



FESTINA LENTE FUND

A specialised investment fund established as an umbrella fund (fonds commun de placement à compartiments multiples FCP-SIF) pursuant to the Luxembourg Law of 13 February 2007 on specialised investment funds

Issuing document and Management Regulations

As at: 30. August 2021

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ISSUING DOCUMENT

This issuing document is only valid in conjunction with the Fund's most recent annual report, which may not be more than 18 months old. The report forms part of the issuing document.

The latest version of the issuing document including Management Regulation as well as the annual reports may be obtained from the Management Company and all paying agents.

As soon as it becomes mandatory to produce a key information document for the Fund in accordance with Regulation (EU) No 1286/2014, such a document will be provided free of charge instead of the key investor information document.

Statements not included in the issuing document or other documents that are accessible to the public and that refer to the issuing document may not be made.

Management Company / AIFM

Axxion S.A.
15, rue de Flaxweiler
L-6776 Grevenmacher
Own funds as at 31 December 2020: EUR 3.194.931,17

Supervisory Board of the Management Company

Chairman
Martin Stürner
Member of the Executive Board
PEH Wertpapier AG, Frankfurt am Main

Members:

Dr Burkhard Wittek
Directors
Forum Family Office GmbH, Munich

Constanze Hintze
CEO
Svea Kuschel + Kolleginnen Finanzdienstleistungen für Frauen GmbH, München

Board of Directors of the Management Company

Chairman:
Thomas Amend

Members:

Pierre Girardet
Stefan Schneider

Auditors

PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator
L-1014 Luxembourg

Depositary Banque de Luxembourg S.A.
14, boulevard Royal
L-2449 Luxembourg

**Central Administrator/Registrar
and Transfer Agent** navAXX S.A.
17, rue de Flaxweiler
L-6776 Grevenmacher

Investment Adviser Rothorn Partners Sàrl
Rue de Vieux-Collège 10
CH-1204 Geneva

The Fund

The investment fund "Festina Lente Fund" (the "Fund") described in this issuing document is an investment fund consisting of securities and other assets set up as an umbrella fund under Luxembourg law that may launch various sub-funds in the form of a *fonds commun de placement à compartiments multiples – SIF*. The sole purpose of the Fund is to invest its assets in different assets with the aim of spreading investment risks and ensuring its investors can benefit from the performance of the assets. The Fund was established in accordance with the Luxembourg Law of 13 February 2007 on specialised investment funds ("Law of 13 February 2007").

The Fund is an Alternative Investment Fund ("AIF") within the meaning of the Law of 12 July 2013 implementing Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No. 1060/2009 and (EU) No. 1095/2010 ("AIFM Directive" or the "Law of 12 July 2013"). Its Management Company is an external Alternative Investment Fund Manager within the meaning of the Law of 12 July 2013.

The sub-funds of the Fund are organised as investment funds within the meaning of §1(1b) second sentence of the German Investment Tax Act ("InvStG") in the resolution of the Act to adapt the Investment Tax Act and other legislation to the AIFM Implementation Act (AIFM-StAnpG (published in *Bundesgesetzblatt I* No. 76, p. 4318 et seq.)) of 18 December 2013.

Investments are made according to the principle of risk diversification. To this end, investments are made in at least four assets with different investment risks, or units are held to a non-negligible extent in one or more other assets invested directly or indirectly according to the principle of risk diversification. The Fund complies at all times with the requirements pertaining to risk diversification set forth in §1(1b) second sentence No 4 of the German InvStG.

The units in the investment fund are not intended for distribution to the public and are offered exclusively to well-informed investors who meet the requirements of the Law of 13 February 2007.

A well-informed investor is an institutional, professional or any other type of investor who:

- a) has stated his agreement in writing to being classified as a well-informed investor and
- b) invests at least EUR 125,000 in the Fund, or
- c) has been the subject of an assessment made by a credit institution within the meaning of Directive 2006/48/EC, by an investment firm within the meaning of Directive 2004/39/EC or by a management company within the meaning of Directive 2009/65/EC certifying his expertise, his experience and his knowledge in adequately appraising an investment in the specialised investment fund.

Management of the Fund

The Fund is managed by Axxion S.A. The Management Company was established on 17 May 2001 as a public limited company under Luxembourg law for an unlimited period. The Management Company's registered office is in Grevenmacher. The Management Company meets the requirements of Chapter 15 of the Law of 17 December 2010 on undertakings for collective investment and is an authorised AIFM as defined in the Law of 12 July 2013. The Articles of Association of the Management Company were published in the *Mémorial C, Recueil des Sociétés et Associations* of 15 June 2001 and is deposited at the Luxembourg Trade and Companies Register, where the Management Company is registered under number B-82112. The last amendment to the Articles of Association came into effect on 24 January 2020. A notice of filing of the amended Articles of Association with the Luxembourg Trade and Companies Register was published on the *Recueil électronique des sociétés et associations* electronic platform.

In its capacity as Management Company and Alternative Investment Fund Manager, Axxion S.A. is responsible for asset management (portfolio and risk management), central administration and other administrative duties prescribed under Luxembourg law.

In order to hedge potential professional liability risks arising out of business activities carried out by the Management Company under Directive 2011/61/EU, the Management Company has additional equity capital in accordance with the Law of 12 July 2013 in order to hedge potential liability risks for professional negligence. The Management Company may allocate specific tasks to third parties, whereby the investment management function may only be partially delegated.

The purpose of the Management Company is to launch and/or manage Luxembourg and/or foreign undertakings for collective investment and Luxembourg and/or foreign alternative investment funds.

In addition to the funds described in this issuing document, the Management Company also manages other funds. A list of these funds can be requested from the Management Company.

The Depositary

Banque de Luxembourg is acting as depositary of the Fund (the "Depositary") in accordance with a depositary agreement as amended from time to time (the "Depositary Agreement") and with the relevant provisions of the AIFM Act.

Banque de Luxembourg S.A. is a credit institution incorporated as a public limited company under the laws of Luxembourg and licensed to carry its activities under the terms of the amended Luxembourg law of 5 April 1993 relating to the financial sector.

In compliance with the provisions of the Depositary Agreement and the AIFM Act, the Depositary may, under certain conditions, delegate part of its safekeeping obligations to third parties as appointed from time to time. The Custodian's liability shall not be affected by any such delegation, unless otherwise specified, but only within the limits as permitted by the AIFM Act.

In compliance with the Depositary Agreement and pursuant to specific consent, the Depositary may be discharged of liability for loss of Custodiable Assets if it can prove that:

- a) all requirements for the delegation of its custody tasks set out in the AIFM

Rules are met;

- b) a written contract between the Depositary and the third-party expressly transfers the liability of the Depositary to that third-party and makes it possible for the Fund to make a claim against the third-party in respect of the loss of Custodiable Asset or for the Depositary to make such a claim on their behalf;

and

- c) a written contract between the Depositary and the Fund, expressly allows a discharge of the Depositary's liability and establishes the objective reason to contract such a discharge.

Further, where the law of a third country requires that certain Custodiable Assets are held in custody by a local entity and there are no local entities that satisfy the delegation requirements laid down in AIFM Rules, the Depositary can be discharged itself of liability provided that the following conditions are met:

- (a) the investors of the Fund have been duly informed of that discharge and of the circumstances justifying the discharge prior to their investment;
- (b) the Fund or the Manager instructed the Depositary to delegate the custody of such Custodiable Assets to a local entity;
- (c) there is a written contract between the Depositary and the Fund or the AIFM acting on behalf of the AIF, which expressly allows such a discharge; and
- (d) there is a written contract between the Depositary and the third-party that expressly transfers the liability of the Depositary to that local entity and makes it possible for the Fund to make a claim against that local entity in respect of the loss of Custodiable Assets or for the Depositary to make such a claim on their behalf.

The Fund and the Depositary intends to contract from time to time arrangements for such discharge and transfer of liability. Details such discharges and transfer of liability are available to investors at the registered office of the Fund.

The Depositary has no decision-making discretion nor any advice duty relating to the Fund's investments and is prohibited from meddling in the management of the Fund's investments. The Depositary is a service provider to the Fund and is not responsible for the content of this Prospectus and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus or the validity of the structure and investments of the Fund.

Investors are invited to consult the Depositary Agreement to have a better understanding and knowledge of the duties and liabilities (and of the limitations thereof) of the Depositary.

The Depositary Agreement may be terminated by either party according to the terms and conditions as set out in the agreement.

Central Administrator/ Registrar and Transfer Agent

The Central Administrator's role (including the bookkeeping of the Fund and the role of Registrar and Transfer Agent) was delegated to navAXX S.A., a public limited company in accordance with Luxembourg law.

Rights of Unitholders

The assets of the individual sub-funds are invested in securities and other admissible assets in accordance with the principle of risk diversification for the collective account of the investors ("Unitholders"). The capital made available and the assets acquired with that capital make up the assets of the individual sub-funds, which are held separately from the assets of the Management Company.

Unitholders participate in the assets of the individual sub-funds as co-owners in proportion to the number of units held. Their rights are represented by unit certificates which are bearer units. No effective units are issued.

Each sub-fund is treated as an independent investment fund in relation to the Unitholders. The rights and obligations of the Unitholders of a sub-fund are completely separate from those of the Unitholders of the other sub-funds. All rights and obligations of a sub-fund relate only to that sub-fund.

The Management Company shall inform investors of the fact that an investor may only assert investor rights in their entirety directly against the Fund if the investor has been entered into the register of Unitholders of the Fund in its own name. In cases where an investor has invested in a fund via an intermediary body which makes the investment in its own name but on behalf of the investor, all investor rights cannot necessarily be exercised directly by the investor vis-à-vis the Fund. Investors are advised to seek information on their rights.

General information on potential conflicts of interest

Conflicts of interest between the parties cannot be definitively excluded. The interests of the Fund may collide with those of the Management Company, the members of the Management Company's board of directors, the Supervisory Board of the Management Company, the portfolio manager, investment adviser and distributors as well as all subsidiaries, affiliates, representatives or agents of the aforementioned agencies and persons ("affiliated companies").

The Management Company has undertaken reasonable measures to avoid such conflicts of interest. When unavoidable conflicts of interest arise, the Board of Directors of the Management Company shall endeavour to resolve them in favour of the Fund.

It shall ensure, in particular, that investments by the Fund or its sub-funds in products initiated, managed, issued or advised by the portfolio manager and/or the investment adviser or their affiliated companies take place under market conditions.

Investment policy and investment restrictions

The aim of the investment policy is the sustained increase in value of the funds invested by well-informed investors.

