund will be monitored by using the Value-at-Risk (VaR) methodology. The level of the absolute VaR for the Sub-Fund will not exceed 20%.

3. Leverage

The maximum level of leverage which the AIFM is entitled to employ on behalf of the Sub-Fund is 300% in accordance with the commitment method and 400% in accordance with the gross method of total assets.

4. Classes of Units available

Within this Sub-Fund, units will be issued in the form:

<i>Class of units</i>	<i>ISIN code</i>	<i>Class of units</i>	<i>ISIN code</i>
Class RC1 (EUR)	LU0417597555	Class RC2 (EUR)	LU0417597803
Class RC1 (USD)	LU0417597639	Class RC2 (USD)	LU0417597985
Class RC1 (SEK)	LU0417597712	Class RC2 (SEK)	LU0417598017
Class RC1 (NOK)	LU0827992578	Class RC2 (NOK)	LU0827992909
Class IC1 (EUR)	LU0417598108	Class IC2 (EUR)	LU0417598447
Class IC1 (USD)	LU0417598280	Class IC2 (USD)	LU0417598520
Class IC1 (SEK)	LU0417598363	Class IC2 (SEK)	LU0417598793
Class IC1 (NOK)	LU0827993204	Class IC2 (NOK)	LU0827993543

<i>Class of units</i>	<i>ISIN code</i>	<i>Class of units</i>	<i>ISIN code</i>
Class ID1 (EUR)	LU0417598876	Class ID2 (EUR)	LU0827994947
Class ID1 (USD)	LU0417598959	Class ID2 (USD)	LU0417599254
Class ID1 (SEK)	LU0417599098	Class ID2 (SEK)	LU0417599338
Class ID1 (NOK)	LU0827994194	Class ID2 (NOK)	LU0827994517
Class IC3 (EUR)	LU0434614789	Class ID3 (EUR)	LU0434609516
Class IC4 (EUR)	LU0815250997		

Class I Units, reserved to institutional investors as defined by Article 174 of the 2010 Law, will be issued as capitalization (“C”) and distributing (“D”) Units.

Class R Units are available to all investors and may be issued as capitalization (“C”) and distributing (“D”) Units.

For the time being only the Classes RC1 (SEK), RC1 (EUR), RC2 (SEK), RC2 (USD), IC1 (EUR), IC1 (USD), IC2 (EUR), IC2 (SEK), IC2 (USD), ID1 (SEK), IC3 (EUR) and IC4 (EUR) have been launched.

5. Minimum Investment and Holding

The minimum initial investment and holding requirement per investor are set as follows:

Class RC1 (EUR): EUR 2,500	Class RC2 (EUR): EUR 250,000
Class RC1 (USD): USD 30,000	Class RC2 (USD): USD 6,000,000
Class RC1 (SEK): SEK 500	Class RC2 (SEK): SEK 2,500,000
Class RC1 (NOK): NOK 25,000	Class RC2 (NOK): NOK 2,500,000
Class IC1 (EUR): EUR 250,000	Class IC2 (EUR): EUR 5,000,000
Class IC1 (USD): USD 300,000	Class IC2 (USD): USD 6,000,000
Class IC1 (SEK): SEK 2,500,000	Class IC2 (SEK): SEK 50,000,000
Class IC1 (NOK): NOK 2,500,000	Class IC2 (NOK): NOK 50,000,000
Class ID1 (EUR): EUR 250,000	Class ID2 (EUR): EUR 5,000,000
Class ID1 (USD): USD 300,000	Class ID2 (USD): USD 6,000,000
Class ID1 (SEK): SEK 100,000	Class ID2 (SEK): SEK 50,000,000
Class ID1 (NOK): NOK 2,500,000	Class ID2 (NOK): NOK 50,000,000
Class IC3 (EUR): EUR 5,000,000	Class ID3 (EUR): EUR 15,000,000
Class IC4 (EUR): EUR 20,000,000	

The maximum total investment into Class IC3 (EUR) is capped at EUR 45,000,000.

A redemption request which would reduce the value at such time of any holding to below such amounts may be treated as a request to redeem the whole of such unitholding in the relevant Class. The Management Company may waive the minimum initial investment and holding amounts at its sole discretion.

