



**Swisscanto**  
Asset Management  
International S.A.

# Swisscanto (LU) Money Market Fund

Sales Prospectus | November 2017

## Swisscanto (LU) Money Market Fund

(hereinafter the "Fund")

An investment fund under Luxembourg law

### Sales Prospectus

#### November 2017

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

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

The German version of this Sales Prospectus is authoritative; the Management Company and the Depositary may, however, recognise translations authorised by them into the languages of countries in which Fund units are offered and sold as binding on themselves and on the Fund in respect of the units sold to investors in these countries.

Units of the Fund may not be offered, sold or delivered within the United States of America or to persons deemed to be US persons under Regulation S of the US Securities Act of 1933 or the US Commodity Exchange Act, as amended.

### Management and administration

#### Management Company

Swisscanto Asset Management International S.A.  
19, rue de Bitbourg, L-1273 Luxembourg

Swisscanto (LU) Money Market Funds Management Company S.A. was founded as a public limited company with its registered office in Luxembourg on 26 November 1990, and is established for an indefinite period. Effective 1 July 2011, Swisscanto (LU) Money Market Funds Management Company S.A. was merged with Swisscanto Asset Management International S.A. (the "Management Company") and will from now on be operated under the name Swisscanto Asset Management International S.A.

The Articles of Association of Swisscanto (LU) Money Market Funds Management Company S.A. were published in their original version in the "Mémorial C, Recueil des Sociétés et Associations", the official gazette of the Grand Duchy of Luxembourg (hereinafter the "Mémorial"), of 29 December 1990. The current version of the Articles of Association of Swisscanto Asset Management International S.A. dated 13 August 2015 has been filed with the

Luxembourg Trade and Companies Register (RCS), where it is available for inspection. The Management Company is registered with the RCS under registration no. B 121.904.

The object of the Management Company is the collective portfolio management of one or more Luxembourg and/or foreign undertakings for collective investment in transferable securities ("UCITS") subject to Directive 2009/65/EC, as amended, and of other Luxembourg or foreign undertakings for collective investment which do not come under the scope of said Directive, including specialised investment funds pursuant to the provisions of the Act of 13 February 2007 on specialised investment funds ("UCIs"), and in accordance with the provisions of the Act of 17 December 2010 on undertakings for collective investment, as amended ("UCI Act").

The paid-up capital of the Management Company amounts to CHF 220,000 and is fully held by Swisscanto Holding AG, Zurich. Swisscanto Holding AG is wholly owned by Zürcher Kantonalbank, Zurich.

In accordance with the UCI Act and the applicable administrative provisions of the CSSF, the Management Company has adequate and appropriate organisational structures and internal control mechanisms in place. In particular, it shall act in the best interests of the funds or sub-funds and ensure that conflicts of interest are avoided, that resolutions are complied with, procedures are followed and that the holders of units in the funds and sub-funds managed are accorded fair treatment.

The Management Company also manages the following funds, among others:

- Swisscanto (LU)
- Swisscanto (LU) Equity Fund
- Swisscanto (LU) Bond Fund
- Swisscanto (LU) Portfolio Fund

### Board of Directors

Chairman:

Hans Frey, Switzerland

Managing Director Swisscanto Fondsleitung AG, Zurich

Members:

- Richard Goddard, Luxembourg  
Independent Company Director, The Directors' Office, Luxembourg
- Roland Franz, Luxembourg  
Managing Director Swisscanto Asset Management International S.A., Luxembourg
- René Beeler, Switzerland  
Head of Business Development, Zürcher Kantonalbank, Zurich
- Anne-Marie Arens, Luxembourg  
Independent Company Director, LuxFLAG, Luxembourg

## Management

Members:

- Roland Franz, Luxembourg
- Michael Weiß, Germany

## Portfolio Manager

Zürcher Kantonalbank

Bahnhofstrasse 9, 8001 Zurich, Switzerland

Zürcher Kantonalbank was founded in Zurich in 1870 as an independent public-law institution of the canton of Zurich. It has many years of experience in asset management. The exact execution of duties is governed by an Asset Management Agreement concluded between Swisscanto Asset Management International S.A. and Zürcher Kantonalbank.

The Portfolio Manager is entitled to remuneration at the customary rates. This will be paid by the Management Company out of the all-in fee that is due to it and charged to the Fund. The Portfolio Manager is charged with investment of the Fund assets in the best interests of the unitholders. It shall act in accordance with the provisions of the law and the contractual conditions. The Management Company takes ultimate responsibility for the actions of the Portfolio Manager.

