



## SWISSCANTO (LU) PORTFOLIO FUND

(hereinafter referred to as the «Fund»)  
An investment fund under Luxembourg law

## Sales Prospectus, February 2010

This sales Prospectus is to be read with the latest annual report (or semi-annual report if the latter was published after the last annual report). These reports are an integral part of this sales Prospectus and, in conjunction with it, serve as the basis for all subscriptions of fund units. They can be obtained free of charge from all selling agents.

Only the information contained in this sales Prospectus and in one of the publicly accessible documents referred to therein is deemed to be valid and binding. If you are in any doubt about the content of this sales Prospectus, you should consult someone who can give detailed information about the Fund.

The German version of this sales Prospectus is binding; the fund management company and the custodian bank may, however, recognise translations authorised by them into the languages of countries in which fund units are offered and sold as binding on themselves and on the Fund in respect of the units sold to investors in these countries. Units of this Fund may not be offered to, sold in or delivered to the USA.

### Management and administration

#### Fund management company:

SWISSCANTO (LU) PORTFOLIO FUNDS MANAGEMENT COMPANY S.A.,  
69, route d'Esch, L-1470 Luxembourg

The fund management company was founded for an unlimited period in Luxembourg on 11 November 1994 as a joint stock company. Its registered office is in Luxembourg at 69, route d'Esch. The company's registered name was changed by resolution of the shareholders on 01 December 2004 to SWISSCANTO (LU) PORTFOLIO FUNDS MANAGEMENT COMPANY S.A. The memorandum and articles of association of the fund management company were published in their original version in the «Mémorial C, Recueil des Sociétés et Associations», the official gazette of the Grand Duchy of Luxembourg (hereinafter the «Mémorial»), of 19 December 1994, with amendments published in the «Mémorial» of 06 May 1996, 18 August 1999, 09 October 2000, 30 March 2005 and 07 November 2006. The version of the memorandum and articles of association currently in effect has been entered in the Luxembourg commercial register, where it is open to inspection. The fund management company has been entered in the Luxembourg commercial register as number B 49187.

The sole object of the fund management company is the management of SWISSCANTO (LU) PORTFOLIO FUND and the issue and redemption of the units of this Fund. Notwithstanding the provisions of Chapter 13 of the Luxembourg Law governing Undertakings for Collective Investments of 20 December 2002 (hereinafter referred to as the «UCI Act»), to which the company is subject, the company may continue to pursue all other such business as is necessary to attain its object. The paid-up capital of the fund management company amounts to CHF 220,000 and is held by Swisscanto Holding Ltd., Berne, a holding company founded under Swiss law. The majority of the shares in Swisscanto Holding Ltd. are held by the Swiss cantonal banks.

#### Board of Directors:

##### Chairman:

- Dr. G. Fischer, CEO of Swisscanto Holding Ltd., Berne

##### Members:

- S. P. Cossins, Managing Director of Swisscanto Funds Centre Limited, London
- R. C. Branda, Head of the International Business Development of Swisscanto Asset Management Ltd., Bad Säckingen, Germany

#### Chief Executive of the fund management company:

H. Frey, CEO of Swisscanto Asset Management Ltd., Berne

#### Local Member of the Executive Board

R. Goddard, Independent Company Director, The Directors' Office, Luxembourg

#### Investment Advisory Committee:

- Dr. T. Stucki, Chief Investment Officer of St. Galler Kantonalbank Group and Member of the Executive Board, Hyposwiss Privatbank Ltd., St. Gallen, Chairman
- M. Baumgartner, Deputy Director of the Schaffhauser Kantonalbank, Schaffhausen
- M. Curti, Member of the General Management, Zürcher Kantonalbank, Zurich
- A. Leiser, Member of the General Management, Berner Kantonalbank, Berne
- O. Maillard, Assistant Vice President, Banque Cantonale de Fribourg, Fribourg
- M. Völkle, Member of the General Management, Bank Coop AG, Basle

#### Sustainability Advisory Committee for the subfunds with the term «Green Invest» in their name:

- Dr. R. Gerster, consultant on North-South issues, Richterswil, Chairman
- Ms. F. Koechlin, biologist, Münchenstein
- Mr. G. Wüest, Georg Wüest Inspiration, Wädenswil
- Mr. T. Vellacott, Program Manager, Member of the Executive Board of WWF Switzerland, Zurich
- Ms. P. Ghillani, Paola Ghillani & Friends, Zurich
- Prof. T. Stocker, Professor of Climate and Environmental Physics, Berne
- P. Pauli, CEO Meyer Burger Ltd., Thun

#### Portfolio Manager:

Swisscanto Asset Management Ltd., Nording 4, CH-3000 Berne 25

The management of the fund assets has been assigned under contract to Swisscanto Asset Management Ltd., Berne (hereinafter referred to as the «Portfolio Manager»).

Swisscanto Asset Management AG merged with Swisscanto Funds Management Ltd with effect from 21 December 2009, and the latter was renamed Swisscanto Asset Management AG. Since it was founded as a public limited company in 1960 with its registered office in Berne, the fund management company has been active in the fund business and is subject in Switzerland to supervision by the Swiss Financial Market Supervisory Authority (FINMA). As at 30 June 2009 the company had a subscribed equity capital of CHF 5 million. The equity capital is divided into registered shares and is fully paid in. The sole shareholder is Swisscanto Holding Ltd., Berne, a company in which all cantonal banks own shares.

The Portfolio Manager is entitled to remuneration at the customary rates. This will be paid by the fund management company from the all-in fee that is due to it and charged to the Fund. It will act in accordance with the provisions of the law and the contractual conditions. The fund management company takes ultimate responsibility for the actions of the Portfolio Manager.

The portfolio management agreement may be terminated at any time subject to a period of notice of three months.

#### Custodian bank, main paying agent, central management agent, registrar, transfer agent:

RBC Dexia Investor Services Bank S.A., 14, Porte de France, L-4360 Esch-sur-Alzette, Luxembourg

#### Custodian bank and principal paying agent:

The fund management company has appointed RBC Dexia Investor Services Bank S.A., a public limited company under Luxembourg law with its registered office at 14, Porte de France, L-4360 Esch-sur-Alzette, as custodian bank under a custodian bank agreement of 09 November 2009. The custodian bank agreement has been concluded for an indefinite period and may be terminated by either party at the end of any calendar month by giving 90 days' written notice.

RBC Dexia Investor Services Bank S.A. has been entered in the Luxembourg commercial register (RCS) as number B 47192 and was set up in 1994 under the name «First European Transfer Agent». It holds a banking licence under the Luxembourg law of 05 April 1993 on the financial services sector and specializes in custodian, fund management and related services. As at 31 December 2008, it had equity capital in excess of EUR 500 million.

RBC Dexia Investor Services Bank S.A. is a subsidiary of RBC Dexia Investor Services Limited, a company under the laws of England and Wales which is in turn controlled by Dexia Banque Internationale à Luxembourg S.A., Luxembourg, Grand Duchy of Luxembourg, and the Royal Bank of Canada, Toronto, Canada.

The assets of the Fund are held in safekeeping by the custodian bank. The function of custodian bank is governed by the statutory provisions, the custodian bank agreement and the contractual conditions. The custodian bank acts independently of the fund management company and exclusively in the best interests of the unitholders.

The custodian bank will carry out the usual banking duties in respect of the accounts and securities, and will attend to all the routine administrative duties in connection with the fund assets as prescribed by the laws of Luxembourg. As principal paying agent, the custodian bank is responsible for the payment and acceptance of monetary amounts in connection with the redemption and issuing of units as well as – provided distribution units have been issued – the payment of distribution amounts.

The custodian bank is entitled to remuneration at the customary rates. This will be paid by the fund management company from the all-in fee that is due to it and charged to the Fund.

**Central administrator:**

The fund management company has transferred its duties as the fund's central administrator (the «central administrator») to RBC Dexia Investor Services Bank S.A. (the «bank») under the central administration agreement of 09 November 2009. This agreement has been concluded for an indefinite period and may be terminated by either party by giving 90 days' written notice.

In its capacity as central administrator, the bank is required to keep the fund's books in accordance with generally accepted accounting principles and the laws of Luxembourg; to calculate on a regular basis the net asset value of the fund's units under the supervision of the fund management company; to draw up the fund's annual and semi-annual accounts and to prepare, for the auditor, the annual and semi-annual reports in accordance with the laws of Luxembourg and the requirements of the Luxembourg supervisory authority; to perform all other duties of the central administrator.