For this purpose, the Management Company intends to offer investors a selection of sub-funds whose assets are invested in accordance with the principle of risk diversification as well as the following investment policy principles and investment restrictions. The sub-funds may vary, for example, but not exclusively, in terms of the regions they invest in, the securities they may acquire, the currencies in which

they are denominated or their maturities.

The Management Regulations lay down uniform rules for all sub-funds. The respective annexes to the issuing document outline the provisions for each sub-fund concerning the characteristics of the specific investment policy and the costs of each sub-fund.

Units are currently being offered in the following sub-fund(s):

Festina Lente Opportunities Fund

If other sub-funds are added, the issuing document will be supplemented accordingly.

Leverage

In accordance with the provisions of the Law of 12 July 2013, the Management Company shall inform the competent authorities and investors of the amount of leverage for the respective sub-fund based on the gross method and on the commitment method. The maximum leverage which can be used is indicated in the provisions of the respective sub-fund.

The Investment Adviser

The Management Company has commissioned Rothorn Partners Sàrl to act as investment adviser, providing it with recommendations on the investment of the sub-fund assets in accordance with the investment policy as set out in the respective annex to each sub-fund and in this issuing document in order to achieve the investment policy objectives.

The main task of the investment adviser is to monitor financial markets, analyse the respective sub-fund assets and make investment recommendations to the Management Company, in compliance with the investment limits and investment policy principles of the respective sub-fund.

The investment adviser has a purely advisory function and thus will not make investment decisions on its own; the Management Company is not bound by the suggestions of the investment adviser.

Units

Units (or "Fund units") are units in the respective sub-funds. The rights and obligations of the Unitholders of a sub-fund are completely separate from those of the Unitholders of the other sub-funds. All rights and obligations of a sub-fund relate only to that sub-fund. The units in the Fund are not intended for public sale and are offered exclusively to well-informed investors.

The Management Company may decide to launch unit classes. The subscriptions to all unit classes of a sub-fund will be invested in accordance with the investment policy. The net asset value of a unit class is calculated separately. The differing characteristics of a unit class are described in the respective annex.

There may be different unit classes within a sub-fund, differing in terms of minimum subscription amount, currency, fee structure and use of income. All Unitholders within a unit class shall be treated equally.

Issuing of units

Fund units are issued at the issue price. If a country in which units are distributed charges stamp duty or other fees, the issue price will be increased accordingly. Fund units are issued exclusively to well-informed investors within the meaning of the Law of 13 February 2007.

The Management Company is authorised to issue new units on an ongoing basis. However, in the framework of the provisions of the Management Regulations stipulated below, the Management Company reserves the right to temporarily or permanently suspend the issue of units; any payments already made shall in such instances be immediately refunded.

The units may be purchased from the Registrar and Transfer Agent or, where applicable, via the investor's relevant securities account holder.

Additional details on the issue of units can be found in the Management Regulations, in particular in Article 5 thereof, and in the annex to the respective sub-fund.

Calculation of unit value

To calculate the unit value, the value of the assets of each sub-fund, less its liabilities ("net sub-fund assets"), is calculated on each valuation day as provided for in the Management Regulations, including the respective annex to each sub-fund, and divided by the number of units in circulation.

Details on the calculation of the unit value can be found in the Management Regulations, in particular in Article 7 thereof, and in the annex to the respective subfund.

Redemption and conversion of units

Unitholders are entitled to apply to the Registrar and Transfer Agent or, where applicable, the investor's relevant securities account holder at any time for the redemption of or, unless this is not otherwise agreed in the respective annex, the exchange of their units at the unit value, less any applicable redemption fees ("Redemption Price").

In case of large redemption orders of more than 30% of the respective net sub-fund assets, the Management Company may only accept the units at the valid Redemption Price after immediately selling appropriate assets; although the interests of the Unitholders must be safeguarded.

Additional details on the redemption and exchange of units can be found in the Management Regulations, in particular in Article 9 thereof, and in the annex to the respective sub-fund.

General information on the issue and redemption of units

The Management Company does not allow any market-timing or late trading practices. Market timing includes making illegal use of price differences between different time zones, for example. Late trading includes the acceptance of an order after the expiry of the respective acceptance period on the valuation day in question and carrying out such an order on this day at the applicable price based on the net asset value. If it is suspected that these practices are being used, the Management Company will take the necessary measures to protect investors from the negative effects. Accordingly, units in each sub-fund are issued, redeemed and exchanged

only, in principle, at unknown net asset values.

The Management Company, the Registrar and Transfer Agent and the Depositary comply with Luxembourg and European legislation on combatting money laundering and terrorist financing (particularly the Law of 19 February 1973, as amended), the Law of 5 April 1993, as amended, the Law of 12 November 2004 and all circulars of the Luxembourg supervisory authorities.

Description of the liquidity risk management system

The Management Company has an appropriate liquidity risk management system and lays down procedures that enable it to monitor and ensure the liquidity risks of the respective sub-fund, so that the liquidity profile of sub-fund investments is consistent with its underlying liabilities.

The Management Company ensures that the sub-funds' investment strategies, liquidity profiles and redemption policies coincide.

This does not apply in the case of closed-end, non-leveraged types of sub-funds.

Using special software designed for liquidity risk management, a redemption profile is drawn up by the algorithms contained therein for each sub-fund using the extreme value distribution parameter based on all historical redemptions for that sub-fund. The liquidity of the instruments held is contrasted with this redemption profile. The result is determined for each liquidity ratio at different confidence intervals and liquidation durations.

Dividends and other payments

The use of income for every sub-fund is defined within the scope of the provisions of the respective annex. In addition to regular net income, distributions of realised capital gains, gains from the sale of subscription rights and/or other non-recurring income as well as other assets, may be made at any time (in whole or in part), at the discretion of the Management Company and based on Article 11 of the Management Regulations, provided the net Fund assets do not fall below the minimum limit stated in Article 1(2) of the Management Regulations as a result of the distribution. If the respective annex provides for the distribution of income, in derogation of this, the income may be accumulated upon a special decision of the Management Company. If the respective annex provides for the accumulation of income, in derogation of this, the income may be distributed upon a special decision of the Management Company.

Fund units are distributed via the paying agents or the Depositary. This also applies for any other payments to Unitholders.

Financial year, reporting and Fund currency

In principle, the financial year of the Fund begins on 1 January and ends on 31 December of the same year. The first financial year ended on 31 December 2015.

The Management Company shall publish, in accordance with the legal provisions in force in the Grand Duchy of Luxembourg, in the currency of the sub-fund concerned, an annual report in accordance with LUX GAAP containing the audited consolidated financial statements of the Fund and the report of the auditor.

The first audited annual report was published as at 31 December 2015.

The Fund's currency is the euro. The respective sub-fund currency is indicated in the annex to the issuing document of the Fund.

Publications and contact persons

The currently valid Issue Price and Redemption Price of the individual sub-funds and all other information for Unitholders may be obtained at any time from the registered office of the Management Company or from the Depositary.

The latest versions of the issuing document with Management Regulations and annexes as well as the annual reports are also available there free of charge; the Management Company's Articles of Association are available for inspection at its registered office. The Management Company will make a hard-copy version available upon request.

Issue and Redemption Prices are currently published at www.axxion.lu. The latest version of the issuing document and the annual reports are also available on the website.

The privacy policy, which informs investors about the processing of personal data and the rights under the terms of the EU General Data Protection Regulation (GDPR), which came into force on May 25, 2018, is available on the website of the Management Company <https://www.axxion.lu/de/datenschutz.html>.

The Fund's current risk profile and the risk management systems put in place to control risks as well as any new provisions on liquidity management shall be published in this issuing document and in the annual report.

The Management Company shall disclose any changes to the maximum scope within which the Management Company can use leverage on behalf of the Fund and any rights to re-use collateral or other guarantees granted under leverage transactions and the overall amount of leverage in the Fund in the annual report. The percentage share of Fund assets which are subject to special arrangements arising from their illiquid nature as well as new provisions on the Fund's liquidity management shall also be published in the annual report.

The amount of front-load fees and redemption charges paid by the Fund during the reporting period for the purchase and redemption of units shall also be published in the annual report.

Parties interested in acquiring units may obtain information on investment limits, risk management, risk management methods and the latest developments concerning risks and returns of the most important categories of Fund assets from the Management Company or the Depositary. The issuing document can also be viewed at www.axxion.lu.

Investor complaints may be submitted to the Management Company. The Management Company has implemented procedures to appropriately and rapidly address investor complaints.

Amendments to the Management Regulations and the issuing document

The Management Regulations may be amended from time to time with the approval of the Depositary and in accordance with the provisions of the Management Regulations and Luxembourg law.

The Management Company may amend the issuing document from time to time. The Management Company may change the investment strategy and/or investment policy in full or in part. Where required by law, investors shall be informed of any changes to the investment strategy and/or investment policy no less than 45 days before the changes come into effect.

Investors that do not agree with the changes to the investment strategy and/or investment policy may redeem their units in the respective sub-fund free of charge within 45 days of the publication date.

Costs

In return for managing the Fund and its sub-funds, the Management Company shall receive a fee from the respective sub-fund assets, the amount of which is defined and listed in the annex to each sub-fund. If the Management Company uses the services of a portfolio manager or investment adviser, these shall be paid for from the Management Company fee. The Depositary shall receive a fee, the amount of which is defined in the respective annex to each sub-fund. In addition, the amount of further remuneration (eg for portfolio managers, investment advisors, distributors, central administration, registrar and transfer agents) may be specified in the relevant Annex.

The fees shall be determined and paid out as set forth in the respective annex to each sub-fund.

In addition, the Management Company and/or Depositary and Central Administrator may also be reimbursed from the assets of the respective sub-fund for additional expenses listed in the respective annex to each sub-fund, in addition to the costs associated with the acquisition and sale of Fund assets. These costs are also listed in the annual reports.

The Management Company or a service provider appointed by the Management Company may pay or receive commissions and/or grant or accept soft commissions, provided that these commissions improve the quality of the service in question and benefit investors in the best interests of the Fund. Soft commissions can be arrangements via broker research, market and financial analyses, discounts or similar, and shall be published in the annual report. Any brokerage commissions for the Fund's portfolio transactions shall be paid exclusively to brokers/dealers which are legal entities and not natural persons.

The start-up costs of the Fund may be fully written off within the first five years after start-up. Should additional sub-funds be opened after the Fund has been launched, any accrued start-up costs that have still not been fully written off may be proportionally charged. Likewise, the additional sub-funds shall bear their respective specific launch costs. These costs can also be written off over a period of a maximum of five years from the launch date.