The Asset Management Agreement may be terminated at any time subject to a period of notice of six months.

## Depositary, Principal Paying Agent, Central Administration Agent, Registrar, Transfer Agent

RBC Investor Services Bank S.A.

14, Porte de France, L-4360 Esch-sur-Alzette, Luxembourg

## Depositary and Principal Paying Agent

The Management Company has appointed RBC Investor Services Bank S.A. (hereinafter “the Bank”), a public limited company under Luxembourg law with its registered office at 14, Porte de France, L-4360 Esch-sur-Alzette, as Depositary and Principal Paying Agent (hereinafter the “Depositary”) with the following duties:

- a) safekeeping of assets,
- b) monitoring functions,
- c) monitoring of cash flows and
- d) Principal Paying Agent functions.

in accordance with the UCI Act and the Depositary and Principal Paying Agent Agreement concluded between the Management Company, acting on behalf of the Fund, and the Depositary, of 18 March 2016 (the “Depositary Agreement”). The Depositary Agreement has been concluded for an indefinite period and may be terminated by either party at the end of any calendar month by giving 90 days’ written notice.

RBC Investor Services Bank S.A., which was established in 1994 under the name “First European Transfer Agent”, is registered with the RCS under registration no. B-47192 It holds a banking licence under the Luxembourg Act of 5 April 1993 on the financial services sector and specialises in depositary, fund management and related services. As at 31 October 2016, it had equity capital of approximately EUR 1,059,950,131.

The assets of the Fund are held in safekeeping by the Depositary. The function of Depositary is governed by the statutory provisions, the Depositary Agreement and the Management Regulations. The Depositary acts independently of the Management Company and exclusively in the best interests of the unitholders.

The Depositary has been authorised by the Management Company to delegate its safekeeping duties to the following: (i) third parties in the case of other assets and (ii) sub-depositaries in the case of financial instruments. It is also authorised to open accounts with these sub-depositaries.

An up-to-date description of the custody functions delegated by the Depositary and an up-to-date list of the third parties and sub-depositaries appointed may be obtained on request from the Depositary or via the following link: <http://gmi.rbcits.com/rt/gss.nsf/Royal+Trust+Updates+Mini/53A7E8D6A49C9AA285257FA8004999BF?opendocument>.

When performing its duties under the UCI Act and the Depositary Agreement, the Depositary shall act honestly, transparently, professionally, independently and exclusively in the interests of the Fund and its investors.

The Depositary’s monitoring functions include ensuring that:

- the issue, redemption and conversion of units by the Management Company, or by the Management Company acting on behalf of the Fund, are carried out in accordance with the UCI Act and the Management Regulations;
- the value of the units is calculated in accordance with the UCI Act and the Management Regulations;
- the instructions of the Management Company, acting on behalf of the Fund, are executed unless they conflict with the Management Regulations;
- in the case of transactions involving the Fund’s assets, all amounts are transferred to the Fund within the normal time limits;
- the Fund’s net income is appropriated in accordance with the UCI Act and the Management Regulations.

In addition, the Depositary ensures that cash flows are properly monitored in accordance with the UCI Act and the Depositary Agreement.

### Conflicts of interest on the part of the Depositary

Conflicts of interest may arise from time to time between the Depositary and its agents; for example, if the agent is a group company that receives a fee for other custody services that it provides for the Fund. On the basis of the applicable laws and ordinances, the Depositary continuously monitors potential conflicts of interest that may arise during the performance of its function. All potential conflicts of interest identified are dealt with in accordance with the Depositary's conflicts of interest policy, which is in turn subject to the laws and ordinances applicable to financial institutions according to the Act of 5 April 1993 on the financial services sector.

Other potential conflicts of interest may arise on account of the fact that the Depositary and/or its group companies provide other services for the Fund, the Management Company and/or third parties. Thus, the Depositary and/or its group companies may act as depositary and/or manager of other funds. There is therefore a risk that the business activities of the Depositary or its group companies are exposed to (potential) conflicts of interest with the Fund, the Management Company and/or other funds on behalf of which the Depositary (or one of its group companies) is acting.