The central administrator is entitled to remuneration at the customary rates. This will be paid by the fund management company from the all-in fee that is due to it and charged to the Fund.

**Registrar and transfer agent:**

The fund management company has transferred its duties as the fund's registrar and transfer agent (the «registrar and transfer agent») to RBC Dexia Investor Services Bank S.A., whose registered office is at 14, Porte de France, L-4360 Esch-sur-Alzette, under the central administration agreement of 09 November 2009. This agreement has been concluded for an indefinite period and may be terminated by either party by giving 90 days' written notice.

The registrar and transfer agent is responsible for processing subscription and redemption applications, managing the unit register, and accepting unit certificates that are returned for the purpose of replacement or redemption.

The fund's registrar and transfer agent is responsible for taking appropriate measures to ensure compliance with the regulations governing the prevention of money laundering in accordance with the legislation in force in the Grand Duchy of Luxembourg and to observe and implement the circulars of the Luxembourg supervisory authority (the Commission de Surveillance du Secteur Financier, hereinafter «CSSF»).

Depending on the individual subscription or transfer application, the detailed identification of the client may not be necessary provided that the order is executed by a financial institution or authorized financial service provider and that this party is simultaneously established in a country that operates rules equivalent to those under the Luxembourg Money Laundering Act. A list of countries that operate rules equivalent to those under the Luxembourg Money Laundering Act is available on request from the registrar and transfer agent.

The registrar and transfer agent is entitled to remuneration at the customary rates. This will be paid by the fund management company from the all-in fee that is due to it and charged to the Fund.

**Central order collecting point:**

Swisscanto Funds Centre Limited (hereinafter «SFCL»), 4th Floor, 51 Moorgate, GB-London EC2R 6BH

SFCL, which has its registered office in London, is a financial services provider which is subject to the supervision of the UK Financial Services Authority. It is active in asset management, brokerage and fund & custody services and has share capital of CHF 15 million.

**Independent auditing company:**

KPMG S.à.r.l., 9, Allée Scheffer, L-2520 Luxembourg

**Legal advisors:**

- Arendt & Medernach, 14, rue Erasme, L-2082 Luxembourg
- Hengeler Mueller, partnership in law, Bockenheimer Landstrasse 24, D-60323 Frankfurt am Main

## SWISSCANTO (LU) PORTFOLIO FUND: Details

### 1 General Information about the Fund

#### 1.1 Legal aspects

SWISSCANTO (LU) PORTFOLIO FUND (hereinafter referred to as the «Fund») is an open-ended investment fund under Luxembourg law. It was founded on 14 November 1994 and first offered for subscription in November 1994. The Fund is managed by the Luxembourg joint stock company SWISSCANTO (LU) PORTFOLIO FUNDS MANAGEMENT COMPANY S.A. RBC Dexia Investor Services Bank S.A. has been entrusted with the duties of custodian bank.

Swisscanto Asset Management Ltd., which has its registered office at Nordring 4, P.O. Box 730, CH-3000 Berne 25, Switzerland, acts as fund promoter. Swisscanto Asset Management AG merged with Swisscanto Funds Management Ltd with effect from 21 December 2009, and the latter was renamed Swisscanto Asset Management AG. Since it was founded as a public limited company in 1960 with its registered office in Berne, the fund management company has been active in the fund business and is subject in Switzerland to supervision by the Swiss Financial Market Supervisory Authority (FINMA). As at 30 June 2009 the company had a subscribed equity capital of CHF 5 million. The equity capital is divided into registered shares and is fully paid in. The sole shareholder is Swisscanto Holding Ltd., Berne, a company in which all cantonal banks own shares.

The Fund has been subject since 30 December 2005 to the statutory provisions of Part I of the UCI Act.

Since 28 July 2006, the fund management company has been subject to Section 13 of the UCI Act.

The portfolios and other assets of the Fund are managed by the fund management company as segregated assets in the interests and for the account of the unitholders.

The fund assets in their entirety are jointly owned by all the investors, who hold equal entitlements in proportion to their units. The assets of the Fund are separate from those of the fund management company. The contractual conditions make no provision for a meeting of unitholders. By subscribing for or acquiring units, the unitholder agrees to abide by the contractual conditions. The dissolution, division or merger of the Fund cannot be demanded by unitholders, their heirs or other entitled parties.

The Fund is not limited by either time or amount and its financial year ends on 31 March.

The fund management company is entitled to dissolve the Fund or individual subfunds at any time. The Fund must be dissolved and liquidated if its total net assets fall short of a quarter of the statutory minimum requirement for fund assets for more than six months. If the net asset value of a subfund falls below CHF 500,000 or the equivalent, or should economic, legal or monetary circumstances change, the fund management company may decide to dissolve a subfund, merge two subfunds or incorporate a subfund into another open-ended investment fund in accordance with Part I of the Luxembourg UCI Act. The decision to dissolve or liquidate the Fund will be published in the Luxembourg «Mémorial», and in two further newspapers, including the «Luxemburger Wort» and the «Schweizerisches Handelsamtsblatt» (Swiss Official Gazette of Commerce). From the day on which the dissolution and liquidation decision is made, no further units will be issued or redeemed. In the event of the dissolution and liquidation of a subfund, this applies only to the subfund in question. Upon liquidation, the fund management company will realise the fund assets in the best interests of the unitholders and will instruct the custodian bank to distribute the net liquidation proceeds to the unitholders in proportion to their holdings. Any liquidation proceeds that it has not been possible to distribute to unitholders by the end of the liquidation proceedings will be deposited with the «Caisse de Consignations» in Luxembourg until their distribution becomes statute-barred.

If two or more subfunds are amalgamated or if one or more subfunds is incorporated into another open-ended investment fund under Luxembourg law, a unitholder in a subfund to be amalgamated or incorporated may, for a period of one month subsequent to the corresponding announcement, either request that his/her units be redeemed free of charge or that they be converted into units of another subfund. Upon the expiry of this period, the amalgamation will become binding on all unitholders who do not take up these options.

No provision is made for a merger with an investment fund established under a law other than that of Luxembourg.

The contractual conditions of the Fund were published for the first time on 14 November 1994 in the «Mémorial». There have since been several amendments, which have been made in accordance with the contractual conditions. The notice concerning the latest amendment was published on 30 November 2009. The version of the contractual conditions currently in effect as at 09 November 2009 has been entered in the Luxembourg commercial register, where it is open to inspection.

#### 1.2 Structure of the Fund

Under one and the same investment fund («umbrella construction»), the investor is offered subfunds with different investment policies. The totality of the subfunds constitutes the Fund. The fund management company may decide at its discretion to create further subfunds. The fund management company will notify the unitholders and amend the sales Prospectus accordingly.

At present, the Fund comprises the following subfunds, which are designated by the Fund name SWISSCANTO (LU) PORTFOLIO FUND, with a subfund-specific suffix. Subfunds with a similar investment policy will be listed in groups.

Subfund designation	Currency of account	Unit classes <sup>1</sup>	Max. commission	Max. annual management fee <sup>2</sup>
<b>The «INCOME» subfunds</b>				
1. INCOME	CHF	A, B	5.0%	1.5%
2. GREEN INVEST INCOME	CHF	A, B	5.0%	1.5%
3. GREEN INVEST INCOME (EUR)	EUR	A, B, I	5.0%	1.5%
<b>The «YIELD» subfunds</b>				
4. YIELD	CHF	A, B	5.0%	1.5%
5. YIELD (EUR)	EUR	A, B	5.0%	1.5%
6. GREEN INVEST YIELD	CHF	A, B	5.0%	1.5%
7. GREEN INVEST YIELD (EUR)	EUR	A, B, I	5.0%	1.5%
<b>The «BALANCED» subfunds</b>				
8. BALANCED	CHF	A, B	5.0%	1.5%
9. BALANCED (EUR)	EUR	A, B	5.0%	1.5%
10. GREEN INVEST BALANCED	CHF	A, B	5.0%	1.5%
11. GREEN INVEST BALANCED (EUR)	EUR	A, B	5.0%	1.5%
<b>The «GROWTH» subfunds</b>				
12. GROWTH	CHF	A, B	5.0%	1.5%
13. GROWTH (EUR)	EUR	A, B	5.0%	1.5%
<b>The «EQUITY» subfunds</b>				
14. EQUITY	CHF	A, B	5.0%	1.5%
15. GREEN INVEST EQUITY	EUR	A, B	5.0%	2.0%

<sup>1</sup> Upon entry into force of the present sales Prospectus, these unit classes had been issued or the launch dates were known.