The minimum initial investment of the other unit classes as set out above will be determined upon the activation of the respective unit class and will be laid down in an update of the prospectus.

6. Subscription and Redemption fee

No subscription, redemption or conversion fees will be levied.

7. Subscriptions

The Sub-Fund is open for subscriptions on a monthly basis. Applications for subscriptions must be placed at the registered office of the Administrative Agent no later than 12 noon (Luxembourg time) three bank business days prior to the Valuation Day in order to be dealt with on the basis of the Net Asset Value per Unit (or Gross Net Asset Value for Class I2 Units) calculated for the Valuation Day of the relevant month. Applications received after that time will be processed as of the next Valuation Day. Payments for subscriptions must be received 3 (three) Business Days prior to the relevant Valuation Day, otherwise the application received will be processed as of the next Valuation Day. Payments will be required to be made in the reference currency of the respective Class.

Applications from investors to subscribe Units of or to convert into Units of Class IC4 (EUR) after the maximum total investment limit of EUR 125,000,000 has been reached may be accepted at the discretion of the Management Company even if the aggregate investments exceed such limit.

8. Redemptions

The Sub-Fund is open for redemptions on a monthly basis. Applications for redemptions must be placed at the registered office of the Administrative Agent no later than 12 noon (Luxembourg time) three bank business days prior to the Valuation Day in order to be dealt with on the basis of the Net Asset Value per Unit calculated for the Valuation Day of the relevant month. Applications received after that time will be processed as of the next Valuation Day.

Payment for redemptions will be made within 5 (five) Business Days from the relevant Valuation Day.

9. Conversions

Upon the launching of additional Sub-Funds, the Units of this Sub-Fund may be converted into Units of another Sub-Fund according to the procedure described in Part A of the Prospectus.

Unitholders may also convert their Units into Units of another Class in this Sub-Fund according to the procedure described in Part A of the Prospectus.

Unitholders whose applications for conversion are accepted will have their Units converted on the basis of the Net Asset Value per Unit (or Gross Net Asset Value for Class I2 Units) for the Valuation Day of the respective month provided that the applications have been placed at the registered office of the Administrative Agent not later than 12 noon, three business days prior to the respective Valuation Day. Applications received after that time will be executed on the basis of the prices for the next Valuation Day.

The minimum value of a unitholding in any one Sub-Fund or Class of Units corresponding to a first investment upon conversion must amount to the corresponding minimum initial investment, if any. Unitholders must therefore switch the appropriate minimum initial investment or, when investing in a Sub-Fund where they have an existing unitholding, the appropriate minimum subsequent investment, if any subsequent minimum investment requirement is applicable to a specific Class of Units or Sub-Fund. When switching a partial holding, the value of the remaining holding should equate the minimum holding requirement, if any.

10. Dilution Levy

Under certain circumstances (for example, large volumes of deals) investment and/or disinvestment costs may have an adverse effect on the unitholder's interest in the Sub-Fund. In order to prevent this effect, called "**dilution**", the Management Company has the power to charge a "**dilution levy**" on the issue, redemption and/or conversion of units of the Sub-Fund. If charged, the dilution levy will be paid into the Sub-Fund.

The dilution levy will be calculated by reference to the costs of dealing in the underlying investments of the Sub-Fund, including any dealing spreads, commission and transfer taxes.

The need to charge a dilution levy will depend on the volume of issues, redemptions or conversions. The Management Company may charge a discretionary dilution levy on the issues, redemptions and conversions of units, if in its opinion, the existing Unitholders (for issues) or remaining Unitholders (for redemptions) might otherwise be adversely affected.

In any case, the dilution levy shall not exceed 2% of the Net Asset Value per Unit.

11. Base Currency

The Base Currency of the Sub-Fund is the Euro (EUR).

12. Frequency of the Net Asset Value calculation and Valuation Day

The Net Asset Value per Unit of the Sub-Fund is calculated monthly as of the last Business Day of each month in Luxembourg, under the overall responsibility of the AIFM.