The Depositary has formulated and implemented a conflicts of interest policy, the primary aim of which is to:

- identify and analyse situations that could give rise to potential conflicts of interest;
- record, manage and monitor conflicts of interest by means of:
  - functional and hierarchical segregation to ensure that the Depositary's duties as depositary are performed separately from any potentially conflicting duties;
  - taking preventative measures to avoid any type of activity that could give rise to conflicts of interest, such as:
    - the Depositary and any third party to which depositary duties have been delegated shall refuse any investment management role;
    - the Depositary shall decline any delegation of compliance and risk management duties;
    - the Depositary has established an effective escalation process to ensure that regulatory breaches are reported to the compliance department, which in turn reports material breaches to the company management and Board.
    - the Depositary has its own specialised audit department that performs risk assessments independently and objectively as well as evaluates internal control procedures and administrative processes in terms of suitability and efficiency.

Based on the aforementioned, the Depositary confirms that no potential conflict of interests has been identified.

The current conflicts of interest policy is available from the Depositary on request or via the following link: [https://www.rbcits.com/AboutUs/CorporateGovernance/p\\_InformationOnConflictsOfInterestPolicy.aspx](https://www.rbcits.com/AboutUs/CorporateGovernance/p_InformationOnConflictsOfInterestPolicy.aspx)

The Depositary is entitled to remuneration at the customary rates. This will be paid by the Management Company out of the all-in fee that is due to it and charged to the Fund.

#### Central Administration Agent:

The Management Company has delegated its duties as the Fund's Central Administration Agent ("the Central Administration Agent") to RBC Investor Services Bank S.A. under the Central Administration Agreement of 9 November 2009. The Central Administration Agreement has been concluded for an indefinite period and may be terminated by either party by giving 90 days' written notice.

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

The Central Administration Agent is entitled to remuneration at the customary rates. This will be paid by the Management Company out of the all-in fee that is due to it and charged to the Fund.

#### Registrar and Transfer Agent:

The Management Company has delegated its duties as the Fund's Registrar and Transfer agent (the "Registrar and Transfer Agent") to RBC Investor Services Bank S.A. under the Central Administration Agreement of 9 November 2009. The Central Administration Agreement has been concluded for an indefinite period and may be terminated by either party by giving 90 days' written notice.

The Registrar and Transfer Agent is responsible for processing subscription and redemption orders, managing the unit register, and accepting unit certificates that are returned for the purpose of replacement or redemption.

The Fund's Registrar and Transfer Agent is responsible for taking appropriate measures to ensure compliance with the regulations governing the prevention of money laundering in accordance with the legislation in force in the Grand Duchy of Luxembourg and to observe and implement the circulars of the Luxembourg supervisory authority.

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

The Registrar and Transfer Agent is entitled to remuneration at the customary rates. This will be paid by the Management Company out of the all-in fee that is due to it and charged to the Fund.

**Central order collecting point:**

Swisscanto Funds Centre Limited (SFCL)  
5th Floor, 110 Cannon Street, London EC4N 6EU, United Kingdom

SFCL, which has its registered office in London, is a financial services provider which is subject to the supervision of the UK Financial Conduct Authority (FCA). It offers brokerage and fund & custody services.

**Independent auditors:**

Ernst & Young S.A.  
35E, Avenue John F. Kennedy, L-1855 Luxembourg

**Legal advisors:**

- Arendt & Medernach S.A.  
41A, Avenue John F. Kennedy, L-2082 Luxembourg
- Hengeler Mueller  
Partnership in law, Bockenheimer Landstrasse 24, D-60323 Frankfurt am Main

**Specific provisions governing the sale of units in Switzerland, Germany, Austria and Liechtenstein**

Specific information to unitholders from Switzerland are provided on pages 23 and 24 of this Sales Prospectus.

Information regarding the Paying and Information Agent for unitholders in Germany are provided on page 25 of this Sales Prospectus.

Information regarding the Paying and Information Agent for unitholders in Austria are provided on page 26 of this Sales Prospectus.

Information regarding the Paying and Information Agent for unitholders in Liechtenstein are provided on page 27 of this Sales Prospectus.

## Swisscanto (LU) Money Market Fund

### Details

#### 1 General Information about the Fund

##### 1.1 Legal aspects

The Swisscanto (LU) Money Market Fund (hereinafter the “Fund”) is an open-ended investment fund under Luxembourg law and was established on 26 November 1990. The Fund is managed by the Luxembourg public limited company Swisscanto Asset Management International S.A. RBC Investor Services Bank S.A. has been entrusted with the duties of Depositary.

The Fund was opened for subscription on 26 November 1990 under the common name Swissca MM Fund and until 13 February 2004 was subject to the provisions of Part II of the Luxembourg Act of 30 March 1988 on undertakings for collective investment.