Taxation of Fund assets and income

In the Grand Duchy of Luxembourg, Fund assets are subject to a tax ("*taxe d'abonnement*") of 0.01% p.a., payable quarterly on the net sub-fund assets reported at the end of each quarter.

The income of the sub-funds may be subject to withholding tax in countries in which the respective sub-fund assets are invested. In such cases, neither the Depositary nor the Management Company are under an obligation to obtain tax certificates. Prospective investors should also enquire about the laws and regulations that apply to the acquisition, possession and redemption of units and, where necessary, seek

advice.

Pursuant to Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income (EU Savings Tax Directive), there should be a general exchange of information on the interest income paid to natural persons who are residents of another EU Member State for tax purposes. Income from investment funds is also considered as interest income, provided it falls under the scope of the EU Savings Directive.

During a transition period, Luxembourg, **as a rule, did not** participate in this exchange of information. However, institutions classed as Luxembourg paying agents within the meaning of the EU Savings Tax Directive do charge a withholding tax on such interest income (amounting to 35%) if the recipient has **not expressly** decided that his information can be forwarded. Interested parties should seek advice on how exactly an authorisation to provide information may be issued. Luxembourg will participate in the exchange of information on interest income within the meaning of the EU Savings Tax Directive from 1 January 2015.

The Management Company may publish further non-binding information on the taxation of the Fund and its investors in individual countries on its website at the following link:

https://www.axxion.de/fileadmin/user_upload/Anlegerinformationen/Steuerliche_Hinweise.pdf

Common Reporting Standard (CRS)

The Common Reporting Standard (CRS) is a global reporting standard developed by the OECD, intended to ensure the comprehensive and multilateral automatic exchange of information in the future. Directive 2014/107/EU of the Council amending Directive 2011/16/EU on the mandatory automatic exchange of information in the field of taxation (the “CRS Directive”) was adopted on 9 December 2014. The CRS Directive was implemented in Luxembourg via the Law of 18 December 2015 on the automatic exchange of information on financial accounts with regard to tax matters (the “CRS Law”).

The CRS Law requires Luxembourg financial institutions to identify holders of financial assets and ascertain whether they are resident for tax purposes in countries with which Luxembourg has concluded an agreement on the exchange of tax information. Luxembourg financial institutions subsequently report the bank account information such as the income, gains and account balances of asset holders to the Luxembourg tax authorities, who then automatically send this information to the relevant foreign tax authorities once a year.

The first automatic exchange of information under this CRS within the borders of the EU member states will take place by 30 September 2017 for data from the year 2016. In the case of countries that participate in the CRS but are not EU member states, the automatic exchange of information under the CRS will take place by 2017 at the earliest, depending on the country.

Foreign Account Tax Compliance Act (FATCA)

The provisions of the Foreign Account Tax Compliance Act (FATCA) were adopted in the United States of America in 2010 as part of the Hiring Incentives to Restore Employment Act and are designed to prevent tax evasion by US citizens.

FATCA requires financial institutions outside the United States of America (“FFIs”) to relay information about financial accounts held directly or indirectly by specified US Persons to the US tax authorities (Internal Revenue Service or IRS) on an annual basis. If FFIs fail to meet their FATCA disclosure obligations, a 30% withholding tax is imposed on specific US-sourced income to these FFIs.

On 28 March 2014, the Grand Duchy of Luxembourg signed a Model 1 intergovernmental agreement (“IGA”) with the United States of America to facilitate compliance with FATCA and the associated reporting. In accordance with the conditions of the IGA, the Management Company will be required, on an annual basis, to supply the Luxembourg tax authorities with specific information including the dividends, gains and account balances of US investors (including indirect investments held by specific passive investment companies), as well as those of non-US financial institutions that do not comply with the FATCA provisions. This information will be forwarded to the IRS by the Luxembourg tax authorities.

The Management Company intends to comply with the conditions of the IGA and the Luxembourg Law of 24 July 2015 on implementing the IGA in Luxembourg law.

If, due to an investor’s failure to provide complete, accurate or true information about their FATCA status, the Management Company or the Fund is obliged to pay a withholding tax or submit a report, or incurs other losses, the Management Company reserves the right, without prejudice to other rights, to claim compensation for damages against the investor in question.

Unitholders should seek advice from their own tax advisers regarding the FATCA requirements applicable to their personal circumstances.

Risk information

As well as offering the potential to increase the value of the capital invested, security investments also frequently entail significant risks. Fund units are unit certificates whose prices are determined by price fluctuations of the assets in the sub-fund in the stock markets. There is therefore no guarantee that investors will receive back the full amount they have invested. However, the investor’s risk is limited to the amount invested. There is no additional funding obligation concerning the money invested.

The following risks are the general risks of an investment in investment funds. The respective risks may be greater or lesser depending on the focus of the investments within the individual sub-funds. The risks of Fund units acquired by an investor are closely related to the risks of the assets held in the respective sub-fund and/or with the investment strategies pursued by the sub-fund.

By focusing on certain industries, the sub-fund investments may be subject to higher price fluctuations, depending on the political and economic factors in a country and on the global economic situation as well as demand for resources, than normal stock market trends, which can lead to an increased investment risk.

Potential investors should be aware of the risks inherent with an investment in an investment fund and should seek advice from their personal investment adviser. Investors are advised to obtain information on the development of the sub-fund(s) in which they have invested by keeping in regular contact with their investment advisers.

As a basic rule, no assurance can be given that the aims of the investment policy of the respective sub-fund will be reached. Every potential investor should check whether their personal situation permits the acquiring of units.

Investors should in particular be aware of the following potential risks:

Target fund risks

Target funds are legally admissible investment vehicles which can be acquired by the Fund. The value of target fund units are in particular determined by the price and value fluctuations of assets contained in the target fund, any interest, dividends or other types of income, as well as costs, and can therefore either rise or fall. The value of target fund units may be influenced by foreign exchange measures, taxation arrangements, including the levying of withholding taxes, as well as by other general economic or political conditions or changes in countries in which the target fund is invested or domiciled.

The investment of fund assets in target fund units is subject to the risk that the redemption of the units may be subject to restrictions, meaning that such investments could be less liquid than other investments. The redemption of target fund units may be suspended. The affected target fund units may still be tradable on the stock exchange, however such trading opportunities are generally associated with discounts on the asset value. If the target funds are sub-funds of an umbrella fund, the acquisition of target fund units is associated with an additional risk if the umbrella fund is liable overall to third parties for the liabilities of each sub-fund.

Investing in target funds may indirectly lead to dual charging of costs (e.g. administrative fee, performance fee, Depositary fees, portfolio management fee, etc.) for the respective sub-fund, irrespective of whether the sub-fund and the target fund are managed by the same Management Company or not.

Risks associated with equities and securities with an equity-like character

The risk profile of equities and securities with an equity-like character as an investment type is that its pricing depends to a large extent on factors that are beyond any sort of rational calculation. The "psychology of market participants" also plays a significant role in the price fluctuation alongside the commercial risk.

Commercial risk

The commercial risk includes the risk for both the Fund and the investor that the investment grows in a different manner than originally expected. In addition, the investor cannot safely assume that he will get the invested capital back. In extreme cases, i.e. the insolvency of the company, an equity or equity-like investment may lead to a complete loss of the investment amount.

Price fluctuation risk

Stock prices and equity-like security prices are subject to unpredictable fluctuations. Short, medium and long-term upturns and downturns may follow each other without it being possible to work out a clear connection for the duration of

each individual phase.

Price movements are determined in the long-term by the earnings position of the company, which can in turn be influenced by the development of various macroeconomic and political conditions. In the medium-term, a number of economic, exchange rate and monetary policy influences may have an influence. In the short-term, various current events that are of a temporary nature, such as conflicts between management and trade unions or international crises, may have an impact on the general mood within markets and on the price movement of shares as a result.

Psychology of market participants

Rising or falling prices either on the stock market or for individual shares are dependent on the assessments of market participants and their consequent investment behaviour. In addition to objective factors and rational considerations, the decision to buy or sell securities is also affected by irrational opinions and crowd psychological behaviour. As a result, share prices also reflect the hopes and fears and assumptions and moods of both buyers and sellers. In this respect, the stock market is a market of expectations where the limits between objective behaviour and rather emotional behaviour are not particularly clear.

Information on risks in particular corporate situations

During the holding period of shares in a sub-fund portfolio, there may be particular corporate situations that can have an impact on the relevant sub-fund assets. Examples of this are companies that conduct merger negotiations for which takeover bids were accepted and minority shareholders were compensated as a result. In selected cases, this may initially lead to losses when tendering shares. At a later point, remedial payments may for example be made by way of court rulings (so-called judicial review proceedings) or voluntary settlements for any such shares which can then lead to an increase in the unit price; a prior review of any such claims is not made. Unitholders who have redeemed their units prior to this payment shall no longer be able to benefit from any of its potential positive effects.

Leverage

The Management Company may carry out transactions for the Fund and/or the individual sub-funds which lead to a leverage effect. Leverage may arise as a result of sub-fund borrowing or through the use of derivative transactions. The main derivatives used are options and swaps.

The issuer's return on equity changes on the basis of the interest rate agreed for borrowing. The leverage effect has a positive effect as long as the loan interest rate is lower than the return on total assets of the scheduled investment.

The purchase and sale of options, as well as transactions in futures contracts or swaps, entail in particular the following risks:

- Price changes in the underlying instrument can mean a decrease in the value of the option right or a futures contract. If the decrease in value results in a total loss, the Management Company may be compelled to forfeit the rights acquired. The Fund could also suffer losses through value changes of an asset underlying a swap.

- The leveraging effect of options can result in a greater impact on the value of the Fund's assets than if the underlyings were acquired directly. It may not be possible to determine the risk of loss when the contract is entered into.
- There may be no liquid secondary market for a specific instrument at a given time. In certain circumstances, it may not be possible to neutralise (close out) a derivative position.
- The purchase of options carries the risk that the option will not be exercised because the prices of the underlying assets do not develop as expected, with the result that the option becomes worthless. With the sale of options there is a risk that the Fund will be required to accept assets at a higher market price than the current one or to deliver assets at a lower market price than the current one. The Fund will then suffer a loss amounting to the difference in price minus the option premium.
- With futures contracts, there is a risk that the company will be obliged, on behalf of the Fund, to bear the difference between the underlying price when the contract was entered into and the market price at the time of settlement or upon maturity of the transaction. If this happens, the Fund would suffer losses. The risk of loss cannot be determined when the futures contract is entered into.
- A necessary close of derivative transactions (close out or settlement) will incur costs.
- Forecasts made by the Management Company relating to future trends in underlying assets, interest rates, prices and currency markets may subsequently prove inaccurate.
- It may not be possible to buy or sell the assets underlying the derivatives at an inherently favourable time or they may have to be bought or sold at an unfavourable time.
- Potential losses could arise through the use of derivative instruments which may not be foreseeable and could even be greater than the margin payments.

