

## Custom Platform SICAV-RAIF

*Société d'investissement à capital variable (SICAV) –  
Fonds d'investissement alternatif réservé (FIAR)*

An open-ended reserved alternative investment fund in the form of an  
investment company with variable capital (SICAV)

subject to the Luxembourg law of 23 July 2016 relating to  
reserved alternative investment funds, as amended

CONFIDENTIAL

### OFFERING DOCUMENT

March 2021

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**This Fund, qualifying as a reserved alternative investment fund, is an unregulated investment vehicle, which is not subject to the prudential supervision of the *Commission de Surveillance du Secteur Financier*, the Luxembourg supervisory authority of the financial sector (CSSF), or any other Luxembourg supervisory authority, although it qualifies as an alternative investment fund within the meaning of the Luxembourg law of 12 July 2013 on alternative investment fund managers. Consequently, this Offering Document will not be submitted to the CSSF or any other Luxembourg supervisory authority for formal approval of this Fund.**

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## 1. INTRODUCTION

This Offering Document contains information about Custom Platform SICAV-RAIF that a prospective investor should consider before investing in the Fund and should be retained for future reference.

The Fund is a public limited company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg as an investment company with variable share capital – reserved alternative investment fund (*société d'investissement à capital variable – fonds d'investissement alternatif réservé*) and qualifies as an alternative investment fund (AIF) within the meaning of the AIFMD (as defined below). The manager must be an external AIFM within the meaning of the amended law of 12 July 2013 on alternative investment fund managers. The Fund is subject to the Luxembourg law of 23 July 2016 relating to reserved alternative investment funds, as amended or supplemented from time to time.

The Fund has appointed FundRock Management Company S.A. as its alternative investment fund manager (AIFM). The AIFM is registered with the *Commission de Surveillance du Secteur Financier* (“**CSSF**”) as a fully authorised AIFM under AIFMD.

The Fund is a single legal entity incorporated as an umbrella fund comprised of separate Sub-Funds. Shares in the Fund are shares in a specific Sub-Fund. The Fund may issue Shares of different Share Classes in each Sub-Fund. Such Share Classes may each have specific characteristics. Certain Share Classes may be reserved to certain categories of investors. Investors should refer to the Supplement for further information on characteristics of Share Classes.

The Fund is registered with the Luxembourg Trade and Companies Register under number B234897. The latest version of the Articles of Association was published on the *Recueil électronique des sociétés et associations* (RESA), the central electronic platform of the Grand-Duchy of Luxembourg on 14 January 2021.

Neither delivery of the Offering Document nor anything stated herein should be taken to imply that any information contained herein is correct as of any time subsequent to the date hereof. The Offering Document does not constitute an offer to sell or a solicitation of an offer to buy any Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful or to any person to whom it is unlawful to make such offer, solicitation or sale.

The information contained in this Offering Document is supplemented by the financial statements and further information contained in the latest Annual Report of the Fund, copies of which may be requested free of charge at the registered office of the Fund.

No distributor, agent, salesman or other person has been authorised to give any information or to make any representation other than those contained in the Offering Document and in the documents referred to herein in connection with the offer of Shares and, if given or made, such information or representation must not be relied upon as having been authorised.

The Board of Directors has taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no material facts the omission of which would make misleading any statement herein, whether of fact or opinion. The Board of Directors accepts responsibility accordingly. The Platform Arranger does not take any responsibility and has no liability for the information contained in this Offering Document.

The distribution of the Offering Document and/or the offer and sale of the Shares in certain jurisdictions or to certain investors may be restricted or prohibited by law. No Shares may be acquired or held by, on behalf or for the account or benefit of, Prohibited Persons. In particular, the Board of Directors has decided that US Persons would be considered as Prohibited Persons.

The Fund must comply with applicable international and Luxembourg laws and regulations regarding the prevention of money laundering and terrorist financing. In particular, anti-money laundering measures in force in the Grand Duchy of Luxembourg require the Fund or its agent to establish and verify the identity of subscribers for Shares (as well as the identity of any intended beneficial owners of the Shares if they are not the subscribers) and the origin of subscription proceeds and to monitor the relationship on an ongoing basis. Failure to provide information or documentation may result in delays in, or rejection of, any subscription or conversion application and/or delays in any redemption application.

An investment in the Shares is only suitable for investors who have sufficient knowledge, experience and/or access to professional advisers to make their own financial, legal, tax and accounting evaluation of the risks of an investment in the Shares and who have sufficient resources to be able to bear any losses that may result from an investment in the Shares. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser as to possible financial, legal, tax, and accounting which they might encounter under the laws of the countries of their citizenship, residence, or domicile and which might be relevant to the subscription, purchase, holding, redemption, conversion or disposal of the Shares of the Fund.

The Shares are reserved to Eligible Investors, as further described in section 7.3 (Eligible Investors) of this Offering Document. Eligible Investors include well-informed investors (*investisseurs avertis*) within the meaning of article 2(1) of the 2016 Law. For further details please refer to the definitions “Eligible Investors” and “Well-Informed Investor” set out in section 3 (Definitions) as well as to section 7.3.1 (Well-Informed Investors) of this Offering Document.

The Shares are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is (a) a retail client as defined in article 4(1), point (11), of MiFID II; or (b) a customer within the meaning of Directive 2002/92/EC (the “IMD”), where that customer would not qualify as a professional client as defined in article 4(1), point (10), of MiFID II; or (c) not a qualified investor as defined in the Directive 2003/71/EC, as amended or replaced (in all cases referred to herein as a “**Retail Investor**”).

Consequently, no key information document required by Regulation (EU) No. 1286/2014 (the “PRIIPs Regulation”) for the offering or selling of the Shares (or any beneficial interests therein) or otherwise making them available to Retail Investors in the EEA has been prepared and, therefore, offering or selling the shares (or beneficial interests therein) or otherwise making them available to any Retail Investor in the EEA may be unlawful under the PRIIPs Regulation.

**THE VALUE OF THE SHARES MAY FALL AS WELL AS RISE AND AN INVESTOR MAY NOT GET BACK THE AMOUNT INITIALLY INVESTED. INVESTING IN THE FUND INVOLVES RISK INCLUDING THE POSSIBLE LOSS OF CAPITAL.**

## 2. DIRECTORY

### Registered office of the Fund

11-13 Boulevard de la Foire  
L-1528 Luxembourg  
Grand Duchy of Luxembourg

### Board of Directors

#### **Claude Kremer**

Partner  
Arendt & Medernach S.A.  
41A, avenue J.F. Kennedy  
L-2082 Luxembourg  
Grand Duchy of Luxembourg

#### **Ben O'Bryan**

Executive Director  
Goldman Sachs International  
Plumtree Court  
25 Shoe Lane  
London EC4A 4AU  
United Kingdom

#### **Jean de Courrèges**

Independent Director  
75, rue de Strasbourg  
L-2560 Luxembourg  
Grand Duchy of Luxembourg

#### **Andrew Cook**

Executive Director  
Goldman Sachs International  
Plumtree Court  
25 Shoe Lane  
London EC4A 4AU  
United Kingdom

#### **Susanne van Dootin**

Independent Director  
6 Nekkedelle  
3030 Overijssel  
Belgium

### Investment Manager

For each Sub-Fund, please refer to the relevant Supplement for further details on the Investment Manager(s) and potential Sub-Investment Manager appointed for such Sub-Fund, if any.

### AIFM

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

### Board of Directors of the AIFM

#### **Michel Marcel Vareika** (Chairman)

Independent Non-Executive Director  
Luxembourg

#### **Romain Denis**

Executive Director – Managing Director  
FundRock Management Company S.A.  
Luxembourg

#### **Eric May**

Director, Founding Partner  
BlackFin Capital Partners  
Paris, France

#### **Tracey Elizabeth McDermott**

Independent Non-Executive Director  
Luxembourg

#### **Xavier Parain**

Executive Director – Chief Executive Officer  
FundRock Management Company S.A.  
Luxembourg

#### **Serge Ragozin**

Executive Director – Deputy Chief Executive Officer  
FundRock Management Company S.A.  
Luxembourg

### Administrator

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

### Platform Arranger

Goldman Sachs International  
Plumtree Court  
25 Shoe Lane  
London EC4A 4AU

**Depository and Paying Agent**

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

**Global Distributor and Platform Arranger**

Goldman Sachs International  
Plumtree Court  
25 Shoe Lane  
London EC4A 4AU  
United Kingdom

United Kingdom

**Auditor**

PricewaterhouseCoopers  
2, rue Gerhard Mercator B.P. 1443  
L-1014 Luxembourg  
Grand Duchy of Luxembourg

**Legal adviser as to matters of  
Luxembourg law**

Arendt & Medernach SA  
41A, avenue J.F. Kennedy  
L-2082 Luxembourg  
Grand Duchy of Luxembourg

### 3. DEFINITIONS

|                           |  |
|---------------------------|--|
| 1915 Law                  | the Luxembourg law of 10 August 1915 on commercial companies, as may be amended from time to time.   |
| 1993 Law                  | the Luxembourg law of 5 April 1993 on the financial sector, as may be amended from time to time.   |
| 2004 Law                  | the Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing, as may be amended from time to time.   |
| 2007 Law                  | the Luxembourg law of 13 February 2007 on specialised investment funds, as may be amended from time to time.   |
| 2010 Law                  | the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time.  |
| 2013 Law                  | the Luxembourg law of 12 July 2013 on alternative investment fund managers, as may be amended from time to time.   |
| 2016 Law                  | the Luxembourg law of 23 July 2016 on reserved alternative investment funds, as may be amended from time to time.  |
| Administrator             | the central administration, registrar and transfer agent appointed by the Fund and the AIFM in accordance with the provisions of the 2016 Law and the Investment Fund Services Agreement, as identified in the Directory.  |
| AIF                       | an alternative investment fund within the meaning of the AIFMD.  |
| AIFM                      | the authorised alternative investment fund manager of the Fund within the meaning of the AIFMD, being FundRock Management Company S.A. or any successor fully authorised alternative investment fund manager appointed by the Fund.  |
| AIFM Laws and Regulations | the 2013 Law, the AIFMD Level 2 Regulation, any further delegated regulations issued by the European Commission in connection with the AIFMD and any further Luxembourg transposing legislation in connection with the AIFMD and related delegated acts, as well as any applicable direction, policy, circular, guideline, rule or order (whether formal or informal) that is made or given by the CSSF or ESMA in connection herewith, as may be amended from time to time. |
| AIFMD                     | 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, as may be amended from time to time.  |



|                          |  |
|--------------------------|--|
| AIFMD Level 2 Regulation | Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision, as may be amended from time to time.  |
| Annual Report            | the report issued by the Fund as of the end of the latest financial year in accordance with the 2016 Law.  |
| Approved Counterparty    | in respect of each Sub-Fund, Goldman Sachs or any other entities approved by the Board of Directors as eligible counterparties for the Fund in relation to OTC derivatives, (including any Swap Agreements) and/or repurchase or reverse repurchase agreements or securities lending transactions (including any Reverse Repurchase Agreements) provided always that (i) the relevant entity is permitted by its regulatory authority as counterparty to such transactions, (ii) it meets any other relevant criteria used for selecting counterparties of the relevant Sub-Fund for such transactions, and (iii) such entity has been designated as Approved Counterparty in accordance with the provisions of the Platform Arranger Agreement. |
| Articles of Association  | the articles of association of the Fund, as may be amended from time to time.  |
| Benchmarks Regulation    | Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as may be amended from time to time.  |
| Board of Directors       | the board of directors of the Fund.  |
| Brussels I (Recast)      | Regulation (EU) No 1215/2015 of the European Parliament and of the Council of 12 December 2015 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast).  |
| Business Day             | any day on which banks are open the whole day for non-automated business in Luxembourg and in such other countries or cities as may be specified for a Sub-Fund or Share Class in a Supplement.  |
| Capitalisation Shares    | Shares with respect to which the Fund does not intend to distribute dividends.   |
| CFD                      | contracts for difference.  |

|                      |  |
|----------------------|--|
| Conversion Day       | the day or days on which Original Shares may be converted into New Shares, being a day which is a Redemption Day for the Original Shares and, if that day is not a Subscription Day for the New Shares, the day which is the immediately following Subscription Day for the New Shares, provided that the Cut-Off Time for a Conversion Day will be the earlier of the Cut-Off Time for redemption of the Original Shares on that Redemption Day and the Cut-Off Time for subscription to the New Shares on that Subscription Day. For the avoidance of doubt, the Conversion Day may be a different day for the Original Shares and the New Shares. |
| Conversion Fee       | a fee which the Fund may charge upon conversion of Shares and which is equal to the positive difference, if any, between the Subscription Fee applicable to the New Shares and the Subscription Fee paid on the Original Shares, or such lower amount as specified for each Share Class in the Supplement, where applicable.   |
| Conversion Form      | the forms and other documents, as issued or accepted by the Fund from time to time, which the Fund requires the investor or the person acting on behalf of the investor to complete, sign, and return to the Fund or its agent, with the supporting documentation, in order to request the conversion of all or part of his Shares.  |
| CRS                  | the Common Reporting Standard, within the meaning of the Standard for Automatic Exchange of Financial Account Information in Tax Matters, as set out in the Luxembourg law on the Common Reporting Standard.   |
| CSSF                 | the <i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg supervisory authority of the financial sector or its successor authority.  |
| Cut-Off Time         | for any Subscription Day, Redemption Day or Conversion Day, the day and time by which an application for subscription, redemption or conversion, as applicable, must in principle be received by the Fund in order for the application to be processed, if accepted, by reference to the Net Asset Value per Share calculated as of that Subscription Day, Redemption Day or Conversion Day, as applicable. The Cut-Off Time is specified for each Sub-Fund or Share Class in the Supplement.  |
| Depository           | the depository appointed by the Fund in accordance with the provisions of the 2013 Law and the 2016 Law as well as the Depositary Agreement, as identified in the Directory.   |
| Depositary Agreement | the agreement entered into between the Fund, the AIFM, and the Depositary governing the appointment of the Depositary and Paying Agent, as may be amended or supplemented from time to time.   |

|                        |   |
|------------------------|---|
| Distribution Shares    | Shares with respect to which the Fund intends to distribute dividends and which confer on their holder the right to receive such dividends, if and when declared by the Fund.   |
| EEA                    | the European Economic Area.   |
| Eligible Investor      | an investor who (i) is a Well-Informed Investor and (ii) satisfies all additional eligibility requirements for a specific Sub-Fund or Share Class, as specified for the Sub-Fund or Share Class in the Supplement or in the general part of the Offering Document.                        |
| EMIR                   | Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories, as may be amended and supplemented from time to time.  |
| ESMA                   | the European Securities and Markets Authority.  |
| EU                     | the European Union.   |
| EUR                    | the lawful currency of the member states of the EU that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on EU.  |
| FATCA                  | the provisions of the United States Hiring Incentives to Restore Employment (HIRE) Act of 18 March 2010 commonly referred to as the Foreign Account Tax Compliance Act (FATCA).   |
| Fund                   | Custom Platform SICAV RAIF  |
| GDPR                   | Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation). |
| Global Distributor     | Goldman Sachs International.  |
| Goldman Sachs          | unless the context requires otherwise, Goldman Sachs Group, Inc and/or any of its affiliates  |
| Initial Offer          | the first day or period on or during which Shares of a Share Class will be or were available for subscription.  |
| Initial Offer Price    | the price at which Shares may be subscribed for on or during the Initial Offer.   |
| Institutional Investor | an institutional investor as defined by the administrative practice of the CSSF and the 2016 Law.   |

|                                    |   |
|------------------------------------|---|
| Investment Fund Services Agreement | the agreement entered into between the Fund, the AIFM and the Administrator governing the appointment of the Administrator, as may be amended or supplemented from time to time.  |
| Investor Advisory Committee        | an investor advisory committee for a specific Sub-Fund as further described in a Supplement.  |
| Investment Manager(s)              | in respect of each Sub-Fund, the investment manager(s) appointed by the AIFM with the consent of the Fund in accordance with the provisions of the 2016 Law and the relevant investment management agreement, as identified in the Supplement of the relevant Sub-Fund. |
| Investment Management Agreement    | in respect of each Sub-Fund, the agreement entered into between the Fund, the AIFM and the relevant Investment Manager, as may be amended or supplemented from time to time.  |
| Lugano Convention                  | the Convention of Lugano of 30 October 2007 on jurisdiction and the enforcement of judgments in civil and commercial matters.   |
| Management Agreement               | the agreement entered into between the Fund and the AIFM governing the appointment of the AIFM, as may be amended or supplemented from time to time.  |
| MiFID II                           | Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as may be amended from time to time.  |
| Net Asset Value                    | as the context indicates, the net asset value of the Fund, a Sub-Fund, or a Share Class determined in accordance with the provisions of this Offering Document.   |
| Net Asset Value per Share          | the Net Asset Value of a Share Class in a Sub-Fund divided by the total number of Shares of that Share Class which are in issue as of the Valuation Day for which the Net Asset Value per Share is calculated.  |
| New Shares                         | Shares described in section 7.6 (Conversion of Shares) of this Offering Document.   |
| OECD                               | the Organisation for Economic Cooperation and Development.  |
| Offering Document                  | this offering document including all Supplements, as may be amended from time to time.  |
| Original Shares                    | Shares described in section 7.6 (Conversion of Shares) of this Offering Document.   |

|                              |   |
|------------------------------|---|
| Performance Fee              | an incentive fee payable to the Investment Manager of the relevant Sub-Fund based on the appreciation in the value of such Sub-Fund's assets, as described in the Supplement for the relevant Sub-Fund, where applicable.   |
| Platform Arranger            | Goldman Sachs International.  |
| Platform Arranger Agreement  | the agreement entered into between the Fund, the AIFM and the Platform Arranger, governing the appointment of the Platform Arranger, as may be amended or supplemented from time to time.   |
| Professional Investor        | an investor who is considered to be a professional client or may, on request, be treated as a professional client within the meaning of Annex II to MiFID II.   |
| Prohibited Person            | any person considered as a Prohibited Person in the opinion of the Board of Directors according to the criteria set out in the Articles of Association and section 7.10 (Prohibited Persons) of this Offering Document.   |
| RAIF                         | a reserved alternative investment fund subject to the 2016 Law.   |
| Redemption Day               | a Valuation Day on which Shares may be redeemed by the Fund at a Redemption Price determined by reference to the Net Asset Value per Share calculated as of that Valuation Day. Redemption Days are specified for each Sub-Fund or Share Class in the Supplement.   |
| Redemption Fee               | a fee which the Fund may charge upon redemption of Shares, equal to a percentage of the Redemption Price or such other amount specified for each Sub-Fund or Share Class in the Supplement, where applicable.   |
| Redemption Form              | the forms and other documents, as issued or accepted by the Fund from time to time, which the Fund requires the investor or the person acting on behalf of the investor to complete, sign, and return to the Fund or its agent, with the supporting documentation, in order to request the redemption of all or part of his Shares. |
| Redemption Price             | the price at which the Fund may redeem Shares on a Redemption Day, as determined for each Sub-Fund or Share Class on the basis of the Net Asset Value per Share as of that Redemption Day and in accordance with the provisions of this Offering Document.  |
| Redemption Settlement Period | the period of time, as specified for each Sub-Fund or Share Class in the Supplement, by the end of which the Fund will normally pay the Redemption Price (less any Redemption Fee) to redeeming investors, subject to the further provisions of this Offering Document.   |

|                                 |  |
|---------------------------------|--|
| Reference Currency              | as the context indicates, (i) in relation to the Fund, the Euro, or (ii) in relation to a Sub-Fund, the currency in which the assets and liabilities of the Sub-Fund are valued and reported, as specified in each Supplement, or (iii) in relation to a Share Class, the currency in which the Shares of that Share Class are denominated, as specified in each Supplement. |
| Reverse Repurchase Agreement    | any reverse repurchase agreement entered into by the Fund on behalf of any Sub-Fund, as described in the relevant Supplement.  |
| Reverse Repurchase Counterparty | one or more entities selected by the Board of Directors as eligible counterparty to Reverse Repurchase Agreements.   |
| SFDR                            | Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability- related disclosures in the financial services sector, as may be amended from time to time.  |
| SFTR                            | Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012, as may be amended or supplemented from time to time.   |
| Share Class                     | a class of Shares of a Sub-Fund created by the Board of Directors, as described in section 7.1 (Shares, Sub-Funds and Share Classes) of this Offering Document. For the purposes of this Offering Document, each Sub-Fund will be deemed to comprise at least one Share Class.   |
| Shareholders                    | holders of Shares in the Fund.   |
| Shares                          | shares of a Sub-Fund or Share Class issued by the Fund.  |
| SIF                             | a specialised investment fund subject to the 2007 Law.   |
| Sub-Fund                        | a sub-fund of the Fund, as described in section 7.1 (Shares, Sub-Funds and Share Classes) of this Offering Document.   |
| Subscription Day                | a Valuation Day on which investors may subscribe for Shares at a Subscription Price determined by reference to the Net Asset Value per Share calculated as of that Valuation Day. Subscription Days are specified for each Sub-Fund or Share Class in the Supplement.  |
| Subscription Fee                | a fee which the Fund may charge upon subscription for Shares, equal to a percentage of the Subscription Price or such other amount specified for each Sub-Fund or Share Class in the Supplement, where applicable.   |

|                                |   |
|--------------------------------|---|
| Subscription Form              | the forms and other documents, as issued or accepted by the Fund from time to time, which the Fund requires the investor or the person acting on behalf of the investor to complete, sign, and return to the Fund or its agent, with the supporting documentation, in order to make an initial and/or additional application for subscription to Shares.  |
| Subscription Price             | the price at which investors may subscribe for Shares on a Subscription Day, as determined for each Sub-Fund or Share Class on the basis of the Net Asset Value per Share as of that Subscription Day and in accordance with the provisions of this Offering Document.  |
| Subscription Settlement Period | the period of time by the end of which the subscriber is required to pay the Subscription Price (plus any Subscription Fee) to the Fund. The Subscription Settlement Period is specified for each Sub-Fund or Share Class in the Supplement.  |
| Supplement                     | the supplement(s) to this Offering Document for each specific Sub-Fund, which form part of this Offering Document.  |
| Sustainability Factors         | means environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters  |
| Swap Agreement                 | means any OTC derivative transaction entered into by the Fund on behalf of any Sub-Fund, as described in the relevant Supplement.   |
| Swap Counterparty              | means one or more entities selected by the Board of Directors of the Fund as eligible counterparties to Swap Agreements, provided always that the relevant entity is subject to prudential supervision and permitted by a regulatory authority as counterparty to such transactions and provided further that it meets any other relevant criteria used for selecting counterparties of the Fund for such transactions (such as legal status, country of origin or minimum credit rating) as may be specified in the relevant Supplement for a Sub-Fund, where applicable, and which is an Approved Counterparty. |
| Target Sub-Fund                | a Sub-Fund into which another Sub-Fund will or might invest in accordance with the provisions of this Offering Document.  |
| Tracking Class                 | a Share Class consisting of shares which entitle their holders to track the performance and the revenues from the investments of a determined allocation of investments attributable to the relevant Sub-Fund.  |
| Tracking Class Allocation      | the allocation of investments attributable to the relevant Sub-Fund which is tracked by each relevant Tracking Class, as may be determined in the Supplement of the relevant Sub-Fund.  |

|                                   |  |
|-----------------------------------|--|
| Tracking Shares                   | shares of a Tracking Class issued by the Sub-Fund.   |
| UCI                               | undertaking for collective investment.   |
| UCITS Directive                   | Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (recast), as may be amended from time to time. |
| US Person or United States Person | means a person that is a U. S. person as defined in Regulation S under the U. S. Securities Act of 1933.   |
| United States or U.S.             | means the United States of America, its territories or possessions or any area subject to its jurisdiction including the Commonwealth of Puerto Rico.  |
| Valuation Day                     | a Business Day as of which the Net Asset Value per Share is calculated, as specified in the Supplement, or any other Business Day as of which the Board of Directors decides that the Net Asset Value per Share should be calculated.  |
| Well-Informed Investor            | a well-informed investor as defined in article 2(1) of the 2016 Law, as described in section 7.3 (Eligible Investors) below.   |



## 4. INVESTMENT STRATEGY AND RESTRICTIONS

### 4.1 Investment strategy

In light of the corporate objective of the Fund, which is the collective investment of capital in assets in order to spread investment risks and to ensure the benefit of the results of the management of these assets for the Fund's investors, the Board of Directors has determined the investment objective and investment policy of each of the Sub-Funds as described in the Supplements to this Offering Document. The Board of Directors may impose further investment restrictions or guidelines in respect of any Sub-Fund from time to time. There can be no assurance that the investment objective of any Sub-Fund will be attained.

Pursuit of the investment objective and investment policy of any Sub-Fund must be in compliance with the limits and restrictions set out in section 4.2 (Investment restrictions) below and the section "Investment policy and specific restrictions" in the Supplement. In case of discrepancies, the rules and limits of the Supplement will prevail.

### 4.2 Investment restrictions

- a) A Sub-Fund shall not invest more than 30% of its assets in securities of the same type issued by the same issuer.

However, this restriction does not apply to:

- investments in securities issued or guaranteed by an OECD member state or its regional or local authorities or by the EU, regional or global supranational institutions and bodies, and
- investments in target UCIs that are subject to risk-spreading requirements at least comparable to those applicable to RAIFs.

For the purpose of the application of this restriction, every sub-fund of a target umbrella UCI is to 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) Short sales may not, in principle, result in any Sub-Fund holding a short position in securities of the same type issued by the same issuer representing more than 30% of its assets.
- c) When using financial derivative instruments, a Sub-Fund must ensure, via appropriate diversification of the underlying assets, a similar level of risk-spreading. Similarly, the counterparty risk in an OTC transaction must, where applicable, be limited having regard to the quality and qualification of the counterparty.

The restrictions set out above are only applicable after a ramp-up period of twelve (12) months following the launch date of a Sub-Fund, or as otherwise set out in the Supplement.

- d) Each Sub-Fund may subscribe, acquire, and/or hold securities to be issued or issued by another Sub-Fund of the Fund (the "**Target Sub-Fund**") provided that:
- the Target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this Target Sub-Fund;

- voting rights, if any, attached to the relevant Shares are suspended for as long as they are held by the Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports;
- in any event, for as long as these securities are held by the Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum threshold of the net assets imposed by the 2016 Law.

#### **4.3 Breach of investment limits**

The Sub-Funds need not to comply with the limits set out above in this section 4 when exercising subscription rights attached to its assets.

If the limits set out above in this section 4 are exceeded by a Sub-Fund for reasons beyond the control of the relevant Investment Manager or as a result of the exercise of subscription rights, such Investment Manager must adopt as a priority objective in its sales transactions the remedying of that situation, taking due account of the interest of investors.

#### **4.4 Borrowing policy**

Each Sub-Fund may borrow within the limits further described in the Supplement. Unless otherwise stated in the Supplement, borrowings may be utilised for investment purposes as well as bridge financing and to fund expense disbursements when liquid funds are not readily available. The assets of a Sub-Fund may be charged as security for any such borrowings.