Since 13 February 2004, under the name Swissca MM Fund, the Fund has been subject to the statutory provisions of Part I of the UCI Act. The fund has operated under the name Swisscanto (LU) Money Market Fund since 1 January 2005.

The Management Company is subject to section 15 of the UCI Act.

The portfolios and other assets of the Fund are managed by the Management Company as a discrete pool of assets in the interests and for the account of the unitholders.

The Fund assets in their entirety are jointly owned by all the investors, who hold equal entitlements in proportion to their holdings. The assets of the Fund are separate from those of the Management Company. The Management Regulations make no provision for a meeting of unitholders. By subscribing for or acquiring units, the unitholder agrees to abide by the Management Regulations.

Unitholders, their heirs and other beneficiaries may not demand the dissolution, division or merger of the Fund.

The Fund is not limited in terms of duration or total assets. The financial year ends on 31 March of each year.

The Management Company notifies investors that unitholders may not assert all their investor rights directly against the Fund as they are not registered in the Fund’s register of unitholders in their own name. Since investors may only invest in the Fund via an intermediary, who acquires the investment in its name but on behalf of the investor, it is possible that not all rights pertaining to the investment can be upheld directly against the Fund by the unitholder. Investors are advised to inform themselves of their rights.

The Management Regulations of the Fund were published for the first time on 26 November 1990 in the “Mémorial”. A number of

amendments have been made, which were carried out in accordance with the Management Regulations. A notice of the most recent amendment is published in the electronic platform for companies and associations (*Recueil Electroniques des Sociétés et Associations*, hereinafter “RESA”). The current version of the Management Regulations dated 20 November 2017 has been filed with the RCS, where it is available for inspection.

##### 1.1.1 Liquidation

The Management Company is entitled to dissolve the Fund or individual sub-funds at any time. The Fund must be dissolved and liquidated if its total net assets fall short of a quarter of the statutory minimum requirement for fund assets for more than six months. If the net assets of a sub-fund fall below CHF 500000 or the equivalent in another currency, or should economic, legal or monetary circumstances change, the Management Company may decide to dissolve a sub-fund, merge sub-funds or incorporate a sub-fund into another open-ended investment fund in accordance with Part I of the UCI Act.

The decision to dissolve or liquidate the Fund will be published in the RESA and in at least two other newspapers, including the “Luxemburger Wort”. From the day on which the dissolution and liquidation decision is made, no further units will be issued or redeemed. In the event of the dissolution and liquidation of a sub-fund, this applies only to the sub-fund in question. Upon liquidation, the Management Company will realise the Fund assets in the best interests of the unitholders and will instruct the Depositary to distribute the net liquidation proceeds to the unitholders in proportion to their holdings. Any liquidation proceeds that could not be distributed to the unitholders at the end of the liquidation process will be deposited with the “Caisse de Consignation” in Luxembourg until expiry of the statute of limitations.

##### 1.1.2 Merger

The Management Company may, by decision of the Board of Directors and, insofar as applicable, in accordance with the conditions and procedures cited in the UCI Act and in the pertinent administrative regulations, merge the Fund or, as the case may be, one or more sub-funds of the Fund with an existing or jointly established sub-fund, or other Luxembourg funds or sub-funds, either by dissolution without winding up, or by continuing to exist until all liabilities are discharged.

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

Unitholders are entitled, within 30 days, to demand either that their units be redeemed or, as the case may be, converted into units of another fund or sub-fund which has a similar investment policy and which is managed by the same management company or by another company with which the Management Company is associated, either through common management or control, or by way of a significant direct or indirect holding, without incurring

more costs than those retained by the Fund or sub-fund to cover the dissolution costs.

Insofar as applicable, unitholders will be informed of any merger in good time, in accordance with the conditions and procedures cited in the UCI Act and in the pertinent administrative regulations.

## 1.2 Structure of the Fund

Under a single investment fund (“umbrella”), the Fund offers investors sub-funds that invest in first-class money market instruments, broken down by currency. Together, the sub-funds constitute the Fund. Every investor participates in the Fund through participation in a sub-fund. In relations between unitholders, each sub-fund is regarded as a discrete pool of assets in its own right. The rights and duties of the unitholders of a given sub-fund are separate from those of the unitholders of the other sub-funds. Each sub-fund is also regarded as a separate fund with regard to the investments and investment policy under section 2.