Interest rate risk

The interest rate risk includes the possibility that the market interest rate at the time of the issue of an interest-bearing financial instrument could change. Changes in the market interest rate could result from changes in the economic position and the resultant policy changes of the relevant bank of issue. If market interest rates rise when compared to interest rates at the time of issue, then interest-bearing securities will generally fall in value. But if the market interest rate falls, then interest-bearing securities increase in value. In both cases, the yield on interest-bearing financial instruments to some extent reflects the market interest rate. The price fluctuations can however have different consequences depending on the maturity (or the period until the next interest rate adjustment) of the interest-bearing financial instruments. As a result, interest-bearing financial instruments with shorter maturities (or shorter interest rate adjustment periods) have lower interest rate risks than interest-bearing financial instruments with longer maturities (or shorter interest rate adjustment periods).

Currency and transfer risk

If the sub-fund invests assets in currencies other than the sub-fund currency, it will receive the earnings, repayments and proceeds from those investments in the

currency in which it was invested. The value of these currencies could fall against the sub-fund currency. As a result, the exchange rate risk may give rise to a decrease in the value of units if the sub-fund invests in currencies other than the sub-fund currency.

It should also be noted that an investment in foreign currencies is subject to a so-called country or transfer risk. This relates to the risk that, in spite of his ability to pay, a foreign debtor cannot make payments when due or at all because the country in which his registered offices are located lacks the ability or willingness to make transfers. For example, payments pursued by the Fund are not made or are made in currencies which are no longer convertible because of foreign exchange restrictions. This is especially true for foreign currency investments in markets or in assets from issuers based in countries that do not yet meet international standards.

Exchange rate hedging transactions that typically only secure part of the sub-fund and which are done over shorter periods of time serve to reduce exchange rate risks. They cannot however rule out the fact that exchange rate changes can negatively influence the development of the sub-fund despite the possibility of currency hedging transactions. The various costs arising from exchange rate hedging transactions as well as potential losses all help to reduce the sub-fund yield. With respect to foreign currency investments in markets or in assets from issuers based in countries that do not yet meet international standards, there is also the risk that exchange rate hedging transactions are not actually possible or are unfeasible.

Credit default/issuer risk

The credit default risk (or counterparty/issuer risk) generally includes the risk of partially or wholly defaulting on an outstanding amount. This applies to all agreements concluded with other contractual parties for the account of the sub-fund. This particularly applies as well to the issuer of the assets contained in the sub-fund. In addition to the general trends of the capital markets, the individual performance of the respective issuers also influences the price of an asset. Even when the assets are carefully selected, losses due to the financial collapse of issuers cannot be ruled out.

There is also the possibility that an issuer may either wholly or partially default on their obligations. As a result, even with the most careful selection of assets, it cannot for example be ruled out that the issuer of an interest-bearing financial instrument is unable to pay any interest due, or only partially complies with repayment obligations upon maturity of the interest-bearing financial instrument. With respect to equities and equity-like financial instruments, the particular development of the respective issuer can for example have the effect of ensuring no dividends are paid out and/or the price trend is negatively affected through a total loss.

With respect to foreign issuers, there is also the possibility that the state in which the issuer is incorporated has made it either partially or wholly impossible to make interest or dividend payments or to repay interest-bearing financial instruments (see also currency and transfer risk) thanks to political decision-making.

Inflation risk

The inflation risk describes the risk of pecuniary loss that investors will suffer as a result of inflation. In extreme cases, the inflation rate is higher than the increase in value of an investment fund. This means that the purchasing power of the invested capital shrinks and the investor has to accept losses in value. Investment funds are

no different to other investment types in this respect.

Liquidity risk

Assets which have not been admitted to the market at a stock exchange or are not incorporated into an organised market may also be acquired for the Fund. Acquiring such assets is associated with the risk that problems may arise especially when such assets are resold to third parties.

In the case of financial instruments that are issued as part of a new issue but have not yet been listed on the stock markets, as well as securities that are, in principle, not listed on stock markets, there is a high liquidity risk, as the assets associated with these investments are not fungible or are fungible only to a limited extent; they are also difficult to sell and cannot be sold at a foreseeable price or time. Generally speaking, investors can demand the redemption of their units from the Management Company on the valuation date. However, the Management Company may temporarily suspend redemption of units under unusual circumstances and not redeem units until a later point in time at the price valid at the time. This price can be lower than the price before the suspension of the redemption.

The company may also be forced to suspend redemption if one or more target funds whose units have been acquired for the Fund suspend the redemption of units on their part.

Sustainability risk (ESG risk, environmental, social, corporate governance)

Sustainability risks ("ESG risks") are understood as the potential negative impact of sustainability factors on the value of an investment. Sustainability factors are events or conditions from the environmental, social or corporate governance areas, the occurrence of which can have actual or potential negative effects on the asset, financial and earnings situation as well as on the reputation of a company. In addition to their macroeconomic nature, sustainability factors can also be described in connection with the direct activities of the company. In the areas of climate and environment, macroeconomic sustainability factors can be divided into physical risks and transition risks. Physical risks describe, for example, extreme weather events or global warming. Transition risks manifest themselves, for example, in connection with the switch to low-carbon energy production. In connection with the direct activities of a company, sustainability factors such as compliance with core labour rights or measures related to the prevention of corruption as well as environmentally friendly production exist. Sustainability risks of an investment, caused by the negative effects of the factors mentioned, can lead to a significant deterioration of the financial situation or reputation, as well as the profitability of the underlying company and have a considerable impact on the market price of the investment.

Consideration of sustainability risks in the investment decision process

In addition to the standard financial data, the sub-fund management also takes into account sustainability risks when making investment decisions. This consideration applies to the entire investment process, both to the fundamental analysis of investments and the decision. In the fundamental analysis, ESG criteria are particularly taken into account in the internal market analysis of the company. In addition, ESG criteria are integrated into the entire investment research. This includes the identification of global sustainability trends, financially relevant ESG issues and challenges. Furthermore, particularly risks that may result from the consequences of climate change or risks that arise due to the violation of

internationally recognised guidelines are subject to special scrutiny. The internationally recognised guidelines include the ten principles of the United Nations Global Compact, the ILO core labour standards, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Specific risks related to the purchase and sales of options

An option is the right to buy ("call option") or sell ("put option") a specific underlying asset at a specific time or within a specific period of time at an agreed fixed price ("strike price"). The price of a call or put option is the option premium.

The purchase and sale of options are associated with specific risks:

The premium paid for buying a call or put option may be lost if the price of the underlying asset underlying the option does not develop as expected and it is therefore not in the interest of the sub-fund to exercise the option.

If a call option is sold, there is the risk that the sub-fund will no longer participate in what could be a substantial increase in the value of the underlying asset or that the call must be covered at unfavourable market prices when the contractual party exercises the option. When selling call options, the theoretical loss level is unlimited.

When put options are sold, there is the risk that the sub-fund will be obligated to pay the strike price for the underlying asset even though the market value of these securities is significantly lower when the option is exercised.

The leverage effect of options can result in a greater impact on the value of the sub-fund assets than would be the case with the direct use of underlying values.

Management Regulations

The Management Regulations set out general principles for the **Festina Lente Fund** (the "Fund") established in the form of a "fonds commun de placement à compartiments multiples" pursuant to the Law of 13 February 2007 on specialised investment funds ("SIF" or the "Law of 13 February 2007") and comprise the contractual terms applicable to the Fund.

The Management Regulations came into effect on 22 December 2014 and were published for the first time on 9 January 2015 by means of a notice of deposit in the *Mémorial C, Recueil des Sociétés et Associations*. This amended version came into force on 31. December 2018, and will be published on the electronic platform *Recueil électronique des sociétés et associations* (www.rcsl.lu) under number **(K338)** on 31. December 2018.

Article 1 The Fund

1. The Fund is a legally independent investment fund (unit trust/mutual fund) consisting of securities and other assets ("Fund assets"), managed in accordance with the principle of risk diversification. The Fund consists of one or more sub-funds and is subject to the Law of 13 February 2007 and the Law of 12 July 2013 on Alternative Investment Fund Managers (the "Law of 12 July 2013"), as amended. By investing in a sub-fund, each investor has a stake in the Fund. Fund units may be purchased exclusively by well-informed investors within the meaning of the Law of 13 February 2007. A well-informed investor is an institutional, professional or any other type of investor who has stated his agreement in writing to being classified as a well-informed investor and has invested at least EUR 125,000 in the Fund, or has been the subject of an assessment made by a credit institution within the meaning of Directive 2006/48/EC, by an investment firm within the meaning of Directive 2004/39/EC or by a management company within the meaning of Directive 2009/65/EC certifying his expertise, his experience and his knowledge in adequately appraising an investment in the specialised investment fund.

The Fund is an Alternative Investment Fund within the meaning of the Law of 12 July 2013. The same applies to its sub-funds.

The sub-funds of the Fund are organised as investment funds within the meaning of §1(1b) second sentence of the German Investment Tax Act ("InvStG") in the resolution of the Act to adapt the Investment Tax Act and other legislation to the AIFM Implementation Act (AIFM-StAnpG (published in *Bundesgesetzblatt I* No. 76, p. 4318 et seq.)) of 18 December 2013. To this end, each sub-fund invests in at least four assets with different investment risks, or holds units to a non-negligible extent in one or more other assets invested directly or indirectly according to the principle of risk diversification.

2. The Fund's assets, less liabilities attributable to the Fund ("net fund assets"), must reach at least the equivalent value of EUR 1,250,000 within 12 months of the Fund being approved. The Fund is managed by the Management Company. The respective sub-fund assets are held by the Depositary.
3. Each sub-fund is treated as an independent investment fund in relation to the unitholders. The rights and obligations of the unitholders of a sub-fund are completely separate from those of the unitholders of the other sub-funds. All rights and obligations of a sub-fund relate only to that sub-fund. The contractual rights and obligations of the unitholders ("Unitholders"), the Management Company and the Depositary are set out in the Management Regulations, which are prepared by the Management Company with the approval of the Depositary. By purchasing a unit, each Unitholder acknowledges the Management

Regulations, the issuing document including the annex to the respective sub-fund, and any approved amendments made thereto.