#### **4.5 Eligibility of counterparties**

The counterparties to financial derivative instruments, securities lending and borrowing and repurchase agreements and buy-sell back transactions will be selected among reputable financial institutions, which are established in OECD member states, subject to prudential supervision (such as credit institutions or investment firms) and which specialise in the relevant type of transaction.

As part of the eligibility analysis, the risk of default by any counterparty will be reasonably determined by the AIFM (assessed either at the level of the counterparty itself or its corporate group), and shall, to allow for the eligibility of such counterparty at the time of such analysis, be equivalent to or lower than that of an entity with a long term credit rating attributed by Standard & Poor's of BBB, or an equivalent credit rating by a recognised credit rating agency, or an equivalent credit rating as objectively deemed by the AIFM. The identity of the counterparties will be disclosed in the Annual Report.

#### **4.6 Financial derivative instruments**

Each Sub-Fund may invest in financial derivative instruments either for hedging purposes, in particular for the purpose of hedging risks connected to the evolution of stock markets or for the purpose of hedging interest rates, or for a purpose other than hedging, as further described for each Sub-Fund in the Supplement.

The financial derivative instruments can include, in particular, options, forward, and futures contracts on financial instruments and options thereon as well as over-the-counter ("OTC") swap transactions on all types of financial instruments. The financial derivative instruments

have to be dealt on an organised market or OTC with first rate professionals which specialise in these types of transactions.

The AIFM uses a process for accurate and independent assessment of the value of financial derivatives in accordance with applicable laws and regulations.

In order to limit the exposure of a Sub-Fund to the risk of default of the counterparty under financial derivatives, the Sub-Fund may receive cash or other assets as collateral.

The Fund will comply with EMIR, which requires certain eligible OTC derivatives to be submitted for clearing to regulated central clearing counterparties and the reporting of certain details to trade repositories. In particular, the Fund will ensure compliance with the clearing and reporting obligations, as well as the relevant risk mitigation obligations regarding OTC derivatives not cleared, as foreseen in the EMIR.

#### **4.7 Securities borrowing and lending**

If specified in the Sub-Fund's investment policy, the Sub-Fund may have recourse to securities lending or borrowing. Securities lending transactions consist in transactions whereby a lender transfers securities or instruments to a borrower, subject to a commitment that the borrower will return equivalent securities or instruments on a future date or when requested to do so by the lender, such transaction being considered as securities lending for the party transferring the securities or instruments and being considered as securities borrowing for the counterparty to which they are transferred.

Assets used in the context of securities lending transactions will be limited to the assets that the Sub-Fund is authorised to invest in pursuant to its investment policy.

The securities lending agent on behalf of the Sub-Fund will ensure that its counterparty delivers collateral either in the form of cash, or in the form of securities compliant with the applicable Luxembourg regulations, as described below.

For further details on the risks linked to such transactions, please refer to the section 5 (General Risk Factors) of this Offering Document.

Each Sub-Fund may, inter alia, borrow securities for the purposes of implementing its investment strategy, including for short selling purposes, subject to applicable laws.

Assets used in the context of securities borrowing transactions will be limited to the assets that that Sub-Fund is authorised to invest in pursuant to its investment policy.

#### **4.8 Repurchase agreements and buy-sell back transactions**

If specified in the Sub-Fund's investment policy, the Sub-Fund may have recourse to repurchase agreements and buy-sell back transactions. Repurchase agreements consist of transactions governed by an agreement whereby a party sells securities or instruments to a counterparty, subject to a commitment to repurchase them, or substituted securities or instruments of the same description, from the counterparty at a specified price on a future date specified, or to be specified, by the transferor. Such transactions are commonly referred to as repurchase agreements for the party selling the securities or instruments, and reverse repurchase agreements for the counterparty buying them.

Buy-sell back transactions consist of transactions, not being governed by a repurchase agreement or a reverse repurchase agreement as described above, whereby a party buys or sells securities or instruments to a counterparty, agreeing, respectively, to sell to or buy back from that counterparty securities or instruments of the same description at a specified price on a future date. Such transactions are commonly referred to as buy-sell back transactions for the party buying the securities or instruments, and sell-buy back transactions for the counterparty selling them.

#### **4.9 Total return swaps**

If specified in the Sub-Fund's investment policy, the Sub-Fund may have recourse to total return swaps and/or excess return swaps, which are derivative contracts in which one counterparty transfers the economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, as applicable, of a reference obligation to another counterparty. In a total return swap, the Sub-Fund makes payments based on a set rate, while the counterparty makes payments based on the total return of the reference obligation, including both the income it generates and any capital gains. In an excess return swap, the payments between counterparties will be based solely on the increase or decrease of value of the reference obligation, where the counterparty makes payments to the Sub-Fund if the reference obligation has a positive performance while the Sub-Fund makes payments to the counterparty if the reference obligation performs negatively.

Unless explicitly specified in the Supplement of a Sub-Fund, no counterparty to a total return swap or excess return swaps has any discretion over the composition or management of the investment portfolio of a Sub-Fund or over the underlying of the financial derivative instruments.

#### **4.10 Contracts for difference**

If specified in the Sub-Fund's investment policy, the Sub-Fund may have recourse to contracts for difference, which are agreements by which each party assumes price positions in reference to an underlying security or other financial instrument. The "difference" is determined by comparing each party's original position with the market price of such securities or financial instruments at a pre-determined closing date. Each party will then either receive or pay the difference, depending on the success of its investment.

#### **4.11 Revenues, fees and costs arising from securities lending and borrowing, repurchase agreements, buy-sell back transactions, total return swaps and CFDs**

All revenues arising from transactions subject to SFTR, such as securities lending and borrowing, repurchase agreements, buy-sell back transactions, total return swaps and CFDs, net of fees and costs, will be returned to the Sub-Fund. The Fund may pay fees and costs to the relevant broker, counterparty or other third parties for services rendered in connection with securities lending and borrowing, repurchase agreements, buy-sell back transactions, total return swaps and CFDs, upon entering into such transactions and/or any increase or decrease of their principal amount, and/or out of the revenues paid to a Sub-Fund under such transactions, as compensation for their services. Recipients of such fees and costs may be affiliated with the Fund or the AIFM, as permitted by applicable laws. Fees may be calculated as a percentage of revenues earned by the Sub-Fund by entering into such transactions. If the Sub-Fund makes use of securities lending and borrowing, repurchase agreements, buy-sell back transactions, total return swaps and CFDs, additional information on revenues earned by

entering into such transactions, the fees and costs incurred in this respect as well as the identity of the recipients thereof, will be available in the annual report of the Fund.

#### **4.12 Collateral policy**

This section sets out the policy adopted by the Fund for the management of collateral received for the benefit of each Sub-Fund in the context of financial derivatives instruments (securities lending transactions, repurchase agreements, and buy-sell back transactions).

##### **4.12.1 Eligible collateral**

Collateral received for the benefit of a Sub-Fund may be used to reduce its counterparty risk exposure if it complies with the conditions set out in applicable laws and regulations. In particular, collateral received for the benefit of a Sub-Fund should comply with the following conditions:

- (A) collateral other than cash should be of high quality, highly liquid and with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;
- (B) collateral should be valued in good faith under the responsibility of the AIFM and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;
- (C) collateral should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
- (D) where there is a title transfer, collateral received should be held by the Depositary or one of its sub-custodians to which the Depositary has delegated the custody of such collateral. For other types of collateral arrangement (e.g. a pledge), collateral can be held by a third party custodian which is subject to prudential supervision and which is unrelated to the provider of the collateral;
- (E) collateral should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

Subject to the above conditions, permitted forms of collateral include in particular:

- (A) liquid assets such as cash, short term bank deposits, money market instruments, letters of credit and guarantees at first demand issued by a first class credit institution not affiliated to the counterparty;
- (B) bonds issued or guaranteed by a single EU member state, one or more of its local authorities, by another member state of the OECD, or a public international body to which one or more OECD member states belong;
- (C) shares or units issued by money market-type UCIs calculating a daily net asset value and having a rating of AAA or its equivalent;
- (D) shares or units issued by UCIs investing mainly in bonds/shares mentioned under (E) and (F) hereunder;
- (E) bonds issued or guaranteed by first class issuers offering an adequate liquidity; and

- (F) shares admitted to or dealt in on a regulated market of an EU member state or on a stock exchange of a member state of the OECD, provided that these shares are included in a main index.

#### **4.12.2 Haircut**

Collateral will be valued in good faith, taking into account appropriate discounts which will be determined for each asset class. Such discounts take into account a variety of factors, depending on the nature of the collateral received, such as the issuer's credit standing, the maturity, currency, price volatility of the assets and, where applicable, the outcome of liquidity stress tests carried out under normal and exceptional liquidity conditions.

#### **4.12.3 Centrally cleared OTC derivatives**

The Fund may enter into OTC derivatives cleared through a clearinghouse that serves as a central counterparty. Generally, centrally-cleared OTC derivatives may be cleared under the agency model or the principal-to-principal model. Under the principal-to-principal model there is usually one transaction between the Fund and its clearing broker and another back-to-back transaction between the clearing broker and the central counterparty, whereas under the agency model there is one transaction between the Fund and the central counterparty. For these trades, the Fund will post and/or receive collateral for the benefit of a Sub-Fund in the form of margin payments, as agreed with the clearing broker in accordance with the rules of the applicable clearinghouse, including rules on acceptable forms of collateral, collateral level, valuation and haircuts. The Fund will ensure that variation margin receivable from the clearing broker is consistent with its collateral policy. Central clearing is designed to reduce counterparty credit risk and increase liquidity compared to bilaterally-cleared OTC derivatives, but it does not eliminate those risks completely, as described in section 5.5.1 (OTC financial derivative instruments) below.

#### **4.13 Leverage**

Unless otherwise indicated in its Supplement, a Sub-Fund may use leverage to increase its exposure through the use of financial derivative instruments. Leverage may be used by each Sub-Fund at the discretion of the relevant Investment Manager in accordance with the investment objective and policy of each Sub-Fund and its defined risk profile. Leverage involves certain risks for the relevant Sub-Fund, as further described in section 5 (General Risk Factors) below. Leverage is monitored on a regular basis by the AIFM.

#### **4.14 Use of benchmarks**

A Sub-Fund may use benchmarks within the meaning of the Benchmarks Regulation. As a result, the AIFM, in consultation with the Investment Managers, will adopt a written plan setting out actions, which will be taken with respect to the relevant Sub-Fund in the event that any of the benchmarks used by such Sub-Fund materially changes or ceases to be provided, as required by article 28(2) of the Benchmarks Regulation (the "**Contingency Plan**"). Shareholders will have access the Contingency Plan, if any, free of charge upon request at the registered office of the AIFM.

## **5. GENERAL RISK FACTORS**

The performance of the Shares depends on the performance of the investments of the relevant Sub-Fund, which may increase or decrease in value. The past performance of the Shares is not an assurance or guarantee of future performance. The value of the Shares at any time could be significantly lower than the initial investment and investors may lose a portion or even the entire amount originally invested.

Investment objectives express an intended result only. Unless otherwise specified in a Supplement, the Shares do not include any element of capital protection and the Fund gives no assurance or guarantee to any investors as to the performance of the Shares. Depending on market conditions and a variety of other factors outside the control of the Fund, investment objectives may become more difficult or even impossible to achieve. The Fund gives no assurance or guarantee to any investors as to the likelihood of achieving the investment objective of a Sub-Fund.

An investment in the Shares is only suitable for investors who have sufficient knowledge, experience and/or access to professional advisors to make their own financial, legal, tax and accounting evaluation of the risks of an investment in the Shares and who have sufficient resources to be able to bear any losses that may result from an investment in the Shares. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser as to possible financial, legal, tax and accounting consequences which they might encounter under the laws of the countries of their citizenship, residence, or domicile and which might be relevant to the subscription, purchase, holding, redemption, conversion or disposal of the Shares of the Fund.

Investors should also carefully consider all of the information set out in this Offering Document and the Supplement of the Sub-Fund before making an investment decision with respect to Shares of any Sub-Fund or Share Class. The following sections are of general nature and describe certain risks that are generally relevant to an investment in Shares of any Sub-Fund or Share Class. Other risks may be described in the Supplement. This section and the Supplements do not purport to be a complete explanation of all risks involved in an investment in the Shares of any Sub-Fund or Share Class and other risks may also be or become relevant from time to time.

### **5.1 Market risk**

Market risk is understood as the risk of loss for a Sub-Fund resulting from fluctuation in the market value of positions in its portfolio attributable to changes in market variables, such as general economic conditions, interest rates, foreign exchange rates, or the creditworthiness of the issuer of a financial instrument. This is a general risk that applies to all investments, meaning that the value of a particular investment may go down as well as up in response to changes in market variables. Although it is intended that each Sub-Fund will be diversified with a view to reducing market risk, the investments of a Sub-Fund will remain subject to fluctuations in market variables and the risks inherent in investing in financial markets.

#### **5.1.1 Economic risk**

The value of investments held by a Sub-Fund may decline in value due to factors affecting financial markets generally, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The value of investments may also decline due

to factors affecting a particular industry, area or sector, such as changes in production costs and competitive conditions. During a general downturn in the economy, multiple asset classes may decline in value simultaneously. Economic downturn can be difficult to predict. When the economy performs well, there can be no assurance that investments held by a Sub-Fund will benefit from the advance.

### **5.1.2 Interest rate risk**

The performance of a Sub-Fund may be influenced by changes in the general level of interest rates. Generally, the value of fixed income instruments will change inversely with changes in interest rates: when interest rates rise, the value of fixed income instruments generally can be expected to fall and vice versa. Fixed income securities with longer-term maturities tend to be more sensitive to interest rate changes than shorter-term securities. In accordance with its investment objective and policy, a Sub-Fund may attempt to hedge or reduce interest rate risk, generally through the use of interest rate futures or other derivatives. However, it may not be possible or practical to hedge or reduce such risk at all times.

### **5.1.3 Foreign exchange risk**

Each Sub-Fund investing in securities denominated in currencies other than its Reference Currency may be subject to foreign exchange risk. As the assets of each Sub-Fund are valued in its Reference Currency, changes in the value of the Reference Currency compared to other currencies will affect the value, in the Reference Currency, of any securities denominated in such other currencies. Foreign exchange exposure may increase the volatility of investments relative to investments denominated in the Reference Currency.

In addition, a Share Class that is denominated in a Reference Currency other than the Reference Currency of the Sub-Fund exposes the investor to the risk of fluctuations between the Reference Currency of the Share Class and that of the Sub-Fund. This exposure is in addition to foreign exchange risk, if any, incurred by the Sub-Fund with respect to investments denominated in other currencies than its Reference Currency, as described above.

### **5.1.4 Currency hedging**

In accordance with its investment objective and policy, a Sub-Fund may attempt to hedge or reduce foreign exchange risk, generally through the use of derivatives. However, it may not be possible or practical to hedge or reduce such risk at all times.

A Sub-Fund may engage in a variety of currency transactions. In this regard, spot and forward contracts and OTC options are subject to the risk that counterparties will default on their obligations as these contracts are not guaranteed by an exchange or clearing house. Therefore a default on the contract would deprive a Sub-Fund of unrealised profits, transaction costs and the hedging benefits of the contract or force the Sub-Fund to cover its purchase or sale commitments, if any, at the current market price. To the extent that a Sub-Fund is fully invested in securities while also maintaining currency positions, it may be exposed to a greater combined risk in comparison to a sub-fund only fully invested in securities (without maintaining any currency position). The use of currency transactions is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If in respect of a particular Sub-Fund, the Investment Manager or any of its delegates are incorrect in its forecasts of market values and currency exchange rates, the investment performance of such Sub-Fund would be less favourable than it would have been if this investment technique were not used. In the event that a Sub-Fund engages in



currency hedging transactions, costs in relation to such transactions will generally be borne by the respective Share Classes. Currency hedging transactions in relation to one share class comprise a potential risk that liabilities arising from currency hedging transactions may affect the Net Asset Value of the other Share Classes of the same Sub-Fund. Currency transactions are generally effected on a spread meaning that there is a difference between the price at which each currency can be bought and the price at which it can be sold, which spread is kept by the relevant intermediaries and is a cost to the Sub-Fund. Investors should note that the Depositary may have responsibility in a variety of different situations for effecting currency transactions on behalf of the Fund and that some or all of the transaction spread may accrue to itself.

#### **5.1.5 Credit risk**

Sub-Funds investing in fixed income instruments will be exposed to the creditworthiness of the issuers of the instruments and their ability to make principal and interest payments when due in accordance with the terms and conditions of the instruments. The creditworthiness or perceived creditworthiness of an issuer may affect the market value of fixed income instruments. Issuers with higher credit risk typically offer higher yields for this added risk, whereas issuers with lower credit risk typically offer lower yields. Generally, government debt is considered to be the safest in terms of credit risk, while corporate debt involves a higher credit risk. Related to that is the risk of downgrade by a rating agency. Rating agencies are private undertakings providing ratings for a variety of fixed income instruments based on the creditworthiness of their issuers. The agencies may change the rating of issuers or instruments from time to time due to financial, economic, political, or other factors, which, if the change represents a downgrade, can adversely impact the market value of the affected instruments.

#### **5.1.6 Equity risk**

Investing in equity securities involves risks associated with the unpredictable drops in a stock's value or periods of below-average performance in a given stock or in the stock market as a whole.

The performance of equity securities is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors as well as company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

#### **5.1.7 Commodities risk**

Where specified in the Supplements, certain Sub-Funds may invest in instruments providing exposure to the commodities market, including financial derivative instruments referencing commodities indices and financial instruments or funds linked to, or backed by the performance of, commodities. Investments in derivatives related to commodities can be highly volatile: market prices of commodities derivatives may fluctuate rapidly. The price of commodities derivatives may fluctuate based on numerous factors, including changes in supply and demand (whether actual or perceived, anticipated or unanticipated) and other trading considerations generally or in the relevant commodity, domestic and international political, monetary and economic events and policies, and other public or private policies, actions or inactions, natural events such as weather conditions, agricultural factors, diseases, or technological developments. The current or "spot" prices of commodities may also affect the prices of futures contracts in respect of the relevant commodities.

### **5.1.8 Distressed securities**

Where specified in the Supplements, certain Sub-Funds may seek exposure to securities of issuers in weak financial condition, experiencing poor operating results, having substantial financial needs or negative net worth, facing special competitive or product obsolescence problems, involved in or the target of acquisition attempts or tender offers or in companies involved in liquidations, spin-offs, reorganizations or similar transactions or issuers that are involved in bankruptcy or reorganization proceedings. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or will result in a distribution the value of which will be less than the initial purchase price. Investments of this type involve substantial financial business risks that can result in substantial or total losses.

### **5.1.9 Risks associated with depositary receipts**

Depositary receipts are instruments in the form of share certificates in a portfolio of shares held in the country of domicile of the issuer. The legal owner of shares underlying the depositary receipts is the custodian bank, who at the same time is the issuing agent of the depositary receipts. There is a risk that the jurisdiction of issuance of the depositary receipts or the jurisdiction to which the custodian agreement is subject does not recognise the purchaser of the depositary receipts as the actual beneficial owner of the underlying shares. Therefore, in the event that the custodian bank becomes insolvent or that enforcement measures are taken against such a custodian bank, it may not be possible to exempt the relevant shares from the assets of the custodian bank subject to the insolvency proceedings and the holders of the relevant depositary receipts may end up being treated as unsecured creditors of the custodian bank or their rights to the assets of the custodian bank may not be recognised at all, as part of such proceedings. In such circumstances, any amount realised by the holder of the relevant depositary receipts may be significantly below their original value.

### **5.1.10 Risks associated with Exchange Traded Funds**

An Exchange Traded Fund (“ETF”) may seek to track the performance of certain indices or certain assets, contracts and/or instruments invested in or held by such an ETF and thus the performance of an ETF will be subject to the same risks as affect the underlying assets. These may include, in particular, company-specific factors such as: earnings position, market position, risk situation, shareholder structure and distribution policy of the underlying companies, as well as macroeconomic factors, such as interest rate and price levels on the relevant markets, currency fluctuations and political, legal and regulatory developments.

### **5.1.11 Volatility**

The volatility of a financial instrument is a measure of the variations in the price of that instrument over time. A higher volatility means that the price of the instrument can change significantly over a short time period in either direction. Each Sub-Fund may make investments in instruments or markets that are likely to experience high levels of volatility. This may cause the Net Asset Value per Share to experience significant increases or decreases in value over short periods of time.

In addition, a Sub-Fund may also have exposure to financial instruments, the returns on which depend on the implied or realised volatility of an underlying asset, such as variance swaps or futures and options on volatility indices. In this case, the Net Asset value per Share may

experience significant increases or decreases dependent on any changes in implied or realised volatility levels.

#### **5.1.12 Futures and forwards**

Futures and forwards trading is speculative, and is not intended to be a complete investment program. Futures and forwards have a high degree of price variability and are subject to occasional rapid and substantial changes. Thus, significant amounts can be lost in a brief period of time. Futures, forwards and other derivative prices may also be highly volatile and increase the amount of volatility in contrast to a direct investment in the underlying financial products. Futures and forwards trading is designed only for sophisticated investors who are able to bear the risk of capital loss. There can be no assurance that a Sub-Fund will achieve its investment objective. Prospective investors are cautioned that they could lose all or substantially all of their investment. Prospective investors should understand that a Sub-Fund's performance can be volatile.

#### **5.1.13 Leverage**

Leverage refers to the use of borrowed funds or financial derivative instruments to increase exposure to an asset in excess of the capital amount invested in that asset. The use of leverage creates special risks and may significantly increase a Sub-Fund's investment risk. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the exposure of a Sub-Fund to capital risk and interest costs. Any investment income and gains earned on investments made through the use of leverage that are in excess of the interest costs associated therewith may cause the value of a Sub-Fund to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the value of the Sub-Fund may decrease more rapidly than would otherwise be the case.

A Sub-Fund may be subject to certain restrictions on borrowings as described in each relevant Supplement. However, in accordance with its investment objective and policy, a Sub-Fund may use financial derivative instruments to gain additional market exposure to underlying assets in excess of its Net Asset Value, thereby creating a leverage effect. While leverage presents opportunities for increasing gains of a Sub-Fund, it also has the effect of potentially increasing losses incurred by the Sub-Fund.

#### **5.1.14 Short positions**

Subject to applicable laws, the Sub-Funds may take short positions on securities and other assets and may use financial derivative instruments such as swaps, futures and forwards in order to obtain a short exposure to certain securities or other assets. A synthetic short position replicates the economic effect of a transaction in which a fund sells a security or asset it does not own but has borrowed, in anticipation that the market price of that security or asset will decline. When a Sub-Fund initiates such a synthetic short position in a security or asset that it does not own, it enters into a derivative-based transaction with a counterparty or broker-dealer and closes that transaction on or before its expiry date through the receipt or payment of any gains or losses resulting from the transaction. If the price of the security or asset on which the synthetic short position is written increases between the time of the initiation of the synthetic short position and the time at which the position is closed, the Sub-fund will incur a loss; conversely, if the price declines, the Sub-Fund will realise a gain. Any gain will be decreased and any loss increased by transactional costs and fees. Although a Sub-Fund's gain is limited to the price at which it opened the synthetic short position, its potential loss may be

substantially higher. Stop loss policies are typically employed to limit losses. Each Sub-Fund is required to maintain sufficiently liquid assets to cover any obligations arising from its short positions at any time.

## **5.2 Liquidity risk**

Liquidity refers to the speed and ease with which investments can be sold or liquidated or a position closed. On the asset side, liquidity risk refers to the inability of a Sub-Fund to dispose of investments at a price equal or close to their estimated value within a reasonable period of time. On the liability side, liquidity risk refers to the inability of a Sub-Fund to raise sufficient cash to meet a redemption request due to its inability to dispose of investments. In certain circumstances, investments may become less liquid or illiquid due to a variety of factors including adverse conditions affecting a particular issuer, counterparty, or the market generally, and legal, regulatory or contractual restrictions on the sale of certain instruments. In addition, a Sub-Fund may invest in financial instruments traded OTC, which generally tend to be less liquid than instruments that are listed and traded on exchanges. Market quotations for less liquid or illiquid instruments may be more volatile than for liquid instruments and/or subject to larger spreads between bid and ask prices. Difficulties in disposing of investments may result in a loss for a Sub-Fund and/or compromise the ability of the Sub-Fund to meet a redemption request.

## **5.3 Counterparty risk**

Counterparty risk refers to the risk of loss for a Sub-Fund resulting from the fact that the counterparty to a transaction entered into by the Sub-Fund may default on its contractual obligations. There can be no assurance that an issuer or counterparty will not be subject to credit or other difficulties leading to a default on its contractual obligations and the loss of all or part of the amounts due to the Sub-Fund. This risk may arise at any time the assets of a Sub-Fund are deposited, extended, committed, invested or otherwise exposed through actual or implied contractual agreements. For instance, counterparty risk may arise when a Sub-Fund has deposited cash with a financial institution or invests into debt securities and other fixed income instruments. Counterparty risk may also arise when a Sub-Fund enters into OTC financial derivative instruments, or enters into securities lending transactions, repurchase agreements and buy-sell back transactions, as further described below.

Some of the markets in which a Sub-Fund may effect transactions are OTC (or “interdealer”) markets. The participants in such markets are typically not subject to the same credit evaluation and regulatory oversight as are members of “exchange-based” markets. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with such OTC transactions. This exposes the relevant Sub-Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not *bona fide*) or because of a credit or liquidity problem, thus causing the relevant Sub-Fund to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the relevant Sub-Fund has concentrated its transactions with a small group of counterparties. Moreover, although the Sub-Funds will only transact with eligible counterparties, the AIFM has no formal credit function which evaluates the creditworthiness of the relevant Sub-Fund’s counterparties. The ability of a Sub-Fund to transact business with any one or number of counterparties, the lack of any separate evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Sub-Funds.

## **5.4 Operational risk**

Operational risk means the risk of loss for the Fund resulting from inadequate internal processes and failures in relation to people and systems of the Fund, the AIFM, the Investment Managers and/or any other agents and service providers, or from external events, and includes legal and documentation risk and risk resulting from the trading, settlement and valuation procedures operated on behalf of the Fund.

### **5.4.1 Valuation**

Certain Sub-Funds may hold investments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an exchange or regulated market. In addition, in certain circumstances, investments may become less liquid or illiquid. Such investments will be valued at their probable realisation value estimated with care and in good faith by the AIFM using any valuation method in line with the valuation policy adopted by the AIFM in respect of the Fund. Such investments are inherently difficult to value and are the subject of substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales or liquidation prices of investments.

### **5.4.2 Laws and regulations**

The Fund may be subject to a number of legal and regulatory risks, including contradictory interpretations or applications of laws, incomplete, unclear and changing laws, restrictions on general public access to regulations, practices and customs, ignorance or breaches of laws on the part of counterparties and other market participants, incomplete or incorrect transaction documents, lack of established or effective avenues for legal redress, inadequate investor protection, or lack of enforcement of existing laws. Difficulties in asserting, protecting and enforcing rights may have a material adverse effect on the Sub-Funds and their operations.

### **5.4.3 FATCA/CRS**

Under the terms of the FATCA Law and CRS Law (as defined below), the Fund is likely to be treated as a Luxembourg Reporting Financial Institution. As such, the Fund may require all investors to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations.