The Management Company may resolve at any time to set up additional sub-funds. The Management Company will notify the unitholders of this and amend the Sales Prospectus accordingly.

## 1.3 Unit classes

The Board of Directors is authorised to create additional unit classes at any time. The Board of Directors may also decide, where appropriate for economic or legal reasons, to cancel a unit class and to exchange the outstanding units within a sub-fund for units in another unit class. Such resolutions on the part of the Board of Directors will be published in accordance with the provisions laid down in Article 14 of the Management Regulations.

An overview of the active unit classes is available free of charge from the Management Company and is also published on the website [www.swisscanto.lu](http://www.swisscanto.lu).

## 1.4. Distinctive features of unit classes

The unit classes differ in terms of the following characteristics:

- investor base,
- appropriation of net income,
- reference currency,
- currency hedging and
- fee rates.

### 1.4.1. Investor base or characteristics of the unit classes

The investor base of the unit classes are as follows:

#### a) Class A units

Class A units are open

- to all investors and
- may be offered by all distributors.

For class A units, an all-in fee is charged to the Fund assets.

#### b) Class B units

Class B units are offered to all investors

- who have concluded a written investment advisory or other agreement with a cooperation partner that includes authorisation for class B units, and
- provided a cooperation agreement exists between the cooperation partner and a company in the Swisscanto Group.

For class B units, an all-in fee is charged to the Fund assets.

#### c) Class C units

Class C units are offered to all investors

- who have concluded a written, long-term investment advisory agreement with a cooperation partner that includes authorisation for class C units, and
- provided a cooperation agreement exists between the cooperation partner and a company in the Swisscanto Group.

For class C units, an all-in fee is charged to the Fund assets.

#### d) Class D units

Class D units are only open

- to institutional investors as defined in section 1.4.1 j) of this Sales Prospectus and
- may be offered by all distributors.

For class D units, an all-in fee is charged to the Fund assets

#### e) Class F units

Class F units are

- open to all investors of the sub-fund Swisscanto (LU) Money Market Fund CHF and
- may be offered by all distributors.

For class F units, an all-in fee is charged to the Fund assets.

#### f) Class G units

Class G units are only open to investors that meet the following conditions:

- The investors are institutional investors as defined in section 1.4.1. j) of this Sales Prospectus.
- The investors have concluded a written, continuing investment agreement with a bank or other professional entity operating in the financial sector.
- Banks and other professional entities operating in the financial sector may only offer or subscribe to the units for the account of a third party if a corresponding cooperation agreement exists with a company in the Swisscanto Group.

For class G units, an all-in fee is charged to the Fund assets.

#### g) Class M units

Class M units are offered only to investors

- who have concluded a written, continuing investment advisory agreement with Zürcher Kantonalbank that includes authorisation for the unit classes listed above, and
- provided Zürcher Kantonalbank has concluded a cooperation agreement with a company in the Swisscanto Group.

The Management Company is compensated by Zürcher Kantonalbank, Zurich, for the management of the Fund (i.e. running the Fund, asset management as well as distribution and other costs that arise, if compensation is made for such costs; in particular, fees and costs of the Depositary) not by the all-in fee but by the remuneration set out in the above investment advisory agreement. No all-in fee is therefore charged to the Fund assets.

#### h) Class N units

Class N units are open to investors that are acting for their own account and meet the following conditions:

- The investors are institutional investors as defined in section 1.4.1. j) of this Sales Prospectus.
- The investors have concluded an individual investment agreement or individual discretionary management agreement with Zürcher Kantonalbank or a cooperation partner of Zürcher Kantonalbank.
- Cooperation partners can only offer the units if a corresponding cooperation agreement exists with Zürcher Kantonalbank.

In addition, class N units are open to investors that meet the following conditions:

- The investors are institutional investors as defined in section 1.4.1. j) of this Sales Prospectus.
- The investors have concluded a service agreement (written asset management agreement, written advisory agreement, written investment agreement or other written service agreement) with a bank or a company in the Swisscanto Group.
- Banks can only offer or subscribe to the units for the account of a third party if a corresponding cooperation agreement exists with a company in the Swisscanto Group.

The Management Company is compensated for the management of the Fund (i.e. running the Fund, asset management, distribution and other costs that arise, if compensation is made for such costs; in particular, fees and costs of the Depositary) not by the all-in fee, but by the remuneration set out in the above agreements between the investor, on the one hand, and Zürcher Kantonalbank or a cooperation partner of Zürcher Kantonalbank, a company in the Swisscanto Group or a bank, on the other. No all-in fee is therefore charged to the Fund assets.