Article 2 **The Management Company**

1. The Management Company of the Fund is Axxion S.A., an authorised management company pursuant to Chapter 15 of the Law of 17 December 2010 on undertakings for collective investment (the "Law of 17 December 2010"). The Management Company is also an authorised Alternative Investment Fund Manager within the meaning of the Law of 12 July 2013.
2. The Management Company manages the Fund and its sub-funds in its own name, but exclusively in the interests and for the collective account of the unitholders. The management authority extends to exercising all rights which are directly or indirectly connected with the assets of a sub-fund.
3. The Management Company sets the investment policy of the Fund and the respective sub-funds taking into consideration the legal and contractual investment restrictions. The Board of Directors of the Management Company may entrust one or more of its members or other individuals or legal entities with the daily implementation of the investment policy.
4. In its capacity as Management Company and Alternative Investment Fund Manager, Axxion S.A. is responsible for asset management (portfolio and risk management), central administration and other administrative duties prescribed under Luxembourg law. The Management Company may allocate specific tasks to third parties.
5. The Management Company may, under its own responsibility and control, call on portfolio managers and investment advisers, and in particular seek advice from an investment committee whose composition will be determined by the Management Company. The costs thereof shall be paid by the Management Company out of its management fee, which it can take from the respective sub-fund if this is provided for in the issuing document.
6. The Management Company prepares an issuing document for the Fund containing the current information on the Fund and its sub-funds, in particular with regard to the fees and management of the Fund and its sub-funds.

Article 3 **The Depositary**

The Management Company has selected Banque de Luxembourg S.A., a bank domiciled in the Grand Duchy of Luxembourg, as Depositary.

1. The assets of the respective sub-funds are entrusted to the Depositary for safe custody in accordance with the provisions of the Law of 12 July 2013 taking account of the following principles. The rights and obligations of the Depositary are governed by the Laws of 13 February 2007 and 12 July 2013 as well as the Depositary agreement, as amended.
2. All securities, money-market instruments, investment units and other assets of a sub-fund are held by the Depositary in accounts and securities accounts. The Depositary may, under its own responsibility and with the agreement of the Management Company, commission third parties, particularly other banks and central depositories, to safeguard the securities and other assets.
3. Insofar as the law permits, the Depositary is authorised and obliged, on its own

behalf:

- a. to assert claims of the Unitholders against the Management Company or a former Depositary;
 - b. to raise objections against measures of third parties to levy execution, and to take action if execution proceeds due to a claim for which the respective sub-fund's assets cannot be held liable.
4. The Depositary is obligated to follow instructions from the Management Company provided they do not conflict with the applicable law, the Management Regulations or the issuing document, as amended.
 5. The Management Company and Depositary are entitled to terminate the Depositary's appointment at any time in line with the Depositary agreement. In the event of termination of the Depositary's appointment, the Management Company shall be obliged to appoint another bank as Depositary within two months with the approval of the CSSF, failing which termination of the Depositary's appointment shall necessarily entail winding up of the corresponding fund; until such time the previous Depositary shall comply in full with its duties as Depositary in order to safeguard the interests of Unitholders.

Article 4 **General investment policy** **guidelines**

The investment objectives and investment policies of each sub-fund are laid down on the basis of the following general guidelines. The investment restrictions apply separately to each sub-fund.

The calculation of the minimum limit for net Fund assets in accordance with Article 1(2) of the Management Regulations shall be based on the assets of the entire Fund, obtained by totalling the net assets of each sub-fund.

1. Listed securities and money-market instruments

Sub-fund assets are, as a rule, invested in securities and money-market instruments that are listed or traded on a securities exchange or on another regulated market that is recognised, open to the public and operates regularly ("Regulated Market") within the continents of Europe, North and South America, Australia (including Oceania), Africa or Asia.

2. Undertakings for collective investment

The net assets of each sub-fund may be invested in units of undertakings for collective investment ("Target UCIs"), provided the business activities of the Target UCIs are reported in annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period.

3. Sight deposits

Deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and mature in no more than 12 months, may be held, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is located in a non-Member State, provided that it is subject to prudential rules considered by the CSSF to be equivalent to those laid down in Community law.

4. Other money-market instruments

Money-market instruments may be acquired that are not traded on a Regulated Market, but that are liquid and whose value can be determined at any time, provided the issuer or issuer of these instruments is subject to regulations governing depositor and investor protection and provided these instruments are:

- issued or guaranteed by a central, regional or local authority or central bank of a Member State of the EU, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
- issued by a company whose securities are traded on the regulated markets described in point 1 of this article, or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law, or
- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least EUR 10 million and which presents its annual accounts in accordance with the 4th Directive 78/660/EEC, or is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

5. Options

- a. Options may be purchased or sold for the sub-funds subject to the terms of this point 5. An option is the right to buy ("call option") or sell ("put option") a specific underlying asset at a specific time or within a specific period of time at an agreed fixed price ("strike price"). The price of a call or put option is the option premium.

Underlying assets of options can be the underlyings listed in points 1 to 4 as well as financial indices, interest rates, exchange rates or currencies.

- b. While observing the investment restrictions listed in this paragraph, the Management Company may, for account of a sub-fund, buy and sell call options and put options, provided that these options are traded on an exchange or on another Regulated Market.

In addition, options of the kind described can be bought and sold for a sub-fund even if they are not traded on a stock exchange or another Regulated Market (OTC options), provided the sub-fund's contracting partners are first-class credit or financial institutions specialising in such transactions.

Options can be acquired for the sub-fund assets for hedging purposes, speculative purposes and for efficient portfolio management.

6. Financial futures

- a. Financial futures are mutual agreements which oblige the parties to receive or to deliver a certain underlying asset at a time and for a price that are agreed upon in advance. This is associated with considerable opportunities as well as risks, as only a fraction of the contract value (the margin) needs to be put down. Price swings up or down may, in relation to the margin, result in substantial gains or losses.

Underlying assets of financial futures can be the underlyings listed in points 1 to 4 as well as financial indices, interest rates, exchange rates or currencies.

- b. The Management Company may, for account of a sub-fund, buy and sell financial futures, provided that said financial futures are traded on exchanges provided for this purpose or on other Regulated Markets.
- c. Financial futures can be acquired for the sub-fund assets for hedging purposes, speculative purposes and for efficient portfolio management.

7. Other derivative financial instruments - derivatives

Derivative financial instruments, including equivalent instruments settled in cash, which are traded on one of the Regulated Markets described in point 1, and/or derivative financial instruments that are not traded on a stock exchange ("OTC derivatives"), may be acquired if the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the sub-fund in question.

8. Securities repurchase agreements

The sub-funds will not perform securities repurchase 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 and amending Regulation (EU) No 648/2012.

9. Other techniques and instruments

- a. The Management Company may make use of other techniques and instruments for a sub-fund provided they are employed with a view to proper management of the sub-fund assets.
- b. This applies in particular to swaps, which may be entered into in accordance with the law. Swaps may be entered into only with top-rated credit or financial institutions specialised in such transactions.

The Management Company will not enter into any total return swaps or other derivatives contracts with the same characteristics for the sub-funds 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 and amending Regulation (EU) No 648/2012.

10. Liquid funds

Up to 100% of the net assets of the respective sub-fund may be held in liquid funds at the Depository or at other banks.

11. Foreign currencies

Currency futures and options can be bought or sold for a sub-fund if such currency futures or options are traded on a stock exchange or another Regulated Market. Insofar as the financial instruments mentioned are traded OTC, the counterparty must be a first-rate credit or financial institution, and which is specialised in such transactions.

A sub-fund may also engage in forward currency purchases or sales or swaps as part of over-the-counter transactions with top-rated financial institutions specialised in such transactions.

12. Investment guidelines and limits

- I. Each sub-fund invests at least 90% of its net assets in the following assets, provided that they meet the requirements stipulated in §1(1b) second sentence InvStG, taking into consideration the investment limits set forth therein:
 1. Securities,
 2. Money market instruments,
 3. Derivatives,
 4. Bank deposits,
 5. Real estate, real estate equivalent rights and similar rights under the laws of other countries,
 6. Participations in property companies within the meaning of §1(19) No 22 of the German Capital Investment Code ("KAGB"),
 7. Operating equipment (*Betriebsvorrichtungen*) and other exploitation tools (*Bewirtschaftungsgegenstände*) within the meaning of §231(3) KAGB,
 8. Units or shares in German open-ended investment funds and in equivalent Luxembourg, EU or foreign open-ended investment funds, provided these units or shares are acquirable within the meaning of §1(1b) second sentence No 5 lit. h InvStG, as well as units or shares in domestic and foreign investment funds within the meaning of §1(1b) second sentence and §22(2) InvStG,
 9. Precious metals,
 10. Unsecuritised loans,
 11. Participations in public-private partnership (PPP) project companies as defined in §1(19) No 28 KAGB, if the market value of these participations can be determined, and
 12. Participations in incorporated companies within the meaning of §1(1b) second sentence No 5 lit. j InvStG, if the market value of these interests can be determined.

The following restrictions shall apply:

- a. Direct investments in precious metals, commodities and property (Real estate, real estate equivalent rights and similar rights under the laws of other countries) and associated operating equipment (*Betriebsvorrichtungen*) and other exploitation tools (*Bewirtschaftungsgegenstände*) within the meaning of §231(3) KAGB shall be excluded.

- b. Participations in partnerships may not be acquired.
 - c. Furthermore, no more than 10% of the value of a sub-fund's assets may be used for acquiring assets which are not listed in §1(1b) second sentence No 5 InvStG.
 - d. Investments are made according to the principle of risk diversification. To this end, investments are made in at least four assets with different investment risks, or units are held to a non-negligible extent in one or more other assets invested directly or indirectly according to the principle of risk diversification.
 - e. Active entrepreneurial management of the assets shall be excluded. This does not apply if participations are held in property companies within the meaning of §1(19) No 22 KAGB.
 - f. A maximum of 20% of the value of the sub-fund assets may be invested in units in incorporated companies not admitted for trading on a stock exchange or another organised market, or included in such a market.
 - g. Equity interests acquired in incorporated companies on behalf of the Fund may not exceed 10% of the capital of the respective incorporated company. This shall not apply to the Fund's participations in (i) property companies, (ii) PPP project companies or (iii) companies whose object is to generate renewable energy as defined in §3(3) of the German Renewable Energy Act ("EEG"), provided these companies (i – iii) qualify as such pursuant to InvStG.
 - i. The acquisition of participations in partnerships shall not be permitted unless the companies in question are asset management partnerships which hold at least 90% acquirable assets within the meaning of §1(1b) second sentence No 5 InvStG.
- II. In addition, the investment limits set forth in subsections a. to c. shall also apply to the sub-funds pursuant to CSSF circular 07/309, unless provided for otherwise in the annexes to this issuing document.
- a. In principle, a sub-fund may invest up to 30% of its net assets in securities of the same type and from the same issuer. This restriction shall not apply:
 - to investments in securities issued or guaranteed by an OECD Member State or its regional or local authorities or by EU, regional or global supranational institutions and bodies;
 - to investments in Target UCIs that are subject to risk diversification requirements at least equivalent to those of applicable to SIFs.