The AIFM may however calculate a weekly estimated Net Asset Value per Unit on each Friday (or the next Business Day if the relevant Friday is not a Business Day), calculated on the previous Business Day's closing prices. In addition, the AIFM may calculate a weekly estimated NAV per Unit on each Wednesday (or the next Business Day if the relevant Wednesday is not a Business Day), calculated on the previous Business Day's closing prices. The estimated NAV is after estimated costs and fees. The valuation, which will be prepared in good faith by the AIFM, is for information purposes only and is based on (unaudited) estimated valuations supplied to the AIFM by brokers, counterparties and other price sources. Although the AIFM has evaluated all available information and data, it has not confirmed the completeness or accuracy of such information or data. When finally determined, the actual Net Asset Value calculated on the Valuation Day may therefore be materially different from the weekly estimated Net Asset Values. Accordingly, no reliance should be placed on such estimated Net Asset Value and it should only be taken as an indicative guide.

13. Portfolio Manager

Rhenman & Partners Asset Management AB, an asset management company supervised by the Swedish Financial Supervisory Authority (*Finansinspektionen*) has been appointed as Portfolio Manager for the Sub-Fund pursuant to an Investment Management agreement terminable by either party giving not less than three months prior notice to the other party. Its offices are located at Strandvägen 5A, SE-114 51 Stockholm, Sweden.

14. Fees payable to FundRock Management Company S.A

Out of the Sub-Fund's assets an administration fee of maximum 0.115% p.a. is payable to FundRock Management Company S.A monthly in arrears, based on the Sub-Fund's average net assets calculated month. However, FundRock Management Company S.A is entitled to a minimum monthly administration fee of EUR 3.333 payable monthly in arrears to FundRock Management Company S.A

In addition FundRock Management Company S.A is entitled to receive out of the Sub-Fund's assets a management fee of 0.075% p.a., consisting of (i) an infrastructure fee (0.025% p.a. with a maximum of EUR 75.000 p.a.) and (ii) the AIFM fee (0.05% p.a.).

FundRock Management Company S.A is furthermore entitled to receive out of the Sub-Fund's assets, in respect of the register and transfer agent functions, a monthly flat fee per unit class charged at the Sub-Fund level, in accordance with Luxembourg customary banking practice.

15. Fees payable to the Global Distributor

For its role as a Global Distributor, FundRock Distribution S.A will receive an annual fixed fee of EUR 6,000 out of the Sub-Fund's assets (already included in the fees paid by the Sub-Fund to the Management Company) plus an additional fee (currently of EUR 2,500 per year) for each additional platform/sub distributor the Sub-Fund might want to engage with.

16. Fees payable to the Portfolio Manager

16.1 Portfolio Management Services Fee

As indicated below, the Portfolio Manager will receive out of the Sub-Fund's assets an annual portfolio management services fees, calculated for each Valuation Day, consisting of i) the investment management fee (paid out monthly), and ii) the research fee (paid out quarterly in arrears).

Unit Class	Portfolio Management Services Fee	
	Investment Management Fee	Research Fee
Class RC1 (EUR)	2.0% p.a.	Max 0.30% p.a.
Class RC1 (USD)	2.0% p.a.	Max 0.30% p.a.
Class RC1 (SEK)	2.0% p.a.	Max 0.30% p.a.
Class RC1 (NOK)	2.0% p.a.	Max 0.30% p.a.
Class RC2 (EUR)	1.5% p.a.	Max 0.30% p.a.
Class RC2 (USD)	1.0% p.a.	Max 0.30% p.a.
Class RC2 (SEK)	1.5% p.a.	Max 0.30% p.a.
Class RC2 (NOK)	1.5% p.a.	Max 0.30% p.a.
Class IC1 (EUR)	1.5% p.a.	Max 0.30% p.a.
Class IC1 (USD)	1.5% p.a.	Max 0.30% p.a.
Class IC1 (SEK)	1.5% p.a.	Max 0.30% p.a.
Class IC1 (NOK)	1.5% p.a.	Max 0.30% p.a.
Class IC2 (EUR)	1.0% p.a.	Max 0.30% p.a.
Class IC2 (USD)	1.0% p.a.	Max 0.30% p.a.
Class IC2 (SEK)	1.0% p.a.	Max 0.30% p.a.
Class IC2 (NOK)	1.0% p.a.	Max 0.30% p.a.
Class IC3 (EUR)	0.75% p.a.	Max 0.30% p.a.
Class IC4 (EUR)	0.75% p.a.	Max 0.30% p.a.
Class ID1 (EUR)	1.5% p.a.	Max 0.30% p.a.
Class ID1 (USD)	1.5% p.a.	Max 0.30% p.a.
Class ID1 (SEK)	1.5% p.a.	Max 0.30% p.a.
Class ID1 (NOK)	1.5% p.a.	Max 0.30% p.a.
Class ID2 (EUR)	1.0% p.a.	Max 0.30% p.a.
Class ID2 (USD)	1.0% p.a.	Max 0.30% p.a.
Class ID2 (SEK)	1.0% p.a.	Max 0.30% p.a.
Class ID2 (NOK)	1.0% p.a.	Max 0.30% p.a.
Class ID3 (EUR)	1.5% p.a.	Max 0.30% p.a.