#### i) Class S units

Class S units are only

- open to Swisscanto Asset Management International S.A. or
- other management companies that have concluded a cooperation agreement with Swisscanto Asset Management International S.A.

Class S units are issued in the corresponding currency (unit of account), initially in the amount of 100,000 (JPY 10,000,000); no all-in fee is charged.

The remuneration due to the Management Company and its agents for running the Fund, asset management and, if applicable, distribution is not charged to the Fund assets but is paid separately

on the basis of an individual agreement or arrangement between Swisscanto Asset Management International S.A. and the investor.

#### j) Institutional investors

The following are deemed to be institutional investors:

- banks and other professional entities operating in the financial sector, whether acting for their own account or acting on behalf of other institutional investors or on behalf of non-institutional clients under a discretionary management agreement;
- public entities that invest their own assets;
- insurance and reinsurance companies;
- pension schemes;
- industrial, commercial and group finance companies;
- undertakings for collective investment;
- holding companies or similar companies whose shareholders are all institutional investors;
- family holding companies or similar entities whose purpose is to hold financial investments for very high net worth individuals or families;
- holding companies or similar entities that, in view of their structure and business dealings, possess genuine intrinsic value independently of the beneficial owners as well as hold significant financial investments.

#### 1.4.2 Appropriation of net income

Furthermore, the unit classes differ in terms of the appropriation of net income.

Unit classes with an "A" as the second letter of their name, e.g. AA or MA CHF, are issued as distribution units. Under Article 12 of the Management Regulations, the Management Company will decide, after closing the annual accounts, whether and to what extent distributions are to be made on distribution units. The intention is to pay out the majority of earnings on distribution units.

Unit classes with a "T" as the second letter of their name, e.g. AT or MT CHF, are issued as accumulation units. No distributions are planned for these unit classes. After the deduction of general costs, net income will be used to increase the net asset value of the units (accumulation).

#### 1.4.3 Reference currency

If the reference currency of a unit class differs from the sub-fund's currency of account, three letters representing the abbreviation of the relevant currency are suffixed to the name of the unit class.

Unit classes whose reference currency differs from the sub-fund's currency of account can therefore be distinguished as follows:

- unit classes with "CHF" as the last three letters of their name, e.g. AT CHF or MA CHF, have the Swiss franc (CHF) as reference currency for the unit class concerned, or

- unit classes with “EUR” as the last three letters of their name, e.g. AT EUR or MA EUR, have the euro (EUR) as reference currency for the unit class concerned.

#### 1.4.4 Currency hedging

The unit classes differ in terms of currency hedging:

Unit classes with an “H” as the third letter of their name, e.g. ATH CHF or MAH CHF, are unit classes for which systematic currency hedging is conducted. This means currency fluctuations between the currencies of the currency classes and the currencies of account of the sub-funds are, for the most part, hedged.

For all other unit classes, no currency hedging is conducted at unit-class level.

#### 1.4.5 Fee rates

The unit classes differ in terms of the maximum fee rates that are charged annually to the relevant unit class. The maximum annual all-in fee (AIF), management fee (FMF) and administration fee (FAF) for each sub-fund are stated in the table below.