For the purpose of the application of this regulation, every sub-fund of a Target UCI with several sub-funds shall be considered as a separate issuer, provided that the principle of segregation of liabilities among the various sub-funds vis-à-vis third parties is ensured.
 - b. In principle, short sales may not result in the sub-fund holding an open position in securities of the same type issued by the same issuer

representing more than 30% of its net assets.

- c. When using derivative financial instruments, the sub-fund must ensure a similar level of risk diversification via appropriate diversification of the underlying assets. To achieve this, the counterparty risk in an OTC transaction must, where applicable, be limited with regard to the quality and qualification of the counterparty.

13. Loans and prohibitions on charges

- a. Sub-fund assets may only be pledged, transferred or assigned or otherwise encumbered to the extent required on an exchange or on another market because of regulatory requirements.
- b. Loans may only be taken out on a short-term basis and to an upper limit of 10% of the net assets of the respective sub-fund.
- d. A sub-fund may neither grant loans nor act as guarantor on behalf of third parties.

14. Exceeding investment limits

- a. The investment restrictions of this article do not have to be adhered to if they are exceeded in the framework of the exercise of subscription rights that are attached to securities and money-market instruments held in the net assets of the respective sub-fund.
- b. Newly launched sub-funds may deviate from the investment limits stipulated in point 12 of this article for a period of up to 12 months from the initial issue of units in the sub-fund.
- c. If the investment restrictions listed in this article are unintentionally exceeded or exceeded through the exercise of subscription rights, then the Management Company will adopt as a priority objective the normalisation of the situation, taking into account the interests of the Unitholders.

Article 5 Units in a sub-fund

1. Units are issued for the respective sub-funds in the form of registered units. There is no entitlement to delivery of physical securities. The Management Company may provide for the issuing of fractional units of up to 0.001 units. All units have no par value; they are fully paid-up, freely transferable to well-informed investors as defined in Article 2 of the Law of 13 February 2007 and have no preference rights or rights of first refusal. If units are transferred, the Registration and Transfer Agent must be notified accordingly so that it can enter the transfer in the unit register. Unit transfers shall become effective once they have been entered in the unit register.
2. All the units of a unit class within a sub-fund have the same rights in principle. There may be different unit classes within a sub-fund, differing in terms of minimum subscription amount, currency, fee structure and use of income. All Unitholders within a unit class shall be treated equally.

3. The Management Company may decide to launch two or more unit classes within a sub-fund. The unit classes may differ in their characteristics and rights according to the way their income is used, their fee structures or other specific characteristics and rights. All units are entitled in the same manner from the date of issue to the earnings, price gains and liquidation proceeds of their respective unit class. If unit classes are formed for the respective sub-funds, this shall be mentioned in the issuing document or in the corresponding annex to each sub-fund where information on the specific characteristics or rights is given.
4. Units are issued and redeemed at the Registrar and Transfer Agent or, where applicable, via the investor's relevant securities account holder. Payments for units are made at the Depositary.

Article 6 Issue of units

1. Units are issued at the issue price ("Issue Price") and under the conditions established in the annex to each sub-fund. The Issue Price is the unit value in accordance with Article 7, plus a possible front-load fee listed in the respective annex to each sub-fund, which must not exceed 5% of the unit value. The Issue Price may be increased due to fees or other charges which become due when acquiring units. Fund units are issued exclusively to well-informed investors within the meaning of the Law of 13 February 2007.
2. The subscription price is payable within three bank business days in Luxembourg after the corresponding valuation day.

The Management Company may make the subscription of units subject to conditions and may set subscription deadlines and minimum subscription amounts. Details can be found in the issuing document. The Management Company may, at any time and at its discretion, reject a subscription order and may temporarily limit, interrupt or definitively terminate the issue of units, as far as such measure is deemed to be necessary in the interest of all Unitholders, for the protection of the Management Company, for the protection of the sub-fund, in the interest of the investment policy, or to protect the specific investment objectives of the sub-fund.

3. Units are acquired at the Issue Price on the relevant valuation day. Unless provided for otherwise in the annex to the respective sub-fund, subscription applications received by the Registration and Transfer Agent no later than 4.30 p.m. (Luxembourg time) on the day before a valuation day will be settled on the basis of the unit value of that valuation day; subscription applications received after 4.30 p.m. (Luxembourg time) on the day before a valuation day will be settled on the basis of the unit value of the following valuation day.
4. Contrary to Article 6(3) of the General Management Regulations, the Management Company may, on the initiative of the Unitholder, issue units against delivery of securities in accordance with the statutory regulations of the Grand Duchy of Luxembourg provided that these securities comply with the investment policy and investment restrictions for the sub-fund in question. In connection with the issue of units as consideration for a contribution in kind of securities, the auditor of the Fund must prepare an expert opinion on the valuation of the securities provided as contribution in kind. The costs of issuing units as described above are borne by the subscriber requesting this procedure.
5. The units will be transferred by the Registrar and Transfer Agent on behalf of the Management Company immediately upon receipt of the Issue Price by the Depositary.

6. The Depositary will pay back, without delay and without charging interest, payments made for subscription orders which are not realised.

Article 7 Calculation of unit value

1. The unit value is calculated separately for each sub-fund in accordance with the following provisions. The value of a unit ("unit value") is denominated in the currency stipulated in the annex to the relevant sub-fund ("sub-fund currency"). This is calculated, under the supervision of the Depositary, by the Management Company or by a third party commissioned by it on each day that is a banking day in Luxembourg ("valuation day"), except 24 December, unless there is a regulation to the contrary contained in the annex to the sub-fund in question. It is calculated by dividing the relevant net sub-fund assets by the number of units of that sub-fund in circulation on the valuation day.
2. The assets of each sub-fund are determined in accordance with the following principles:
 - a. Securities listed on a stock exchange are valued at the latest available trade price. Insofar as securities are listed on several stock exchanges, the relevant price paid for the security in question will be the one most recently available on the stock exchange that is the main market for such securities.
 - b. Securities not officially listed on a stock exchange but traded on another Regulated Market will be valued at a price that may not be lower than the bid price and not higher than the bid price at the time of valuation and which the Management Company deems to be the best possible price at which the securities can be sold.
 - c. Liquid assets will be valued at their face value plus interest. Fixed deposits with an original term of more than 60 days can be valued at the respective yield rate, provided a corresponding contract between the credit or financial institution which holds the fixed deposits and the Management Company envisages that these fixed deposits may be terminated at any time and that in the event of termination the value on realisation will match this yield rate.
 - d. Units in UCITS, UCIs and other investment funds or special funds are valued at the most recently determined net asset value available, as published by the respective Management Company, the investment vehicle itself or a contractually appointed agent. If an investment vehicle is also listed on a stock exchange, the Management Company may also use the most recently available price of the main market.
 - e. Exchange Traded Funds (ETFs) are valued at the last available price of the main market. The Management Company may also use the latest available prices published by the respective Management Company, the investment vehicle itself or a contractually appointed agent.
 - f. All assets not denominated in the respective sub-fund currency are converted into this sub-fund currency at the latest middle-market rate of exchange.

In the event that no price can be determined or a price is not representative of the market or is impractical for the securities or investment instruments listed above, these securities or investment instruments, together with all the other assets, will be valued at their appropriate "fair value", determined in good faith by the Management Company.

3. If several unit classes are established for a sub-fund in accordance with Article 5(3) of the Management Regulations, the unit value is calculated as follows:
 - a. The unit value is calculated separately for each unit class according to the criteria laid down in point 1 of this article.
 - b. The inflow of funds resulting from the issue of units increases the percentage share of each unit class in the total value of the net sub-fund assets. The outflow of funds resulting from the redemption of units decreases the percentage share of each unit class in the total value of the net sub-fund assets.
 - c. In the event of a dividend distribution, the unit value for units authorised to be distributed will be reduced by the amount of the dividend distribution. At the same time, the percentage share of the units authorised for distribution in the total value of the net Fund assets decreases, while the percentage share of the units not authorised for distribution in the total value of the net Fund assets increases.
4. An income equalisation procedure may be carried out for a sub-fund. The procedure used for calculating the income equalisation shall comply with the provisions of §162 (2) No. 6 KAGB and §9 InvStG.
5. With regard to extensive redemption applications that cannot be satisfied from the liquid funds and permissible borrowings of the respective sub-fund, the Management Company may determine the unit value on the basis of the prices on the valuation day on which it effects the requisite sales of securities for the sub-fund; the same will also apply to subscription orders for the sub-fund received simultaneously.

Article 8
Suspension of the calculation of
unit value

1. The Management Company is entitled with regard to any sub-fund to suspend temporarily the calculation of the unit value if and as long as circumstances exist that render such suspension necessary, and if suspension is justified taking into account the interests of Unitholders, in particular:
 - a. when a stock exchange or a Regulated Market on which a substantial portion of the sub-fund assets is valued is closed (except for weekends or for ordinary bank holidays) or if trading thereon is restricted or suspended;
 - b. in emergency situations if the Management Company cannot access investments belonging to a sub-fund or is unable to freely transfer the transaction value of investment purchases or sales or properly calculate the unit value.

As long as the calculation of the net asset value per unit is temporarily suspended, the issuing, redemption and exchange of units will also be suspended. The temporary suspension of the calculation of the net asset value per unit of units within a sub-fund will not result in a temporary suspension for other sub-funds unaffected by the event in question.

2. All investors, particularly those who have submitted a subscription/redemption or exchange application, will be notified immediately if calculation of unit values is suspended, as well as when it is resumed.

3. Pending subscription, redemption and exchange requests are automatically cancelled if calculation of the net asset value is suspended. The investor or potential investor will be informed that subscription, redemption and exchange requests must be resubmitted after calculation of the net asset value is resumed.