16.2 Performance Fee

The Portfolio Manager is also entitled to receive a Performance Fee (the “**Performance Fee**”), payable out of the Sub-Fund’s assets.

The Performance Fee model is a High Water Mark with a hurdle, except for Class IC4 where the Performance Fee model is a fixed hurdle rate of 5%.

For Class IC4, the hurdle rate is applied to the last NAV of the previous year regardless if it is higher or lower as any NAV as at the end of any previous year before. Past underperformance is never recovered as long as the yearly performance of the Sub-Fund is above 5%.

The Performance Reference Period is equal to the whole life of the Sub-Fund and it cannot be reset.

The Performance Fee will be calculated and accrued monthly in the respective unit classes as described below and will be paid out quarterly in arrears (annually in arrears for Class IC4 (EUR) Units). The Calculation Period for Class IC4 (EUR) Units will start on 1st January and end on 31st December each year.

For each Calculation Period, the Performance Fee rate in respect of each Unit will be equal to 20% (10% for the Class I3 Units and for the Class IC4 (EUR) Units) of the appreciation in the Gross Asset Value per each Unit of that class during the Calculation Period above the Base Net Asset Value per each Unit of that class. For Class D Units the Gross Net Asset Value GNAV used for the calculation of the Performance Fee will be adjusted by any dividend distributions made during the relevant Calculation Period.

The Performance Fee is normally payable in arrears within 30 days of the end of each Calculation Period.

If the Portfolio Management Agreement is terminated before the end of a Calculation Period, the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant period.

The Portfolio Manager may in its absolute discretion waive charges and/ or fees and may rebate any fees payable to it to an investor or a distributor or to any other person or entity in the discretion of the Portfolio Manager.

Class R, I1 and I3:

The Portfolio Manager shall be entitled to a Performance Fee if the Sub-Fund produces an excess performance, defined as any positive difference between the performance of the current Gross Net Asset Value (GNAV) per unit and the Base Net Asset Value per unit for the same calculation period. If the difference is negative, excess performance is defined to be zero, and in such case the Portfolio Manager is not entitled to a Performance Fee.

The GNAV is calculated after the accrual of all fees but prior to the accrual of any Performance Fee on the relevant Valuation Day.

The Base Net Asset Value per each Unit is the greater of the Net Asset Value of that Unit at the time of issue of that Unit Class multiplied by the 3 month EURO Interbank Offered Rate on the last business day of the previous calculation period adjusted for monthly return and the highest NAV of that Unit achieved as of the end of any previous Calculation Period (if any) during which such Unit was in issue multiplied by the 3 month EURO Interbank Offered Rate for the relevant calculation period adjusted for monthly return. The calculation cannot be based on a negative EURO Interbank Offered Rate. The Sub-Fund is a hedge fund and it runs an absolute return strategy with a goal to generate absolute returns regardless of equity market performance, as opposed to normal mutual funds. It would therefore be misleading to have an equity benchmark as the Sub-Fund's ultimate goal is positive returns and no attention is paid to equity indices in managing the Sub-Fund.