Should the Fund become subject to a withholding tax and/or penalties as a result of non-compliance under the FATCA Law and/or penalties as a result of non-compliance under the CRS Law, the value of the Shares held by all Shareholders may be materially affected.

Furthermore, the Fund may also be required to withhold tax on certain payments to its Shareholders which would not be compliant with FATCA (i.e. the so-called foreign passthru payments withholding tax obligation).

### **5.4.4 Segregation of Sub-Funds**

The Fund is a single legal entity incorporated as an “umbrella fund” comprised of separate Sub-Funds. Under Luxembourg law, each Sub-Fund represents a segregated pool of assets and liabilities. By operation of the law, the rights and claims of creditors and counterparties of the Fund arising in respect of the creation, operation or liquidation of a Sub-Fund will be limited to the assets allocated to that Sub-Fund. However, while these provisions are binding

in a Luxembourg court, these provisions have not been tested in other jurisdictions, and a creditor or counterparty might seek to attach or seize assets of a Sub-Fund in satisfaction of an obligation owed in relation to another Sub-Fund in a jurisdiction which would not recognise the principle of segregation of liability between Sub-Funds. Moreover, under Luxembourg law, there is no legal segregation of assets and liabilities between Share Classes of the same Sub-Fund. In the event that, for any reason, assets allocated to a Share Class become insufficient to pay for the liabilities allocated to that Share Class, the assets allocated to other Share Classes of the Sub-Fund will be used to pay for those liabilities. As a result, the Net Asset Value of the other Share Classes may also be reduced.

#### **5.4.5 Reliance on the AIFM/Investment Managers and dependence on key personnel**

The AIFM/Investment Managers will have the responsibility for the Sub-Funds' investment activities. Investors must rely on the judgment of the AIFM/Investment Managers in exercising this responsibility. The AIFM/Investment Managers and their principals may not be required to, and may not devote substantially all of their business time to the investment activities of a Sub-Fund. In addition, since the performance of a Sub-Fund is wholly dependent on the skills of the AIFM/Investment Manager if the services of such AIFM/Investment Manager or its principals were to become unavailable, such unavailability might have a detrimental effect on a Sub-Fund and its performance. Moreover, there can be no assurance that AIFM/Investment Managers will successfully implement the strategy of the Sub-Funds.

#### **5.4.6 Concentration of investments**

Although a Sub-Fund's policy is to diversify its investment portfolio, a Sub-Fund may at certain times hold relatively few investments subject to the overall investment restrictions. A Sub-Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.

#### **5.4.7 Trade execution risk**

Many of the trading techniques used by the Sub-Funds require the rapid and efficient execution of transactions, which will be determined by both the relevant Investment Manager and the counterparty(ies) to these transactions. Inefficient executions can eliminate the small pricing differentials that the Investment Manager may seek to exploit and impact, possibly materially, the profitability of the relevant Sub-Fund's positions.

#### **5.4.8 Other trading activities of the AIFM, the Investment Managers and their Affiliates**

The AIFM, the Investment Managers and their principals, directors, officers, shareholders, employees and affiliates may trade for their own accounts, and certain of such persons have sponsored or may in the future sponsor or establish other public and private investment funds. The AIFM, the Investment Managers and their affiliates may trade for accounts other than a Sub-Fund's account and will remain free to trade for such other accounts and to utilize trading strategies and formulae in trading for such accounts which are the same as or different from the ones that the AIFM and/or the Investment Managers will utilize in making trading decisions on behalf of a Sub-Fund. In addition, and if and when applicable, in their respective proprietary trading, the AIFM, the Investment Managers or their affiliates may take positions the same as or different than those taken on behalf of a Sub-Fund. The records of any such trading will not be available for inspection by investors except to the extent required by law. Because of price volatility, occasional variations in liquidity, and differences in order execution, it might not be possible for the AIFM, the Investment Managers and their affiliates to obtain identical trade

execution for all their respective clients. When block orders are filled at different prices, the AIFM, the Investment Managers and their affiliates will assign the executed trades on a systematic basis among all client accounts.

#### **5.4.9 Disclosure of information**

Upon enquiry, Shareholders may obtain specific information about the Fund and its Sub-Funds at the registered office of the Fund, without prejudice to the principle of equal treatment of Shareholders. Having provided any requested information, the Fund is not required to provide, at its own initiative, all other Shareholders with the same information. Accordingly, certain Shareholders may invest on terms that provide access to information that is not generally available to the other Shareholders and, as a result, may be able to act on such additional information.

#### **5.4.10 Regulatory reforms**

The Offering Document has been drafted in line with currently applicable laws and regulations. It cannot be excluded that the Sub-Funds and their respective investment objective and policy may be affected by any future changes in the legal and regulatory environment, primarily in the EU. New or modified laws, rules and regulations may not allow, or may significantly limit the ability of the AIFM/Investment Managers to use certain instruments or to engage in certain transactions. This may impair the ability of the AIFM/Investment Managers to carry out the Sub-Funds' investment objective and policy. Compliance with such new or modified laws, rules and regulations may also increase the relevant Sub-Fund's expenses and may require the restructuring of some Sub-Funds with a view to complying with the new rules. Such restructuring (if possible) may entail restructuring costs. When a restructuring is not feasible, an early termination of the relevant Sub-Fund may occur.

Europe is currently dealing with numerous regulatory reforms that may impact the Fund and/or its investors such as, without limitation: (i) EMIR, which introduces requirements in respect of OTC derivative contracts and has entered into force in August 2016 under a multiple-phase approach; (ii) SFTR, which imposes reporting and transparency requirements in relation to certain financing transactions (such as lending or borrowing of securities, repurchase or reverse repurchase transactions, buy-sell back or sell-buy back transactions, or margin lending transactions) and the use of total return swaps (TRS), and which entered into force in January 2016; (iii) MiFID II and MiFIR, which update the existing European regulatory framework in relation to financial instruments and financial markets, including the derivatives markets, and which entered into force in January 2018; and (iv) the Benchmark Regulation, which introduces requirements on the use of indices that qualify as "benchmarks" and which entered into force in January 2018. The compliance of the Fund with such regulatory reforms, and their potentially evolving interpretation by the CSSF or another competent authority, may require the amendment of its constitutional documents and agreements entered into by the Fund.

#### **5.4.11 The Volcker Rule**

In the United States, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Reform Act**"), which became law in July 2010, includes provisions that comprehensively regulate the OTC derivatives markets for the first time. In July 2010, the Reform Act was enacted into law. The Reform Act includes the so-called "**Volcker Rule**". U.S. financial regulators issued final rules to implement the statutory mandate of the Volcker Rule on 10 December 2013.

Under the Volcker Rule, Goldman Sachs can “sponsor” or manage hedge funds and private equity funds only if certain conditions are satisfied. Among other things, these Volcker Rule conditions prohibit banking entities (including Goldman Sachs and its affiliates) from engaging in “covered transactions” and certain other transactions with hedge funds or private equity funds that are managed by affiliates of the banking entities, or with investment vehicles controlled by such hedge funds or private equity funds. “Covered transactions” include loans or extensions of credit, purchases of assets and certain other transactions (including derivative transactions and guarantees) that would cause the banking entities or their affiliates to have credit exposure to funds managed by their affiliates. In addition, the Volcker Rule requires that certain other transactions between Goldman Sachs and such entities be on “arms’ length” terms. If such prohibition is considered to apply to the activities of the Sub-Funds, the Sub-Funds could be adversely affected.

In addition, the Volcker Rule prohibits Goldman Sachs from owning more than 3% of the total number and fair market value of the outstanding ownership interests of a covered fund. The Volcker Rule also prohibits any banking entity from engaging in any activity that would involve or result in a material conflict of interest between the banking entity and its clients, customers or counterparties, or that would result, directly or indirectly, in a material exposure by the banking entity to high-risk assets or high-risk trading strategies. However, there remains significant uncertainty as to how this prohibition will ultimately impact Goldman Sachs, the Fund and the Sub-Funds. These restrictions could materially adversely affect the Fund and/or the Platform Arranger, including because the restrictions could result in the Fund foregoing certain investments or investment strategies or taking other actions, which actions could disadvantage the Fund or the Sub-Funds.

Goldman Sachs’ policies and procedures are designed to identify and limit exposure to such material conflicts of interest and high-risk assets and trading strategies in its trading and investment activities. If the regulatory agencies implementing the Volcker Rule develop guidance regarding best practices for addressing these matters, as they indicated that they intend to do, Goldman Sachs’ policies and procedures may be modified or adapted to take any such guidance into account. Any requirements or restrictions imposed by Goldman Sachs’ policies and procedures or by the Volcker Rule agencies could materially adversely affect the Sub-Funds, including because the requirements or restrictions could result in, among other things, the Sub-Funds foregoing certain investments or investment strategies or taking or refraining from other actions, any of which could disadvantage the Sub-Funds.

As noted above, under the Volcker Rule, Goldman Sachs can “sponsor” and manage hedge funds and private equity funds only if certain conditions are satisfied. While Goldman Sachs intends to satisfy these conditions, if for any reason Goldman Sachs is unable to, or elects not to, satisfy these conditions or any other conditions under the Volcker Rule, then Goldman Sachs may no longer be able to sponsor the Fund. In such event, the structure, operation and governance of the Fund may need to be altered such that Goldman Sachs is no longer deemed to sponsor the Fund or, alternatively, the Fund may need to be terminated. See “Bank Holding Company Rules” below.

In addition, other sections of the Reform Act may adversely affect the ability of the Fund and the Sub-Funds to pursue their trading strategies, and may require material changes to the business and operations of, or have other adverse effects on, the Fund and the Sub-Funds.

The Directors and the Platform Arranger may in the future restructure respectively the Fund and the Platform Arranger in order to comply with the Volcker Rule or other legal requirements applicable to, or reduce or eliminate the impact or applicability of any regulatory or other



restrictions on, Goldman Sachs, the or other funds and accounts arranged by the Platform Arranger and its affiliates. Goldman Sachs may seek to accomplish this result by causing another entity to replace Goldman Sachs International as the Platform Arranger, or by such other means as it determines in its sole discretion or with the consent of or in consultation with the Directors as may be required by the Fund's governing documents. Any transferee or replacement may be unaffiliated with Goldman Sachs.

#### **5.4.12 Bank Holding Company rules**

Goldman Sachs is a Bank Holding Company ("**BHC**") as defined under the U.S. Bank Holding Company Act of 1956, as amended (the "**BHCA**"). As a result of Goldman Sachs' status as a BHC under the BHCA, Goldman Sachs is subject to supervision and regulation by the Board of Governors of the Federal Reserve (the "**Federal Reserve**"). In addition, Goldman Sachs is a "financial holding company" (an "**FHC**") under the BHCA, which is a status available to BHCs that meet certain criteria. If at any time Goldman Sachs were deemed to "control" the Fund and the Sub-Funds within the meaning of the BHCA, the restrictions imposed by the BHCA and related regulations would apply to the Fund and the Sub-Funds. Accordingly, the BHCA and other applicable banking laws, rules, regulations and guidelines, and their interpretation and administration by the appropriate regulatory agencies, including but not limited to the Federal Reserve, could restrict the transactions and relationships between the Platform Arranger, the Board of Directors, Goldman Sachs and their affiliates, on the one hand, and the Fund and the Sub-Funds, on the other hand, and may restrict the investments and transactions by, and the operations of, the Fund and the Sub-Funds.

In addition, if Goldman Sachs were to "control" the Fund and the Sub-Funds for bank regulatory purposes, the BHCA regulations applicable to Goldman Sachs, the Fund and the Sub-Funds would, among other things, restrict the ability of the Fund and the Sub-Funds to make certain investments or the size of certain investments, impose a maximum holding period on some or all of the investments of the Fund and the Sub-Funds and restrict the Platform Arranger's ability to participate in the management and operations of the companies in which the Fund and the Sub-Funds invest, and would restrict the ability of Goldman Sachs to invest in the Sub-Funds. In addition, certain BHCA regulations may require aggregation of the positions owned, held or controlled by related entities. Thus, in certain circumstances, positions held by Goldman Sachs accounts or other investment funds sponsored, managed or advised by Goldman Sachs (including accounts in which Goldman Sachs and its personnel have an interest) may need to be aggregated with positions held by the Fund and the Sub-Funds. In this case, where BHCA regulations impose a cap on the amount of a position that may be held, Goldman Sachs may utilize available capacity to make investments for such accounts (including accounts in which Goldman Sachs and its personnel have an interest), which may require the Fund and the Sub-Funds to limit and/or liquidate certain investments.

If imposed, the potential future impact of these restrictions would be uncertain. These restrictions may materially adversely affect the Sub-Funds by, among other things, affecting the relevant Investment Manager's ability to pursue certain strategies within the Sub-Fund's investment programmes or trade in certain securities. In addition, Goldman Sachs may cease in the future to qualify as an FHC, which may subject the Sub-Funds to additional restrictions. There can be no assurance that the bank regulatory requirements applicable to Goldman Sachs, the Fund and the Sub-Funds will not change, or that any such change will not have a material adverse effect on the Sub-Funds.

Goldman Sachs may in the future, in its sole discretion, seek to restructure the Fund, the Platform Arranger or the composition of the Board of Directors of the Fund in order to comply

with the BHCA or any other current or future laws, rules, regulations or legal requirements applicable to Goldman Sachs, the Fund or the Sub-Funds, or to reduce, eliminate or otherwise modify the impact on, or applicability to Goldman Sachs, the Fund or the Sub-Funds or other funds and accounts managed by Goldman Sachs, and its affiliates of any bank regulatory or other restrictions that might otherwise be imposed upon any such person as a result of Goldman Sachs' status as a BHC or an FHC under the BHCA. Goldman Sachs may seek to accomplish this result by reducing the amount of Goldman Sachs' investment in the Fund or the Sub-Funds (if any) or by such other means as it determines in its sole discretion.

## **5.5 Certain financial instruments and investment techniques**

### **5.5.1 OTC financial derivative instruments**

In general, there is less government regulation and supervision of transactions in OTC markets than of transactions entered into on organised exchanges. OTC derivatives are executed directly with the counterparty rather than through a recognised exchange and clearing house. Counterparties to OTC derivatives are not afforded the same protections as may apply to those trading on recognised exchanges, such as the performance guarantee of a clearing house.

The principal risk when engaging in OTC derivatives (such as non-exchange traded options, forwards, swaps or contracts for difference) is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations as required by the terms of the instrument. OTC derivatives may expose a Sub-Fund to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute over the terms of the contract (whether or not *bona fide*) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, there are certain risks associated with collateral management, including difficulties in selling collateral and/or losses incurred upon realization of collateral, as described below.

The Fund may enter into OTC derivatives cleared through a clearinghouse that serves as a central counterparty. Central clearing is designed to reduce counterparty risk and increase liquidity compared to bilaterally-cleared OTC derivatives, but it does not eliminate those risks completely. The central counterparty will require margin from the clearing broker which will in turn require margin from the Fund. There is a risk of loss by a Fund of its initial and variation margin deposits in the event of default of the clearing broker with which the Fund has an open position or if margin is not identified and correctly report to the particular Fund, in particular where margin is held in an omnibus account maintained by the clearing broker with the central counterparty. In the event that the clearing broker becomes insolvent, the Fund may not be able to transfer or "port" its positions to another clearing broker.

EU Regulation 648/2012 on OTC derivatives, central counterparties and trade repositories (also known as the European Market Infrastructure Regulation or EMIR) requires certain eligible OTC derivatives to be submitted for clearing to regulated central clearing counterparties and the reporting of certain details to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty risk in respect of OTC derivatives which are not subject to mandatory clearing, encompassing the exchange and segregation of collateral by the parties, including by the Fund.

Investors should be aware that the regulatory changes arising from EMIR and other applicable laws requiring central clearing of OTC derivatives may in due course adversely affect the ability of the Sub-Funds to adhere to their respective investment policies and achieve their investment objective.

Investments in OTC derivatives may be subject to the risk of differing valuations arising out of different permitted valuation methods. Although the Fund has implemented appropriate valuation procedures to determine and verify the value of OTC derivatives, certain transactions are complex and valuation may only be provided by a limited number of market participants who may also be acting as the counterparty to the transactions. Inaccurate valuation can result in inaccurate recognition of gains or losses and counterparty exposure.

Unlike exchange-traded derivatives, which are standardised with respect to their terms and conditions, OTC derivatives are generally established through negotiation with the other party to the instrument. While this type of arrangement allows greater flexibility to tailor the instrument to the needs of the parties, OTC derivatives may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if the agreement is deemed not to be legally enforceable or not documented correctly. There also may be a legal or documentation risk that the parties may disagree as to the proper interpretation of the terms of the agreement. However, these risks are generally mitigated, to a certain extent, by the use of industry-standard agreements such as those published by the International Swaps and Derivatives Association (ISDA).

#### **5.5.2 Securities lending and borrowing, repurchase agreements and buy-sell back transactions**

Securities lending and borrowing transactions, repurchase agreements and buy-sell back transactions involve certain risks and there can be no assurance that the objective sought to be obtained from the use of such techniques will be achieved.

The principal risk when engaging in securities lending and borrowing transactions, repurchase agreements and buy-sell back transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations as required by the terms of the transaction. Securities lending and borrowing transactions, repurchase agreements and buy-sell back transactions may expose a Sub-Fund to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, there are certain risks associated with collateral management, including difficulties in selling collateral and/or losses incurred upon realization of collateral, as described below.

Securities lending and borrowing transactions, repurchase agreements and buy-sell back transactions also entail liquidity risks due, *inter alia*, to locking cash or securities positions in transactions of excessive size or duration relative to the liquidity profile of the Sub-Fund or delays in recovering cash or securities paid to the counterparty. These circumstances may delay or restrict the ability of the Fund to meet redemption requests. The Sub-Fund may also incur operational risks such as, *inter alia*, non-settlement or delay in settlement of instructions, failure or delays in satisfying delivery obligations under sales of securities, and legal risks related to the documentation used in respect of such transactions.

### **5.5.3 Collateral management**

Counterparty risk arising from investments in OTC financial derivative instruments and securities lending transactions, repurchase agreements and buy-sell back transactions is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, transactions may not be fully collateralised. Fees and returns due to the Sub-Fund may not be collateralised. If a counterparty defaults, the Sub-Fund may need to sell non-cash collateral received at prevailing market prices. In such a case the Sub-Fund could realise a loss due, *inter alia*, to inaccurate pricing or monitoring of the collateral, adverse market movements, deterioration in the credit rating of issuers of the collateral or illiquidity of the market on which the collateral is traded. Difficulties in selling collateral may delay or restrict the ability of the Sub-Fund to meet redemption requests.

A Sub-Fund may also incur a loss in reinvesting cash collateral received, where permitted. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty as required by the terms of the transaction. The Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.

## **5.6 Risks relating to Indices**

### **5.6.1 Changes to or Discontinuation of an index**

In relation to any index, components of such an index may from time to time be added, deleted or substituted by the sponsor or administrator of any such index, and such sponsor or administrator may introduce other changes to the methodology underpinning the relevant index changing the exposure to one or more components. Any such changes to the underlying components may affect the performance of such an index, with the newly added component performing significantly better or worse than any component it has replaced. Such change in the performance of the relevant index may impact the value of any Shares of a Sub-Fund that has invested in or taken exposure to the relevant index.

The calculation or dissemination of any index may further be discontinued or suspended by its sponsor, administrator or calculation agent. No sponsor, administrator or calculation agent of any index will have any involvement in the offer and sale of the Shares and will not owe any duty of care, including fiduciary duty, to any Sub-Fund or Shareholder. The sponsor, administrator or calculation agent of an index is free to take any actions in respect of such an index, which could adversely affect the market value of any Shares of a Sub-Fund that has invested in or taken exposure to the relevant index.

### **5.6.2 Discretion of index Sponsor, index Administrator and index Calculation Agent**

As may be further described in the relevant Supplement, an index used by any Sub-Fund to gain exposure to particular underlying assets may allow the relevant sponsor, administrator or calculation agent discretion in making determinations and in changing the methodology of calculations influencing the value of the relevant index which could have a material adverse impact on the value of the Shares.

It is possible that an index has been created for purposes other than the relevant Sub-Fund gaining, through such an index, the exposure to the relevant underlying assets.

The calculation agent for an index may be entitled to make determinations, which can have an impact on the value of an index in certain circumstances, in particular when there is a market disruption event on a Dealing Day: the calculation agent may need to determine in accordance with market disruption provisions, daily contract reference prices for any underlying contract subject to such a market disruption event with such prices being used to calculate the value of the relevant index. Such determinations of the calculation agent, can influence the calculation of the Net Asset Value and thus the amount of cash to be paid upon any redemption.

In deciding what is necessary or desirable in relation to changes in methodology of calculations or market disruption events, the index sponsor, administrator and/or calculation agent (as applicable) will consider and/or take into account what they determine to be the intended commercial purposes of the index but the index sponsor, administrator and calculation agent do not owe any duty to any Shareholder or any Sub-Fund to take into account the interests of such Shareholder or Sub-Fund referencing such an index.

### **5.6.3 Swap Counterparty Risk**

The main method for the relevant Sub-Fund to gain exposure to the relevant indices will be the use of swaps. A swap counterparty may hold the right to terminate or close out positions held for the Sub-Fund in certain circumstances which are defined as “events of default” or “early termination events” in the relevant swap agreements. Such events may refer to a situation where the Net Asset Value of the relevant category of Shares decreases by certain percentages within a given time period or the Sub-Fund fails to make a payment or provide the agreed collateral in a timely manner. Any such action by a swap counterparty is likely to have an adverse impact on the performance of the relevant Sub-Fund.

In exceptional circumstances, due to changes in laws or regulatory rules applicable to a swap counterparty, such swap counterparty may be unable to fulfil its obligations under the relevant swap agreement. Should such a situation occur, there is a risk that the Sub-Fund’s exposure to the relevant indices could be interrupted or terminated, and some or all of the relevant Sub-Fund’s positions may have to be liquidated. Where such forced liquidation would be necessary, losses to the relevant Sub-Fund could be significant and could include decrease in value of the Sub-Fund’s investments or the inability to realise any gains during the period in which the Sub-Fund sought to enforce its rights, and would entail fees and expenses incurred in enforcing its rights. As a result, the investment objective of the Sub-Fund could not be achieved and any losses incurred could prove irrecoverable.

In swap agreements, the swap counterparty may be required to provide valuations for the OTC financial derivative instruments, which may form the basis upon which the values of certain assets of the Sub-Fund are calculated. Prospective investors should note that, subject always to its legal and regulatory obligations in performing each or any of the above roles, the swap counterparty may pursue actions and take steps that it deems appropriate to protect its interests, may act in its own interests in such capacities and need not have regard to the interests of any Shareholder, does not act on behalf of, or accept any duty of care or any fiduciary duty to any Shareholder or any other person will be entitled to exercise all rights, including rights of termination or resignation, which it may have, even though so doing may have a detrimental effect on the Sub-Fund or Unit holder.

### **5.6.4 No rights to underlying assets**

Where swaps are used to gain exposure to the indices, the relevant Sub-Fund’s exposure will be synthetic only, meaning that the Sub-Fund will not be directly holding the underlying assets

included in the relevant index. The Sub-Fund will have no rights with respect to the underlying assets included in the relevant index. Any payments under any swap agreement will be in cash only and the relevant Sub-Fund will not have any rights to receive physical delivery of any assets included in the relevant index. Consequently, an investment in any of the Sub-Funds will not result in the relevant Shareholder becoming a holder of, or having any direct investment position in, any of the underlying assets included in the relevant index.

#### **5.6.5 Legal and regulatory risks relating to “Benchmarks”**

Interest rate, equity, commodity, foreign exchange rate and other types of indices, which are widely used as reference in financial transaction, including indices, which may be components of indices to which a Sub-Fund will seek exposure, may qualify as “benchmarks” and in that capacity would be subject to recent national, international and other regulatory guidance and proposals for reform. This means that, following any such reforms being implemented, such “benchmarks” may perform differently than in the past, or may be discontinued entirely. Any such event could negatively impact any financial instruments linked to such a “benchmark” in a material way, thus resulting in a similar negative impact on the performance of a Sub-Fund.

In particular, subject to certain transitional provisions, the Benchmarks Regulation applies in the EU since 1 January 2018.

The Benchmarks Regulation could have a material impact on financial instruments linked to a “benchmark” rate or index, such as indices to which a Sub-Fund will seek exposure, in particular in one of the following ways:

- the AIFM acting on behalf of the Fund may be precluded from using a rate or index which is a “benchmark”, if a provider of such a rate or index does not obtain authorisation or, if such provider is based in a non-EU jurisdiction, the “equivalence” conditions are not met in relation to such a jurisdiction, the relevant provider has not been “recognised” or the relevant benchmark is not “endorsed” by a duly authorized EU provider; and
- the methodology or other terms of a benchmark could have to be modified to comply with the terms of the Benchmarks Regulation affecting the level of risk in relation to an index or strategy referencing such benchmark or the ability of the relevant Sub-Fund to gain exposure to the desired underlying assets through exposure to such a benchmark.

The compliance of the AIFM with such regulatory reforms, and their potentially evolving interpretation by the CSSF or another competent authority, may require the amendment of its Offering Document and agreements entered into by the AIFM acting on behalf of the Fund.

## **6. MANAGEMENT AND ADMINISTRATION**

### **6.1 The Board of Directors**

The members of the Board of Directors will be elected by the general meeting of Shareholders. The Board of Directors is vested with the broadest powers to act on behalf of the Fund and to take any actions necessary or useful to fulfil the Fund's corporate purpose, subject to the powers expressly assigned by law or the Articles of Association to the general meeting of Shareholders.

The Board of Directors is responsible for conducting the overall management and business affairs of the Fund in accordance with the Articles of Association. In particular, the Board of Directors is responsible for defining the investment objective and policy of the Sub-Funds and their risk profile, subject to the principle of risk diversification, and for the overall supervision of the management and administration of the Fund, including the selection and supervision of the AIFM and the general monitoring of the performance and operations of the Fund.

The Articles of Association contain provisions exempting members of the Board of Directors from liability and indemnifying them except for reasons of wilful misconduct, bad faith, gross negligence or reckless disregard involved in the conduct of their duties, as further detailed in the Articles of Association.

For each Sub-Fund, the Board of Directors may set up an Investor Advisory Committee as further described in the Supplement of the relevant Sub-Fund.

For the current composition of the Board of Directors, please refer to the Directory.

### **6.2 The AIFM**

The Fund has appointed the AIFM as its alternative investment fund manager in accordance with the provisions of the 2013 Law, the 2016 Law and in accordance with the Management Agreement.

The AIFM is a public limited company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg on 25 November 2004. The AIFM is authorised and regulated by the CSSF in Luxembourg under the 2013 Law. Its main business activity is to fulfil the functions of AIFM for the Fund and other funds as required under the AIFMD and to provide investment management expertise.

The relationship between the Fund and the AIFM is subject to the terms of the Management Agreement. Under the terms of the Management Agreement, the AIFM is responsible for the portfolio and risk management of the Fund as well as the administration of the Fund and the marketing and distribution of the Shares, subject to the overall supervision of the Board of Directors. This includes in particular the monitoring of the investment policy, investment strategies and performance, as well as risk management, liquidity management, management of conflicts of interest, supervision of delegates, financial control, internal audit, complaints handling, recordkeeping and reporting. The AIFM has authority to act on behalf of the Fund within its function.