Article 9 **Redemption and conversion of units**

1. Unitholders of a sub-fund are entitled to request the redemption of their units at the unit value at any time, less any applicable redemption fee specified in the respective annex to each sub-fund ("Redemption Price"). The redemption fee must not exceed 1%. Units are only redeemed on valuation days. The Redemption Price shall be paid in the sub-fund currency within three banking days in Luxembourg after the corresponding valuation day upon return of the units.
2. Unless provided for otherwise in the annex to the respective sub-fund, redemption applications received by the Registrar and Transfer Agent no later than 4.30 p.m. (Luxembourg time) on the day before a valuation day will be settled at the unit value of that valuation day; redemption applications received after 4.30 p.m. (Luxembourg time) on the day before a valuation day will be settled at the unit value of the following valuation day.
3. The Management Company is entitled to carry out comprehensive redemptions of more than 30% of the respective net sub-fund assets that cannot be covered using the sub-fund's liquid funds and authorised borrowing once the corresponding assets of the respective sub-fund have been sold without delay. Investors who have offered their units for redemption will be notified immediately in an appropriate manner of any suspension of redemption and resumption of the same.
4. Units are exchanged on the basis of the unit value of the corresponding unit classes or the corresponding sub-fund less any applicable conversion fee specified in the respective annex to each sub-fund. The conversion fee must not exceed 1%. Unless provided for otherwise in the annex to the respective sub-fund, conversion applications received by the Registrar and Transfer Agent no later than 4.30 p.m. (Luxembourg time) on the day before a valuation day will be settled at the unit value of that valuation day; conversion applications received after 4.30 p.m. (Luxembourg time) on the day before a valuation day will be settled at the unit value of the following valuation day.
5. The Depositary is only obliged to make the payment if there are no legal restrictions, such as exchange control legislation, or any other circumstances beyond the control of the Depositary, which would prohibit the Depositary from transferring the redemption proceeds into the country of the investor.
6. With regard to all sub-funds, the Management Company may unilaterally redeem units against payment of the Redemption Price insofar as this is deemed necessary in the interests of all Unitholders or for the protection of the Management Company or the respective sub-fund.

Article 10 **Financial year and auditing**

1. The Fund's financial year is specified in the issuing document of the Fund.
2. The annual accounts of the Fund will be audited by an auditor appointed by the Management Company.

Article 11
Use of income

1. A sub-fund's use of income is set forth in its annex to the issuing document. The Management Company decides for each sub-fund whether and when a distribution will occur.

If unit classes are formed for a sub-fund, this and any authorisation for distribution can be found in the corresponding annex to the issuing document.

2. Dividends may be distributed in cash or in the form of bonus units.
3. In accordance with the Management Company, in addition to distributions of regular net income, distributions may be made in part or in whole at any time of realised capital gains, gains from the sale of subscription rights and/or other non-recurring income and other assets, provided the net Fund assets do not fall below the minimum limit pursuant to Article 1(2) as a result of the distribution. If the respective annex provides for the distribution of income, in derogation of this the income may be accumulated upon a special decision of the Management Company.
4. Distributions are paid out on the basis of the units issued on the date of distribution. Any proceeds that are not claimed within five years of publication of a distribution announcement shall be forfeited in favour of the particular sub-fund.
5. If the respective annex provides for the distribution of income, upon a special decision of the Management Company, in addition to distributions of regular net income, distributions may be made in part or in whole at any time of realised capital gains, gains from the sale of subscription rights and/or other non-recurring income and other assets, provided the net Fund assets do not fall below the minimum limit pursuant to Article 1(2) as a result of the distribution.

Article 12
Duration and liquidation of the Fund and the sub-funds
Merger of the Fund and sub-funds

1. The Fund has been established for an indefinite period of time.

The Management Company may establish individual sub-funds for a limited duration. The term shall be specified in the respective annex to the sub-fund. Sub-funds are automatically dissolved upon expiry of their terms, if applicable.

The Management Company may also wind up existing sub-funds or the entire Fund at any time, provided that the net sub-fund assets of a sub-fund or the net assets of the entire Fund fall below an amount that the Management Company considers to be a minimum amount for ensuring efficient management as well as within the framework of a rationalisation or if the economic and/or political conditions change.

2. Dissolution of the Fund shall be obligatory in the following instances:
 - a. if the appointment of the Depositary is terminated without a new custodian being appointed within the statutory or contractual time limits;
 - b. if the Management Company files for bankruptcy or is dissolved for any reason whatsoever;
 - c. if the total Fund assets have remained under one-quarter of the minimum limit set out in Article 1(2) of the Management Regulations for more than 12 months;

d. in other cases provided for in the Law of 13 February 2007.

3. If circumstances arise leading to the dissolution of the Fund or sub-fund, the issue and redemption of units shall be suspended. The management company assumes the function of liquidator in order to terminate the fund. The Depositary, on instruction from the Management Company / liquidator will distribute the liquidation proceeds less the liquidation costs and fees ("net liquidation proceeds") among the Unitholders of the Fund or the respective sub-fund according to their entitlement.

Any net liquidation proceeds that are not claimed by Unitholders by the time the liquidation process has ended will be deposited by the Depositary after the liquidation process has ended, or where applicable at the instruction of the liquidators, at the *Caisse des Consignations* in Luxembourg for the account of the entitled Unitholders. These sums are then forfeited if they are not claimed within the statutory period.

4. Neither Unitholders, their heirs, successors in title or creditors may apply for the dissolution or partitioning of the Fund or a sub-fund.

II.

Subject to prior approval from the CSSF, the Management Company may decide to merge two or more sub-funds of the Fund with each other or the Fund or possibly a sub-fund of the Fund with another specialised investment fund or a sub-fund of this specialised investment fund.

Investors shall be informed of any mergers.

Legal, advisory or management costs that are associated with the preparation or implementation of a merger are not charged to the Fund or its Unitholders.

Article 13 Costs

1. Besides the fees listed in the issuing document (plus VAT, where applicable), the following costs may be charged to a sub-fund (proportionately, where applicable), together with any applicable VAT:
 - a. all costs incurred in relation to the acquisition, sale and management of assets, in particular customary bank charges for securities transactions and transactions involving other assets and rights of the sub-fund and the safeguarding of such assets and rights, as well as customary bank charges for the safeguarding of foreign investment units abroad;
 - b. all taxes and similar duties, which are chargeable to the assets, the income or the expenses of the sub-fund;
 - c. costs for legal advice, court fees incurred by the Management Company or the Depositary if they have acted in the interests of the Unitholders of the sub-fund;
 - d. fees and costs for auditors of the Fund;
 - e. costs for the drafting, preparation, depositing, publication, printing and dispatch of all documents required by the Fund, in particular the costs of preparing VAT returns, unit certificates, dividend coupon and coupon renewal forms, the issuing document, annual reports, schedules of assets, notices to

- investors, sales notifications and/or applications for approval in the countries in which units in a sub-fund are sold, and correspondence with the respective supervisory authorities;
- f. costs relating to the drawing up, depositing and publication of the Management Regulations and other documents, such as issuing documents, including costs for applications to register with or written remarks for all official bodies and stock exchanges (including local security dealer associations), which are necessary in connection with the Fund or in order to offer its units;
 - g. printing and distribution costs for the annual reports for Unitholders in all requisite languages, as well as printing and operating expenses for any other reports and documents required in accordance with the applicable laws or regulations of the authorities in question;
 - h. costs of publications intended for Unitholders;
 - i. a reasonable proportion of the costs of advertising and of those directly connected with offering and selling units;
 - j. fees for both domestic and foreign supervisory authorities as well as fees, expenses and other costs for any other agents that must be appointed abroad, incurred in connection with the relevant sub-fund's assets;
 - k. costs for performance attribution;
 - l. costs for credit assessments for the Fund and/or sub-funds by nationally and internationally approved rating agencies;
 - m. expenses incurred by any investment committee as well as costs for associations representing interests and ongoing costs in connection with a possible stock exchange listing;
 - n. any other extraordinary or irregular expenditure that would customarily be charged to the sub-fund's assets;
 - o. all third-party administration and custodian charges which are charged by other correspondent banks and/or clearing agencies (e.g. Clearstream Banking S.A.) for the assets of each sub-fund, as well as all third-party settlement, dispatch and insurance fees that are incurred in connection with the securities transactions of each sub-fund in Fund units;
 - p. the transaction costs for the issue and redemption of units;
 - q. management fees payable for the Fund and/or sub-fund at the authorities, especially management fees of the CSSF and other supervisory authorities as well as fees for depositing the documents of the Fund;
 - r. insurance costs;
 - s. expenses of the Board of Directors of the Management Company;
 - t. general operating costs of the Fund.
 - u. direct and indirect costs incurred in connection with the use of techniques for efficient portfolio management. Before these costs accrue, the economic aspects of the potential costs and earnings shall be weighed up in the

interests of the Unitholders of the Fund. The costs and fees associated with the use of techniques for efficient portfolio management shall be listed in the annual report of the Fund. The parties which receive direct and indirect costs incurred in connection with the use of techniques for efficient portfolio management may also be first-class credit or financial institutions belonging to the Management Company and/or the Depositary or the Depositary itself.

- v. Costs of valuing assets from the fund. These costs are charged on a pro rata monthly basis and are not compensated by the management fee.
 - w. Costs for the possible enforcement of judicial or out-of-court disputed claims of the Fund in the amount of up to 5% of the amounts collected, after deduction and settlement of costs incurred by the Fund for such proceedings.
 - x. costs for measuring risk;
2. All costs will be charged first against the Fund's ordinary income, then against the capital gains and then against the respective sub-fund assets.
 3. The assets of each sub-fund are only liable for the liabilities and costs for the sub-fund in question. As a result, the costs of the individual sub-funds, including set-up costs, are charged separately provided they affect only the sub-fund in question; otherwise the costs are charged proportionally to the individual sub-funds.
 4. The set-up costs of the Fund, including the preparation, printing and publication of the issuing document and Management Regulations, may be written off within the first five financial years and charged to the sub-funds existing on the day of its inception. If additional sub-funds were launched after the Fund was created, any accrued start-up costs which have still not been fully written off can be proportionately charged to these sub-funds; likewise, the additional sub-funds bear their own specific launch costs; these costs can also be written off over a maximum period of five years from the launch date.
 5. Parts of administrative and service charges that are listed in the issuing document can be passed on to intermediaries, in particular as compensation for commercial services. This may also involve significant parts. The Management Company, the Depositary and any portfolio manager and/or investment adviser who is appointed may provide sales support for third parties using any monies received, the calculation for which is typically based on brokered stocks.

Article 14 **Statute of limitations**

Claims made by the Unitholders against the Management Company or the Depositary cannot be brought before a court more than five years after the claim's date of origin; this is without prejudice to the provisions of Article 12(4) of the Management Regulations.

Article 15 **Publication of the Management Regulations and its amendments**

1. The first valid version of the Management Regulations, as well as any amendments thereto, shall be entered in the Trade and Companies Register of the Luxembourg District Court and published by way of a notice of deposit in the "Mémorial", the official gazette of the Grand Duchy of Luxembourg. Amendments thereto shall be posted on the website of the Registrar of the District Court of Luxembourg, www.rcs.l.lu, and published on the electronic platform "*Recueil des Sociétés et Associations*".