<sup>2</sup> The management fee actually charged will be stated in the respective annual or semi-annual report.

The fund management company is authorised to offer the following classes of unit (hereinafter referred to as «unit classes») for each subfund:

- Class A units, which confer the right to an annual distribution;
- Class B units, which do not confer the right to an annual distribution but re-invest all increases in value;
- Class I units, which are open to subscription only by institutional investors with professional treasury operations – i.e. by banks and securities traders, fund management companies, insurance companies, pension funds, institutions under public law and commercial and industrial companies as well as service companies; pension and similar institutions, as well as charitable foundations, are also regarded as institutional investors provided they have professional treasury operations. Class I units confer the right to an annual distribution;
- Class J units, which are open to subscription only by institutional investors with professional treasury operations – i.e. by banks and securities traders, fund management companies, insurance companies, pension funds, institutions under public law and commercial and industrial companies as well as service companies; pension and similar institutions, as well as charitable foundations, are also regarded as institutional investors provided they have professional treasury operations. Class J units do not confer the right to an annual distribution but re-invest all increases in value.

The Board of Directors is authorised at any time to issue units of the other unit classes provided for in this sales Prospectus, and to announce this fact in accordance with the provisions set out in Section 6.

The Board of Directors is authorised to create further unit classes at any time. The Board of Directors may also decide, where appropriate for economic or legal reasons, to cancel one unit class and to exchange outstanding units within a subfund for units of other unit classes. Such resolutions on the part of the Board of Directors will be published in accordance with the provisions laid down in Article 14 of the contractual conditions.

### 1.3 Investor profile

All subfunds are directed primarily towards private investors. A number of subfunds also issue classes of units which may be subscribed for only by institutional investors with professional treasury operations.

The subfunds are designed in particular for private investors domiciled in Luxembourg, Switzerland, the Federal Republic of Germany, the Principality of Liechtenstein, Austria as well as other countries in which the subfunds are admitted for public sale.

The Fund is suitable for investors wishing to invest in global mixed portfolios with differing weightings of equity securities and participation rights, interest-bearing securities, as well as non-traditional investment instruments depending on the subfund in question.

However, it is expressly pointed out that changes may take place in the net asset value that may be triggered by factors such as – but not restricted to – fluctuations in market price, interest rates or currencies.

### 1.4 Risk notice

The net asset value of the units may rise or fall. When redeeming their units, unitholders may therefore receive less than they originally paid for them. There is no guarantee of a return on investment.

In addition to the general market risks that are associated with investments, there exists a counterparty risk and the currency and transfer risk inherent in investments abroad.

Investment risk is reduced in that, in accordance with the investment policy, the investments are geared towards ensuring a reasonable distribution of risk.

Nevertheless, it must be emphasised that interest-bearing investments are subject to risks. The prices of interest-bearing investments may both rise and fall against the original price. This depends, in particular, on the development of the money and capital markets, or on the specific developments affecting the counterparty in question. The credit risk associated with an investment in interest-bearing securities cannot be completely ruled out, even where investments are chosen with care.

It must also be emphasized that investments in equity securities and participation rights are subject to risks. The prices of investments may both rise and fall against the original price. This depends, in particular, on the development of capital markets and national economies as a whole, as well as individual sectors in those economies, or on the specific developments affecting the issuers in question. The credit risk associated with an investment in equity securities cannot be completely ruled out, even where investments are chosen with care. The higher the equity allocation of a given subfund, the greater the possible price fluctuations and, at the same time, the possible total return on the investment.

#### Derivative financial instruments

The Fund takes up additional risk positions by using derivatives in the pursuit of its investment objective. Derivatives are rights or obligations the valuations of which are derived mainly from the price, price fluctuations and expected price of an underlying instrument. Investments in derivatives are subject to general market risk, management risk, credit risk and liquidity risk. However, because of the specific structuring of derivative financial instruments, the risk in question may be of a different nature and may in some cases be greater than the risks associated with investments in the underlying instruments. The use of derivatives therefore not only requires an understanding of the underlying instrument, but also a sound knowledge of the derivatives themselves.

Exposure on the futures and options market and to swaps and foreign exchange transactions is associated with investment risks and transaction costs to which the Fund would not be subject had it not applied such strategies. These risks include among others:

- the risk that the fund management company's forecasts about future trends in interest rates, securities prices and the foreign currency markets prove in retrospect to be incorrect;
- the incomplete correlation between the prices of futures and options contracts, on the one hand, and movements in the prices of the securities or currencies they are intended to hedge, on the other, means that a complete hedge may not be possible in some circumstances;
- the potential absence of a liquid secondary market for a specific instrument at a given point in time may mean that a derivative position cannot, under certain circumstances, be neutralised (closed out) at a profit, even though this would make sense from an investment policy perspective;
- the risk that the securities underlying derivative instruments cannot be sold at a favourable point in time, or that they must be bought or sold at an unfavourable point in time;
- the use of derivatives may potentially result in a loss which may be impossible to predict and which may even exceed margin payments;
- the risk of insolvency or payment default on the part of a counterparty.

### 1.5 Historical performance

Please refer to Section 2.5 of the simplified sales Prospectus for the historical performance of the subfunds.

## 2 Investment objective and investment policy

### 2.1 Investment objective

The investment objective of the Fund is to achieve an appropriate return on investment. The assets of each subfund are invested in securities and other investment instruments in accordance with the principle of risk diversification.

### 2.2 Subfund-specific investment policy

#### 2.2.1 Basic information

The subfunds differ mainly in terms of the variation of their weightings of investments in equity securities and participation rights, variable- and fixed-interest securities and investments in non-traditional investment instruments. Each subfund may also hold liquidity, fixed-term deposits and all products named under Section 2.3 within the framework of statutory and contractual restrictions.

The terms «equity securities» and «participation rights» refer not only to investments in equities but also in other equity interests (cooperative society shares, participation certificates, non-voting stock, equity funds, certificates on equity securities, equity indices etc. and similar), as well as securities and rights which embody the right to acquire equity securities and participation rights by subscription or exchange, such as, specifically, warrants.

The terms «variable- and fixed-interest securities» and «money market instruments» refer to bonds, notes, convertible bonds, convertible notes, bonds-cum-warrants, bond and money market funds, as well as certificates on interest-bearing securities and money market instruments, bond indices etc. and similar.

The term «non-traditional investment instruments» refers to structured products and derivatives on financial indices (including commodity and real estate fund indices) subject to the restrictions outlined under Section 2.3.1 f) of the sales Prospectus. These also include certificates insofar as they incorporate derivatives on such financial indices.

Subject to other subfund-specific restrictions, each subfund may invest up to a maximum of 30% of its total assets in structured products (certificates) and/or derivatives on commodity and real estate fund indices in accordance with the investment policy.

Subfunds with [EUR] appended between parentheses to their name either invest more than 50% of their total assets in euros (EUR) or are hedged more than 50% against the euro (EUR); the other subfunds invest in freely convertible currencies.

Subfunds with the designation GREEN INVEST in their name observe sustainability criteria in their choice of investments. For this purpose, these subfunds invest at least two thirds of their total assets in equity securities and participation rights and variable- and fixed-interest securities and money market instruments issued by companies which are among the environmental and socially responsible leaders of their industry. The selection criteria for these subfunds are listed in Appendix 1.

#### 2.2.2 For the «INCOME» subfunds

- SWISSCANTO (LU) PORTFOLIO FUND INCOME
- SWISSCANTO (LU) PORTFOLIO FUND GREEN INVEST INCOME
- SWISSCANTO (LU) PORTFOLIO FUND GREEN INVEST INCOME (EUR)

These subfunds invest at least two thirds of their total assets worldwide in variable- and fixed-interest securities.

#### 2.2.3 For the «YIELD» subfunds

- SWISSCANTO (LU) PORTFOLIO FUND YIELD
- SWISSCANTO (LU) PORTFOLIO FUND YIELD (EUR)
- SWISSCANTO (LU) PORTFOLIO FUND GREEN INVEST YIELD
- SWISSCANTO (LU) PORTFOLIO FUND GREEN INVEST YIELD (EUR)

These subfunds invest more than 50% of their total assets worldwide in variable- and fixed-interest securities and at least 10% and no more than 30% of their total assets in equity securities and participation rights.