In order to cover its professional liability risk resulting from the activities it may carry out, the AIFM holds sufficient additional own funds which are appropriate to cover potential liability risks arising from professional negligence.

The AIFM has a remuneration policy in place which seeks to ensure that the interests of the AIFM and the Shareholders of the Fund are aligned. Such remuneration policy imposes remuneration rules on staff and senior management within the AIFM whose activities have an impact on the risk profile of the Fund. The AIFM shall seek to ensure that such remuneration policies and practices will be consistent with sound and effective risk management and with the AIFMD and ESMA's remuneration guidelines. The AIFM shall also seek to ensure that such remuneration policies and practices shall not encourage risk taking which is inconsistent with the risk profile and constitutional documents of the Fund.

The AIFM shall seek to ensure that the remuneration policy will, at all times, be consistent with the business strategy, objectives, values and interests of the Fund and the Shareholders and that the remuneration policy will include measures that seek to ensure that all relevant conflicts of interest can be managed appropriately at all times.

For the purpose of a more efficient conduct of its business, the AIFM may delegate to third parties the power to carry out some of its functions on its behalf, subject to limitations and requirements, including the existence of objective reasons, in accordance with applicable laws and regulations. The delegated functions will remain under the supervision and responsibility of the AIFM and the delegation will not prevent the AIFM from acting, or the Fund from being managed, in the best interests of the investors. The delegation to third parties is subject to the prior approval of the CSSF.

In conducting its activities, the AIFM will act honestly and fairly, with due skill, care and diligence, in the best interests of the Fund, its investors, and the integrity of the market.

The Management Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than three (3) months prior written notice. The Management Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. The Management Agreement contains provisions exempting the AIFM from liability and indemnifying the AIFM in certain circumstances. However, the liability of the AIFM towards the Fund will not be affected by any delegation of functions by the AIFM.

### **6.2.1 Risk management function**

The AIFM employs an appropriate risk management system consisting of mainly two elements: (i) an organisational element in which the permanent risk management function plays a central role, and (ii) a procedural element documented in the risk management policy, which sets out measures and procedures employed to measure and manage risks, the safeguards for independent performance of the risk management function, the techniques used to manage risks and the details of the allocation of responsibilities within the AIFM for risk management and operating procedures.

The central task of the risk management function of the AIFM is the implementation of effective risk management procedures in order to identify, measure, manage, and monitor on an ongoing basis all risks to which the or each Sub-Fund is or may be exposed.

Furthermore, the risk management function of the AIFM is responsible for regularly monitoring the leverage exposure for each Sub-Fund.

Furthermore, the risk management function shall update the Board of Directors of the AIFM on a regular basis about (i) the consistency between and compliance with the risk limits set and the risk profile of each Sub-Fund, and (ii) the adequacy and effectiveness of the risk management process, indicating in particular whether appropriate remedial measures have or



will be taken in the event of actual or anticipated deficiencies. The risk management function is responsible for regularly outlining to senior management the current level of risk incurred by each Sub-Fund and any actual or foreseeable breaches of any risks limits set so as to ensure that prompt and appropriate action can be taken.

The risk management function conducts on a regular basis (i) stress tests and scenario analyses to address risks arising from potential changes in market conditions that might adversely impact the Sub-Funds and (ii) back-tests in order to review the validity of risk measurement arrangements.

The business unit of the AIFM responsible for the risk management function is functionally and hierarchically separated from the business units performing operating services, including the business unit responsible for the monitoring of the portfolio management.

### **6.2.2 Leverage monitoring**

Under the AIFM Laws and Regulations, “leverage” is defined as being any method by which the exposure of a Sub-Fund is increased whether through borrowing of cash or securities, leverage embedded in derivative positions or by any other means. The leverage creates risks for the Sub-Fund. A leverage (as defined by the AIFMD) of 100% means a leverage-free portfolio.

The AIFM Laws and Regulations use two distinct definitions of leverage, both of which are calculated on a regular basis by the AIFM:

- a) Under the “gross method” (as defined by the AIFM Laws and Regulations), the leverage is calculated as the ratio between the Sub-Fund’s investment exposure (calculated by adding the absolute values of all portfolio positions, including the sum of notional amounts of the derivative instruments used but excluding cash and cash equivalents) and the Net Asset Value; and
- b) the “commitment method” (as defined by the AIFM Laws and Regulations) takes into account netting and hedging arrangements and is defined as the ratio between the Sub-Fund’s net investment exposure (not excluding cash and cash equivalents) and the Net Asset Value.

For a description of the leverage and the authorised maximum of leverage used in each Sub-Fund, please refer to the Supplement. The actual level of leverage used will be disclosed in the Annual Report.

### **6.2.3 Liquidity management**

The AIFM employs an appropriate liquidity management system and has adopted procedures which enable it to monitor the liquidity risk of the Fund and to ensure that the liquidity profile of the investments of the Fund complies with its underlying obligations and that the Fund will be in a position to satisfy redemption requests of Shareholders in accordance with the provisions of this Offering Document and the Articles of Association. The liquidity management system ensures that the Fund maintains a level of liquidity appropriate to its underlying obligations based on an assessment of the relative liquidity of the Fund’s assets in the market, taking account of the time required for liquidation and the price or value at which those assets can be liquidated and their sensitivity to other market risks or factors.

The AIFM monitors the liquidity profile of the portfolio of assets having regard to the profile of the investor base of the Fund, the relative size of investments and the redemption terms to which these investments are subject and actual and potential redemption requests of Shareholders both in normal and in exceptional circumstances. The AIFM implements and maintains appropriate liquidity measurement arrangements and procedures to assess the quantitative and qualitative risks of positions and intended investments which have or may have a material impact on the liquidity profile of the portfolio of the Fund's assets to enable their effects on the overall liquidity profile to be appropriately measured and considered. The AIFM also puts into effect the tools and arrangements necessary to manage the liquidity of the Fund. The AIFM will ensure the coherence of the investment strategy, the liquidity profile and the redemption policy.

The AIFM proceeds, on a regular basis, with stress tests simulating normal and exceptional circumstances in order to evaluate and measure the liquidity risk of the Fund.

#### **6.2.4 Periodical information to investors regarding liquidity management risk**

The AIFM will periodically (and on at least an annual basis) make available to investors the following information, which will be available by contacting the AIFM at [info@fundrock.com](mailto:info@fundrock.com)

- a) the current risk profile of each Sub-Fund and the risk management systems employed by the AIFM to manage those risks, including (i) measures to assess the sensitivity of the Fund portfolio to the most relevant risks to which the Fund is or could be exposed; (ii) risk limits set by the AIFM that have been or are likely to be exceeded and where these risk limits have been exceeded, a description of the circumstances and the remedial measures taken; (iii) any change to the risk management systems employed by the AIFM and the anticipated impact of the change on the Fund and the investors;
- b) information on any changes to the AIFM's liquidity management systems and procedures for the Fund; and
- c) the percentage of each Sub-Fund's assets which are subject to special arrangements arising from their illiquid nature.

### **6.3 The Investment Managers**

With the consent of the Fund, the AIFM may appoint one or several Investment Manager(s) in relation to a Sub-Fund.

Details on the Investment Manager(s) appointed for a particular Sub-Fund and on the related Investment Management Agreement are made available in the Supplement of the relevant Sub-Fund.

For each Sub-Fund, the relationship between the Fund (acting on behalf of the relevant Sub-Fund), the AIFM and the Investment Manager(s) is subject to the terms of the Investment Management Agreement.

The AIFM monitors the Investment Managers' activities, in particular compliance with the investment restrictions and the risk profile of the relevant Sub-Fund. This monitoring is carried out by the business unit of the AIFM responsible for controlling the portfolio management. The AIFM has at all times a complete right of inspection and control over each Investment

Manager's activities regarding the relevant Sub-Fund and may provide instructions to the Investment Manager(s) regarding investment decisions applicable to each relevant Sub-Fund.

Each Investment Management Agreement may be terminated by the AIFM with immediate effect if this is deemed by the AIFM to be in the interest of the investors.

#### **6.4 The Depositary and Paying Agent**

The Fund has appointed RBC Investor Services Bank S.A., a Luxembourg public limited liability company (*société anonyme*) having its registered office at 14, Porte de France, L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg and registered with the LBR under number B 47.192 being a Luxembourg Bank within the meaning of the 1993 Law, with responsibility for the

- (a) safekeeping of the Fund's assets,
- (b) oversight duties,
- (c) cash flow monitoring, and
- (d) paying agent functions

pursuant to the AIFMD and the 2013 Law, and the Depositary Agreement dated 23 July 2019 and entered into between the Fund, the AIFM and the Depositary.

##### **(a) Safekeeping of the assets**

The Depositary is responsible in accordance with the applicable Luxembourg laws and regulations, in particular the AIFM Laws and Regulations and the Depositary Agreement for the safekeeping of the financial instruments of the Fund that can be held in custody and for the record keeping and verification of ownership of the other assets of the Fund.

##### Delegation

The Depositary is further authorized to delegate its safekeeping duties under the 2013 Law to sub-custodians and to open accounts with such sub-custodians, provided that (i) such delegation is in accordance with, and subject to compliance with, the conditions set out in the applicable Luxembourg laws; and (ii) the Depositary will exercise all due skill, care and diligence in the selection, appointment, periodic review and ongoing monitoring of its sub-custodians.

##### Discharge of liability

The Depositary may in certain circumstances and in accordance with Article 19(13) of the 2013 Law, discharge itself of liability. In the event where certain financial instruments are required by a foreign local law or regulation to be held in custody by a local entity, and no local entity satisfies the delegation requirements in accordance with Article 19(11)d)(ii) of the 2013 Law, the Depositary may nonetheless discharge itself of liability provided that specific conditions in accordance with Article 19(14) of the 2013 Law and the Depositary Agreement are met.

## **(b) Oversight**

The Depositary will, in accordance with the 2013 Law, the AIFMD and the Depositary Agreement:

- ensure that the sale, issue, re-purchase, redemption and cancellation of Shares are carried out in accordance with the 2013 Law, the Offering Document and the Articles;
- ensure that the Net Asset Value is calculated in accordance with the 2013 Law, the Offering Document and the Articles;
- carry out the instructions of the Fund and/or AIFM, unless they conflict with the 2013 Law or the Offering Document and the Articles;
- ensure that, in transactions involving the assets of the Fund, any consideration is remitted to the Fund within the usual time limits; and
- ensure that the income of the Fund is applied in accordance with the 2013 Law, the Issuing Document and the Articles of the Fund.

## **(c) Cash flow monitoring**

The Depositary is required under the 2013 Law, the AIFMD and the Depositary Agreement to perform certain cash flow monitoring duties as follows:

- (i) reconcile all cash flow movements and perform such a reconciliation on a daily basis;
- (ii) identify cash flows, which are in its reasonable opinion, significant, and in particular those which could be inconsistent with the Fund's operations. The Depositary will perform its review using the previous Business Day end-of-day records;
- (iii) ensure that all bank accounts in the Fund structure are in name of the Fund or in the name of the AIFM on behalf of the Fund;
- (iv) ensure that the relevant banks are EU credit institutions or equivalent;
- (v) ensure that the monies paid by the Shareholders have been received and booked in either cash accounts or third party accounts as defined in the Depositary Agreement.

## **(d) Paying Agent**

RBC also acts as paying agent for the Fund pursuant to the Depositary Agreement. The paying agent is responsible for receiving payments for subscriptions of Shares and depositing such payments in the Fund's bank accounts opened with the Depositary and distributing income and dividends to the Shareholders. The Paying Agent shall make payment of proceeds from the repurchase of Shares from time to time.

## **GENERAL**

The Depositary Agreement may be terminated at any time by either the AIFM or the Depositary upon ninety (90) days' prior written notice addressed to the other party. Notwithstanding the foregoing, the Depositary Agreement may also be terminated in accordance with the provisions of the Depositary Agreement.

In consideration for its services, the Depositary is entitled to receive a remuneration based upon the market value of the assets held in custody as is set out in a separate fee agreement.

The Depositary will have to be replaced within two (2) months from the termination of the Depositary Agreement with a new depositary bank and paying agent that will assume the responsibilities, duties and obligations of the Depositary. The Depositary shall, in the event of termination of the Depositary Agreement, deliver or cause to be delivered to the succeeding

depository bank and paying agent, in bearer form or duly endorsed form for transfer, at the expense of the Fund, all securities and cash of the Fund with or held by the Depositary and all certified copies and other documents related thereto in the Depositary's possession which are valid and in force at the date of termination.

## **6.5 The Administrator**

The AIFM has appointed RBC Investor Services Bank S.A. as administrative and registrar and transfer agent and the Fund has appointed RBC Investor Services Bank S.A. as domiciliary and corporate agent of the Fund pursuant to the Investment Fund Services Agreement.

RBC Investor Services Bank S.A. is a public limited company (*société anonyme*) incorporated under the laws of Luxembourg. The Administrator is authorised and regulated by the CSSF in Luxembourg under the 1993 Law.

The relationship between the Fund, the AIFM and the Administrator is subject to the terms of the Investment Fund Services Agreement. Under the terms of the Investment Fund Services Agreement, the Administrator will carry out all general administrative duties related to the administration of the Fund required by Luxembourg law, calculate the Net Asset Value per Share, maintain the accounting records of the Fund, as well as process all subscriptions, redemptions, conversions, and transfers of Shares, and register these transactions in the register of Shareholders. In addition, as registrar and transfer agent of the Fund, the Administrator is also responsible for collecting the required information and performing verifications on investors to comply with applicable anti-money laundering rules and regulations.

The Administrator is not responsible for any investment decisions of the Fund or the effect of such investment decisions on the performance of the Fund.

The Investment Fund Services Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than ninety (90) calendar days' prior written notice. The Investment Fund Services Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. The Investment Fund Services Agreement may be terminated by the AIFM with immediate effect if this is deemed by the AIFM to be in the interest of the investors. The Investment Fund Services Agreement contains provisions exempting the Administrator from liability and indemnifying the Administrator in certain circumstances. However, the liability of the Administrator towards the AIFM and the Fund will not be affected by any delegation of functions by the Administrator.

The AIFM and the Fund reserve the right to change the administration arrangements described above by agreement with the Administrator and/or to appoint another service provider in Luxembourg to carry out the functions of administration agent. Investors will be notified in due course.

## **6.6 The Global Distributor**

The AIFM has appointed Goldman Sachs International to serve as Global Distributor. The Global Distributor is authorized to solicit and sell Shares to investors in accordance with the terms of this Offering Document. The Global Distributor may engage certain financial institutions to solicit and sell Shares to investors (each a "**Sub-Distributor**").

The Global Distributor will comply, and by contractual agreement require each Sub-Distributor to comply, with any applicable laws and regulations concerning money laundering.

## **6.7 The Platform Arranger**

The Fund has appointed Goldman Sachs International to serve as Platform Arranger of the Fund pursuant to the Platform Arranger Agreement.

The purpose of the Platform Arranger Agreement is to govern (i) the facilitation of payment of fees and expenses; (ii) the facilitation of the negotiation of the Trading Agreements entered into with the Approved Counterparties and the procedure for the designation of additional Approved Counterparties (if any); (iii) the provision of services by the Platform Arranger in its role as reporting agent for the Fund; and (iv) cooperation in respect of the management and the administration of the Fund in general.

The Platform Arranger may terminate the Platform Arranger Agreement by giving not less than ninety (90) calendar days' written notice to the Fund and the AIFM, without the payment of penalty, or forthwith by notice in writing in the specific circumstances provided in the Platform Arranger Agreement. The Platform Arranger Agreement contains provisions exempting the Platform Arranger from liability and indemnifying the Platform Arranger in certain circumstances.

## **6.8 The Auditor**

The Fund has appointed PricewaterhouseCoopers as its independent auditor (*réviseur d'entreprises agréé*) within the meaning of the 2016 Law. The Auditor is elected by the general meeting of Shareholders. The Auditor will inspect the accounting information contained in the Annual Report and fulfil other duties prescribed by the 2016 Law.

## **6.9 Conflicts of interest**

The Board of Directors, the AIFM, the Investment Managers, the Depositary, the Administrator and the other service providers of the Fund, and/or their respective affiliates, members, employees or any person connected with them may be subject to various conflicts of interest in their relationships with the Fund.

As further described in the Articles of Association, any director of the Fund who has, directly or indirectly, an interest in a transaction submitted to the approval of the Board of Directors which conflicts with the Fund's interest, must inform the Board of Directors. The director may not take part in the discussions on and may not vote on the transaction. Where, by reason of a conflicting interest, the number of directors required in order to validly deliberate is not met, the board of directors may submit the decision on this specific item to the general meeting of Shareholders.

The AIFM has adopted and implemented a conflicts of interest policy and has made appropriate organisational and administrative arrangements to identify and manage conflicts of interests so as to minimise the risk of the Fund's interests being prejudiced, and if they cannot be avoided, ensure that the Fund is treated fairly.

The Investment Managers may from time to time act as trustee, administrator, registrar, manager, investment manager or investment adviser, representative or otherwise as may be required from time to time in relation to, or be otherwise involved in or with, other funds and

clients which have similar investment objectives to those of the Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Fund. Each will, at all times, have regard in such event to its obligations to the Fund and will endeavour to ensure that such conflicts are resolved fairly.

### **6.9.1 Specific conflict of interest**

#### **Roles of Goldman Sachs**

Goldman Sachs International or any other entity of Goldman Sachs may have multiple roles in connection with a Sub-Fund and/or indices or strategies referenced by a Sub-Fund and/or their underlying components, as further described in this Offering Document. In particular, Goldman Sachs may act as global distributor, platform arranger, swap counterparty, calculation agent for OTC derivative transactions, to or for the Fund or the Sub-Funds, or as index or strategy sponsor and/or index or strategy calculation agent in respect of a strategy or an index, as applicable.

Shareholders should be aware that Goldman Sachs may face conflicts between its roles and its own interests. Goldman Sachs operates arrangements in order to mitigate such conflicts of interests and/or their effect on the interests of the Fund, to ensure these roles are functionally separate and they are carried out by different personnel who are subject to different duties, operate independently of each other and have access to different information. A person carrying out a function in respect of one Sub-Fund may also carry out another function in respect of another Sub-Fund.

Goldman Sachs may receive compensation for carrying out the multiple roles mentioned above in the form of fees. Where applicable, these fees will be paid out of the assets of the relevant Sub-Fund and available amounts will be applied to pay these fees before they are applied to make payments to Shareholders. The fees are not contingent on the performance or trading value of the Shares, and Goldman Sachs may still receive significant compensation for any of its roles listed above, even if Shareholders lose money.

To the extent permitted by Luxembourg law and other applicable law and regulations, Goldman Sachs may act as broker, dealer, agent, lender or otherwise for the Sub-Funds and will retain all commissions, fees and other compensation in connection therewith.

To the extent permitted by Luxembourg law and other applicable law and regulations, Goldman Sachs may also invest in or alongside any of the Sub-Funds. When subscribing for a Sub-Fund's Shares, Goldman Sachs may benefit from terms more favourable than those of other Shareholders and its investment may constitute a substantial percentage of the relevant Sub-Fund's outstanding Shares.

Besides, Goldman Sachs may purchase, sell and hold a broad array of assets for its own accounts or for the accounts of its customers and will have other direct and indirect interests in the global fixed income, currency, commodity, equity, bank loan and other markets in which the Sub-Funds directly or indirectly invest.

Furthermore, Goldman Sachs may have relationships with the Investment Manager(s) (and other funds managed by the Investment Manager(s)) unrelated to the business of the Fund and the Sub-Fund and may receive compensation in connection with such relationship.

#### Goldman Sachs as swap counterparty and/or reverse repurchase counterparty

As described above, Goldman Sachs may act as swap counterparty for all or some of the Sub-Funds and as the calculation agent in respect of OTC derivative transactions, as well as reverse repurchase counterparty. Some of the OTC derivative instruments used by the Sub-Funds may be highly specialised and there may be no counterparty other than Goldman Sachs which provides such an OTC derivative instrument.

To the extent the Fund trades with a swap counterparty, that swap counterparty will make a profit from the price of the OTC derivative instruments, which may not be the best price available in the market. However, Goldman Sachs has agreed that it will be able to demonstrate how the price of any OTC derivative instruments entered into with the Fund has been set and can show why it believes the relevant contract has been entered into on reasonable arm's length terms.

#### Goldman Sachs as strategy or index sponsor

Goldman Sachs may be the sponsor of a proprietary index or strategy which is referenced by a Sub-Fund. The index or strategy may be developed, owned, calculated and maintained by Goldman Sachs. As calculation agent for an index or strategy, Goldman Sachs may have discretion in making various determinations that may affect the value for an index or strategy under certain circumstances. Although Goldman Sachs will perform its obligations in a commercially reasonable manner, Goldman Sachs may face conflicts between these roles and its own interests. Goldman Sachs may also have an economic interest in the underlying assets or components of an index or strategy (which may be indices or strategies sponsored or calculated by Goldman Sachs).

#### Goldman Sachs International as Platform Arranger

Goldman Sachs International in its capacity as Platform Arranger has established, implemented and maintains a written conflicts of interest policy which sets out how it (as Platform Arranger) identifies and manages its competing interests. The implementation of this conflicts of interest policy is monitored and reviewed on an ongoing basis.

#### Promoting the sale of Shares

Conflicts may arise in relation to sales-related incentives. Goldman Sachs and its sales personnel may directly or indirectly receive a portion of the fees and commissions charged to the Sub-Funds or their Shareholders. Goldman Sachs and its advisory or other personnel may also benefit from increased amounts of assets under management.

#### Valuation of assets

Certain securities and other assets in which the Sub-Funds may invest may not have a readily ascertainable market value and will be valued by the Administrator, which may include valuations provided by Goldman Sachs, in accordance with the valuation guidelines described in this Offering Document. However, the manner in which Goldman Sachs exercises its discretion with respect to valuation decisions will impact the valuation of a Sub-Fund's securities and, as a result, may adversely affect certain investors in the Sub-Funds. In addition, Goldman Sachs may use third-party vendors to perform certain functions, and these vendors may have interests and incentives that differ from those of investors in the Sub-Funds.



Various divisions and units within Goldman Sachs are required to value assets and may share information regarding valuation techniques and models or other information relevant to the calculation of a specific asset or category of assets. However, one division or unit may value an identical asset differently than another division or unit of Goldman Sachs.

#### **6.10 Execution of transactions**

Each Investment Manager has adopted a best execution policy to ensure that every transaction entered into on behalf of the relevant Sub-Fund is executed in the best interest of such Sub-Fund and that the investors are treated fairly. In determining what constitutes best execution, each Investment Manager will consider a range of different factors, such as price, costs, speed and probability of execution or settlement, among others, depending on their relative importance based on the various types of orders or financial instrument and the investment policy of the respective Sub-Fund. Transactions are principally executed via brokers that are selected and monitored on the basis of the criteria of the best execution policy. To meet its best execution objective, each Investment Manager may choose to use agents (affiliates of such Investment Manager or not) for its order transmission and execution activities.

For executing OTC derivative transactions, each Investment Manager can only consider the best execution criteria for counterparties the relevant Sub-Fund has been set up with, e.g. by entering into a ISDA Master Agreement. If the number of OTC counterparties is limited to a few or just one counterparty for a Sub-Fund, it might limit the flexibility of each Investment Manager for execution of trades. Goldman Sachs might be the only available counterparty for certain Sub-Funds.

The Fund may from time to time enter into commission recapture programmes administered by affiliates or other third-party service providers. Given the different commission rates applicable in different markets and the varying transaction volumes of Sub-Funds these may benefit one Sub-Fund more than another and the Fund shall have no duty to apply any commissions recaptured equally across Sub-Funds. No commission recapture programmes are currently applicable.

## **7. SHARES**

### **7.1 Shares, Sub-Funds and Share Classes**

#### **7.1.1 Shares**

The share capital of the Fund is represented by Shares of no par value. The share capital of the Fund is at all times equal to the Net Asset Value of the Fund, which is the total Net Asset Value of all Sub-Funds expressed in the Reference Currency of the Fund. The share capital of the Fund must at all times be at least equal to the minimum required by the 2016 Law, which is currently 1,250,000 EUR.

The Shares will be issued in registered form only. Written confirmation of registration will be issued upon request and at the expense of the requesting Shareholder. The registration of a Shareholder in the register of Shareholders of the Fund evidences the Shareholder's ownership right towards the Fund.

The Fund will recognise only one single Shareholder per Share. In case a Share is owned by several persons, they must appoint a single representative who will represent them towards the Fund. The Fund has the right to suspend the exercise of all rights attached to that Share until such representative has been appointed.

The Shares carry no preferential or pre-emptive rights: the Fund is authorised without limitation to issue an unlimited number of Shares on any Valuation Day without reserving to existing investors a preferential or pre-emptive right to subscribe for the Shares to be issued.

Each Share entitles the Shareholder to one (1) vote at all general meetings of Shareholders of the Fund and at all meetings of the Sub-Fund or Share Class concerned.

Fractions of Shares will be issued up to four (4) decimal places. Such fractional Shares will be entitled to participate on a pro rata basis in the net assets attributable to the Sub-Fund or Share Class to which they belong in accordance with their terms, as set out in this Offering Document. Fractions of Shares do not confer any voting rights on their holders. However, if the sum of the fractional Shares held by the same Shareholder in the same Share Class represents one or more entire Shares, such Shareholder will benefit from the corresponding voting right attached to the number of entire Shares.

Shares are each entitled to participate in the net assets allocated to the relevant Sub-Fund or Share Class in accordance with their terms, as set out in the Supplements.

When provided for in the Supplement of the relevant Sub-Fund, certain Share Classes may qualify as Tracking Classes.

A Sub-Fund may issue partially paid Shares pursuant to the procedure and requirements set out in the relevant Supplement.

Shares will be issued on each Subscription Day immediately after the time of valuation and entitled to participate in the net assets of the Sub-Fund or Share Class as of that point, as described in more detail in section 7.4 below. Shares will be redeemed on each Redemption Day at the time of valuation and entitled to participate in the net assets of the Sub-Fund or Share Class until and including that point, as described in more detail in section 7.10 below.

Shares redeemed will generally be cancelled unless the Fund decides otherwise.

### **7.1.2 Sub-Funds**

The Fund is a single legal entity incorporated as an umbrella fund comprised of separate Sub-Funds. Each Share issued by the Fund is a share in a specific Sub-Fund. Each Sub-Fund has a specific investment objective and policy as further described in its Supplement. A separate portfolio of assets is maintained for each Sub-Fund and invested for its exclusive benefit in accordance with its investment objective and policy.

With regard to third parties, in particular towards the Fund's creditors, each Sub-Fund will be exclusively responsible for all liabilities attributable to it. As a consequence, the assets of each Sub-Fund may only be used to meet the debts, liabilities and obligations attributable to that Sub-Fund. In the event that, for any reason, the liabilities arising in respect of the creation, operation and liquidation of a Sub-Fund exceed the assets allocated to it, creditors will have no recourse against the assets of any other Sub-Fund to satisfy such deficit. Assets and liabilities are allocated to each Sub-Fund in accordance with the provisions of the Articles of Association, as set out in section 8.2 (Valuation procedure) below.