The Performance Fee calculation will be adjusted when there are subscriptions, to avoid any artificial performance fee.

On any single Valuation Day, all investors in a unit class will pay the same Performance Fee, if any, per unit of unit class.

During periods of positive performance, i.e. during periods of increasing GNAV an investor may enter during a quarter in which a Performance Fee has been accrued and which in whole or in part may be paid out to the Portfolio Manager at the end of the Calculation Period if the GNAV during the Calculation Period has appreciated more than the benchmark even if the investor(s) subscribing to units during the Calculation Period had no gain or even a loss at the end of the Calculation Period.

During periods of negative performance, i.e. in between days of new high water marks in the NAV, no Performance Fee will be charged. This implies that investors subscribing to new units during such periods may enjoy positive performance without being accrued any Performance Fee. Performance Fees will start to be charged again when the GNAV has recovered enough to exceed the GNAV at the time a Performance Fee was previously paid out.

In the case of Units redeemed during a Calculation Period, the accrued Performance Fee in respect of those Units shall be crystallized and subsequently paid to the Portfolio Manager at the end of the Calculation Period.

Class I2:

The Performance Fee in relation to these classes shall be charged on a Unit by Unit basis so that each Unit is charged a Performance Fee which equates with that Unit's performance. This method of calculation ensures that (i) any Performance Fee paid to the Portfolio Manager is charged only to those Units which have appreciated in value, (ii) all Unitholders have the same amount per Unit at risk in the Sub-Fund, and (iii) all Units have the same Net Asset Value per Unit.

The Portfolio Manager shall be entitled to a Performance Fee if the Sub-Fund produces an excess performance, defined as any positive difference between the performance of the current Gross Net Asset Value (GNAV) per unit and the Base Net Asset Value per unit for the same calculation period. If the difference is negative, excess performance is defined to be zero, and in such case the Portfolio Manager is not entitled to a Performance Fee.

The GNAV is calculated after the accrual of all fees but prior to the accrual of any Performance Fee on the relevant Valuation Day.

The Base Net Asset Value per each Unit is the greater of the Net Asset Value of that Unit at the time of issue of that Unit multiplied by the 3 month EURO Interbank Offered Rate on the last bank business day of the previous calculation period adjusted for monthly return and the highest GNAV of that Unit achieved as of the end of any previous Calculation Period (if any) during which such Unit was in issue multiplied by the 3 month EURO Interbank Offered Rate for the relevant calculation period adjusted for monthly return. The calculation cannot be based on a negative EURO Interbank Offered Rate.

Adjustments

If an investor subscribes for Units at a time when the Net Asset Value per Unit is other than the Peak Net Asset Value per Unit, certain adjustments will be made to reduce inequities that could otherwise result to the Subscriber or the Portfolio Manager. The Peak Net Asset Value per Unit (the “**Peak Net Asset Value per Unit**”) is the greater of (i) EURO/USD/SEK 100 (being the price at which the Units were issued on the expiry of the Initial Offering Period) and (ii) the Net Asset Value per each Unit in effect immediately after the end of each Calculation Period in respect of which a Performance Fee (other than a Performance Fee Redemption as defined below) was charged. The Peak Net Asset Value is adjusted at the Valuation Date with the 30 days EURO Interbank offered rate Index hurdle rate prorata temporis (Adjusted Peak Net asset Value).