#### 2.2.4 For the «BALANCED» subfunds

- SWISSCANTO (LU) PORTFOLIO FUND BALANCED
- SWISSCANTO (LU) PORTFOLIO FUND BALANCED (EUR)

These subfunds invest at least 30% and no more than 50% of their total assets worldwide in equity securities and participation rights and at least 40% of their total assets in variable- and fixed-interest securities.

#### 2.2.5 For the «GREEN INVEST BALANCED» subfunds

- SWISSCANTO (LU) PORTFOLIO FUND GREEN INVEST BALANCED
- SWISSCANTO (LU) PORTFOLIO FUND GREEN INVEST BALANCED (EUR)

These subfunds invest at least 40% and no more than 60% of their total assets worldwide in equity securities and participation rights and at least 30% of their total assets in variable- and fixed-interest securities.

#### 2.2.6 For the «GROWTH» subfunds

- SWISSCANTO (LU) PORTFOLIO FUND GROWTH
- SWISSCANTO (LU) PORTFOLIO FUND GROWTH (EUR)

These subfunds invest more than 50% and no more than 70% of their total assets worldwide in equity securities and participation rights and at least 20% of their total assets in variable- and fixed-interest securities.

#### 2.2.7 For the «EQUITY» subfunds

- SWISSCANTO (LU) PORTFOLIO FUND EQUITY
- SWISSCANTO (LU) PORTFOLIO FUND GREEN INVEST EQUITY

These subfunds invest at least 80% of their total assets worldwide in equity securities and participation rights.

### 2.3 Provisions applicable to all subfunds

#### 2.3.1 Authorised investments

##### a) Securities and money market instruments

The Fund may invest in securities and money market instruments that are admitted to trading on a stock exchange or traded on another recognised and regulated

market that is held regularly and is open to the public in a Member State of the European Union or a state in Europe, Africa, Asia, Oceania or America.

##### b) New issues

The Fund may invest in securities and money market instruments originating from new issues provided the conditions of issue include the obligation to apply for official listing on a stock exchange or other recognised and regulated market that is held regularly and open to the public in a Member State of the European Union or a state in Europe, Africa, Asia, Oceania or America, and providing admission to trading takes place within a year of issue.

##### c) Money market instruments (unlisted)

The Fund may invest in money market instruments which are not traded on a stock exchange or on another regulated market provided their issue or their issuers are subject to investment and investor protection regulations, on condition that these money market instruments satisfy the conditions laid down in Article 41 (1) h) of the UCI Act.

##### d) Liquidity

The Fund may invest in demand and time deposits. These are deemed to be deposits with credit institutions domiciled in an EU Member State or in a third-party state which can be terminated at any time or within a period of no more than 12 months. In the case of credit institutions domiciled in third-party states, investments are permissible only if these credit institutions are subject to supervisory regulations which are equivalent to those under Community law. Borrowers in such cases must be top-rated banks.

##### e) Investments in fund units

The Fund may invest in units of undertakings for collective investment in transferable securities (UCITS) of the open-ended type under the terms of the investment directive of the European Union dated 20 December 1985 (85/611/EEC) and/or in other undertakings for collective investment (other UCI) under the terms of Art. 1 para. 2, first and second bullet points of the aforementioned Directive. Investments in such funds are permissible only if they are domiciled in a Member State of the European Union or in a third-party state, provided:

- these other UCI have been authorised for sale under statutory provisions which subject them to supervision by authorities which are deemed by the CSSF to be equivalent to those under Community law, and providing sufficient assurance exists of cooperation between these authorities;
- the level of protection afforded to unitholders in other UCI must be equivalent to the protection that is required for unitholders in a UCITS. In particular, the rules on separate safekeeping arrangements for fund assets, the taking up of loans, the granting of loans and the short selling of securities and money market instruments must be equivalent to the requirements set out in Directive 85/611/EEC;
- the business operations of other UCI must be the subject of semi-annual and annual reports which permit a judgement to be made about assets and liabilities, income and transactions during the reporting period;
- the UCITS or the other UCI in which units are to be acquired may not be permitted, under the terms of their deeds of foundation, to invest more than 10% of their fund assets in the units of other UCITS or UCI.

The Fund may, specifically, also invest in units in investment funds under Swiss law (securities and other funds).

Furthermore, the acquisition of units in UCITS or other UCI is permitted only if such undertakings pursue an investment policy similar to that of the subfund in question, or individual segments of this policy.

The Fund may acquire units in UCITS or other UCI that are managed directly or indirectly by the fund management company itself or by a company with which it is affiliated by way of common management or control or by way of a direct or indirect stake of more than 10% of the capital or votes.

In this connection, the fund management company and the other company are not permitted to charge any issuing or redemption commissions.

##### f) Derivative financial instruments («derivatives») and certificates

The Fund may invest in derivative financial instruments («derivatives») and certificates, including instruments that are settled in cash, which are traded on one of the regulated markets described above and/or derivative financial instruments which are not traded on a stock exchange («OTC derivatives»), provided:

- the underlyings are instruments as defined in Art. 41, para. 1 of the UCI Act, financial indices (including commodity and real estate fund indices), interest rates, exchange rates or currencies in which the UCITS may invest according to the investment objectives stated in its deeds of foundation;
- counterparties in OTC derivatives transactions are institutes in one of the categories that have been authorised by the CSSF, are subject to supervision by the authorities; and
- the OTC derivatives are reliably and verifiably valued on a daily basis and can be sold, liquidated or closed out by a countertrade at the initiative of the UCITS at any time at an appropriate time value.

##### g) Other investments

The Fund may, in compliance with the investment restrictions, invest in investments other than the aforementioned permissible ones, in particular in securities or in vested rights, if such rights can be judged to be equivalent to securities specifically because they can be transferred, sold and valued at any time.

### 2.3.2 Investment restrictions

- The following rules must be observed for investments made by the Fund:
- a) Taking assets under management as a whole, the Fund may not acquire more than 10% of the outstanding securities, debt securities or money market instruments or more than 10% of the non-voting stock of any single issuer. It may not hold more than 25% of the units in any given UCITS or other UCI.
  - b) Subject to the exceptions mentioned explicitly, no more than 10% of the net assets of a subfund may be invested in securities and money market instruments from the same issuer. The total volume of the securities and money market instruments from issuers in which more than 5% of net assets is invested may not exceed 40% of the net assets of any subfund.
  - c) Investments must not confer rights on the fund management company that enable it to exert significant influence over an issuer's business operations.
  - d) Furthermore, the restrictions stipulated under a) and c) do not apply to equity securities and rights that allow the subfund to participate in the capital of a company that is registered in a state outside the EU and invests its assets principally in the securities of issuers registered in that state if, according to the laws of that state, that issuer represents the only medium for investment in securities of issuers in that state. However, this exception applies only if the company registered outside the EU observes the investment restrictions of the subfund in question in its own investment policy.
  - e) The 10% restriction stipulated in b) may be raised to a maximum of 25% in the case of specific debt instruments issued by a credit institution which has its registered office in a Member State of the European Union, this credit institution being subject to special supervision by the authorities under the terms of statutory provisions protecting the holders of these debt instruments. Specifically, the proceeds of the issue of these debt instruments must be invested, in accordance with statutory provisions, in assets which will provide sufficient cover for the liabilities arising in connection with the debt instruments for the entire term of these securities. The assets in which the proceeds are invested must be earmarked primarily for repaying the principal and paying the interest in the event of the issuer's default. Should a subfund invest more than 5% of its net assets in debt instruments, as defined in this paragraph, that are issued by one and the same issuer, the combined value of these investments may not exceed 80% of the value of the subfund's net assets.
  - f) The 10% restriction stipulated in b) may be raised to a maximum of 35% if the securities and money market instruments in question are issued or guaranteed by: a Member State of the EU or its regional organizations, another western European member state of the OECD, the United States of America, Canada, Japan, Australia or New Zealand, or an international organization of a public law nature to which one or more EU Member States belong. These securities and money market instruments are not taken into account in calculating the 40% limit mentioned in b).
  - g) **The 10% restriction stipulated in b) may be raised to a maximum of 100% if the securities and money market instruments in question are issued or guaranteed by a state, provided:**
    - the state is a member of the EU or is an OECD state,
    - the subfund holds securities and/or money market instruments from at least six different issues and
    - securities and/or money market instruments from a single issue do not exceed 30% of the net assets of a subfund.
  - h) A maximum of 20% of the net assets of a subfund may be invested in deposits with one and the same institution.
  - i) The overall risk arising from the use of derivative financial instruments may not exceed 100% of the net assets of a subfund and therefore the overall risk of the subfund may not exceed a total of 200% of the net assets of a subfund on a lasting basis. The overall risk of the subfund may not be increased by more than 10% through the taking up of temporary loans, with the result that the overall risk may never amount to more than 210% of the net assets of a subfund. With regard to investments in derivative financial instruments, the overall risk of the corresponding underlyings, provided they are not index-based derivatives, may not exceed the limits given under b), e), f), h), j), k) and l).
  - j) In the case of transactions with OTC derivatives, the risk per counterparty may not exceed 10% of the net assets of a subfund where the counterparty is a credit institution pursuant to the UCI Act. In all other cases, the risk per counterparty may not exceed 5% of the assets of a subfund.
  - k) Subject to the exceptions stated under e), f) and g) and notwithstanding the upper limits laid down in b), first clause, h) and j), each subfund may invest a maximum of 20% of its net assets in a combination of the following with one and the same institution:
    - securities and money market instruments issued by this institution,
    - deposits with this institution and/or
    - risks from transactions in OTC derivatives acquired from this institution.
  - l) A maximum of 20% of the net assets may be invested in demand and time deposits as described in Section 2.3.1 d);
  - m) A maximum of 30% of each subfund's net assets may be invested in units of other UCITS and/or other UCI as described in Section 2.3.1 e) and a subfund may invest a maximum 20% of its net assets in one and the same UCITS or other UCI as described in Section 2.3.1 e). The GREEN INVEST INCOME and GREEN INVEST INCOME (EUR), GREEN INVEST BALANCED and GREEN INVEST BALANCED (EUR) as well as GREEN INVEST EQUITY subfunds may invest a maximum 10% of their net assets in UCITS and/or other UCI as described in Section 2.3.1 e).