Each Sub-Fund may be established for an unlimited or limited duration as specified in its Supplement. In the latter case, upon expiry of the term, the Fund may extend the duration of the Sub-Fund once or several times. Investors will be notified at each extension. At the expiry of the duration of a Sub-Fund, the Fund will redeem all the Shares in that Sub-Fund. The Supplement will indicate the duration of each Sub-Fund and its extension, where applicable.

Additional Sub-Funds may be established from time to time without the consent of investors in other Sub-Funds. A new Supplement will be added to this Offering Document for each new Sub-Fund established stating, for each new Sub-Fund, the characteristics of the Sub-Fund such as, among others, the initial subscription price, the initial subscription period, available Share Classes, minimum initial investment and minimum subsequent investment amounts, if any, Valuation Days, and the settlement cycles for subscriptions, redemptions and conversions.

### **7.1.3 Share Classes**

The Sub-Funds may offer several Share Classes, as set out in the Supplements. Each Share Class within a Sub-Fund may have different features such as the fee structure, minimum subscription or holding amounts, currency, different hedging techniques or distribution policy or other distinctive features, or be offered or reserved to different types of investors. Where expressly provided for in the Supplement of the relevant Sub-Fund, each Share Class may qualify as Tracking Class. Investors will be able to choose the Share Class with the features most suitable to their individual circumstances.

Each Share Class may be created for an unlimited or limited duration, as specified in the Supplement. In the latter case, upon expiry of the term, the Fund may extend the duration of the Share Class once or several times. Investors will be notified at each extension. At the expiry of the duration of a Share Class, the Fund will redeem all the Shares in that Share Class. The Supplement will indicate the duration of each Share Class and its extension, where applicable.

Additional Share Classes may be established in any Sub-Fund from time to time without the approval of investors. New Share Classes will be added to the relevant Supplement. Such new

Share Classes may be issued on terms and conditions that differ from the existing Share Classes. The list and details of the Share Classes established within each Sub-Fund, if any, are set out in the Supplements.

#### **7.1.4 Changes to Sub-Funds and Share Classes**

The rights and restrictions attached to Shares may be modified from time to time, subject to the provisions of the Articles of Association. Any changes to the Articles of Association will require a resolution of the general meeting of Shareholders, as further described in section 10.2 (Meetings of Shareholders) below.

Subject to the above, the Board of Directors may change the characteristics of any existing Sub-Fund, including its objective and policy, or any existing Share Class, without the consent of investors. In accordance with applicable laws and regulations, investors in the Sub-Fund or Share Class will be informed about the changes and, where required, will be given at least one month prior notice of any proposed material changes in order for them to request the redemption of their Shares free of charge should they disagree. This Offering Document will be updated as appropriate.

#### **7.2 Dividend distribution policy**

Each Sub-Fund may offer distributing Shares and non-distributing Shares. The Supplement will indicate whether Shares confer the right to dividend distributions (Distribution Shares) or do not confer this right (Capitalisation Shares). Distribution Shares and Capitalisation Shares issued within the same Sub-Fund will be represented by different Share Classes.

Capitalisation Shares capitalise their entire earnings whereas Distribution Shares pay dividends. Whenever dividends are distributed to holders of Distribution Shares, their Net Asset Value per Share will be reduced by an amount equal to the amount of the dividend per Share distributed, whereas the Net Asset Value per Share of Capitalisation Shares will remain unaffected by the distribution made to holders of Distribution Shares.

The Fund will determine how the earnings of Distribution Shares will be distributed and may declare distributions from time to time, at such time and in relation to such periods as the Fund will determine, in the form of cash or Shares, in accordance with the dividend distribution policy adopted for such Distribution Shares as described in the Supplement. The dividend distribution policy may vary between Distribution Shares within the same or different Sub-Funds. Dividend distributions are not guaranteed with respect to any Share Class. In any event, no distribution may be made if, as a result, the total Net Asset Value of the Fund would fall below the minimum share capital required by the 2016 Law which is currently EUR 1,250,000.

No interest will be paid on dividend distributions declared by the Fund which have not been claimed. Dividends not claimed within five years of their declaration date will lapse and revert to the relevant Share Class.

#### **7.3 Eligible Investors**

Shares may only be acquired or held by investors who (i) are Well-Informed Investors, as further described below, and (ii) satisfy all additional eligibility requirements for a specific Sub-Fund or Share Class, if any, as specified for the Sub-Fund or Share Class in the Supplement (an Eligible Investor).

The Board of Directors has decided that any investor not qualifying as an Eligible Investor will be considered as a Prohibited Person, in addition to those persons described in section 7.10 (Prohibited Persons) below. The Fund may decline to issue any Shares and to accept any transfer of Shares, where it appears that such issue or transfer would or might result in Shares being acquired or held by, on behalf or for the account or benefit of, Prohibited Persons. The Fund may compulsorily redeem all Shares held by, on behalf or for the account or benefit of, Prohibited Persons in accordance with the procedure set out in this Offering Document (see section 7.10 (Prohibited Persons) below).

### **7.3.1 Well-Informed Investors**

Only Well-Informed Investors can be Eligible Investors. According to article 2(1) of the 2016 Law, Well-Informed Investors are:

- 1) Institutional Investors;
- 2) Professional Investors; or
- 3) any other investors having confirmed in writing they are a well-informed investor and either: (i) having a minimum investment in the Fund of at least an amount to be equivalent to one hundred twenty-five thousand Euro (EUR 125,000), or (ii) having been the subject of an assessment made by a credit institution within the meaning of Regulation (EU) 575/2013 on prudential requirements for credit institutions, by an investment firm within the meaning of MiFID II or by a management company within the meaning of the UCITS Directive certifying their expertise, their experience and their knowledge in adequately appraising an investment in the specialized investment fund.

According to the 2016 Law, the conditions set forth in such article are not applicable to the members of the Board of Directors and other persons who intervene in the management of the Fund.

Notwithstanding the above, this Fund is not available to retail investors within the meaning of MiFID II as no key information document as per the PRIIPs Regulation will be made available.

### **7.3.2 Other investor eligibility requirements**

Each Sub-Fund and/or each Share Class may have different or additional requirements as to the eligibility of its investors. Certain Sub-Funds or Shares Classes may be reserved to specified categories of investors such as Institutional Investors or investors who are residents of or domiciled in specific jurisdictions. Eligibility requirements for each Sub-Fund or Shares Class are set out in the Supplements.

## **7.4 Subscription for Shares**

Applications for subscriptions can be submitted for each Subscription Day provided that a complete application is submitted by the Cut-Off Time for that Subscription Day. Applications will be processed, if accepted, at the Subscription Price applicable to that Subscription Day. Unless otherwise provided for in the Supplement of the relevant Sub-Fund, the Subscription Price (plus any Subscription Fee) must be settled by the end of the Subscription Settlement Period. The subscription procedure applicable unless otherwise determined in the Supplement of the relevant Sub-Fund is further described below. Shares will be issued on the Subscription Day and entitled to participate in the Net Asset Value of the Share Class from their issue. The

Subscription Day, Cut-Off Time, and Subscription Settlement Period for each Sub-Fund or Share Class are specified in the Supplement.

#### **7.4.1 Subscription application**

Shares in any new Sub-Fund or Share Class may be available for subscription during an Initial Offer and will be issued on the first Subscription Day following the Initial Offer at the Initial Offer Price. Information on the Initial Offer and the Initial Offer Price of any new Sub-Fund or Share Class will be set out in the Supplement and available from the Administrator upon request. The Fund may reschedule the Initial Offer and/or amend the Initial Offer Price.

Shares will be available for subscription on each Subscription Day at a Subscription Price equal to the Net Asset Value per Share for that Subscription Day. The Net Asset Value per Share for the Subscription Day at which an application will be processed is unknown to the investors when they place their subscription applications.

The Fund may charge a Subscription Fee on subscriptions for Shares, as set out in section 9.1 below, which will be added to the Subscription Price. The Subscription Fee is equal to a percentage of the Subscription Price or such other amount specified for each Sub-Fund or Share Class in the Supplement, where applicable. The Subscription Price may be rounded up or down to the nearest unit of the relevant currency as the Board of Directors shall determine.

Investors wishing to subscribe for Shares of a Sub-Fund or Share Class will be requested to complete a Subscription Form in which they commit to subscribe and pay for the Shares, subject to specific conditions and process which may be described in the Supplement of the relevant Sub-Fund. The liability of each investor in respect of the Shares subscribed will be limited to the Subscription Price (plus any Subscription Fee). The Subscription Form must be submitted to the Administrator following the instructions on such form. The Subscription Form is available from the Administrator on request.

The Fund will only process subscription applications that it considers clear and complete. Applications will be considered complete only if the Fund has received all information and supporting documentation it deems necessary to process the application. The Fund may delay the acceptance of unclear or incomplete applications until reception of all necessary information and supporting documentation in a form satisfactory to the Fund. Unclear or incomplete applications may lead to delays in their execution. The Fund will not accept liability for any loss suffered by applicants as a result of unclear or incomplete applications. No interest will be paid to investors on subscription proceeds received by the Fund prior to receiving clear and complete applications.

Applications must be submitted to the Administrator by the Cut-Off Time for the Subscription Day, as specified in the Supplement, in order for such applications to be processed, if accepted, at the Subscription Price applicable to that Subscription Day. Different Cut-Off Times may apply for applications submitted by investors in different time zones, provided that the applicable Cut-Off Time must always be earlier than the time when the applicable Net Asset Value is calculated.

Applications received after the Cut-Off Time will be treated as deemed applications received by the Cut-Off Time for the next Subscription Day. However, the Fund may accept subscription applications received after the Cut-Off Time subject to certain conditions, as set out in section 7.9 (Late trading, market timing and other prohibited practices) below.

The Fund reserves the right to accept or refuse any application in whole or in part at its discretion. Without limitation, the Fund may refuse an application for subscription where the Fund determines that the Shares would or might be held by, on behalf or for the account or benefit of, Prohibited Persons. In such event, subscription proceeds received by the Fund will be returned to the applicant as soon as practicable, at the risks and costs of the applicant, without interest.

The issue of Shares of a Sub-Fund or Share Class will be suspended whenever the determination of the Net Asset Value per Share of such Sub-Fund or Share Class is suspended or delayed by the Fund, as described in section 8.6 (Temporary suspension of the Net Asset Value calculation) and 8.6 (Delay in the Net Asset Value calculation) below. The issue of Shares of a Share Class may also be suspended at the discretion of the Board of Directors, in the best interest of the Fund, notably under other exceptional circumstances.

#### **7.4.2 Settlement of subscription**

The Subscription Price (plus any Subscription Fee) must be paid in the Reference Currency of the Share Class or, at the request of the investor, in any other currency accepted by the Fund. In the latter case, the Fund will have the subscription proceeds in the other currency converted into the Reference Currency of the Sub-Fund or Share Class, at the risks and costs of the investor, taking into account prevailing currency exchange rates. The Fund may charge a fee for this conversion service. The Fund will process the subscription application by reference to the net proceeds of the conversion into the Reference Currency of the Sub-Fund or Share Class.

With respect to fully paid up Shares, cleared funds equal to the full amount of the Subscription Price (plus any Subscription Fee) must be received by the Fund by the end of the Subscription Settlement Period specified in the Supplement. Settlement details are available in the Subscription Form. Payment should be made through bank transfer, or similar.

If the payment of the Subscription Price (plus any Subscription Fee) of fully paid up Shares has not been received by the end of the Subscription Settlement Period, any pending application for Shares may be rejected by the Administrator on the basis of a decision of the Board of Directors or, if the application had previously been accepted by the Fund, any allocation of Shares made on the basis of the application may be cancelled by a compulsory redemption of the Shares at the applicable Redemption Price (less any Redemption Fee), following a decision of the Board of Directors. In such a case, the money received after the end of the Subscription Settlement Period, if any, will be returned to the applicant at its risks and costs, without interest.

In relation to the settlement of subscription for fully paid up Shares, the Fund reserves the right to require indemnification from the applicant against any losses, costs or expenses arising as a result of any failure to settle the Subscription Price (plus any Subscription Fee) by the end of the Subscription Settlement Period. The Fund may pay such losses, costs or expenses out of the proceeds of any compulsory redemption described above and/or redeem all or part of the investor's other Shares, if any, in order to pay for such losses, costs or expenses.

Where provided for in the Supplement of the relevant Sub-Fund, the Fund may also agree to issue partially paid Shares. In accordance with the provisions of the 2016 Law, at least five per cent (5%) of each issued Share must be paid up upon subscription. As a matter of principle, the Fund will retain the legal right to call for some or all of the remaining unpaid amount at any

time during the life of the relevant Sub-Fund, in accordance with the procedure set-out in the Supplement of such Sub-Fund.

#### **7.4.3 Subscription in kind**

The Fund may agree to issue Shares as consideration for a “contribution in kind” of assets with an aggregate value equal to the Subscription Price (plus any Subscription Fee), provided that such assets comply with the investment objective and policy of the Sub-Fund and any restrictions and conditions imposed by applicable laws and regulations. In accepting or rejecting such a contribution at any given time, the Fund will take into account the interest of other investors of the Sub-Fund and the principle of fair treatment. Any contribution in kind will be valued independently in a special report issued by the Auditor or any other independent auditor (*réviseur d'entreprises agréé*) agreed by the Fund. The Fund and the contributing investor will agree on specific settlement procedures. Any costs incurred in connection with a contribution in kind, including the costs of issuing a valuation report, will be borne by the contributing investor or by such other third party as agreed by the Fund or in any other way which the Board of Directors considers fair to all investors of the Sub-Fund.

### **7.5 Redemption of Shares**

Applications for redemptions can be submitted by investors for each Redemption Day provided that a complete application is submitted by the Cut-Off Time for that Redemption Day. Applications will be processed, if accepted, at the Redemption Price applicable to that Redemption Day. The Redemption Price (less any Redemption Fee) will normally be paid by the end of the Redemption Settlement Period. The redemption procedure is further described below. Shares will be redeemed on the Redemption Day and entitled to participate in the net assets of the Sub-Fund or Share Class until their redemption. The Redemption Day, Cut-Off Time, and Redemption Settlement Period for each Sub-Fund or Share Class are specified in the Supplement.

Shares may be compulsorily redeemed whenever this is required in the best interests of the Fund and in any other circumstances foreseen in this Offering Document and the Articles of Association.

#### **7.5.1 Redemption application**

Subject to the provisions of the Supplement of the relevant Sub-Fund, investors may apply for redemption of all or any of their Shares on each Redemption Day at a Redemption Price equal to the Net Asset Value per Share for that Redemption Day, provided that such Redemption Day is subsequent to the end of the Subscription Settlement Period related to such Shares. The Net Asset Value per Share for the Redemption Day at which an application will be processed is unknown to the investors when they place their redemption applications.

The Fund may charge a Redemption Fee on redemptions of Shares, as set out in section below, which will be deducted from the payment of the Redemption Price. The Redemption Fee is equal to a maximum percentage of the Redemption Price or such other amount as specified for each Sub-Fund or Share Class in the Supplement, where applicable. The Redemption Price may be rounded up or down to the nearest unit of the relevant currency as the Board of Directors shall determine.



Investors wishing to redeem their Shares in part or in whole must submit a Redemption Form. The Redemption Form must be submitted to the Administrator following the instructions on such form. The Redemption Form is available from the Administrator on request.

The Fund will only process redemption applications that it considers clear and complete. Applications will be considered complete only if the Fund has received all information and supporting documentation it deems necessary to process the application. Unclear or incomplete applications may lead to delays in their execution. The Fund will not accept liability for any loss suffered by applicants as a result of unclear or incomplete applications.

Applications must be submitted to the Administrator by the Cut-Off Time for the Redemption Day, as specified in the Supplement, in order for such applications to be processed, if accepted, at the Redemption Price applicable to that Redemption Day. Different Cut-Off Times may apply for applications submitted by investors in different time zones, provided that the applicable Cut-Off Time must always be earlier than the time when the applicable Net Asset Value is calculated.

Applications received after the Cut-Off Time will be treated as deemed applications received by the Cut-Off Time for the next Redemption Day. However, the Fund may accept redemption applications received after the Cut-Off Time subject to certain conditions, as set out in section 7.9 below.

The redemption of Shares of a Sub-Fund or Share Class will be suspended whenever the determination of the Net Asset Value per Share of such Sub-Fund or Share Class is suspended or delayed by the Fund, as described in sections 8.5 (Temporary suspension of the Net Asset Value calculation) and 8.6 (Delay in the Net Asset Value calculation) below. The redemption of Shares of a Sub-Fund or Share Class may also be suspended in other exceptional cases where the circumstances and the best interest of the investors so require.

Shares may be compulsorily redeemed whenever this is required in the best interest of the Fund and in any other circumstances foreseen in this Offering Document and in the Articles of Association.

#### **7.5.2 Settlement of redemption**

Redemption proceeds equal to the full amount of the Redemption Price (less any Redemption Fee) will normally be paid by the end of the Redemption Settlement Period specified in the Supplement. Different settlement procedures may apply in certain jurisdictions in which Shares are distributed due to constraints under local laws and regulations. The Fund will not accept responsibility for any delays or charges incurred at any receiving bank or clearing system.

Payment of redemption proceeds will be made by wire transfer on the bank account of the redeeming investor and at its risks and costs. Redemption proceeds will be paid in the Reference Currency of the Sub-Fund or the Share Class or, at the request of the investor, in any other currency accepted by the Fund. In the latter case, the Fund will have the net redemption proceeds converted into the other currency at the risks and costs of the investor, taking into account prevailing currency exchange rates. The Fund may charge a fee for this conversion service. The Fund will pay to the investor the net proceeds of the conversion into the other currency.

The Fund reserves the right to postpone the payment of redemption proceeds after the end of the normal Redemption Settlement Period when there is insufficient liquidity or in other

exceptional circumstances. If redemption proceeds cannot be paid by the end of the Redemption Settlement Period, the payment will be made as soon as reasonably practicable thereafter. The Fund may also delay the settlement of redemptions until reception of all information and supporting documentation deemed necessary to process the application, as described above. No interest will be paid to investors on redemption proceeds paid after the end of the Redemption Settlement Period.

### **7.5.3 Redemption in kind**

The Fund may, in order to facilitate the settlement of substantial redemption applications or in other exceptional circumstances, propose to an investor a “redemption in kind” whereby the investor receives a portfolio of assets of the Sub-Fund of equivalent value to the Redemption Price (less any Redemption Fee). In such circumstances the investor must specifically consent to the redemption in kind and may always request a cash redemption payment instead. In proposing or accepting a request for redemption in kind at any given time, the Fund will take into account the interest of other investors of the Sub-Fund and the principle of fair treatment. Where the investor accepts a redemption in kind, he will receive a selection of assets of the Sub-Fund. Any redemption in kind will be valued independently in a special report issued by the Auditor or any other independent auditor (*réviseur d'entreprises agréé*) agreed by the Fund. The Fund and the redeeming investor will agree on specific settlement procedures. Any costs incurred in connection with a redemption in kind, including the costs of issuing a valuation report, will be borne by the redeeming investor or by such other third party as agreed by the Fund or in any other way which the Board of Directors considers fair to all investors of the Sub-Fund.

## **7.6 Conversion of Shares**

Subject to the provisions of the Supplement of the relevant Sub-Fund, applications for conversions of Shares of any Share Class (called the Original Shares) into Shares of another Share Class of the same or another Sub-Fund (called the New Shares) can be submitted for each Conversion Day provided that a complete application is submitted by the Cut-Off Time for that Conversion Day. The number of New Shares issued upon a conversion will be based on the respective Net Asset Values per Share of the Original Shares and the New Shares for the Conversion Day (which, for the avoidance of doubt, may be a different day for the Original Shares and the New Shares). The Original Shares will be redeemed and the New Shares will be issued on the Conversion Day. The conversion procedure is further described below.

For the avoidance of doubt, Tracking Shares may not be converted into Shares of any other Share Class.

### **7.6.1 Conversion application**

Unless set out otherwise in the Supplement, investors may apply for conversion of Original Shares into New Shares on each Conversion Day. However, the right to convert the Original Shares is subject to compliance with any investor eligibility requirements applicable to the New Shares. In addition, conversion applications are subject to the provisions on the minimum initial or additional subscription amounts applicable to the New Shares and the minimum holding amount applicable to the Original Shares.

The number of New Shares issued upon a conversion will be based upon the respective Net Asset Values of the Original Shares and the New Shares for the Conversion Day. These Net Asset Values are unknown to the investors when they place their conversion application.

The Fund may charge a Conversion Fee on conversions of Shares, as set out in section 7.6.2 below and specified in the Supplement. For the avoidance of doubt, no Subscription Fee or Redemption Fee will apply on conversions in addition to the Conversion Fee, if any.

Investors wishing to convert their Shares must submit a Conversion Form. The Conversion Form must be submitted to the Administrator following the instructions on such form. The Conversion Form is available from the Administrator on request.

The Fund will only process conversion applications that it considers clear and complete. Applications will be considered complete only if the Fund has received all information and supporting documentation it deems necessary to process the application. The Fund may delay the acceptance of unclear or incomplete applications until reception of all necessary information and supporting documentation in a form satisfactory to the Fund. Unclear or incomplete applications may lead to delays in their execution. The Fund will not accept liability for any loss suffered by applicants as a result of unclear or incomplete applications.

Applications must be submitted to the Administrator by the Cut-Off Time for the Conversion Day, as specified in the Supplement, in order for such applications to be processed, if accepted, at a conversion rate based on the respective Net Asset Values of the Original Shares and the New Shares on the Conversion Day. Different Cut-Off Times may apply for applications submitted by investors in different time zones, provided that the applicable Cut-Off Time must always be earlier than the time when the applicable Net Asset Value is calculated. Applications received after the Cut-Off Time will be treated as deemed applications received by the Cut-Off Time for the next Conversion Day. However, the Fund may accept conversion applications received after the Cut-Off Time subject to certain conditions, as set out in section 7.9 below.

The Fund reserves the right to reject any application for conversion of Shares into New Shares, in whole or in part, including, without limitation, where the Fund decides to close the Sub-Fund or Share Class to new subscriptions or new investors. In any event, no conversion application will be processed unless and until cleared funds equal to the full amount of the Subscription Price (plus any Subscription Fee) for the Original Shares has been received by the Fund.

The conversion of Shares will be suspended whenever the determination of the Net Asset Value per Share of the Original Shares or the New Shares is suspended or delayed by the Fund in accordance with section 8.5 (Temporary suspension of the Net Asset Value calculation) and 8.6 (Delay in the Net Asset Value calculation) below, or when the redemption of Original Shares or the subscription for New Shares is suspended in accordance with the Articles of Association and this Offering Document.

#### **7.6.2 Conversion rate**

The rate at which the Original Shares are converted into New Shares is determined on the basis of the following formula:

$$A = (B \times C \times D) / E$$

where:

A is the number of New Shares to be allocated;

- B is the number of Original Shares to be converted into New Shares;
- C is the Net Asset Value per Share of the Original Shares for the Conversion Day;
- D is the exchange rate, as determined by the Fund, between the Reference Currency of the Original Shares and that of the New Shares. Where the Reference Currencies are the same, D equals one (1); and
- E is the Net Asset Value per Share of the New Shares for the Conversion Day.

A Conversion Fee may be applied, if and to the extent set out in the Supplement. The Conversion Fee is equal to the positive difference, if any, between the Subscription Fee applicable to the New Shares and the Subscription Fee paid on the Original Shares, or such lower amount as specified for each Share Class in the Supplement, where applicable.

## **7.7 Transfer of Shares**

Shares are freely transferable subject to the restrictions set out in the Articles of Association and this Offering Document. In particular, the Fund may deny giving effect to any transfer of Shares if it determines that such transfer would result in the Shares being held by, on behalf or for the account or benefit of, Prohibited Persons.

Subject to the above, the transfer of Shares will normally be given effect by the Fund by way of declaration of transfer recorded in the register of Shareholders of the Fund following the delivery to the Administrator of an instrument of transfer duly completed and executed by the transferor and the transferee, in a form accepted by the Fund.

The Fund will only give effect to Share transfers that it considers clear and complete. The Administrator may require from the transferor and/or the transferee all of the information and supporting documentation it deems necessary to give effect to the transfer. Investors are advised to contact the Administrator prior to requesting a transfer to ensure that they have all the correct documentation for the transaction. The Fund may delay the acceptance of unclear or incomplete transfer orders until reception of all necessary information and supporting documentation in a form satisfactory to the Fund. Unclear or incomplete transfer orders may lead to delays in their execution. The Fund will not accept liability for any loss suffered by transferors and/or transferees as a result of unclear or incomplete transfer orders.

## **7.8 Special considerations**

### **7.8.1 Minimum subscription and holding amounts**

The subscription for Shares may be subject to a minimum initial subscription amount and/or additional subscription amount, as specified for each Share Class in the Supplement. The Fund may reject any application for subscription for or conversion into Shares of a Share Class which does not meet the applicable minimum initial subscription amount or additional subscription amount for that Share Class, if any.

In addition, the holding of Shares may be subject to a minimum holding amount, as specified for each Share Class in the Supplement. The Fund may treat any application for redemption or conversion of part of a holding of Shares in a Share Class as a deemed application for redemption or conversion of the entire holding of the redeeming investor in that Share Class if, as a result of such application, the Net Asset Value of the Shares retained by the investor in

that Share Class would fall below the applicable minimum holding amount. Alternatively, the Fund may grant a grace period to the investor so as to allow him to increase his holding to at least the minimum holding amount.

The Fund may further deny giving effect to any transfer of Shares if, as a result of such transfer, the Net Asset Value of the Shares retained by the transferor in a Share Class would fall below the minimum holding amount for that Share Class, or if the Net Asset Value of the Shares acquired by the transferee in a Share Class would be less than the minimum initial or additional subscription amounts, as applicable. In such cases, the Fund will notify the transferor that it will not give effect to the transfer of the Shares.

Alternatively, the Fund has the discretion, from time to time, to waive any applicable minimum initial subscription amount, minimum additional subscription amount and/or minimum holding amount provided that investors are treated fairly.

### **7.8.2 Minimum or maximum level of assets under management**

The Fund may decide to cancel the launch of a Sub-Fund or Share Class before the end of the Initial Offer where that Sub-Fund or Share Class has not reached the minimum or expected level of assets under management for such Sub-Fund or Share Class to be operated in an economically efficient manner. In such event, applications for subscription will be refused and subscription proceeds previously received by the Fund will be returned to the applicant.

Where applications for redemptions or conversions out of a Sub-Fund or Share Class on a particular Redemption Day or Conversion Day represent the total number of Shares in issue in that Sub-Fund or Share Class, or the remaining number of Shares in issue after such redemptions or conversions would represent a total Net Asset Value below the minimum level of assets under management required for such Sub-Fund or Share Class to be operated in an efficient manner, the Fund may decide to terminate and liquidate the Sub-Fund or Share Class in accordance with the procedure set out in section 10.9 (Liquidation) below. In such a case, all remaining Shares of the Sub-Fund or Share Class will be redeemed.

The Fund may also decide to close a Sub-Fund or Share Class to new subscriptions or new investors where that Sub-Fund or Share Class has reached its maximum or expected level of assets under management. In such event, applications for subscription will be refused, in whole or in part, and subscription proceeds previously received by the Fund will be returned to the applicant.