- (A) If Units are subscribed for at any time when the Gross Net Asset Value (NAV before accrual of performance fee) per Unit is less than the relevant Adjusted Peak Net Asset Value per Unit, the investor will be required to pay a Performance Fee with respect to any subsequent appreciation in the value of those Units. With respect to any appreciation in the value of those Units from the Adjusted Gross Net Asset Value per Unit at the date of subscription up to the relevant Adjusted Peak Net Asset Value per Unit or Gross Net Asset Value per Unit, whichever is lower, the Performance Fee will be charged at the end of each Calculation Period by redeeming at par value such number of Units held by the Unitholder as have an aggregate Net Asset Value (after accrual for any Performance Fee) equal to 20% of any such appreciation (a “**Performance Fee Redemption**”). The aggregate net asset value of the Units so redeemed (less the aggregate par value which will be retained by the Sub-Fund) will be paid to the Portfolio Manager as a Performance Fee. Performance Fee Redemptions are employed to ensure that the Sub-Fund maintains a uniform Net Asset Value per Unit. As regards the remaining Units held by the Unitholder, any appreciation in those Units above the relevant Adjusted Peak Net Asset Value per Unit will be charged a Performance Fee in the normal manner described above.
- (B) If Units are subscribed for at a time when the Gross Net Asset Value per Unit is greater than the relevant Adjusted Peak Net Asset Value per Unit at the date of subscription, the Unitholder will be required to pay an amount in excess of the Gross Net Asset Value per Unit at the date of subscription equal to 20% of the difference between the Gross Net Asset Value per Unit at the date of subscription and the relevant Adjusted Peak Net Asset Value per Unit at the date of subscription (an “**Equalisation Credit**”). At the date of subscription the Equalisation Credit will equal the Performance Fee per Unit accrued with respect to the other Units in the Sub-Fund. The “**Maximum Equalisation Credit**” will be equal to 20% of the difference between the Adjusted Gross Net Asset Value per Unit at the date of subscription and the relevant Adjusted Peak Net Asset Value per Unit at the Valuation Date. The Equalisation Credit is payable to account for the fact that the Net Asset Value per Unit has been reduced to reflect an accrued Performance Fee to be borne by the existing Unitholders and serves as a credit against Performance Fees that might otherwise be payable by the Sub-Fund but that should not, in equity, be charged against the Unitholder making the subscription because, as to such Units, no favourable performance has yet occurred.

The Equalisation Credit ensures that all holders of Units in the Sub-Fund have the same amount of capital at risk per Unit.

The additional amount invested as the Equalisation Credit will be at risk in the Sub-Fund and will therefore appreciate or depreciate based on the performance of the Sub-Fund subsequent to the issue of the relevant Units but will never exceed the Maximum Equalisation Credit. In the event of a decline as at any Valuation Date in the Net Asset Value per Unit, the Equalisation Credit will also be reduced by an amount equal to 20% of the difference between the Gross Net Asset Value per Unit at the date of issue and the Gross Net Asset Value per Unit at the Valuation Date. Any increase, as at any Valuation Date in the Adjusted Peak Net Asset Value per Unit, will have the effect that the Equalisation Credit will also be reduced by an amount equal to 20% of the difference between the Adjusted Peak Net Asset Value per Unit at the date of issue and the Adjusted Peak Net Asset Value per Unit at the Valuation Date. Any subsequent appreciation in the Gross Net Asset Value per Unit will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit.

At the end of each Calculation Period, if the Gross Net Asset Value per Unit (or the Adjusted Gross Net Asset Value per Unit at the date of issue) the lower of which should be applied, exceeds the relevant prior Adjusted Peak Net Asset Value per Unit, that portion of the Equalisation Credit equal to 20% of the excess, multiplied by the number of Units subscribed for by the Unitholder, will be applied to subscribe for additional Units for the Unitholder at the then existing Net Asset Value per Unit at the end of the Calculation Period. Additional Units will continue to be so subscribed for at the end of each Calculation Period until the Equalisation Credit, as it may have appreciated or depreciated in the Sub-Fund after the original subscription for Units was made, has been fully applied.

If the Unitholder redeems his Units before the Equalisation Credit has been fully applied, the Unitholder will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Units being redeemed and the denominator of which is the number of Units held by the Unitholder immediately prior to the redemption in respect of which an Equalisation Credit was paid on subscription.

Class IC4:

The Portfolio Manager shall be entitled to a Performance Fee if the Sub-Fund produces an excess performance, defined as any positive difference between the performance of the current Gross Net Asset Value (GNAV) per Unit and the Base Net Asset Value per Unit for the same calculation period. If the difference is negative, excess performance is defined to be zero, and in such case the Portfolio Manager is not entitled to a Performance Fee and the negative performance at the end of any Calculation Period will not be carried forward to the next Calculation Periods. A Performance Fee will only be paid if the excess performance is above a 5% annual hurdle rate and if that is the case the Performance Fee will be calculated on the entire difference between the GNAV and the Base Net Asset Value.