- n) A maximum of 10% of net assets may be invested in other investments as described in Section 2.3.1 g).
- o) A maximum of 10% of the subfund's net assets may be invested in derivatives and/or certificates on a single financial index (including commodity and real-estate fund indices).

Should the limits laid down in Section 2.3.2 be exceeded unintentionally, priority must be given to bringing investments down to below the set percentages while safeguarding the interests of unitholders.

Unless it is stated specifically that they relate to the assets of the Fund in their entirety, the percentage restrictions stated above refer to the assets of each individual subfund. These restrictions do not apply in the event that subscription rights are exercised.

Irrespective of their obligation to ensure compliance with the principle of risk diversification, newly authorised subfunds may deviate from the investment restrictions for a period of six months following their authorisation.

### 2.3.3 Unauthorised investments

The Fund may not:

- a) grant loans or act as guarantor for third parties;
- b) invest directly in real estate, commodities and commodity paper, or in securities issued by the fund management company;
- c) sell securities short;
- d) pledge, transfer as security or cede assets of the subfund. The customary margin deposits on options, futures and forward transactions are not deemed to be liens within the meaning of this provision.

The fund management company may determine further investment restrictions at any time in the interests of the unitholders, provided such restrictions are necessary to comply with the laws and regulations of the countries in which the Fund's unit certificates are offered and sold.

### 2.3.4 Investment techniques and instruments

- a) **Repos and securities lending**  
For the efficient management of the Fund's assets, the fund management company may use the techniques and instruments of securities lending and repo transactions in accordance with the provisions of CSSF Circular 08/356. Should the fund management company in this connection obtain guarantees in the form of cash, this may be reinvested for the Fund in accordance with the rules of the aforementioned Circular.
  - b) **Loans**  
The Fund may not take out loans or temporarily overdraw its accounts, unless the funds are intended for the purchase of foreign exchange in the form of a back-to-back loan, or the overdraft is short-term in nature and amounts to no more than 10% of net assets.
  - c) **Long/short strategy**  
Furthermore, the Portfolio Manager may/will seek to optimise the return on the portfolio by building additional long and short positions. In this connection, additional long positions in equities are created using derivative financial instruments (e.g. in the form of equity swaps) which in financial terms correspond to a direct investment of up to 30% of the net assets, as well as additional equivalent short positions in equities which the Portfolio Manager considers overvalued. In accordance with Section 2.3.3, however, no short selling of securities is conducted.
  - d) **Use of structured financial instruments**  
As part of the investment policy, subfunds may invest in structured products (certificates), provided such instruments can be used in an efficient manner to achieve the desired investment objective. At all times, certificates must be disposable directly and without restriction. Furthermore, such transactions are permitted only with financial institutions specialising in these types of transactions.
- Derivative financial instruments may be used for the following purposes in particular:
- d 1) **Managing currency exposure**  
Through the use of forward currency transactions and currency swaps, subfunds may hedge as well as efficiently manage their currency exposure. A subfund may also enter into a desired currency exposure in a currency permitted in the respective investment policy of the Fund by means of the currency link to a financial instrument via the use of forward currency transactions and currency swaps. In such cases the currency exposure does not necessarily have to be built up in relation to the currency of investment or account and can instead be achieved in relation to a chosen, permitted investment currency of the Fund.
  - d 2) **Managing interest-rate and currency risk**  
In addition to the above transactions, each subfund may enter into futures and options transactions as well as swap transactions (interest rate swaps and combined interest-rate and currency swaps as well as total return swaps), both for hedging purposes and with a view to the efficient management of the portfolio.

- d 3) Managing credit risk  
For each subfund, securities (credit-linked notes; hereinafter «CLN») as well as techniques and instruments (credit default swaps; hereinafter «CDS») may be used for hedging purposes and with a view to the efficient management of credit risks.  
A CLN is a structured debt security with an embedded CDS.  
CLN are issued by financial institutions which have a high rating and qualify as securities/money market instruments; in cases in which the CLN are not listed or traded on a regulated market, investments in CLN must be limited to the 10% level specified in Section 2.3.2 n). In cases in which the CLN are listed or traded on a regulated market, the aforementioned 10% limit does not apply. Nor do the investment restrictions specified in Section 2.3.2 b), e), f), h), j), k) and l) apply to CLN. These statutory restrictions relate both to the issuer of the CLN and to the CLN's underlyings.
- e) Common management of the assets  
For the purpose of efficient management of the Fund, and insofar as this is permitted by the investment policy, the fund management company may decide to manage the assets or parts of the assets of specific subfunds on a common basis. Such assets managed in common are designated hereinafter as a «pool», irrespective of the fact that such pools are created solely for internal management purposes. The pools do not have a legal personality of their own which is separate from the collectively managed subfunds and are not directly accessible to investors. Each of the collectively managed subfunds shall remain entitled to its own specific assets. The assets managed collectively in the pools may be separated and transferred to all the participating subfunds at any time. If the assets of several subfunds are pooled for the purpose of collective management, a record will be maintained of the proportion of the asset pool which is attributable to each participating subfund, with a reference to the subfund's original participation in this pool. The entitlements of each participating subfund to the collectively managed assets shall relate to each individual position of said pool. Additional investments carried out for the collectively managed subfunds shall be allocated to these subfunds in an amount proportionate to their entitlements. Assets which have been sold shall be deducted in like manner from each participating subfund's entitlement.

### 3 Participation in the Fund

#### 3.1 Conditions for the issue, redemption and conversion of units

Units in a subfund are issued or redeemed on each bank business day in Luxembourg. A «bank business day» is any normal bank business day (i.e. days on which the banks are open during normal business hours in Luxembourg) with the exception of individual non-statutory holidays in Luxembourg. «Non-statutory holidays» are days on which banks and financial institutions are closed. Nor are units issued or redeemed on days on which the exchanges of the main countries in which the subfunds invest are closed or if the subfunds' assets cannot be properly valued. No issues or redemptions take place on days on which the fund management company has decided not to calculate the net asset value as described in Section 3.6.

The fund management company is entitled at its own discretion within the scope of its distribution activities to reject subscription orders and to temporarily or permanently suspend or limit the sale of units to natural persons or legal entities in certain countries or regions, or to permit subscriptions for monetary amounts. The fund management company may also repossess units at any time if they are in the possession of unitholders who are not permitted to acquire or hold units or particular classes of units.