2. The Management Company may amend the Management Regulations partially or entirely at any time subject to the Depositary's approval. Amendments shall come into effect on the day that they are signed, unless otherwise provided.

Article 16
Publications on winding up of the Fund

Investors shall be informed in advance of the winding up of the Fund pursuant to Article 12.

Article 17
Applicable law, jurisdiction and official language of the contract

1. The Management Regulations are subject to Luxembourg law. In particular, the provisions of the Law of 13 February 2007 apply in supplement to the rules of the Management Regulations. The same applies to the legal relationships between the Unitholders, the Management Company and the Depositary.
2. Any legal dispute between Unitholders, the Management Company and the Depositary is subject to the jurisdiction of the competent court in the Grand Duchy of Luxembourg. With regard to matters relating to a sub-fund, the Management Company and the Depositary will be entitled to submit both themselves and such sub-fund to the jurisdiction and law of each country in which units of this sub-fund are publicly distributed, insofar as the matter relates to claims of investors resident in the country in question.
3. The English text of the Management Regulations is authoritative.

Article 18
Entry into force

The current version of the Management Regulations shall enter into force on 31. December 2018

Annexes to the issuing document

Annex 1 Festina Lente Opportunities Fund

Investment objectives

The aim of the sub-fund is to generate above-average returns in the medium to long term while endeavouring to minimise the risk of a sustainable loss in value. However, no guarantee can be given that these objectives will be achieved.

Investment policy

The sub-fund takes sustainability risks into account when making investment decision in accordance with Article 6 of regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector. Further information/details on how sustainability risks are taken into account when making investment decisions can be found in the general section of the Prospectus. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

To achieve the sub-fund's investment objectives, the sub-fund will invest in securities and target fund units. In so doing, it will seek to identify securities – whether shares, units in closed-end funds or bonds – which are valued below their intrinsic value. The sub-fund may hold liquid funds pursuant to the provisions of the Management Regulations and may invest in bank deposits, short-term bonds, money-market funds, money-market instruments or a combination of the above.

At least 25% of the AIF's assets are invested in equity participations. The actual equity participation ratios of target investment funds published on each valuation date may be taken into account.

Equity participations in this sense are:

- Shares in companies that are admitted to trading on or included in a stock exchange or another organised market;
- Shares in companies that are located in a member state of the European Union or in another state that is a party to the Agreement on the European Economic Area, and that are subject to corporation tax in that country and are not tax-exempt;
- Shares in companies that are located in a third country and that are subject to corporation tax in that country of at least 15% and are not tax-exempt;
- Units in other investment funds, either in the proportion of the net asset value published on each valuation date which it invests in the aforementioned shares in companies, or the minimum proportion specified in the investment terms of the other investment fund of more than 50% of the investment fund's value for equity funds and at least 25% for mixed funds. Otherwise, investment units are not considered to be equity participations.

When determining the amount of assets invested in equity investments, the credits are deducted according to the share of equity investments in the value of all assets.

The investment adviser is of the view that the capital markets are not always efficient. The inefficiencies of many investment opportunities can be determined on the basis of in-depth independent analyses. Inefficiencies can be seen, for example, in the highly cyclical nature of the capital markets, whereby investment prices fluctuate within a short period of time leading to significant over/under valuations at times. There is also a lack of efficiency in special situations such as spin-offs, reorganisations, liquidations, etc. and on the part of companies which receive little attention from institutional market participants.

On the basis of its own analyses, the investment adviser aims to pinpoint such inefficiencies and put together a concentrated portfolio of investments whose prices on the capital market are considerably undervalued compared to their intrinsic value and which promise attractive, above-average returns in the medium to long term.

Furthermore, the purchase or sale of options and/or futures and the conclusion of other forward transactions is permitted for hedging against possible price decreases on the capital markets, for speculation purposes or for efficient portfolio management.

Leverage

A leverage effect may arise through the use of derivatives and through borrowing.

The maximum amount of leverage that can be used for this sub-fund is 300% in accordance with the gross method.

The maximum amount of leverage that can be used for this sub-fund is 200% in accordance with the commitment method.

The Fund will not conduct securities lending transactions pursuant to Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.

Profile of the typical investor

The sub-fund is aimed at investors with experience in securities investments who wish to participate in the long-term performance of a diversified investment portfolio and are able to accept the risk associated with securities. It is suitable for investors who are interested in long-term capital appreciation and are able to accept corresponding fluctuations in value.

Securities Identification Number

Unit class A	A12FCP
Unit class B	A2DWYG
Unit Class F	A3CQ86

ISIN code

Unit class A	LU1139087008
Unit class B	LU1668594762
Unit Class F	LU2346940062

Minimum initial subscription⁺

Unit class A	EUR 125,000
Unit class B	EUR 125,000
Unit Class F	EUR 125,000

Minimum subsequent subscription⁺

Unit class A	EUR 1,000
Unit class B	EUR 1,000
Unit Class F	EUR 1,000

specific characteristics for Unit Class F

Units of Unit Class F are only issued with the prior consent of the management company.

Initial Issue Price

(plus front-load fee)

Unit class A	EUR 1,000
Unit class B	EUR 1,000
Unit Class F	EUR 1,000

(Fees and other costs incurred in the countries in which the Fund is distributed may be added to the issue price.)

Initial subscription period

Unit class A	22 December 2014 - 29 December 2014
Unit class B	22 September 2017 - 28 September 2017

Valuation date

The last banking day of the month in Luxembourg

Initial Issue date

Unit class A	2 January 2015
Unit class B	29. September 2017
Unit Class F	31. August 2021

Payment of the Issue Price and Redemption Price

Within three banking days in Luxembourg of the corresponding valuation day

⁺ The Management Company may derogate from the minimum subscription amount at its own discretion.

Notice period for redemption applications	15 calendar days before a valuation day
Front-load fee (in % of unit value)	
Unit class A	up to 3%
Unit class B	up to 3%
Unit Class F	up to 3%
Redemption fee (in % of unit value)	
Unit class A	none
Unit class B	none
Unit Class F	none
Conversion fee (in % of unit value)	
Unit class A	none
Unit class B	none
Unit Class F	none
Sub-fund currency	EUR
Securitisation	Units are made available through an entry in the Fund's unit certificate register in the form of unit confirmations. There is no entitlement to delivery of physical securities.
Use of income	
Unit class A	distributing
Unit class B	accumulating
Unit Class F	accumulating
Authorised for sale in:	Luxembourg
Duration of the sub-fund	The sub-fund has been established for an indefinite period.

Costs paid from the sub-fund's assets

Management fee

Unit class A	up to 1.5% p.a.
Unit class B	up to 1.5% p.a.
Unit Class F	none

Performance fee

Unit class A
Unit class B

Furthermore, the Management Company is entitled to receive for Unit Class A and for Unit Class B a performance fee for each financial year ("calculation period") of up to 10% of the amount whereby the unit value adjusted by distributions or corporate actions ("unit value") at the end of a calculation period exceeds the maximum unit value at the end of all preceding calculation periods ("all-time High Water Mark").

In the first calculation period following the launch of the subfund/unit class, the unit value at the beginning of the first calculation period shall be used in place of the all-time High Water Mark . The first calculation period begins with the launch of the unit class/subfund.

The performance fee is calculated on every valuation day based on the average number of units in circulation and is paid out at the end of the calculation period in arrears.

A performance-based fee is accrued for each unit issued in the sub-fund/unit class on the basis of the results of a daily calculation, and a provision previously created is released, as appropriate. Any provisions that are released will revert to the subfund/unit class. A performance-based fee can only be taken if adequate provisions have been created.

This fee does not include any VAT.

The following examples show how the performance fee is calculated:

Model: all-time High Water Mark

High Water Mark	all-time High Water Mark
Performance fee (up to)	10.00%

Calculation period (CP)	Net asset value at start of CP	High Water Mark	Perf. fee	Net asset value at end of CP	Perf. fee/unit	Net asset value less perf. fee
Calculation period 1	100.000	100.000	10.00%	105.000	0.500	104.500
Calculation period 2	104.500	104.500	10.00%	99.000	0.000	99.000
Calculation period 3	99.000	104.500	10.00%	102.000	0.000	102.000
Calculation period 4	102.000	104.500	10.00%	107.000	0.250	106.750
Calculation period 5	106.750	106.750	10.00%	111.000	0.425	110.575

Service charge

As reimbursement for the costs associated with ongoing support of the Unitholders, the Management Company is entitled to receive, from the sub-fund's

assets, a service charge of up to 0.20% p.a. of the sub-fund's assets, calculated on each valuation day on the basis of the sub-fund assets and paid out monthly in arrears.

The Management Company is entitled to receive a minimum fee of EUR 2,500 per month. Other specific fees may be charged (e.g. for other unit classes, segmentation of the Fund, etc.)

If VAT is due on the aforementioned costs, the stated rates do not include VAT.

Depositary fee

The Depositary shall receive a fee of up to 0.06% p.a. from the sub-fund's assets (at least EUR 750 per month), which is calculated on each valuation day on the basis of the sub-fund assets and paid out monthly in arrears. A further fee of up to EUR 9,600 shall also be due for cash monitoring services. Other specific fees may be charged (e.g. for other unit classes, segmentation of the Fund, accounts with third parties, etc.).

The Depositary shall receive costs and expenses incurred by it for the permissible subcontracting of third parties to hold sub-fund assets in custody in line with customary market practice and in accordance with Article 3(2) of the Management Regulations.

This fee does not include any VAT.

Transaction fee to the Depositary

The Depositary shall receive, from the sub-fund's assets, a Depositary processing fee of up to EUR 100 per standard security transaction.

Transactions in unlisted securities shall also be charged up to EUR 300 per transaction. An additional fee of up to EUR 200 shall also be charged for processing transactions based on registered-unit certificates.

This fee does not include any VAT.

Central Administrator fee

The Central Administrator shall receive a fixed base fee of up to EUR 900 per month and a variable fee of up to 0.04% p.a. of the sub-fund's assets, which is calculated on each valuation day on the basis of the sub-fund assets and paid out monthly in arrears. A transaction booking fee of up to EUR 15 per transaction shall also be applied.

This fee does not include any VAT.

Registrar and Transfer Agent fee

The Registrar and Transfer Agent shall receive, from the sub-fund's assets, a fixed base fee of up to EUR 250 per month and a transaction booking fee of up to EUR 30 per unit certificate transaction.

This fee does not include any VAT.

Other costs and fees

Additional costs and fees may be charged to the sub-fund's assets as set forth in the Management Regulations.



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