The GNAV is calculated after the accrual of all fees but prior to the accrual of any Performance Fee on the relevant Valuation Day.

The Base Net Asset Value per each Unit is equal to the Net Asset Value of that Unit at the end of the previous Calculation Period.

The Performance Fee calculation will be adjusted when there are subscriptions, to avoid any artificial performance fee.

In the case of Units redeemed during a Calculation Period, the accrued Performance Fee in respect of those Units shall be crystallized and subsequently paid to the Portfolio Manager at the end of the Calculation Period.

Performance Fee calculation simulation for all Classes except Class IC4:

PERIODE	START NAV	END NAV	BENCHMARK %	HWM	HURDLE NAV	PERFORMANCE FEE Rate (20%)	NAV AFTER PERFORMANCE
1	100.00	105.00	0.00%	100.000	100.000	1.000	104.00
2	104.00	105.00	1.00%	104.000	105.040	0.000	105.00
3	105.00	106.00	1.25%	104.000	106.353	0.000	106.00
4	106.00	108.00	0.50%	104.000	106.885	0.223	107.78
5	107.78	107.00	0.00%	107.777	107.777	0.000	107.00
6	107.00	110.00	1.00%	107.777	108.855	0.229	109.77
7	109.77	116.00	1.50%	109.771	111.418	0.916	115.08

Performance Fee calculation simulation for Class IC4:

PERIODE	START NAV	END NAV	BENCHMARK %	HURDLE NAV	PERFORMANCE FEE Rate (10%)	NAV AFTER PERFORMANCE
1	100.00	107.00	5.00%	105.00	0.70	106.30
2	106.30	102.00	5.00%	111.62	-	102.00
3	102.00	100.00	5.00%	107.10	-	100.00
4	100.00	106.00	5.00%	105.00	0.60	105.40
5	105.40	107.00	5.00%	110.67	-	107.00
6	107.00	110.00	5.00%	112.35	-	110.00
7	110.00	116.00	5.00%	115.50	0.60	115.40

The above examples are purely for illustrative purposes and are not a representation of the actual performance of the Sub-Fund, or of future returns to Unitholders, and have been simplified for the purposes of illustrating the effect of the Performance Fee in different scenarios. They do not consider dividend payments or individual Performance Fee calculation. These simplifications allow the Performance Fee to be illustrated in a straightforward manner, without producing a material deviation from any actual Performance Fee calculation that will be carried out for the Sub-Fund.

17. The Prime Broker

Skandinaviska Enskilda Banken AB (publ), with registered office at Kungsträdgårdsgatan 8, SE-106 40 Stockholm, has been appointed as prime broker of the Sub-Fund pursuant to an international prime brokerage agreement, as amended from time to time. Standard brokerage charges and expenses incurred by the Sub-Fund's business transactions will be paid to the Prime Broker, out of the Sub-Fund's assets.

18. Fees payable to the Depositary

The Depositary is entitled to receive out of the Sub-Fund's assets a depositary fee of 0.02% p.a. which is payable to the Depositary monthly in arrears.

In addition, this service provider is entitled to be reimbursed out of the assets of the Sub-Fund for its reasonable out-of-pocket expenses and disbursements.

19. Listing on the Luxembourg Stock Exchange

The Board of Directors does not intend to apply for the listing of the Units of the Sub-Fund on the Luxembourg Stock Exchange.

20. Availability of the Net Asset Value and of other information

The Net Asset Value per Unit of each Class in the Sub-Fund will be available at the registered office of FundRock Management Company S.A.

21. Initial Offer Period

The Initial Offer Period took place from 5 June 2009 up to and including 19 June 2009 and the Sub-Fund was launched on 22 June 2009.

22. Risk warnings

Investors are advised to carefully consider the risks of investing in the Sub-Fund and should refer in relation thereto to the Section "**General Risk Considerations**" in Part A of this Prospectus.

23. Duration

The Sub-Fund is established for an unlimited duration.