The fund management company does not permit any market timing or activities which might be deemed equivalent to market timing. It reserves the right to refuse subscription and conversion orders from an investor whom the fund management company suspects of engaging in such activities, as well as to take the necessary steps in order to protect the other investors in the Fund.

Units are issued, redeemed and converted on the basis of applications received by the custodian bank or fund management company during usual local business hours but by no later than 4.00 p.m. Luxembourg time on a Luxembourg bank business day (order day), or on the basis of orders forwarded by a selling agent to the central order collecting point (SFCL) and received by the stipulated time.

The net asset value used for the calculation of the issue, redemption and conversion price is calculated on the following valuation day on the basis of the last known market prices. Orders received after such time will be treated in the same way as those received on the following bank business day. Subscriptions, redemptions and conversions are therefore effected on the basis of an unknown net asset value (forward pricing).

The individual valuation principles are described in the following paragraph.

#### 3.2 Net asset value, issue, redemption and conversion prices, «swinging single pricing»

In accordance with the contractual conditions and in accordance with Section 3.1, the net asset value (NAV) of the units is calculated by the fund management company for each separate subfund or unit class on each bank business day in Luxembourg on the basis of the last known market prices.

The net asset value of a unit in a subfund or of a unit class is expressed – unless otherwise noted in this sales Prospectus – in the subfund's currency of account and is derived from dividing the net assets of the subfund or the unit class by the number of units of that subfund or the respective unit class in circulation. The currency of subfunds with [EUR] appended between parentheses to their name and the SWISSCANTO (LU) PORTFOLIO FUND GREEN INVEST EQUITY subfund is the euro (EUR); the currency of all other subfunds is the Swiss franc (CHF).

The net asset value is rounded to the nearest 0.01 of the unit of account.

The net assets of a given subfund or unit class correspond to the difference between the total assets of that subfund or unit class and the total liabilities that are attributable to it.

The total net assets of the Fund are expressed in CHF and correspond to the difference between the total assets of the Fund and its total liabilities. For the purpose of this calculation, the net assets of each subfund are converted into CHF, if they are not already expressed in CHF, and added together.

Distributions in favour of the distribution units have the effect of reducing the net asset value of the distribution units by the amount distributed. By contrast, the net asset value of capital growth units remains unaffected by this process.

The assets of each subfund or each unit class are valued as follows:

- a) Securities quoted on the stock exchange are valued at their last known market prices. If a security is quoted on several stock exchanges, the valuation is based on the last known stock exchange where the securities held by the Fund were purchased. In the case of securities in which stock exchange trading volumes are low and for which there is a secondary market between traders that offers normal market prices, the fund management company may value this security on the basis of the prices set in the latter way. Securities traded on a regulated market are valued in the same way as stock market-listed securities.
- b) Securities that are neither listed on a stock exchange nor traded on a regulated market are valued at the last available market price. If no such price is available, the fund management company will use other principles to determine the value of these securities on the basis of prices that it deems to be the probable realisable value of the securities.
- c) Liquid funds and fixed-term deposits will be valued at their nominal value plus accrued interest. Investments denominated in a currency other than that of the subfund are converted into the subfund currency at the relevant mean exchange rate. Futures contracts concluded for the purpose of hedging currency risks are taken into consideration in the conversion.
- d) Units in UCITS or other UCI shall be valued at their last published net asset value. If no net asset value is available, only buying and selling prices, the units of such UCITS and other UCI may be valued at the mean value of these buying and selling prices. Should no current prices be available, the fund management company will make a valuation according to other criteria, to be determined by the Board of Directors. The fund management company will base its calculation on the probable selling price, the level of which will be estimated with due care and to the best of the fund management company's knowledge.
- e) Derivatives shall be treated in accordance with the above. The Board of Directors may decide to have the net asset value of the subfunds calculated in accordance with the swinging single pricing method described below.

If, on a given bank business day, the total subscriptions or redemptions for all unit classes of a subfund result in a net inflow or outflow of assets, the net asset value of the subfund in question is increased or decreased (swinging single pricing, hereinafter «SSP»).

The maximum adjustment is 1% of the net asset value of the subfund concerned. This takes account of both the estimated transaction costs and the tax charges that arise for the subfund concerned as well as the estimated bid/ask spread for the assets in which the subfund invests. The adjustment leads to an increase in the net asset value if the net movements cause a rise in the number of units of the subfund in question. It leads to a reduction in the net asset value if the net movements cause a decline in the number of units.

The Board of Directors has decided to introduce the «SSP» method for all subfunds, effective 15 January 2010.

If the valuation criteria mentioned above cannot be applied owing to exceptional circumstances, or are found to be in appropriate, the fund management company may temporarily apply other, suitable, valuation principles.

In exceptional circumstances, additional valuations may be made on one and the same day and will apply to units to be issued or redeemed thereafter.

In the event of substantial redemption applications, the fund management company may value the units on the basis of the prices at which the necessary sale of securities was effected.

### 3.3 Sale of units

The issue price must be paid within three bank business days of receipt of the subscription order. However, the fund management company may extend this period to a maximum of five bank business days if the three-day period proves too short. Issue prices are rounded to the next smallest currency unit.

The following are charged on the issue of units:

- a commission amounting to no more than 5% of the net asset value per unit. This is credited to the selling agent. However, the selling agent may charge a minimum fee of no more than CHF 80 or its equivalent in another currency;
- in the case of the conversion of units of one subfund into those of another, the selling agent may charge a maximum of 50% of the permitted issuing commission, up to the countervalue of the units submitted for conversion;
- any taxes and duties charged in connection with the issue.

The corresponding number of units will be transferred to investors immediately upon payment of the purchase price. The Board of Directors is authorised to accept subscriptions for monetary amounts and, on this basis, consent to the issue of odd lots (fractions of units) of up to four decimal places. In such cases, the fund management company is permitted to authorise a selling or paying agent to confirm the subscription of units to the unitholders in writing. The units are in bearer form. They do not take the form of actual certificates but exist purely as book entries. Physical units that have already been issued shall remain valid. They must be returned at the latest with the application for redemption.

Subscribers should note that they must present proof of their identity to the office receiving their subscription, unless they are known personally at that office. This ruling is intended to help combat the laundering of money originating from criminal activities, in particular from drug trafficking.

### 3.4 Redemption of units

In principle, the fund management company will redeem units of the Fund at any time at the redemption price, against surrender of the corresponding unit certificates.

Since care must be taken that the Fund assets include an appropriate portion of liquidity, fund units will usually be paid out within five bank business days of calculation of the redemption price, unless the transfer of the redemption amount to the country in which the redemption has been applied for proves to be impossible owing to statutory provisions, such as foreign exchange and payment restrictions, or as a result of other circumstances beyond the control of the custodian bank.

Repayment for the units is made in the currency of the subfund in question.

No charge is made for redemption. Any taxes due on the redemption will be deducted from the redemption price. Redemption prices are rounded to the next smallest currency unit.

In the event of a substantial volume of redemption applications, the custodian bank and fund management company may decide not to settle a redemption application until the corresponding assets of the Fund have been sold without unnecessary delay. Priority must subsequently be given to these deferred redemption applications.

The unit in question expires upon payment of the redemption price.

### 3.5 Conversion of units

Unitholders in each subfund are entitled to convert some or all of their units into units of another subfund offered for subscription, or to convert units of one class into another class within the same subfund. Such conversions may be undertaken on any day on which the net asset value of the subfund is calculated. They are subject to a corresponding conversion application to the fund management company for at least ten units of a subfund or unit class, in addition to the surrender of the unit certificates, if these have been issued. Conversion is further subject to the same time limits as apply to the issue and redemption of the subfunds in question.

The selling agent may charge commission on conversions at a maximum of half the issuing commission rate, up to the countervalue of the units submitted for conversion. The fund management company will use the following formula to determine the number of units into which a unitholder may convert his/her existing units:

$$A = \left( \frac{B \times C}{D} \right) \times E$$

Where:

A = Number of units to be issued in the new subfund or new unit class

B = Number of units in the original subfund or of the original unit class

C = Redemption price per unit of the original subfund or the original unit class

D = Net asset value per unit of the new subfund or the new unit class

E = Exchange rate between the currencies of the two subfunds or two unit classes on the date of conversion.

Should the calculation of the number of new units result in fractions of units, the product is rounded down to the next full unit, unless the Board of Directors has approved the issue of fractions of units. The investor will receive payment for the fractions at the redemption price.

The fund management company will provide the unitholder with the details of the conversion.