Sub-fund name		Currency of account	Unit classes	Max. agency fee	Max. annual all-in fee (AIF) <sup>1</sup>	Max. annual flat management fee (FMF) <sup>1</sup>	Max. annual flat administration fee (FAF) <sup>1</sup>
1.	Swisscanto (LU) Money Market Fund AUD	AUD	A	2.0%	0.80%	0.65%	0.20%
			B	2.0%	0.60%	0.50%	0.20%
			C	2.0%	0.55%	0.45%	0.20%
			D	2.0%	0.50%	0.40%	0.10%
			G	2.0%	0.40%	0.35%	0.10%
			M	2.0%	0.00%	0.00%	0.00%
			N	2.0%	0.00%	0.00%	0.00%
2.	Swisscanto (LU) Money Market Fund CAD	CAD	A	2.0%	0.80%	0.65%	0.20%
			B	2.0%	0.60%	0.50%	0.20%
			C	2.0%	0.55%	0.45%	0.20%
			D	2.0%	0.50%	0.40%	0.10%
			G	2.0%	0.40%	0.35%	0.10%
			M	2.0%	0.00%	0.00%	0.00%
			N	2.0%	0.00%	0.00%	0.00%
3.	Swisscanto (LU) Money Market Fund CHF	CHF	C	2.0%	0.55%	0.45%	0.20%
			D	2.0%	0.50%	0.40%	0.10%
			F	2.0%	0.60%	0.50%	0.20%
			G	2.0%	0.40%	0.35%	0.10%
			M	2.0%	0.00%	0.00%	0.00%
			N	2.0%	0.00%	0.00%	0.00%
			S	2.0%	0.00%	0.00%	0.00%
4.	Swisscanto (LU) Money Market Fund EUR	EUR	A	2.0%	0.80%	0.65%	0.20%
			B	2.0%	0.60%	0.50%	0.20%
			C	2.0%	0.55%	0.45%	0.20%
			D	2.0%	0.50%	0.40%	0.10%
			G	2.0%	0.40%	0.35%	0.10%
			M	2.0%	0.00%	0.00%	0.00%
			N	2.0%	0.00%	0.00%	0.00%
			S	2.0%	0.00%	0.00%	0.00%
5.	Swisscanto (LU) Money Market Fund GBP	GBP	A	2.0%	0.80%	0.65%	0.20%
			B	2.0%	0.60%	0.50%	0.20%
			C	2.0%	0.55%	0.45%	0.20%
			D	2.0%	0.50%	0.40%	0.10%
			G	2.0%	0.40%	0.40%	0.10%
			M	2.0%	0.00%	0.00%	0.00%
			N	2.0%	0.00%	0.00%	0.00%

<sup>1</sup>The all-in fee is made up of two components: the flat management fee and the flat administration fee. The sum of the flat management fee and flat administration fee booked may not exceed the rate for the maximum all-in fee. The fees booked are reported in the annual and semi-annual reports.

Sub-fund name		Currency of account	Unit classes	Max. agency fee	Max. annual all-in fee (AIF) <sup>1</sup>	Max. annual flat management fee (FMF) <sup>1</sup>	Max. annual flat administration fee (FAF) <sup>1</sup>
			S	2.0%	0.00%	0.00%	0.00%
6.	Swisscanto (LU) Money Market Fund USD	USD	A	2.0%	0.80%	0.65%	0.20%
			B	2.0%	0.60%	0.50%	0.20%
			C	2.0%	0.55%	0.45%	0.20%
			D	2.0%	0.50%	0.40%	0.10%
			G	2.0%	0.40%	0.35%	0.10%
			M	2.0%	0.00%	0.00%	0.00%
			N	2.0%	0.00%	0.00%	0.00%
S	2.0%	0.00%	0.00%	0.00%			

## 1.5 Investor profile

All sub-funds are primarily intended for private investors. The sub-funds also issue classes of units which are reserved for institutional investors. Due to its investment policy, which is strongly geared towards money market investments, and the relatively low fluctuations in value that this entails, the Fund is particularly suitable for investors with a short-term investment horizon or for investors who consciously wish to invest in money markets.

However, investors are expressly advised that, in spite of the investment policy that is geared towards money market instruments, changes in the net asset value may be triggered by a number of factors, including, but not limited to fluctuations in interest rates and currencies.

## 1.6 Risk notice

### 1.6.1 General information

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

Owing to their shorter term of a maximum of 12 months, money market instruments generally have lower price risks arising from changes in interest rates than capital market investments. As a result of this reduced investment risk, there is generally lower income potential.

### 1.6.2 Interest-bearing investments

Nevertheless, it must be emphasised that even money market instruments and interest-bearing securities are subject to risks. The prices of money market instruments and interest-bearing securities may both rise and fall against the original price. This depends, in particular, on the development of money and capital markets, and on the specific developments affecting the issuers in question.

The credit risk associated with an investment in money market instruments and interest-bearing securities cannot be completely eliminated, even with careful selection.

In addition to the general market risks that are associated with financial investments, there is an inherent counterparty risk and currency and transfer risk in foreign investments.

The risk is reduced in that, in accordance with the investment policy, the investments ensure a reasonable distribution of risk.

With regard to forward transactions, investors should note that the temporary rights acquired from forward transactions may expire or may be impaired, and that the risk of loss is not determinable and may also exceed any collateral provided.

### 1.6.3 Risks associated with OTC transactions

Over-the-counter (OTC) transactions are associated with the following additional risks:

there is no organised market, which can lead to problems in selling financial instruments acquired on the OTC market to third parties; individual agreements may make settlement of contractual obligations difficult or expensive (liquidity risk); the financial gains of the OTC transaction would be at risk in the event of the counterparty's insolvency (counterparty risk).