### **7.8.3 Suspension of issue, redemption or conversion of Shares**

The issue, redemption or conversion of Shares in a Share Class will be suspended whenever the determination of the Net Asset Value per Share of such Share Class is suspended by the Fund in accordance with section 8.6 below and in other circumstances specified in the Articles of Association and this Offering Document.

Suspended subscriptions, redemptions and conversions will be treated as deemed applications for subscriptions, redemptions or conversions in respect of the first Subscription Day, Redemption Day or Conversion Day following the end of the suspension period unless the investors have withdrawn their applications for subscription, redemption or conversion by written notification received by the Fund before the end of the suspension period.

#### 7.8.4 Deferral of redemption or conversion of Shares

If on any given Redemption Day or Conversion Day, applications for redemption or conversion of Shares out of a Sub-Fund or Share Class represent in aggregate more than ten percent (10%) of the Net Asset Value of the Sub-Fund or Share Class, the Fund (i) may decide that part (on a *pro rata* basis) or all of such requests for redemption or conversion will be deferred to the next or subsequent Redemption Days or Conversion Days (the “**Deferred Requests**”) until the Deferred Requests are processed in full, and (ii) may decide to implement, in respect of the Deferred Requests only, a temporary, more frequent Redemption Day or a temporary, more frequent Conversion Day (a “**Special Redemption Day**” and/or “**Special Conversion Day**”, as applicable), as specified in the relevant Supplement, until the Deferred Requests are processed in full. Unless already processed in full on Special Redemption Day(s) and/or Special Conversion Day(s), on a next or subsequent regular Redemption Day or Conversion Day, Deferred Requests will be met in priority to requests submitted in respect of such Redemption Day or Conversion Day.

The Fund also reserves the right to postpone the payment of redemption proceeds after the end of the normal Redemption Settlement Period in accordance with the provisions set out in section 7.5 above.

As an alternative to deferring applications for redemptions, the Fund may propose to an investor, who accepts, to settle a redemption application, in whole or in part, by a distribution in kind of certain assets of the Sub-Fund or Share Class in lieu of cash, subject to the conditions set out in section 7.5 above.

#### 7.9 Late trading, market timing and other prohibited practices

The Fund does not permit late trading practices as such practices may adversely affect the interests of investors. In general, late trading is to be understood as the acceptance of a subscription, redemption or conversion order for Shares after the Cut-Off Time for a Subscription Day, Redemption Day or Conversion Day and the execution of such order at a price based on the Net Asset Value applicable to such same day. However, as mentioned above, the Fund may accept subscription, conversion or redemption applications received after the Cut-Off Time, in circumstances where the subscription, redemption or conversion applications are dealt with on an unknown Net Asset Value basis, provided that it is in the interest of the Sub-Fund and that investors are fairly treated. In particular, the Fund may waive the Cut-Off Time where an intermediary submits the application to the Administrator after the Cut-Off Time provided that such application has been received by the intermediary from the investor in advance of the Cut-Off Time.

Subscriptions and conversions of Shares should be made for investment purposes only. The Fund does not permit market timing or other excessive trading practices. Market timing is to be understood as an arbitrage method by which an investor systematically subscribes and redeems or converts Shares of the same Sub-Fund or Share Class within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value. Excessive, short-term (market timing) trading practices may disrupt portfolio management strategies and harm fund performance. To minimise harm to the Fund and other investors, the Fund has the right to reject any subscription or conversion order, or levy in addition to any Subscription Fee, Redemption Fee or Conversion Fee which may be charged according to the Supplement, an additional fee depending on the value of the order for the benefit of the Sub-Fund or Share Class, from any investor who is engaging or is suspected of engaging in excessive trading, or has a history of excessive trading, or if an

investor's trading, in the opinion of the Board of Directors, has been or may be disruptive to the Fund, as further set out in a Supplement, if applicable. In making this judgment, the Board of Directors may consider trading done in multiple accounts under common ownership or control.

The Fund also has the power to compulsorily redeem all Shares held by, on behalf or for the account or benefit of, an investor who is or has been engaged in, or is suspected of being engaged in, late trading, market timing or other excessive trading, in accordance with the procedure set out in this Offering Document. The Board of Directors considers such persons as Prohibited Persons.

The Fund will not be held liable for any loss resulting from rejected orders or compulsory redemptions.

#### **7.10 Prohibited Persons**

The Articles of Association give powers to the Board of Directors to restrict or prevent the legal or beneficial ownership of Shares or prohibit certain practices such as late trading and market timing by any person (individual, corporation, partnership or other entity), if in the opinion of the Board of Directors such ownership or practices may (i) result in a breach of any provisions of the Articles of Association, the Offering Document or the laws or regulations of any jurisdiction, or (ii) require the Fund or the AIFM to be registered under any laws or regulations whether as an investment fund or otherwise, or cause the Fund to be required to comply with any registration requirements in respect of any of its Shares, whether in the United States of America or in any other jurisdiction, or (iii) may cause the Fund or the AIFM or the investors any legal, regulatory, taxation, administrative or financial disadvantages which they would not have otherwise incurred (a Prohibited Person).

The Board of Directors has decided that US Persons will subject to certain exceptions be considered as Prohibited Persons. By signing a Subscription Form, an applicant will certify, represent, warrant and agree that he is not a US Person or that the Shares applied for are not being acquired directly or indirectly by, on behalf or for the account or benefit of, a US Person. An applicant will further certify, represent, warrant and agree that the applicant will notify the Fund in the event that either the applicant becomes a US Person or holds the Shares on behalf of, or for the account or benefit of, a US Person. If an applicant's status changes and it becomes a US Person, it must notify the relevant party as mentioned above within thirty (30) days. The Board of Directors has also decided that any person not qualifying as an Eligible Investor (including, for the avoidance of doubt, any person not qualifying as a Well-Informed Investor) will be considered as a Prohibited Person.

Furthermore, the Board of Directors has decided that any person who is or has been engaged in, or is suspected of being engaged in, late trading, market timing or other excessive trading, directly or indirectly, as described in section 7.9 above, will be considered as a Prohibited Person.

The Fund may decline to issue any Shares and to accept any transfer of Shares, where it appears that such issue or transfer would or might result in Shares being acquired or held by, on behalf or for the account or benefit of, Prohibited Persons. The Fund may require at any time any investor or prospective investor to provide the Fund with any representations, warranties, or information, together with supporting documentation, which the Fund may consider necessary for the purpose of determining whether the issue or transfer would result in Shares being held by, on behalf or for the account or benefit of, a Prohibited Person.

The Fund may compulsorily redeem all Shares held by, on behalf or for the account or benefit of, Prohibited Persons or investors who are found to be in breach of, or have failed to provide, the above mentioned representations, warranties or information in a timely manner. In such cases, the Fund will notify the investor of the reasons which justify the compulsory redemption of Shares, the number of Shares to be redeemed and the indicative Redemption Day on which the compulsory redemption will occur. The Redemption Price will be determined in accordance with section 7.5 above.

The Fund may also grant a grace period to the investor for remedying the situation causing the compulsory redemption, for instance by transferring the Shares to one or more investors who are not Prohibited Persons and do not act on behalf or for the account or benefit of, Prohibited Persons, and/or propose to convert the Shares held by any investor who fails to satisfy the investor eligibility requirements for a Shares Class into Shares of another Share Class available for such investor.

The Fund reserves the right to require the investor to indemnify the Fund against any losses, costs or expenses arising as a result of any Shares being held by, on behalf or for the account or benefit of, a Prohibited Person or investors who are found to be in breach of, or have failed to provide, the abovementioned representations, warranties or information in a timely manner. The Fund may pay such losses, costs or expenses out of the proceeds of any compulsory redemption described above and/or redeem all or part of the investor's other Shares, if any, in order to pay for such losses, costs or expenses.

#### **7.11 Prevention of money laundering**

The Fund must comply with applicable international and Luxembourg laws and regulations regarding the prevention of money laundering and terrorist financing, including in particular with the 2004 Law, and implementing regulations adopted from time to time. In particular, anti-money laundering measures in force in the Grand Duchy of Luxembourg require the Fund, on a risk sensitive basis, to establish and verify the identity of subscribers for Shares (as well as the identity of any intended beneficial owners of the Shares if they are not the subscribers) and the origin of subscription proceeds and to monitor the business relationship on an ongoing basis.

Subscribers for Shares will be required to provide to the Administrator the information set out in the Subscription Form, depending on their legal form (individual, corporate or other category of subscriber).

The Fund is required to establish anti-money laundering controls and may require from subscribers for Shares all documentation deemed necessary to establish and verify this information. The Fund has the right to request additional information until the Fund is reasonably satisfied it understands the identity and economic purpose of the subscriber. Furthermore, any investor is required to notify the Administrator prior to the occurrence of any change in the identity of any beneficial owner of Shares. The Fund may require from existing investor, at any time, additional information together with all supporting documentation deemed necessary for the Fund to comply with anti-money laundering measures in force in the Grand Duchy of Luxembourg.

Failure to provide information or documentation deemed necessary for the Fund to comply with anti-money laundering measures in force in the Grand Duchy of Luxembourg may result in delays in, or rejection of, any subscription or conversion application and/or delays in any redemption application.



## **8. VALUATION AND NET ASSET CALCULATION**

The AIFM is responsible for ensuring that proper and independent valuation of the assets of the Fund and the calculation and publication of the Net Asset Value can be performed.

The Net Asset Value of each Sub-Fund and Share Class is determined by performing a valuation of the assets and liabilities of the Fund and allocating them to the Sub-Funds and Share Classes, in order to calculate the Net Asset Value per Share of each Share Class of each Sub-Fund. The method for the valuation of the assets and liabilities, the allocation to the Sub-Funds and Share Classes, and the calculation of the Net Asset Value is set out in the valuation policy for the Fund, the Articles of Association, and is also described in this section of the Offering Document.

### **8.1 Calculation of the Net Asset Value**

The Net Asset Value per Share will be determined by the Administrator as of each Valuation Day (as specified for each Sub-Fund in the Supplement) under the responsibility of the AIFM. It will be calculated by dividing the Net Asset Value of the Share Class of a Sub-Fund by the total number of Shares of such Share Class in issue as of that Valuation Day. The Net Asset Value per Share will be expressed in the Reference Currency of the Share Class and may be rounded up or down to four (4) decimal places.

The Net Asset Value of a Share Class is equal to the value of the assets allocated to such Share Class within a Sub-Fund less the value of the liabilities allocated to such Share Class, both being calculated as of each Valuation Day according to the valuation procedure described below.

The Net Asset Value of a Sub-Fund is equal to the value of the assets allocated to such Sub-Fund less the value of the liabilities allocated to such Sub-Fund, both calculated as of each Valuation Day in the Reference Currency of the Sub-Fund according to the valuation procedure described below.

The Net Asset Value of the Fund will at all times be equal to the sum of the Net Asset Values of all Sub-Funds expressed in the Reference Currency of the Fund. The Net Asset Value of the Fund must at all times be at least equal to the minimum share capital required by the 2016 Law which is currently EUR 1,250,000, except during the first twelve (12) months after its constitution.

### **8.2 Valuation procedure**

#### **8.2.1 General**

The assets and liabilities of the Fund will be valued in accordance with the AIFM's valuation policy, following consultation with the Board of Directors and the Platform Arranger, and the provisions outlined below.

Specific details on the method of valuation of the assets and liabilities of the Fund are set out in the AIFM's valuation policy and include the following:

- details of the competence and independence of the personnel who are effectively carrying out the valuation of assets;

- the specific investment strategies of the Fund;
- the controls over the selection of valuation inputs and the assets that the Fund might invest in;
- the escalation channels for resolving differences in values for assets;
- the valuation of any adjustments related to the size and liquidity of positions, or to changes in the market conditions, as appropriate;
- the appropriate time for closing the books for valuation purposes; and
- the appropriate frequency for valuing assets.

The AIFM may apply, in good faith and in accordance with generally accepted valuation principles and procedures, other valuation principles or alternative methods of valuation that it considers appropriate in order to determine the probable realisation value of any asset if applying the rules described below appears inappropriate or impracticable.

The AIFM may adjust the value of any asset if the AIFM determines that such adjustment is required to reflect its fair value taking into account its denomination, maturity, liquidity, applicable or anticipated interest rates or dividend distributions or any other relevant considerations.

If, after the time of determination of the Net Asset Value but before publication of the Net Asset Value for a Valuation Day, there has been a material change affecting the exchanges or markets on which a substantial portion of the investments of a Sub-Fund are quoted, listed or traded, the AIFM may cancel the first valuation and carry out a second valuation in order to safeguard the interest of investors. In such a case, the Net Asset Value used for processing subscription, redemption and conversion applications for that Valuation Day will be based on the second calculation.

For the purpose of calculating the Net Asset Value in accordance with the valuation principles set out below, the AIFM has authorised the Administrator to rely in whole or in part upon valuations provided by available pricing sources for the relevant asset, including data vendors and pricing agencies (such as Bloomberg or Reuters), fund administrators, brokers, dealers and valuation specialists, provided that such pricing sources are considered reliable and appropriate and provided that there is no manifest error or negligence in such valuations. In the event that valuations are not available or valuations may not correctly be assessed using such pricing sources, the Administrator will rely upon valuation methods and determinations provided by the AIFM.

Where the AIFM considers it necessary, it may seek the assistance of a valuation committee whose task will be the prudent estimation of certain assets' values in good faith.

In the absence of fraud, bad faith, gross negligence or manifest error, any decision taken in accordance with the Articles of Association and the Offering Document by the AIFM, the Board of Directors or any agent appointed by them in connection with the valuation of the Fund's assets and the calculation of the Net Asset Value of the Fund, a Sub-Fund or a Share Class, the Net Asset Value per Share will be final and binding on the Fund and on all investors, and neither the Board of Directors, nor the AIFM, nor any agent appointed by them will accept any

individual liability or responsibility for any determination made or other action taken or omitted by them in this connection.

The AIFM will be liable to the Fund for any losses suffered as a result of the AIFM's negligence or intentional failure to perform its valuation obligations as set out in the 2013 Law.

### **8.2.2 Assets of the Fund**

Subject to the rules on the allocation to Sub-Funds and Share Classes below, the assets of the Fund will include the following:

- 1) all cash on hand or on deposit, including any outstanding accrued interest;
- 2) all bills and any types of notes or accounts receivable, including outstanding proceeds of any disposal of financial instruments;
- 3) all securities and financial instruments, including shares, bonds, notes, certificates of deposit, debenture stocks, options or subscription rights, warrants, money market instruments and all other investments belonging to the Fund;
- 4) all dividends and distributions payable to the Fund either in cash or in the form of stocks and shares (which will normally be recorded in the Fund's books as of the ex-dividend date, provided that the Fund may adjust the value of the security accordingly);
- 5) all outstanding accrued interest on any interest-bearing instruments belonging to the Fund, unless this interest is included in the principal amount of such instruments;
- 6) the formation expenses of the Fund or a Sub-Fund, to the extent that such expenses have not already been written off; and
- 7) all other assets of any kind and nature including expenses paid in advance.

### **8.2.3 Liabilities of the Fund**

Subject to the rules on the allocation to Sub-Funds and Share Classes below, the liabilities of the Fund will include the following:

- 1) all loans, bills or accounts payable, accrued interest on loans (including accrued fees for commitment for such loans);
- 2) all known liabilities, whether or not already due, including all contractual obligations that have reached their term, involving payments made either in cash or in the form of assets, including the amount of any dividends declared by the Fund but not yet paid;
- 3) a provision for any tax accrued to the Valuation Day and any other provisions authorised or approved by the Fund; and
- 4) all other liabilities of the Fund of any kind recorded in accordance with applicable accounting rules, except liabilities represented by Shares. In determining the amount of such liabilities, the Fund will take into account all expenses, fees, costs and charges payable by the Fund as set out in section 9 (Fees and Expenses) below.

Adequate provisions will be made for unpaid administrative and other expenses of a regular or recurring nature based on an estimated amount accrued for the applicable period. Any off-balance sheet liabilities will duly be taken into account in accordance with fair and prudent criteria.

#### **8.2.4 Valuation principles**

In accordance with the Articles of Association and the AIFM's valuation policy, the valuation of the assets of the Fund will be conducted as follows:

- 1) The value of any cash on hand or on deposit, bills or notes payable, accounts receivable, prepaid expenses, cash dividends, and interest accrued but not yet received will be equal to the entire nominal or face amount thereof, unless the same is unlikely to be paid or received in full, in which case the value thereof will be determined after making such discount as the AIFM may consider appropriate in such case to reflect the true value thereof.
- 2) Transferable securities and money market instruments which are quoted, listed or traded on an exchange or regulated market will be valued, unless otherwise provided under paragraphs 3) and 6) below, at the last available market price or quotation, prior to the time of valuation, on the exchange or regulated market where the securities or instruments are primarily quoted, listed or traded. Where securities or instruments are quoted, listed or traded on more than one exchange or regulated market, the AIFM will determine on which exchange or regulated market the securities or instruments are primarily quoted, listed or traded and the market prices or quotations on such exchange or regulated market will be used for the purpose of their valuation. Transferable securities and money market instruments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an exchange or regulated market, will be valued at their probable realisation value estimated with care and in good faith by the AIFM in consultation with the Board of Directors using any valuation method approved by the AIFM in consultation with the Board of Directors.
- 3) Notwithstanding paragraph 2) above, where permitted under applicable laws and regulations, money market instruments may be valued using an amortisation method whereby instruments are valued at their acquisition cost as adjusted for amortisation of premium or accrual of discount on a constant basis until maturity, regardless of the impact of fluctuating interest rates on the market value of the instruments. The amortisation method will only be used if it is not expected to result in a material discrepancy between the market value of the instruments and their value calculated according to the amortisation method.
- 4) Financial derivative instruments which are quoted, listed or traded on an exchange or regulated market will be valued at the last available closing or settlement price or quotation, prior to the time of valuation, on the exchange or regulated market where the instruments are primarily quoted, listed or traded. Where instruments are quoted, listed or traded on more than one exchange or regulated market, the AIFM will determine on which exchange or regulated market the instruments are primarily quoted, listed or traded and the closing or settlement prices or quotations on such exchange or regulated market will be used for the purpose of their valuation. Financial derivative instruments for which closing or settlement prices or quotations are not available or representative will be valued at their probable realisation value estimated with care and in good faith by the AIFM using any valuation method approved by the AIFM.

- 5) Financial derivative instruments which are traded OTC will be valued daily at their fair market value, on the basis of valuations provided by the counterparty which will be approved or verified on a regular basis independently from the counterparty. Alternatively, OTC financial derivative instruments may be valued on the basis of independent pricing services or valuation models approved by the AIFM which follow international best practice and valuation principles. Any such valuation will be reconciled to the counterparty valuation on a regular basis independently from the counterparty, and significant differences will be promptly investigated and explained.
- 6) Notwithstanding paragraph 2) above, shares or units in target investment funds will be valued at their latest available official net asset value, as reported or provided by or on behalf of the investment fund or at their latest available unofficial or estimated net asset value if more recent than the latest available official net asset value, provided that the AIFM is satisfied of the reliability of such unofficial net asset value. The Net Asset Value calculated on the basis of unofficial net asset values of the target investment fund may differ from the Net Asset Value which would have been calculated, on the same Valuation Day, on the basis of the official net asset value of the target investment fund. Alternatively, shares or units in target investment funds which are quoted, listed or traded on an exchange or regulated market may be valued in accordance with the provisions of paragraph 2) above.
- 7) The value of any other asset not specifically referenced above will be the probable realisation value estimated with care and in good faith by the AIFM using any valuation method approved by the AIFM.

#### **8.2.5 Allocation of assets and liabilities to Sub-Funds and Share Classes**

Assets and liabilities of the Fund will be allocated to each Sub-Fund and Share Class, subject to any specific Tracking Class Allocation and in accordance with the provisions of the Articles of Association, as set out below, and the Supplement of the Sub-Fund.

- 1) The proceeds from the issue of Shares of a Sub-Fund or Share Class, all assets in which such proceeds are invested or reinvested and all income, earnings, profits or assets attributable to or deriving from such investments, as well as all increase or decrease in the value thereof, will be allocated to that Sub-Fund or Share Class and recorded in its books. The assets allocated to each Share Class of the same Sub-Fund will be invested together in accordance with the investment objective, policy, and strategy of that Sub-Fund, subject to the specific features and terms of issue of each Share Class of that Sub-Fund, as specified in its Supplement (see section 7.1 (Shares, Sub-Funds and Share Classes) above)
- 2) All liabilities of the Fund attributable to the assets allocated to a Sub-Fund or Share Class or incurred in connection with the creation, operation or liquidation of a Sub-Fund or Share Class will be charged to that Sub-Fund or Share Class and, together with any increase or decrease in the value thereof, will be allocated to that Sub-Fund or Share Class and recorded in its books. In particular and without limitation, the costs and any benefit of any Share Class specific feature will be allocated solely to the Share Class to which the specific feature relates.
- 3) Any assets or liabilities not attributable to a particular Sub-Fund or Share Class may be allocated by the Board of Directors in good faith and in a manner which is fair to

investors generally and will normally be allocated to all Sub-Funds or Share Classes *pro rata* to their Net Asset Value.

Subject to the above, the Board of Directors may at any time vary the allocation of assets and liabilities previously allocated to a Sub-Fund or Share Class.

#### **8.2.6 Additional rules for assets and liabilities of the Fund**

In calculating the Net Asset Value of each Sub-Fund or Share Class the following principles will apply.

- 1) Each Share agreed to be issued by the Fund on each Subscription Day will be deemed to be in issue and existing immediately after the time of valuation on the Subscription Day. From such time and until the Subscription Price is received by the Fund, the assets of the Sub-Fund or Share Class concerned will be deemed to include a claim of that Sub-Fund or Share Class for the amount of any cash or other property to be received in respect of the issue of such Shares. The Net Asset Value of the Sub-Fund or Share Class will be increased by such amount immediately after the time of valuation on the Subscription Day.
- 2) Each Share agreed to be redeemed by the Fund on each Redemption Day will be deemed to be in issue and existing until and including the time of valuation on the Redemption Day. Immediately after the time of valuation and until the Redemption Price is paid by the Fund, the liabilities of the Sub-Fund or Share Class concerned will be deemed to include a debt of that Sub-Fund or Share Class for the amount of any cash or other property to be paid in respect of the redemption of such Shares. The Net Asset Value of the Sub-Fund or Share Class will be decreased by such amount immediately after the time of valuation on the Redemption Day.
- 3) Following a declaration of dividends for Distribution Shares on a Valuation Day determined by the Fund to be the distribution accounting date, the Net Asset Value of the Sub-Fund or Share Class will be decreased by such amount as of the time of valuation on that Valuation Day.
- 4) Where assets have been agreed to be purchased or sold but such purchase or sale has not been completed at the time of valuation on a given Valuation Day, such assets will be included in or excluded from the assets of the Fund, and the gross purchase price payable or net sale price receivable will be excluded from or included in the assets of the Fund, as if such purchase or sale had been duly completed at the time of valuation on that Valuation Day, unless the Fund has reason to believe that such purchase or sale will not be completed in accordance with its terms. If the exact value or nature of such assets or price is not known at the time of valuation on the Valuation Day, its value will be estimated by the AIFM in accordance with the valuation principles described above.
- 5) The value of any asset or liability denominated or expressed in a currency other than the Reference Currency of the Fund, Sub-Fund or Share Class will be converted, as applicable, into the Reference Currency of the Fund, Sub-Fund or Share Class at the prevailing foreign exchange rate at the time of valuation on the Valuation Day concerned which the AIFM considers appropriate.

### **8.3 Swing Pricing**

A Sub-Fund may suffer a reduction in the Net Asset Value per Share (a “dilution”) due to investors buying or selling Shares at a price that does not reflect dealings and/or other costs (such as taxes) that arise when security trades are undertaken by the relevant Investment Manager or any sub-investment manager to accommodate cash inflows or outflows.

In order to mitigate the effect of dilution on Shareholders, the Board of Directors may determine to apply an alternative net asset value calculation method (to include such reasonable factors as it sees fit) to the Net Asset Value per Share of any Sub-Fund. This method of valuation is intended to pass the estimated costs of underlying investment activity of the Fund to the active Shareholders by adjusting the Net Asset Value of the relevant Share Class and thus to protect the Fund’s long-term Shareholders from costs associated with ongoing subscription and redemption activity (a “swing pricing methodology”).

Such swing pricing methodology may be applied on any Valuation Day in case where the aggregate net transactions in any Shares Class of a Sub-Fund exceed a certain threshold, determined and reviewed for each Sub-Fund on a periodic basis by the Board of Directors.

The extent of the price adjustment will be set by the Board of Directors on a periodic basis to reflect an approximation of dealing and other costs. Such adjustment may vary across Sub-Funds and will not exceed for each Sub-Fund, a certain percentage of the original Net Asset Value per Share for the Sub-Fund, as described in the relevant Supplement in case where applicable. The price adjustment applicable to a specific Sub-Fund is available upon request at the registered office of the Administrator.

Investors are advised that the volatility of a Sub-Fund’s Net Asset Value might not reflect the true performance of the Sub-Fund’s portfolio due to the application of the swing pricing methodology. Typically, the swing pricing methodology will lead to an increase of the Net Asset Value per Share when there are net inflows and to a decrease of the Net Asset Value per Share when there are net outflows.

Application of the swing pricing is set out in the Supplement of the relevant Sub-Fund if applied.

### **8.4 Anti-Dilution Levy**

The actual costs of purchasing investments may be higher or lower than the value used in calculating the Net Asset Value. These costs may include dealing charges, commission and transaction charges as well as dealing spread and may have a detrimental effect on the relevant Sub-Fund. To prevent this effect, known as “dilution” and where provided for in the Supplement of the relevant Sub-Fund, an anti-dilution levy may be charged in the circumstances set out in the following paragraph.

On any Dealing Day where there are net subscriptions or net redemptions, the Board of Directors may determine (based on such reasonable factors as they see fit, including without limitation, the prevailing market conditions and the level of subscriptions or redemptions requested by Shareholders or potential Shareholders in relation to the size of the Sub-Fund) to add an anti-dilution levy to the subscription price on that Dealing Day or deduct an anti-dilution levy from the redemption payments, in each case not to exceed two percent (2%) of Net Asset Value of the Shares being issued or redeemed, in order to cover dealing costs and to preserve the value of the underlying assets of the Sub-Fund.

## **8.5 Publication of the Net Asset Value**

Unless set out otherwise in the Supplement of the relevant Sub-Fund, the publication of the Net Asset Values will take place on the next Business Day after a Valuation Day unless otherwise provided for in the Supplement. The Net Asset Value per Share of each Share Class within each Sub-Fund will be available from the Administrator during normal business hours and is published on [www.gsfundsolutions.com](http://www.gsfundsolutions.com).