### 3.6 Suspension of net asset value calculation and the issue, conversion and redemption of units

The fund management company is entitled temporarily to suspend the calculation of net asset value, as well as the issue, conversion and redemption of units for one or more subfunds, in the following cases:

- If stock exchanges or markets that serve as the basis for the valuation of a substantial proportion of a subfund's assets, or foreign exchange markets for the currency in which the net asset value or significant proportion of a subfund's assets are denominated are closed (apart from the usual public holidays), or if business is suspended or restricted on such markets, or if they are temporarily exposed to major fluctuations.
- If it is not possible to dispose of a subfund's assets effectively owing to political, economic, military or other emergencies which are beyond the control of the fund management company, or if such action would be detrimental to the interests of the unitholders.
- In the event of a breakdown in communication links or if the net asset value of a subfund cannot be determined with sufficient accuracy.
- If restrictions on foreign exchange transactions or other asset transfers make it impossible for a subfund to transact its business, or if the purchase and sale of subfund's assets cannot be effected at normal exchange rates.

## 4 Application of net income and capital gains

### 4.1 Distribution units

Fund units in classes A and I are issued as distribution units.

Under Article 12 of the contractual conditions, the fund management company will decide after closing the annual accounts whether and to what extent distributions are to be made on distribution units. Where distribution units are concerned, the Fund intends to distribute the greater part of earnings and to make such distributions within four months of the close of the financial year.

The fund management company is entitled to suspend distributions.

Distributions will be made against the surrender of coupons. Payment will be made in the manner described under «Redemption of units».

Claims for distributions and allotments that are not enforced within five years of their due date will become statute-barred and the assets will revert to the corresponding subfund or unit classes.

### 4.2 Capital growth units

Fund units in classes B and J are issued as capital growth units. No distributions are planned for these unit classes. After the deduction of general costs, earnings will be used to increase the net asset value of the units (capital growth).

## 5 Taxes and charges

In the Grand Duchy of Luxembourg, the assets of the Fund are subject to a «taxe d'abonnement», payable quarterly, at 0.05% p.a. of the net asset value for unit classes offered to private investors and at 0.01% p.a. of the net asset value for unit classes offered to institutional investors. The Fund's earnings are not taxed in Luxembourg. At present, no tax is deducted at source on distributions by the Fund; (although this statement is made notwithstanding the EU directive on the taxation of interest income).

Under current legislation, unitholders do not have to pay income tax, wealth tax or any other tax in Luxembourg, unless they are or have been resident in Luxembourg or operate a business there to which the units belong.

With the exception of the subfunds with the designation EQUITY in their name, in the case of distribution units distributions are subject to the various national provisions implementing the EU Interest Taxation Directive (2003/48/EC); whether or not the redemption of units is also subject to these provisions will be determined annually on the basis of a review of individual subfund assets (asset test).

Potential unitholders should find out about the laws and regulations that apply to the subscription, purchase, ownership and sale of units at their place of residence and, if necessary, take expert advice.

In addition to the «taxe d'abonnement» mentioned above, the fund management company also charges the Fund an all-in fee for management and administration and for the sale of Fund units. This all-in management fee is currently a maximum of 2% p.a. for the SWISSCANTO (LU) PORTFOLIO FUND GREEN INVEST EQUITY, and a maximum of 1.5% p.a. for all other subfunds.

The fee is charged on the average net Fund volume of the subfund in question at the end of the month and is payable pro rata.

In return, the fund management company will bear all costs regularly incurred in connection with the administration and distribution of the Fund, such as:

- costs of administering the Fund;
- commissions and costs charged by the custodian bank and the paying agents;
- costs of distribution;
- all costs imposed by law or by regulations, in particular all costs for publications of all types (such as price publications and the promulgation of notices to investors), as well as the fees due to the supervisory authorities;
- printing the regulations and sales Prospectuses, as well as the annual and semi-annual reports;

- fees associated with any listing of the Fund and with its distribution both domestically and abroad;
- administrative costs, especially those for bookkeeping and calculating the net asset value;
- costs of paying annual income out to the investors;
- fees paid to the auditors;
- advertising costs.

The all-in management fee does not cover taxes levied on the fund assets, the usual transaction fees charged on purchases and sales or the costs of extraordinary action taken in the interests of the unitholders.

The total all-in fee actually paid by the Fund to the fund management company is published in the semi-annual and annual reports of the Fund.

The all-in fee payable to the fund management company will first be drawn from investment income, then from profits realised on securities transactions, and then from the invested assets. The assets of each individual subfund are liable for all claims against that subfund. These costs will be charged separately to each subfund. Costs borne by the Fund which cannot be allocated to a single subfund will be charged to the individual subfunds in proportion to their net assets. The assets of a single subfund shall not be liable for claims against the assets of another subfund.

## 6 Information to unitholders

The annual audited accounting reports will be made available to unitholders free of charge not later than four months from the end of the financial year (31 March) from the registered office of the fund management company and from the selling and paying agents. Unaudited semi-annual reports will be made available in the same way within two months of the end of the reporting period (30 September). Separate accounts will be drawn up for the individual subfunds. The total of the subfunds – after conversion into the currency of the Fund (CHF) – constitutes the fund assets.

In the event that liabilities from transactions involving derivative financial instruments, loans and/or securities lending exist at the end of the financial year, they are to be explicitly stated in the accounting report, i.e. for example the strike price of current options, any liabilities associated with forward transactions and financial futures, the value of loans, the extent of purchase and sale repos and any liabilities arising from forward foreign exchange transactions must be stated in total for each type of transaction, with the exception of options.

Other information on the Fund or the fund management company, as well as on the net asset value and the issue and redemption prices of the units is available at the registered office of the fund management company on all bank business days.

The issue and redemption prices i.e. the net asset value of all share classes, together with the note «excluding commission», as well as any notifications relating to a suspension of net asset value calculations will be published on every bank business day on the Internet platform of Swiss Fund Data AG on [www.swissfunddata.ch](http://www.swissfunddata.ch).

Notifications to unitholders will be published in a Luxembourg daily newspaper and, where necessary, in the foreign print media or electronic media mentioned in Section 7.

The fund management company may amend these provisions in whole or in part at any time in the interests of the unitholders and with the consent of the custodian bank. Amendments to the contractual conditions enter into force upon signature unless otherwise provided. In addition, the following documents are available for inspection at the head office of the fund management company during normal business hours. Copies are available free of charge from this office:

- contractual conditions;
- memorandum and articles of association of the fund management company;
- custodian bank agreement between the fund management company and the custodian bank.

The latest versions of the full sales Prospectus, the simplified sales Prospectus and the annual and semi-annual reports can be called up on the Internet on [www.swisscanto.ch](http://www.swisscanto.ch).

## 7 Specific provisions governing the sale of units

### 7.1 In Switzerland

#### 7.1.1 Representative and paying agent

Under the terms of an agreement between the fund management company, the custodian bank and the Basler Kantonalbank, the latter has been appointed as the Fund's representative and paying agent in Switzerland. Selling agents in Switzerland: Basler Kantonalbank, Spiegelgasse 2, CH-4002 Basle, as well as all cantonal bank branches in Switzerland and Bank Coop AG, Basle.

#### 7.1.2 Location where the relevant documents may be obtained

The sales Prospectus, simplified sales Prospectus, contractual conditions and the annual and semi-annual reports can be obtained free of charge from the representative and from the other selling agents and the paying agent.

### 7.1.3 Publications

- In Switzerland, any announcements concerning the Fund will be made in the «Schweizerisches Handelsamtsblatt» (Swiss Official Gazette of Commerce) and on the Internet platform of Swiss Fund Data AG on [www.swissfunddata.ch](http://www.swissfunddata.ch).
- Issue and redemption prices, i.e. the net asset value of all share classes together with the note «excluding commission», will be published on each bank business day on the Internet platform of Swiss Fund Data AG on [www.swissfunddata.ch](http://www.swissfunddata.ch).
- If, in the case of a subfund pursuant to Section 7.1.5, the net asset value is calculated using the swinging single pricing method (hereinafter «SSP» method), this means the published net asset value is a modified net asset value.

### 7.1.4 Payment of reimbursements and trailer fees

- In connection with distribution in Switzerland, the fund management company may pay reimbursements to the following qualified investors which from a commercial perspective are holding the units of collective investment schemes for third parties:
  - life insurance companies
  - pension funds and other financial provision institutions
  - investment foundations
  - Swiss fund management companies
  - foreign fund management companies
  - investment companies
- In connection with distribution in Switzerland, the fund management company may pay trailer fees to the following selling agents and sales partners:
  - authorized selling agents in the sense of Art. 19 para. 1 CISA
  - selling agents exempt from the duty to obtain authorization in the sense of Art. 19 para. 4 CISA and Art. 8 CISO
  - sales partners which place fund units of collective investment schemes exclusively with institutional investors with professional treasury facilities
  - sales partners which place units of collective investment schemes exclusively on the basis of a written portfolio management agreement.

### 7.1.5 Calculation of the net asset value in connection with the application of swinging single pricing

In accordance with Section 3.2 of the sales Prospectus, the Board of Directors has decided to introduce the «SSP» method of calculating the net asset value for all subfunds, effective 15 January 2010.

With the «SSP» method, the incidental expenses (transactions costs) incurred by subscriptions and redemptions for the purchase and sale of investments (standard brokerage fees, commissions, tax charges, bid/ask spreads, etc.) are also taken into account for the calculation of the net asset value. The flow of net capital due to subscriptions and redemptions determines the volume necessary for the portfolio adjustment. The maximum adjustment is 1% of the net asset value of the subfund in question.

The transaction costs incurred by subscriptions and redemptions on the trading day must be borne by the investors applying for these subscriptions or redemptions. If the subscriptions on a given valuation day exceed the redemptions, the fund management company adds the transaction costs incurred by the subscriptions and redemptions to the calculated net asset value (valuation net asset value; this is a modified net asset value). If the redemptions on a given valuation day exceed the subscriptions, the fund management company subtracts the transaction costs incurred by the subscriptions and redemptions from the calculated valuation net asset value (this is a modified net asset value). The surcharge or discount on the valuation net asset value in the case of the transaction costs incurred on the subscriptions or redemptions is made at a flat rate in each case and is based on an average value from a previous period of one year maximum.

### 7.1.6 Place of performance and jurisdiction

For units sold in and from Switzerland, the place of performance and jurisdiction will be the registered office of the representative.

## 7.2 In the Federal Republic of Germany: Additional information for unitholders in the Federal Republic of Germany

The Fund's paying agent («German Paying Agent») and office for enquiries («Enquiries Office») in the Federal Republic of Germany is:

DekaBank  
Deutsche Girozentrale  
Mainzer Landstrasse 16  
D-60325 Frankfurt am Main

(hereinafter the «German Paying Agent and Enquiries Office»)

Applications for the redemption and exchange of units in a subfund that may be sold publicly in the Federal Republic of Germany may be lodged with the German Paying Agent and Enquiries Office.

On request, all payments intended for the unitholder (redemption price and any distributions, as well as other payments) may be routed through the German Paying Agent and Enquiries Office.

Paper copies of the sales Prospectus, simplified sales Prospectus, contractual conditions, audited annual reports and unaudited semi-annual reports are available free of charge from the German Paying Agent and Enquiries Office. The net asset value per unit of each subfund or each unit class, as well as the issue, redemption and any conversion prices, may also be obtained free of



charge from the German Paying Agent and the Enquiries Office. In addition, the issue and redemption prices as well as any communications to unitholders will be published daily in the «Börsen-Zeitung» newspaper, Frankfurt am Main.

Furthermore, the documents listed above under Section 6 are open to inspection at the German Enquiries Office during usual business hours. Copies of the documents can also be obtained free of charge from this office.

Particular risks attached to obligations to provide evidence for tax purposes in Germany:

It is the intention of the fund management company to provide details of the taxation basis for Germany in accordance with the investment tax act (Investmentsteuergesetz). The fund management company must provide evidence of the correctness of this taxation basis at the request of the finance administration. The foundations for calculating this statement may be interpreted in different ways and no assurance can therefore be given that the German finance administration will acknowledge every material aspect of the calculation method used by the fund management company. Should past mistakes come to light, corrections will not be made with relation to the past but instead taken into account in the preparation of the statement for the current financial year. The correction may be to the advantage or disadvantage of unitholders receiving a distribution or having a capital growth contribution credited to them during that financial year.

### 7.3 In Austria

The following information is directed at potential investors in the Republic of Austria. It complements and clarifies the statements made in this sales Prospectus with regard to the sale of fund units in Austria:

Paying agent and office for enquiries in Austria:

Vorarlberger Landes- und Hypothekenbank Aktiengesellschaft  
Hypo-Passage 1  
A-6900 Bregenz

Units may be subscribed for and redeemed via the paying agent.

The sales Prospectus, simplified sales Prospectus and the contractual conditions, as well as the semi-annual reports and audited annual reports, can be obtained free of charge from the paying agent and office for enquiries. Information on issue and redemption prices may also be obtained here.

Issue and redemption prices will be published in the «Der Standard» newspaper and any announcements will appear in the official gazette supplement («Amtsblatt») that accompanies the «Wiener Zeitung» newspaper.

### 7.4 In the Principality of Liechtenstein

Representative and paying agent in Liechtenstein: Valartis Bank (Liechtenstein) AG, Schaaner Strasse 27, FL-9487 Gamprin-Bendern.

The sales Prospectus, simplified sales Prospectus, contractual conditions and the annual and semi-annual reports are available in German free of charge from the paying agent in Liechtenstein.

Notices and changes to the sales Prospectus will be published on the Internet platform of Swiss Fund Data AG on [www.swissfunddata.ch](http://www.swissfunddata.ch).

Net asset values will be published at least twice a month on the Internet platform of Swiss Fund Data AG on [www.swissfunddata.ch](http://www.swissfunddata.ch).

The place of performance and jurisdiction is Vaduz.

### Fund management company:

**SWISSCANTO (LU) PORTFOLIO FUNDS MANAGEMENT COMPANY S.A.**

### Custodian bank:

**RBC DEXIA INVESTOR SERVICES BANK S.A., LUXEMBOURG**

## Appendix 1

### Environmental and social selection criteria for investments by subfunds in the GREEN INVEST group

#### 1. Corporate audit

Companies are selected on the basis of a multi-stage audit that uses both positive and negative criteria (exclusion criteria).

#### 2. Exclusion of industries and companies

The Fund excludes from its securities universe companies that use technologies and production methods of questionable long-term future compatibility. The choice of exclusion criteria reflects the most pressing global environmental concerns and major risks. The detailed exclusion criteria, which can largely be assigned to the following areas, are defined, regularly reviewed and, where necessary, adapted to current developments by the Portfolio Manager in collaboration with the Environmental Advisory Committee.

- acceleration in the pace of climate change
- depletion of the ozone layer
- reduction in the biodiversity of plants and animals
- nuclear energy
- genetic engineering
- manufacture of weapons of any kind
- production of tobacco and smokers' requisites
- manufacture of PVC and vinyl chloride.

#### 3. Positive corporate criteria

The criteria used in the general and detailed analyses can be divided into the following six headings. These criteria are examined according to the themes outlined below and other factors:

##### 3.1 Corporate policy

The audit examines, for example, whether a company has a corporate environmental and social mission statement for itself and its subsidiaries. It also examines the dissemination of information on environmental and social measures, company participation in the corresponding task forces, and the quality of sustainability reporting.

##### 3.2 Management

The audit examines structure and the responsibility for environmental and social concerns at both the executive management level and company-wide, as well as the existence of corresponding management systems. Further areas which are examined include training activities and motivational measures to improve employees' environmental performance and social responsibility.

##### 3.3 Operations/output

The audit examines whether a company-wide environmental controlling system is in place to monitor all important inputs and outputs (consumption of energy and resources, emissions into the air, water and ground). This covers data capture, formulation of targets and monitoring.

##### 3.4 Products

The audit examines different industry-specific criteria at different stages of the product life cycle, e.g. «design for environment» guidelines, life cycle analyses, development of new product and service concepts and the existence of re-manufacturing and reuse concepts.

##### 3.5 Employees

Criteria in this field include working conditions (e.g. remuneration, unionisation), social benefits (families, women) and employee satisfaction.

##### 3.6 Outside stakeholders

The audit examines the nature and the extent of stakeholder dialogue, as well as demands made on suppliers with respect to environmental and social performance.

#### 4. Positive criteria for other issuers

A modified environmental and social audit procedure is used for issuers other than companies (national, regional and local government and supranational institutions). The Fund selects the best issuers in these categories on the basis of environmental and social criteria.