## **8.6 Temporary suspension of the Net Asset Value calculation**

The Board of Directors, upon consultation with the AIFM, may temporarily suspend the calculation and publication of the Net Asset Value per Share of any Share Class in any Sub-Fund and/or where applicable, the issue, redemption and conversion of Shares of any Share Class in any Sub-Fund in the following cases:

- 1) when any exchange or regulated market that supplies the price of the assets of a Sub-Fund is closed, otherwise than on ordinary holidays, or in the event that transactions on such exchange or market are suspended, subject to restrictions, or impossible to execute in volumes allowing the determination of fair prices;
- 2) when the information or calculation sources normally used to determine the value of the assets of a Sub-Fund are unavailable;
- 3) during any period when any breakdown or malfunction occurs in the means of communication network or IT media normally employed in determining the price or value of the assets of a Sub-Fund, or which is required to calculate the Net Asset Value per Share;
- 4) when exchange, capital transfer or other restrictions prevent the execution of transactions of a Sub-Fund or prevent the execution of transactions at normal rates of exchange and conditions for such transactions;
- 5) when exchange, capital transfer or other restrictions prevent the repatriation of assets of a Sub-Fund for the purpose of making payments on the redemption of Shares or prevent the execution of such repatriation at normal rates of exchange and conditions for such repatriation;
- 6) when the legal, political, economic, military or monetary environment, or an event of force majeure, prevent the Fund from being able to manage the assets of a Sub-Fund in a normal manner and/or prevent the determination of their value in a reasonable manner;
- 7) when there is a suspension of the net asset value calculation or of the issue, redemption or conversion rights by the investment fund(s) in which a Sub-Fund is invested;
- 8) following the suspension of the net asset value calculation and/or the issue, redemption and conversion at the level of a master fund in which a Sub-Fund invests as a feeder fund;
- 9) when, for any other reason, the prices or values of the assets of a Sub-Fund cannot be promptly or accurately ascertained or when it is otherwise impossible to dispose of the



assets of the Sub-Fund in the usual way and/or without materially prejudicing the interests of investors;

- 10) in the event of a notice to Shareholders convening an extraordinary general meeting of Shareholders for the purpose of dissolving and liquidating the Fund or informing them about the termination and liquidation of a Sub-Fund or Share Class, and more generally, during the process of liquidation of the Fund, a Sub-Fund or Share Class;
- 11) during the process of establishing exchange ratios in the context of a merger, a contribution of assets, an asset or share split or any other restructuring transaction;
- 12) during any period when the dealing of the Shares of a Sub-Fund or Share Class on any relevant stock exchange where such Shares are listed is suspended or restricted or closed; and
- 13) in exceptional circumstances, whenever the Board of Directors considers it necessary in order to avoid negative effects on the Fund, a Sub-Fund or Share Class, in compliance with the principle of fair treatment of investors in their best interests.

In the event of exceptional circumstances which could adversely affect the interest of investors or where significant requests for subscription, redemption or conversion of Shares are received for a Sub-Fund or Share Class, the Board of Directors reserves the right to determine the Net Asset Value per Share for that Sub-Fund or Share Class only after the Fund has completed the necessary investments or divestments in securities or other assets for the Sub-Fund or Share Class concerned.

The issue, redemption and conversion of Shares in the any Share Class will also be suspended during any such period when the Net Asset Value of such Share Class is not calculated and published.

Any decision to suspend the calculation and publication of the Net Asset Value per Share and/or where applicable, the issue, redemption and conversion of Shares of a Share Class, will be published and/or communicated to investors as required by applicable laws and regulations.

The suspension of the calculation of the Net Asset Value and/or, where applicable, of the subscription, redemption and/or conversion of Shares in any Sub-Fund or Share Class will have no effect on the calculation of the Net Asset Value and/or, where applicable, of the subscription, redemption and/or conversion of Shares in any other Sub-Fund or Share Class.

Suspended subscription, redemption, and conversion applications will be treated as deemed applications for subscriptions, redemptions or conversions in respect of the first Subscription Day, Redemption Day or Conversion Day following the end of the suspension period unless the investors have withdrawn their applications for subscription, redemption or conversion by written notification received by the Administrator before the end of the suspension period.

## **8.7 Delay in the Net Asset Value calculation**

The Board of Directors, upon consultation with the AIFM, may temporarily defer the calculation and publication of the Net Asset Value per Share of any Share Class in any Sub-Fund and/or where applicable, the issue, redemption and conversion of Shares of any Share Class in any Sub-Fund in the following cases:

- 1) when any exchange or regulated market that supplies the price of the assets of a Sub-Fund is closed, otherwise than on ordinary holidays, or in the event that transactions on such exchange or market are suspended, subject to restrictions, or impossible to execute in volumes allowing the determination of fair prices;
- 2) when the information or calculation sources normally used to determine the value of the assets of a Sub-Fund are unavailable;
- 3) during any period when any breakdown or malfunction occurs in the means of communication network or IT media normally employed in determining the price or value of the assets of a Sub-Fund, or which is required to calculate the Net Asset Value per Share;
- 4) when exchange, capital transfer or other restrictions prevent the execution of transactions of a Sub-Fund or prevent the execution of transactions at normal rates of exchange and conditions for such transactions;
- 5) when the legal, political, economic, military or monetary environment, or an event of force majeure, prevent the Fund from being able to manage the assets of a Sub-Fund in a normal manner and/or prevent the determination of their value in a reasonable manner;
- 6) when, for any other reason, the prices or values of the assets of a Sub-Fund cannot be promptly or accurately ascertained or when it is otherwise impossible to dispose of the assets of the Sub-Fund in the usual way and/or without materially prejudicing the interests of investors;
- 7) in exceptional circumstances, whenever the Board of Directors considers it necessary in order to avoid irreversible negative effects on the Fund, a Sub-Fund or Share Class, in compliance with the principle of fair and equal treatment of investors in their best interests.

The issue, redemption and conversion of Shares in the any Share Class will also be suspended during any such period when the Net Asset Value of such Share Class is not calculated and published.

Any decision to differ the calculation and publication of the Net Asset Value per Share and/or where applicable, the issue, redemption and conversion of Shares of a Share Class, will be communicated to investors in accordance with the principle of equal treatment of the Shareholders.

Any delay in the calculation of the Net Asset Value in any Sub-Fund or Share Class will have no effect on the calculation of the Net Asset Value in any other Sub-Fund or Share Class.

Suspended subscription, redemption, and conversion applications will be treated as deemed applications for subscriptions, redemptions or conversions in respect of the Subscription Day, Redemption Day or Conversion Day for which the Net Asset Value calculation has been delayed unless the investors have withdrawn their applications for subscription, redemption or conversion by written notification received by the Administrator before the publication of the delayed Net Asset Value of the relevant Sub-Fund or Share Class.

## **9. FEES AND EXPENSES**

### **9.1 Subscription Fee and Redemption Fee**

Subscriptions for Shares may be subject to a Subscription Fee and redemptions of Shares may be subject to a Redemption Fee both calculated as specified in the Supplement, where applicable. Conversions of Shares may be subject to a Conversion Fee calculated as specified in the Supplement, where applicable. For the avoidance of doubt, no Subscription Fee or Redemption Fee will apply on conversions in addition to the Conversion Fee, if any.

Where applicable, an identical Subscription Fee, Redemption Fee, or Conversion Fee will apply, respectively, to all subscriptions, redemptions and conversions of Shares in each Share Class processed on the same Subscription Day, Redemption Day or Conversion Day.

The Subscription Fee, Redemption Fee and Conversion Fee will be paid to the Fund. The Fund may in its discretion waive all or part of the Subscription Fee, Redemption Fee or Conversion Fee.

Banks and other financial intermediaries appointed by or acting on behalf of the investors, where applicable, may charge administration and/or other fees or commissions to the investors pursuant to arrangements between those banks or other financial intermediaries and the investors. The Fund has no control over such arrangements.

### **9.2 Costs related to derivative transactions**

The price of the derivative instruments entered into by the Fund on behalf of certain of the Portfolios may include hedging costs and a profit component payable to the counterparty.

### **9.3 Total Expense Ratio and Global Fixed Fee**

A Total Expense Ratio will be calculated for each Sub-Fund, and will include the expected fees and costs described below. The maximum Total Expense Ratio applicable to each Sub-Fund or Share class will be disclosed in the Supplement of the relevant Sub-Fund. Given that the maximum Total Expense Ratio disclosed is an estimate based on the expected fees and costs generally incurred by the relevant Sub-Fund or Share class, the Total Expense Ratio applicable to such Sub-Fund or Share class may exceed the maximum Total Expense Ratio disclosed in the relevant Supplement under exceptional circumstances.

When specified in the Supplement of the relevant Sub-Fund, the maximum Total Expense Ratio referred to above will be replaced by a fixed global fee, consisting in a percentage of the Net Asset Value of such Sub-Fund (the “**Global Fixed Fee**”), as disclosed in the relevant Supplement. In such a case, the amount of fees borne by a Sub-Fund will be equal to the Global Fixed Fee specified for that Sub-Fund, irrespective of the actual amount of fees incurred by such Sub-Fund. In the event that fees incurred by that Sub-Fund exceed the Global Fixed Fee, the difference will be borne by the Platform Arranger. In the event that the fees eventually incurred are lower than the Global Fixed Fee, the Platform Arranger will be entitled to retain the difference.

When specified in the Supplement of the relevant Sub-Fund, the maximum costs related to an investment in such Sub-Fund will be disclosed in accordance with the 2013 Law. In addition, the Supplement may mention the estimated Total Expense Ratio for such Sub-Fund.

The fees listed below are included in the maximum Total Expense Ratio, respectively the Global Fixed Fee, for each Sub-Fund.

### **Administrator Fee**

The Administrator will be entitled to an annual fee equal to a percentage of the average Net Asset Value of each Sub-Fund consistent with market practice in Luxembourg. This annual fee may be subject to a minimum fee per Sub-Fund, which will depend on the type of Sub-Fund (either mainstream or complex) and the number of Share Classes of such Sub-Fund. The Administrator fee will accrue on each Valuation Day and will be payable monthly in arrears out of the assets of the Fund and allocated to each Sub-Fund. The Administrator will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties.

### **Depositary and Paying Agent Fee**

The Depositary will be entitled to an annual fee equal to a percentage of the average Net Asset Value of each Sub-Fund or Share Class consistent with market practice in Luxembourg. The Depositary fee will accrue on each Valuation Day and will be payable monthly in arrears out of the assets of the Fund and allocated to each Sub-Fund and Share Class.

The Depositary will also be entitled to transaction fees charged on the basis of the investments made by each Sub-Fund consistent with market practice in Luxembourg.

Fees paid to the Depositary may vary depending on the nature of the investments of each Sub-Fund and the countries and/or markets in which the investments are made. The Depositary will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties.

### **AIFM Fee**

The AIFM will be entitled to (i) a fixed annual fee and (ii) a minimum monthly fee, calculated on the assets under management of each Sub-Fund and paid out of the assets of each Sub-Fund. The AIFM Fee will be payable monthly in arrears. The AIFM will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties.

### **Investment Manager Fee and Performance Fee**

For details on the Investment Manager Fee and the Performance Fee, investors should refer to the Supplement of the relevant Sub-Fund.

### **Audit Fee**

The Auditors of the Fund are entitled to receive an audit fee in accordance with applicable market standards in Luxembourg.

### **Fees related to local entities**

In relation with the registration of the Fund and its Sub-Funds in foreign countries, additional fees may be charged on the assets of the Fund (and allocated to the appropriate Sub-Funds)

in connection with the registration (and maintenance of the registration) and the duties and services of local paying agents, correspondent banks or similar entities.

### **Expenses**

The Fund pays out of its assets all expenses payable by it. These include expenses payable to the independent auditors, outside counsels and other professionals.

They also include any expenses involved in registering and maintaining the registration of the Fund with any governmental agencies or stock exchanges in the Grand Duchy of Luxembourg and in any other country and administrative expenses, such as registration expenses, insurance coverage and the expenses relating to the translation and printing of this Prospectus and of its Supplements and reports to Shareholders.

Unless otherwise provided in the relevant Supplement, expenses specific to a Portfolio or Share class will be borne by that Portfolio or Share class. Unless otherwise provided in the relevant Supplement, expenses that are not specifically attributable to a particular Portfolio or Share class may be allocated among the relevant Portfolios or Share classes based on their respective net assets or any other reasonable basis given the nature of the expenses.

### **Directors fee**

The members of the Board of Directors are entitled to receive a fee in consideration for their function. However, in case where members of the Board of Directors who are also directors, officers or employees of the AIFM or its affiliates or of the Platform Arranger or its affiliates will be requested to waive their fees. The Fund will also reimburse the members of the Board of Directors for appropriate insurance coverage and expenses and other costs incurred by the members of the Board of Directors in the performance of their duties, including reasonable out-of-pocket expenses, traveling costs incurred to attend meetings of the Board of Directors, and any costs of legal proceedings unless such costs are caused by intentional or grossly negligent conduct by the member of the Board of Directors in question.

### **Operating and Administrative Expenses**

The Fund bears all ordinary costs and expenses incurred in the operation and administration of the Fund or any Sub-Fund or Share Class ("**Operating and Administrative Expenses**") including but not limited to costs and expenses incurred in connection with:

- 1) preparing, producing, printing, depositing, publishing and/or distributing any documents relating to the Fund, a Sub-Fund or Share Class that are required by applicable laws and regulations (such as the Articles of Association, this Offering Document, financial reports and notices to investors) or any other documents and materials made available to investors (such as explanatory memoranda, statements, reports, factsheets and similar documents);
- 2) organising and holding general meetings of Shareholders and preparing, printing, publishing and/or distributing notices and other communications to Shareholders;
- 3) professional advisory services (such legal, tax, accounting, compliance, auditing and other advisory services) taken by the Fund or the AIFM on behalf of the Fund;

- 4) investment services taken and/or data obtained by the Fund or the AIFM on behalf of the Fund (including fees and expenses incurred in obtaining investment research, systems and other services or data utilised for portfolio and risk management purposes);
- 5) the reporting requirements of the Fund (such as administrative fees, insurance costs and other types of fees and expenses incurred in the course of reporting obligations of the Fund falling under regulations such as FATCA, EMIR), and all types of insurance obtained on behalf of the Fund and/or the members of the Board of Directors;
- 6) initial and ongoing obligations relating to the registration and/or listing of the Fund, a Sub-Fund or Share Class and the distribution of Shares in Luxembourg and abroad (such as fees charged by and expenses payable to financial regulators, distributors, correspondent banks, representatives, listing agents, paying agents, fund platforms, and other agents and/or service providers appointed in this context, as well as advisory, legal, and translation costs);
- 7) the determination and publication of tax factors for the EU/EEA member states and/or any other countries where distribution licences and/or private placements exist, according to the actual expenditure incurred at market rates;
- 8) memberships or services provided by international organisations or industry bodies such as the Association of the Luxembourg Fund Industry (ALFI);
- 9) taxes, charges and duties payable to governments and local authorities (including the Luxembourg annual subscription tax (*taxe d'abonnement*) and any other taxes payable on assets, income or expenses) and any value added tax (VAT) or similar tax associated with any fees and expenses paid by the Fund; and
- 10) the reorganisation or liquidation of the Fund, a Sub-Fund or Share Class.

#### **9.4 Extraordinary costs and expenses**

In order to safeguard the interests of the Fund and its investors, the Fund or any Sub-Fund may bear any extraordinary costs and expenses including, without limitation, costs and expenses related to litigation and regulatory investigations (including penalties, fines, damages and indemnifications) and the full amount of any tax, levy, duty or similar charge imposed on the Fund or Sub-Fund that would not be considered as ordinary Operating and Administrative Expenses.

#### **9.5 Formation costs and expenses**

The expenses incurred in connection with the formation of the Fund and the initial issue of Shares by the Fund, including those incurred in the preparation and publication of the sales documents of the Fund, all legal, fiscal and printing expenses, as well as certain launch expenses (including advertising costs) and other preliminary expenses have been borne by the Platform Arranger.

## **10. GENERAL INFORMATION**

### **10.1 Reports and financial statements**

The financial statements of the Fund will be prepared in accordance with Luxembourg GAAP.

The financial year of the Fund will begin on 1 January of each year and end on 31 December of the same year. Each year, the Fund will issue an Annual Report as of the end of the previous financial year comprising, *inter alia*, the audited financial statements of the Fund and each Sub-Fund and a report of the Board of Directors on the activities of the Fund. The first financial year ended on 31 December 2019 and the first Annual Report will be issued as of 31 December 2019.

The Annual Reports will be made available to investors within six (6) months following the end of the reporting period. Investors may obtain, upon request, a copy of the latest Annual Report from the Administrator free of charge.

The Reference Currency of the Fund is the Euro. The Annual Report will comprise consolidated accounts of the Fund expressed in Euro as well as individual information on each Sub-Fund expressed in the Reference Currency of such Sub-Fund.

### **10.2 Meetings of Shareholders**

The annual general meeting of Shareholders will be held within six (6) months of the end of each financial year in Luxembourg in order to approve the financial statements of the Fund for the previous financial year. The annual general meeting of Shareholders will be held at the registered office of the Fund, or at such alternative location in Luxembourg as may be specified in the convening notice of such meeting.

Other general meetings of Shareholders may be held at such place and time as indicated in the convening notice in order to decide on any other matters relating to the Fund. General meetings of Shareholders of any Sub-Fund or any Share Class within a Sub-Fund may be held at such time and place as indicated in the convening notice in order to decide on any matters which relate exclusively to such Sub-Fund or Share Class.

Notices of all general meetings will be sent to all registered Shareholders by ordinary mail (*lettre missive*) at least eight (8) calendar days prior to the meeting or if the addressees have individually accepted to receive the convening notices by another means of communication ensuring access to the information, by such means of communication. Notices will include the agenda and will specify the time and place of the meeting, the conditions of admission, and the quorum and voting requirements.

The requirements as to attendance, quorum, and majorities at all general meetings will be those laid down in the Articles of Association and in the 1915 Law. All Shareholders may attend general meetings in person or by appointing another person as his proxy in writing or by facsimile, electronic mail or any other similar means of communication accepted by the Fund. A single person may represent several or even all Shareholders of the Fund, a Sub-Fund or Share Class. Each Share entitles the Shareholder to one (1) vote at all general meetings of Shareholders of the Fund, and at all meetings of the Sub-Fund or Share Class concerned to the extent that such Share is a Share of such Sub-Fund or Share Class.

The Board of Directors may suspend the voting rights of any Shareholder in breach of his obligations as described in this Offering Document, the Subscription Form or the Articles of Association.

### **10.3 Investors' rights**

Upon the issue of the Shares, the person whose name appears on the register of Shares will become a Shareholder in relation to the relevant Sub-Fund and Share Class. The Fund draws the investors' attention to the fact that where an investor invests in the Fund through an intermediary acting in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain Shareholder rights, such as the right to participate in general meetings of Shareholders, directly against the Fund. Investors are advised to seek advice in relation to their rights.

The Articles of Association are governed by, and construed in accordance with, the laws currently in force in Luxembourg. The Subscription Form is expressed to be governed by, and construed in accordance with, the laws currently in force in Luxembourg, and contains a choice of international competence of the courts of the Grand-Duchy of Luxembourg.

There are no legal instruments in Luxembourg required for the recognition and enforcement of judgments rendered by a Luxembourg court. If a foreign, i.e. non-Luxembourg court, on the basis of mandatory domestic provisions, renders a judgment against the Fund, the rules of the Brussels I (Recast) (regarding judgments from EU member states) or the rules of the Lugano Convention or of the private international law of Luxembourg (regarding judgments from non-EU member states) concerning the recognition and enforcement of foreign judgments apply. Investors are advised to seek advice, on a case-by-case basis, on the available rules concerning the recognition and enforcement of judgments.

Absent a direct contractual relationship between the investors and the service providers mentioned in section 6 (Management and Administration) above, the investors will generally have no direct rights against service providers and there are only limited circumstances in which an investor can potentially bring a claim against a service provider. Instead, the proper claimant in an action in respect of which a wrongdoing is alleged to have been committed against the Fund by a service provider is, *prima facie*, the Fund itself.

### **10.4 Changes to this Offering Document**

The Board of Directors, in close cooperation with the AIFM, may from time to time amend this Offering Document to reflect various changes it deems necessary and in the best interest of the Fund, such as implementing changes to laws and regulations, changes to a Sub-Fund's objective and policy or changes to fees and costs charged to a Sub-Fund or Share Class. Shareholders will be informed in due time of any amendment of this Offering Document which would be deemed as material by the Board of Directors.

### **10.5 Documents and information available**

Investors may obtain, upon request during business hours on any full bank business day in Luxembourg, a copy of this Offering Document as well as of the latest Annual Report and the Articles of Association from the Fund free of charge.

The AIFM has adopted a "best execution" policy. The AIFM's "best execution" policy requires that the Investment Managers establish, implement and maintain a "best execution" policy



which has the objective of obtaining the best possible result for the Fund when executing decisions to deal on behalf of the Fund or placing orders to deal on behalf of the Fund with other entities for execution. Further information on the AIFM's best execution policy may be obtained from the AIFM upon request.

Where available, the historical performance of each Sub-Fund may be provided by the Fund to investors upon their request.

Copies of the following documents are available for inspection during usual business hours on any Business Day at the registered office of the Fund: the Management Agreement, the Depositary Agreement, and the Administration Agreement.

## 10.6 Data protection

In accordance with GDPR, and any data protection law applicable in Luxembourg (including but not limited to the law of 1st August 2018 on the organization of the National Commission for Data Protection and the general regime on data protection, as may be amended or replaced), the Fund, as data controller, hereby informs the investors (or if the investor is a legal person, informs the investor's contact person and/or beneficial owner) that certain personal data provided to the Fund or its delegates may be collected, recorded, stored, adapted, transferred or otherwise processed for the purposes set out below.

Such personal data includes (i) for individual investors: the name, address (including residential postal and e-mail address), telephone number, banking details, passport number, national insurance number / social security number, and/or tax identification number, source of funds and source of wealth, invested amount and holdings of each investor; (ii) for corporate investors: the name and address (including postal residential and e-mail address), passport number, national insurance number / social security number, and/or tax identification number, source of funds and source of wealth of the investors' contact persons and signatories, and/or of the beneficial owners; and (iii) any personal data the processing of which is required in order to comply with regulatory requirements, including tax law and foreign laws (all the personal data mentioned above, collectively, the "**Personal Data**").

Personal Data supplied by investors is processed in order to enter into and execute the subscription of Shares in the Fund to comply with the legal obligations imposed on the Fund and for the legitimate interests of the Fund, which should never override the interests and fundamental rights and freedoms of investors. In particular, the Personal Data supplied by investors is processed for the purpose of: (i) maintaining the register of investors; (ii) processing subscriptions, redemptions and conversions of Shares and payments of dividends to investors; (iii) maintaining controls in respect of late trading and market timing practices; (iv) complying with applicable anti-money laundering rules; (v) marketing and client-related services; (vi) distribution fee administration; and (vii) tax identification under the EU Savings Directive, the CRS and FATCA.

The "legitimate interests" of the Fund referred to above are: (a) the processing purposes described in points (i) to (vii) of the above paragraph of this clause; (b) meeting and complying with the Fund's accountability requirements and regulatory obligations globally; the provision of the proof, in the event of a dispute, of a transaction or any commercial communication; and (c) exercising the business of the Fund in accordance with reasonable market standards.

In the context of the above mentioned purposes, the Fund may delegate the processing of the Personal Data, in compliance and within the limits of the applicable laws and regulations, to

other data recipients which refer to, inter alia, the AIFM, the Investment Managers, the Administrative Agent, the Transfer Agent and Registrar, the Depositary, the Sub-distributors, the paying agents, the auditor and the legal advisers of the Fund and their service providers and delegates (the “**Recipients**”).

The Recipients may, under their own responsibility, disclose the Personal Data to their agents and/or delegates (the “**Sub-Recipients**”), which shall process the Personal Data for the sole purposes of assisting the Recipients in providing their services to the Fund and/or assisting the Recipients in fulfilling their own legal obligations.

The Recipients and Sub-Recipients may be located either inside or outside the European Economic Area (the “**EEA**”).

Where the Recipients are located outside the EEA in a country which does not ensure an adequate level of protection for personal data, the Data Controller will enter into legally binding transfer agreements with the relevant Recipients in the form of the EU Commission’s approved model clauses. Where the Sub-Recipients are located outside the EEA in a country which does not ensure an adequate level of protection for personal data, the Recipients shall also enter into legally binding transfer agreements with the relevant Sub-Recipients in the form of the EU Commission’s approved model clauses. In this respect, the Data Subjects have a right to request copies of the relevant document for enabling the Personal Data transfer(s) towards such countries by writing to the Data Controller or, where the Recipients disclose the Personal Data to the Sub-Recipients and where relevant, to the Recipient.

The Recipients and Sub-Recipients may, as the case may be, process the Personal Data as data processors (when processing the Personal Data upon instructions of the Fund), or as distinct data controllers (when processing the Personal Data for their own purposes or fulfilling their own legal obligations). The Personal Data may also be transferred to third-parties such as governmental or regulatory agencies, including tax authorities, in accordance with applicable laws and regulations. In particular, Personal Data may be disclosed to the Luxembourg tax authorities, which in turn may, acting as data controller, disclose the same to foreign tax authorities.

In accordance with the provisions of the Data Protection Law, investors have the right to:

- 1) request access to their Personal Data (i.e. the right to obtain from the Fund confirmation as to whether or not Personal Data is being processed, to be provided with certain information about the Fund’s processing of Personal Data, to access such data, and to obtain a copy of the Personal Data undergoing processing (subject to legal exceptions));
- 2) request the correction of their Personal Data where it is inaccurate or incomplete (i.e. the right to require from the Fund that inaccurate or incomplete Personal Data be updated or corrected accordingly);
- 3) object to the processing of their Personal Data (i.e. the right to object, on grounds relating to your particular situation, to processing of Personal Data which is based on the performance of a task carried out in the public interest or the legitimate interests of the Fund. The Fund shall stop such processing unless it can either demonstrate compelling legitimate grounds for the processing that override their interests, rights and freedoms or that it needs to process the data for the establishment, exercise or defence of legal claims);

- 4) request erasure of their Personal Data (i.e. the right to require that Personal Data be erased in certain circumstances, including where it is no longer necessary for the Fund to process this data in relation to the purposes for which it collected or processed);
- 5) request for restriction of the use of their Personal Data (i.e. the right to obtain that the processing of Personal Data should be restricted to storage of such data unless consent of the investor has been obtained); and
- 6) request for Personal Data portability (i.e. the right to have the data transferred to them or another controller in a structured, commonly used and machine-readable format, where this is technically feasible).

Investors may exercise the above rights by writing to the Fund at the registered office of the Fund. The investors are also informed of the existence of their right to lodge a complaint with the National Commission for Data Protection (the “CNPD”) at the following address: 1, Avenue du Rock'n'Roll, L-4361 Esch-sur-Alzette, Grand Duchy of Luxembourg, or with any competent data protection supervisory authority. In the event that data subjects wish to make a complaint, they are advised first to address the complaint to the Fund. If their complaint still remains unresolved, they may lodge a complaint with the CNPD as indicated above.

The investor may, at its discretion, refuse to communicate its Personal Data to the Fund or its agents, including the Fund’s Luxembourg domiciliation and accounting agent. In this event however the Fund may reject the request for subscription for Shares. Personal Data shall not be retained for periods longer than those required for the purpose of its processing subject to statutory limitation periods.

The investor agrees to Personal Data (subject to the application of local laws and/or regulations) being used outside Luxembourg, and therefore being potentially subject to the security of regulatory and tax authorities outside Luxembourg. When Personal Data is transferred to countries which do not ensure an equivalent level of protection for personal data, it is legally required that the Fund, the AIFM, the Registrar and Transfer Agent or any other agent has recourse to appropriate safeguards. The investor is informed that the Registrar and Transfer Agent will in the scope of the delegation of data processing activities as part of its Registrar and Transfer Agent duties transfer Personal Data to its affiliate in Malaysia in which case the appropriate safeguards will consist in the entry into standard contractual clauses approved by the European Commission.

## **10.7 Transfer of personal and confidential data**

As indicated under section 6.5, the Fund has appointed RBC Investor Services Bank S.A. to provide central administration services (including transfer agency services).

In order to provide those services, RBC enters into outsourcing arrangements with third party service providers in or outside the RBC group (the “**Sub-contractors**”). As part of those outsourcing arrangements, RBC may be required to disclose and transfer personal and confidential information and documents about Shareholders and individuals related to Shareholders (the “**Related Individuals**”) (the “**Data transfer**”) (such as identification data – including the Shareholder’s and/or the Related Individual’s name, address, national identifiers, date and country of birth, etc. – account information, contractual and other documentation and transaction information) (the “**Confidential Information**”) to the Sub-contractors. In accordance with Luxembourg law, RBC is due to provide a certain level of information about those

outsourcing arrangements to the fund, which, in turn, must be provided by the Fund to the Shareholders.

A description of the purposes of the said outsourcing arrangements, the Confidential Information that may be transferred to Sub-contractors thereunder, as well as the country where those Sub-contractors are located is therefore set out in the below table.

| Type of Confidential Information transmitted to the Sub-contractors | Country where the Sub-contractors are established | Nature of the outsourced activities   |
|---|---|---|
| Confidential Information (as defined above)                         | Belgium<br>Canada                                 | <ul style="list-style-type: none"> <li>• Transfer agent/ shareholders services (incl. global reconciliation)</li> <li>• Treasury and market services</li> <li>• IT infrastructure (hosting services, including cloud services)</li> <li>• IT system management / operation Services</li> <li>• IT services (incl. development and maintenance services)</li> <li>• Reporting</li> <li>• Investor services activities</li> </ul> |
|   | Hong Kong<br>India                                |   |
|   | Ireland<br>Jersey                                 |   |
|   | Luxembourg<br>Malaysia                            |   |
|   | Poland<br>Singapore                               |   |
|   | United Kingdom                                    |   |
|   | United States of America                          |   |
|   |   |   |

Confidential Information may be transferred to Sub-contractors established in countries where professional secrecy or confidentiality obligations are not equivalent to the Luxembourg professional secrecy obligations applicable to RBC. In any event, RBC is legally bound to, and has committed to the Fund that it will enter into outsourcing arrangements with Sub-contractors which are either subject to professional secrecy obligations by application of law or which will be contractually bound to comply with strict confidentiality rules, such as standard contractual clauses adopted by the European Commission to protect personal data. RBC further committed to the Fund that it will take reasonable technical and organisational measures to ensure the confidentiality of the Confidential Information subject to the Data Transfer and to protect Confidential Information against unauthorised processing. Confidential Information will therefore only be accessible to a limited number of persons within the relevant Sub-contractor, on “a need to know” basis and following the principle of the “least privilege”. Unless otherwise authorised/required by law, or in order to comply with requests from national or foreign regulatory authorities or law enforcement authorities, the relevant Confidential Information will not be transferred to entities other than the Sub-contractors.

## 10.8 Merger and reorganisation

### 10.8.1 Merger of the Fund, Sub-Funds or Share Classes

The Board of Directors may decide to merge, in accordance with applicable laws and regulations, the Fund, a Sub-Fund or Share Class (the “**Merging Entity**”) with (i) another Sub-Fund or Share Class of the Fund, or (ii) any Luxembourg specialised investment fund organised under the law of 13 February 2007 relating to specialised investment funds (the “**2007 Law**”) or sub-fund or class of shares or units thereof, or (iii) any Luxembourg undertaking for collective investment organised under the law of 17 December 2010 concerning undertakings for collective investment, as amended (the “**2010 Law**”), or sub-fund or class of shares or units thereof, or (iv) any Luxembourg reserved alternative fund organised under 2016 Law or sub-fund or class of shares or units thereof, or (v) any Luxembourg investment company in risk capital (SICAR) organised under the law of 15 June 2004 relating to investment company in risk capital (the “**2004 Law**”) or sub-fund or class of shares thereof or (vi) any AIF (as defined in the 2013 Law) not governed by any of the 2016 Law, 2007 Law or 2004 Law or sub-fund or class of shares thereof, or (vii) another foreign undertaking for collective investment or sub-fund or class of shares thereof (the “**Receiving Entity**”) in the event that, for any reason, the Board of Directors determines that:

- (i) the Net Asset Value of the merging Sub-Fund or Share Class has decreased to, or has not reached, the minimum level for that Sub-Fund or Share Class to be managed and/or administered in an efficient manner,
- (ii) changes in the legal, economic or political environment would justify such merger, or
- (iii) a product rationalisation would justify such merger,

by transferring the assets and liabilities from the Merging Entity to the Receiving Entity, or by allocating the assets of the Merging Entity to the assets of the Receiving Entity, or by any other method of merger, amalgamation or reorganisation, as may be applicable, and, following a split or consolidation, if necessary, and the payment to investors of the amount corresponding to any fractional entitlement, by re-designating the shares of the Merging Entity as shares of the Receiving Entity, or by any other method of reorganisation or exchange of shares, as may be applicable.

Investors of the Merging Entity will be informed of the merger by way of a notice sent prior to the merger in accordance with applicable laws and regulations. The notice will indicate the reasons for and the procedures of the merger, as well as information on the Receiving Entity. The notice will also indicate that investors of the Merging Entity have the right to request the redemption of their shares free of charge (but taking into account actual realisation prices of investments, realisation expenses and liquidation costs) at least one month prior to the effective date of the merger. Exceptions may apply if the Receiving Entity is a Share Class of the Fund.

Such a merger does not require the prior consent of the Shareholders except where the Fund is the Merging Entity which, thus, ceases to exist as a result of the merger; in such case, the general meeting of Shareholders of the Fund must decide on the merger and its effective date. However, in case the Board of Directors has decided to merge a Sub-Fund or Share Class into another Luxembourg RAIF or other UCI of the contractual type (*fonds commun de placement*) or sub-fund or share class thereof, or into another foreign UCI or sub-fund or share class

thereof, special approval and/or majority requirements may apply in compliance with applicable legal and regulatory requirements.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraphs, investors of the Merging Entity may decide on such merger by resolution taken by the general meeting of Shareholders of the Sub-Fund or Share Class concerned, provided that the receiving Entity is a Sub-Fund or Share Class of the Fund. The convening notice to the general meeting of Shareholders of the Sub-Fund or Share Class will indicate the reasons for and the procedures of the proposed merger, as well as information on the receiving Entity.

#### **10.8.2 Absorption of another fund or sub-fund or share class**

The Board of Directors may decide to proceed, in accordance with applicable laws and regulations, with the absorption, including by way of merger or by acceptance of a contribution in kind, by the Fund or one or several Sub-Funds or Share Classes of (i) another Sub-Fund or Share Class of the Fund, or (ii) any Luxembourg specialised investment fund organised under the law of 13 February 2007 relating to specialised investment funds (the “**2007 Law**”) or sub-fund or class of shares or units thereof, or (iii) any Luxembourg undertaking for collective investment organised under the law of 17 December 2010 concerning undertakings for collective investment, as amended (the “**2010 Law**”), or sub-fund or class of shares or units thereof, or (iv) any Luxembourg reserved alternative fund organised under 2016 Law or sub-fund or class of shares or units thereof, or (v) any Luxembourg investment company in risk capital (SICAR) organised under the law of 15 June 2004 relating to investment company in risk capital (the “**2004 Law**”) or sub-fund or class of shares thereof or (vi) any AIF (as defined in the 2013 Law) not governed by any of the 2016 Law, 2007 Law or 2004 Law or sub-fund or class of shares thereof, or (vii) another foreign undertaking for collective investment or sub-fund or class of shares thereof (the “**Absorbed Entity**”).

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, the investors of the Fund or any Sub-Fund or Share Class, as applicable, may also decide on any of the absorptions described above as well as on the effective date thereof by resolution taken by the general meeting of Shareholders of the Fund or Sub-Fund or Share Class, provided that both involved entities are Sub-Funds or Share Classes of the Fund. The convening notice will explain the reasons for and the process of the proposed absorption.

#### **10.8.3 Reorganisation of Sub-Funds or Share Classes**

Under the same conditions and procedure as for a merger of Sub-Funds or Share Classes into another Sub-Fund or Share Class of the Fund, the Board of Directors may decide to reorganise a Sub-Fund or Share Class by means of a division into two or more Sub-Funds or Share Classes.

### **10.9 Liquidation**

#### **10.9.1 Termination and liquidation of Sub-Funds or Share Classes**

The Board of Directors may decide to compulsorily redeem all the Shares of any Sub-Fund or Share Class and thereby terminate and liquidate any Sub-Fund or Share Class in the event that, for any reason, the Board of Directors determines that:

- (i) the Net Asset Value of a Sub-Fund or Share Class has decreased to, or has not reached, the minimum level for that Sub-Fund or Share Class to be operated in an efficient manner;
- (ii) changes in the legal, economic or political environment would justify such liquidation; or
- (iii) a product rationalisation or any other reason would justify such liquidation.

Investors will be informed of the decision to terminate a Sub-Fund or Share Class by way of a notice. The notice will explain the reasons for and the process of the termination and liquidation.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, the investors of any Sub-Fund or Share Class, as applicable, may also decide on such termination by resolution taken by the general meeting of Shareholders of the Sub-Fund or Share Class and have the Fund redeem compulsorily all the Shares of the Sub-Fund or Share Class at the Net Asset Value per Share for the applicable Valuation Day. The convening notice will explain the reasons for and the process of the proposed termination and liquidation.

Sub-Funds or Share Classes with a defined term will be automatically terminated and liquidated upon the occurrence of their term, as set out in the Supplement where applicable, unless terminated earlier in accordance with the provisions of this section.

Actual realisation prices of investments, realisation expenses and liquidation costs will be taken into account in calculating the Net Asset Value applicable to the compulsory redemption. Investors in the Sub-Fund or Share Class concerned will generally be authorised to continue requesting the redemption or conversion of their Shares prior to the effective date of the compulsory redemption, unless the Board of Directors determines that it would not be in the best interest of investors in that Sub-Fund or Share Class or could jeopardise the fair treatment of investors.

All Shares redeemed will generally be cancelled. Redemption proceeds which have not been claimed by investors upon the compulsory redemption will be deposited in escrow at the *Caisse de Consignation* in Luxembourg in accordance with applicable laws and regulations. Proceeds not claimed within the statutory period will be forfeited in accordance with applicable laws and regulations.

The termination and liquidation of a Sub-Fund or Share Class will have no influence on the existence of any other Sub-Fund or Share Class. The decision to terminate and liquidate the last Sub-Fund existing in the Fund will result in the dissolution and liquidation of the Fund in accordance with the provisions of the Articles of Association.

#### **10.9.2 Dissolution and liquidation of the Fund**

The Fund is incorporated for an unlimited period. It may be dissolved at any time with or without cause by a resolution of the general meeting of Shareholders adopted in compliance with applicable laws.

The compulsory dissolution of the Fund may be ordered by Luxembourg competent courts in circumstances provided by the 2016 Law and the 1915 Law.

As soon as a decision to dissolve the Fund will be taken, the issue, redemption or conversion of Shares in all Sub-Funds is prohibited. The liquidation will be carried out in accordance with the provisions of the 2016 Law and 1915 Law. Liquidation proceeds which have not been claimed by investors at the time of the closure of the liquidation will be deposited in escrow at the *Caisse de Consignation* in Luxembourg. Proceeds not claimed within the statutory period will be forfeited in accordance with applicable laws and regulations.



## **11. TAXATION**

The following information is of a general nature only and is based on the Fund's understanding of certain aspects of the laws and practice in force in Luxembourg as of the date of this Offering Document. It does not purport to be a comprehensive description of all of the tax considerations that might be relevant to an investment decision. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. It is a description of the essential material Luxembourg tax consequences with respect to the Shares and may not include tax considerations that arise from rules of general application or that are generally assumed to be known to Shareholders. This summary is based on the laws in force in Luxembourg on the date of this Offering Document and is subject to any change in law that may take effect after such date. Prospective investors should consult their professional advisors with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

The residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), as well as personal income tax (*impôt sur le revenu*). Corporate taxpayers may further be subject to net wealth tax (*impôt sur la fortune*), as well as other duties, levies or taxes. Corporate income tax, municipal business tax, as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

### **11.1 Taxation of the Fund**

#### **11.1.1 Income tax**

The Fund is not liable to any Luxembourg income tax in Luxembourg.

#### **11.1.2 Subscription tax**

The Fund is as a rule liable in Luxembourg to a subscription tax (*taxe d'abonnement*) at an annual rate of 0.01% *per annum* calculated on the basis of the Net Asset Value of the Fund at the end of each quarter. The subscription tax is a cost for the Fund. Certain exemptions may apply, as set out in the 2016 Law.

#### **11.1.3 Withholding tax**

Under current Luxembourg tax law, there is no withholding tax on any distribution, redemption or payment made by the Fund to its Shareholders in respect of the Shares. There is also no withholding tax on the distribution of liquidation proceeds to the Shareholders.

#### **11.1.4 Value added tax**

The Fund is considered in Luxembourg as a taxable person for value added tax ("VAT") purposes without any input VAT deduction right. A VAT exemption applies in Luxembourg for

services qualifying as fund management services. Other services supplied to the Fund could potentially trigger VAT and require the VAT registration of the Fund in Luxembourg. As a result of such VAT registration, the Fund will be in position to fulfil its duty to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad. No VAT liability arises in principle in Luxembourg in respect of any payments by the Fund to its Shareholders, to the extent such payments are linked to their subscription to the Shares and do, therefore, not constitute the consideration received for taxable services supplied.

#### **11.1.5 Other taxes**

No stamp duty or other tax is payable in Luxembourg on the issue of Shares in the Fund to investors against cash, except for a fixed registration duty of EUR 75 which is paid upon the Fund's incorporation or any amendment to its Articles. The Fund is exempt from net wealth tax.

The Fund may be subject to withholding tax on dividends and interest and to tax on capital gains in the country of origin of its investments. As the Fund itself is exempt from income tax, withholding tax levied at source, if any, would normally not be refundable in Luxembourg and it is not certain whether the Fund itself would be able to benefit from Luxembourg's double tax treaties network. Whether the Fund may benefit from a double tax treaty concluded by Luxembourg must be analysed on a case-by-case basis. Indeed, as the Fund is structured as an investment company (as opposed to a mere co-ownership of assets), certain double tax treaties signed by Luxembourg may directly apply to the Fund.

### **11.2 Taxation of the Shareholders**

#### **11.2.1 General**

It is expected that Shareholders in the Fund will be resident for tax purposes in many different countries. Consequently, except as set-out below, no attempt is made in this Offering Document to summarize the taxation consequences for each Shareholder subscribing, converting, holding or redeeming or otherwise acquiring or disposing of Shares of the Fund. These consequences will vary in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances. Shareholders resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability to tax on the undistributed income and gains of the Fund.

The Fund and each of the Fund's agents will have no liability in respect of the individual tax affairs of Shareholders.

Shareholders should consult their professional advisors on the possible tax or other consequences of buying, holding, transferring or selling the Fund's Shares under the laws of their countries of citizenship.

### **11.2.2 Luxembourg tax residency of the Shareholders**

A Shareholder will not become resident, nor be deemed to be resident, in Luxembourg, by reason only of the holding of the Shares, or the execution, performance, delivery and/or enforcement of its right and obligations under the Shares.

### **11.2.3 Income taxation of the Shareholders**

#### **Luxembourg non-residents**

Shareholders, who are non-residents of Luxembourg and who have neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the Shares are attributable, are not liable to any Luxembourg income tax on income received and capital gains realised upon the sale, disposal or redemption of the Shares.

Non-resident Shareholders having a permanent establishment or a permanent representative in Luxembourg, to which or whom the Shares are attributable, must include any income received, as well as any gain realised on the sale, disposal or redemption of Shares, in their taxable income for Luxembourg tax assessment purposes. The same inclusion applies to individuals, acting in the course of the management of a professional or business undertaking, who have a permanent establishment or a permanent representative in Luxembourg, to which or whom the Shares are attributable. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

#### **Luxembourg residents**

##### *Luxembourg resident individuals*

Any dividends received and other payments derived from the Shares received by resident individuals, who act in the course of the management of either their private wealth or their professional/business activity, are subject to income tax at the progressive ordinary rates.

A gain realised upon disposal of Shares by Luxembourg resident individual Shareholders, acting in the course of the management of their private wealth, is not subject to income tax, unless said capital gain qualifies either as speculative gains or as gains on a substantial participation. Capital gains are deemed to be speculative and are thus subject to income tax at ordinary rates if the Shares are disposed of less than six (6) months after the acquisition thereof, or if their disposal precedes their acquisition. A shareholding is considered as substantial shareholding in limited cases, in particular if (i) the Shareholder has held, either alone or together with his spouse and/or his minor children, either directly or indirectly, at any time within the five (5) years preceding the realisation of the gain, more than ten percent (10%) of the share capital of the Fund or (ii) the taxpayer acquired free of charge, within the five (5) years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same five-year period). Capital gains realised on a substantial participation more than six (6) months after the acquisition thereof are subject to income tax according to the half-global rate method, (i.e. the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realised on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the shareholding.

Capital gains realised on the disposal of the Shares by a resident individual Shareholder, who acts in the course of the management of his/her professional/business activity, are subject to income tax at ordinary rates. Taxable gains are determined as being the difference between the price for which the Shares have been disposed of and the lower of their cost or book value.

#### *Luxembourg resident companies*

Luxembourg resident corporate (*sociétés de capitaux*) Shareholders must include any income received, as well as any gain realised on the sale, disposal or redemption of Shares, in their taxable income for Luxembourg income tax assessment purposes.

#### *Luxembourg resident companies benefiting from a special tax regime*

Luxembourg resident corporate Shareholders benefiting from a special tax regime (such as (i) undertakings for collective investment subject to the 2010 Law (ii) specialised investment funds subject to the 2007 Law, (iii) reserved alternative investment funds treated as SIFs for Luxembourg tax purposes and governed by the 2016 Law and (iv) family wealth management companies governed by the amended law of 11 May 2007) are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg income tax.

### **11.2.4 Net wealth tax**

A Luxembourg resident Shareholder, as well as a non-resident Shareholder who has a permanent establishment or a permanent representative in Luxembourg to which or whom the Shares are attributable, are subject to Luxembourg net wealth tax on such Shares, except if the Shareholder is (i) a resident or non-resident individual taxpayer, (ii) an undertaking for collective investment subject to the 2010 Law, (iii) a securitisation company governed by the amended law of 22 March 2004 on securitisation, (iv) a company governed by the law of 15 June 2004 on venture capital vehicles, (v) a specialised investment fund governed by the 2007 Law, (vi) a family wealth management company governed by the amended law of 11 May 2007, (vii) a professional pension institution governed by the amended law of 13 July 2005, or a (viii) a reserved alternative investment fund governed by the 2016 Law.

However, a minimum net worth tax would be applicable for (i) a securitisation company governed by the amended law of 22 March 2004 on securitisation, (ii) a company governed by the amended law of 15 June 2004 on venture capital vehicles, (iii) a professional pension institution governed by the amended law of 13 July 2005, and an opaque reserved alternative investment fund treated as a venture capital vehicle for Luxembourg tax purposes and governed by the 2016 Law.

### **11.2.5 Other taxes**

Under Luxembourg tax law, where an individual Shareholder is a resident of Luxembourg for tax purposes at the time of his death, the Shares are included in his taxable basis for inheritance tax purposes. No estate or inheritance tax is levied on the transfer of the Shares upon death of a Shareholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes at the time of his death.

Luxembourg gift tax may be levied on a gift or donation of the Shares if embodied in a Luxembourg notarial deed or otherwise registered in Luxembourg.

## 11.3 Exchange of information

### 11.3.1 FATCA

Capitalised terms used in this section should have the meaning as set forth in the FATCA Law (as defined below), unless otherwise provided herein.

The Fund may be subject to the so-called FATCA legislation which generally requires reporting to the US Internal Revenue Service of non-US financial institutions that do not comply with FATCA and direct or indirect ownership by US persons of non-US entities. As part of the process of implementing FATCA, the US government has negotiated intergovernmental agreements with certain foreign jurisdictions which are intended to streamline reporting and compliance requirements for entities established in such foreign jurisdictions and subject to FATCA.

Luxembourg has entered into a Model 1 Intergovernmental Agreement implemented by the Luxembourg law of 24 July 2015, as amended or supplemented from time to time (the “**FATCA Law**”), which requires Financial Institutions located in Luxembourg to report, when required, information on Financial Accounts held by Specified US Persons, if any, to the Luxembourg tax authorities (*administration des contributions directes*).

Under the terms of the FATCA Law, the Fund is likely to be treated as a Luxembourg Reporting Financial Institution.

This status imposes on the Fund the obligation to regularly obtain and verify information on all of its Shareholders. On the request of the Fund, each Shareholder will agree to provide certain information, including, in the case of a passive Non-Financial Foreign Entity (“**NFFE**”), information on the Controlling Persons of such NFFE, along with the required supporting documentation. Similarly, each Shareholder will agree to actively provide to the Fund within thirty (30) days any information that would affect its status, as for instance a new mailing address or a new residency address.

The FATCA Law may require the Fund to disclose the names, addresses and taxpayer identification number (if available) of its Shareholders as well as information such as account balances, income and gross proceeds (non-exhaustive list) to the Luxembourg tax authorities for the purposes set out in the FATCA Law. Such information will be relayed by the Luxembourg tax authorities to the US Internal Revenue Service.

Shareholders qualifying as passive NFFEs undertake to inform their Controlling Persons, if applicable, of the processing of their information by the Fund.

Additionally, the Fund is responsible for the processing of personal data and each Shareholder has a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Fund are to be processed in accordance with the applicable data protection legislation.

Although the Fund will attempt to satisfy any obligation imposed on it to avoid imposition of FATCA withholding tax, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax or penalties as result of the FATCA regime, the value of the Shares held by the Shareholders may suffer material losses. The failure for the Fund to obtain such information from each Shareholder and to transmit it to the Luxembourg tax authorities may trigger the 30% withholding tax to be imposed on

payments of US source income and on proceeds from the sale of property or other assets that could give rise to US source interest and dividends as well as penalties.

Any Shareholder that fails to comply with the Fund's documentation requests may be charged with any taxes and/or penalties imposed on the Fund as a result of such Shareholder's failure to provide the information and the Fund may, in its sole discretion, redeem the Shares of such Shareholder.

Shareholders who invest through intermediaries are reminded to check if and how their intermediaries will comply with this US withholding tax and reporting regime.

Shareholders should consult a US tax advisor or otherwise seek professional advice regarding the above requirements.

### 11.3.2 CRS

Capitalised terms used in this section should have the meaning as set forth in the CRS Law (as defined below), unless otherwise provided herein.

The Fund may be subject to the Common Reporting Standard (the "**CRS**") as set out in the Luxembourg law of 18 December 2015, as amended or supplemented from time to time (the "**CRS Law**") implementing Directive 2014/107/EU which provides for an automatic exchange of financial account information between member states of the EU as well as the OECD's multilateral competent authority agreement on automatic exchange of financial account information signed on 29 October 2014 in Berlin, with effect as of 1 January 2016.

Under the terms of the CRS Law, the Fund is likely to be treated as a Luxembourg Reporting Financial Institution.

As such, the Fund will be required to annually report to the Luxembourg tax authorities personal and financial information related, *inter alia*, to the identification of, holdings by and payments made to (i) certain Shareholders qualifying as Reportable Persons and (ii) Controlling Persons of passive non-financial entities ("**NFES**") which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS Law (the "**Information**"), will include personal data related to the Reportable Persons.

The Fund's ability to satisfy its reporting obligations under the CRS Law will depend on each Shareholder providing the Fund with the Information, along with the required supporting documentary evidence. In this context, the Shareholders are hereby informed that, as data controller, the Fund will process the Information for the purposes as set out in the CRS Law.

Shareholders qualifying as passive NFES undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Fund.

Additionally, the Fund is responsible for the processing of personal data and each Shareholder has a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Fund are to be processed in accordance with the applicable data protection legislation.

The Shareholders are further informed that the Information related to Reportable Persons will be disclosed to the Luxembourg tax authorities annually for the purposes set out in the CRS Law. The Luxembourg tax authorities will, under their own responsibility, eventually exchange

the reported information to the competent authority of the Reportable Jurisdiction(s). In particular, Reportable Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg tax authorities.

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

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

Any Shareholder that fails to comply with the Fund's Information or documentation requests may be held liable for penalties imposed on the Fund as a result of such Shareholder's failure to provide the Information or subject to disclosure of the Information by the Fund to the Luxembourg tax authorities and the Fund may, in its sole discretion, redeem the Shares of such Shareholder.

## 12. SUSTAINABILITY RELATED DISCLOSURES

The Sub-Funds do not promote and do not maximize portfolio alignment with Sustainability Factors (as defined in SFDR).

In this context, investors should note that the Investment Manager does not take into account Sustainability Risks with respect to the investment process of the Sub-Funds.

Indeed, the nature of the investments of the Sub-Funds does not significantly expose the Sub-Funds to potential or actual material risks due to climate events, social factors and labor practices, or evolving government regulation pertaining to sustainability as further described in the UN General Assembly global sustainable development framework: the 2030 Agenda for Sustainable Development and the United Nations Framework Convention on Climate Change. Further details in relation to the reasons for which the nature of each Sub-Fund's investments does not lead the Investment Manager to take into account Sustainability Risks with respect to the investment process are set-out in each Sub-Fund's supplement.

The SFDR defines Sustainability Risk as an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an Investment. Sustainability risks can manifest themselves in different ways, including but not limited to the below and it is possible that sustainability risks could have a negative impact on the financial profile, profitability or reputation of the Sub-Funds:

- failure to comply with environmental, social or governance standards resulting in reputational damage causing fall in demand for products and services or loss of business opportunities for a company or industry group;
- changes in laws, regulations or industry norms giving rise to possible fines, sanctions or change in consumer behaviour affecting a company or an entire industry's prospects for growth and development;
- changes in laws or regulations, may generate higher demand for, and thus undue increase in prices of securities of companies perceived as meeting higher ESG standards; or
- changes in laws or regulations, may incentivize companies to provide misleading information about their environmental, social or governance standards or activities.

To the extent that a sustainability risk occurs, or occurs in a manner that is not anticipated by the Investment Manager, there may be a sudden, material negative impact on the Sub-Funds, and hence on the Net Asset Value of the Sub-Funds.

Principal adverse impacts of investment decisions on sustainability factors are not currently considered due to the lack of available and reliable data. The situation will however be reviewed going forward.