### 1.6.4 Risks associated with securities lending

#### a) Counterparty risk

Securities lending involves counterparty risk, i.e. the risk that the loaned securities are not returned or not returned in a timely manner.

The principal is required to have a very high credit rating. A very high credit rating means at least a AA rating and refers to the long-term rating of recognised rating agencies; the median of the long-term ratings of the rating agencies is applied.

Counterparties belonging to the same group as the Management Company, and with which the latter conducts securities lending transactions, perform their activities under these transactions with the standard of care customary in commercial transactions. Investors should nevertheless be aware that the Management Company may be exposed to conflicts of interest with the interests of counterparties of the same group.

b) Risk of price changes

The risk is that in the period between the receipt of the collateral in the event the securities lent by the sub-fund are not returned by the borrower and the recovery of the securities, the markets change to the detriment of the Fund and the value of the collateral provided is reduced to a value lower than that of the securities originally borrowed.

To avoid such a loss, haircuts are applied to the collateral. There are also restrictions on the accepted collateral.

c) Liquidity risk

The Fund bears the risk of a negative impact on performance when lent securities offer the borrower additional opportunities for short positions. There is a risk that losses could be suffered (especially if an issuer is downgraded and securities have to be sold because of their rating (forced selling)).

Securities lending makes it possible to sell securities short, which also puts pressure on prices at the same time as the forced selling. For example, short selling and forced selling can simultaneously contribute to increased liquidity losses.

d) Operational risk

If a borrower fails to return securities borrowed from a sub-fund, there is a risk that the collateral provided will have to be sold at a lower value than that of the securities originally borrowed. To avoid such a loss, haircuts are applied to the collateral. Regardless of these risks, various factors (e.g. the incorrect valuation of collateral, negative market developments, a credit downgrade of the respective issuer, or the illiquidity of the market on which the collateral is traded) may result in the use of collateral having a negative impact, which in turn can lead to a negative performance by the sub-fund.

There is also a risk that the borrowed securities cannot be returned within the given deadline. In this case, the borrower is obliged to compensate in full for any losses suffered as a result of the recovery of the security.

## 1.7 Risk management procedure

The Management Company will apply a risk management procedure for the Fund and each sub-fund in compliance with the UCI Act and other applicable provisions, in particular CSSF Circular 11/512. As part of the risk management procedure, the overall risk of the sub-fund is measured and monitored using the commitment approach. This approach entails converting positions in derivatives into the corresponding underlying positions.

## 1.8 Historical performance

For the historical performance of the sub-funds, see the Key Investor Information Documents (“KIID”).

## 2 Investment objective and investment policy

### 2.1 Investment objective

The Fund’s primary investment objective is to achieve a positive performance while taking into account the security of the Fund’s assets. For this purpose, the assets of each sub-fund shall be invested in money market instruments and interest-bearing securities issued or guaranteed by borrowers with good credit ratings, and in demand deposits and time deposits in accordance with the principle of risk diversification.

### 2.2 Sub-fund-specific investment policy

The sub-funds qualify as money market funds.

Each sub-fund invests at least 80% of its net assets in money market instruments, demand deposits or time deposits and interest-bearing securities denominated in the currency indicated in the sub-fund’s name.

Each sub-fund is restricted to holding a portfolio of investments with a weighted average maturity<sup>2</sup> of no more than six months, with floating-rate investments using the next date of the interest rate adjustment as the final maturity date for calculating the individual residual maturities of the investments and the weighted average maturity of the portfolio.

Each sub-fund is further restricted to holding a portfolio of investments with a weighted average life<sup>3</sup> of no more than 12 months, with floating-rate investments using the final maturity date for calculating the weighted average life of the portfolio.

Investments may only be made in interest-bearing securities with a residual maturity of no more than two years before the nominal value is paid out; in the case of floating-rate investments, the next interest rate adjustment date must be 397 days or less.

### 2.3 Provisions applicable to all sub-funds

#### 2.3.0 General information

The terms “fixed-income and floating-rate securities” and “call rights and money market instruments” refer to bonds, notes,

<sup>2</sup> Weighted Average Maturity in accordance with CESR/10-049

<sup>3</sup> Weighted Average Life in accordance with CESR/10-049

floating-rate investments, zero bonds, bond and money market funds, as well as structured products such as certificates on interest-bearing securities and money market instruments, bond indices, etc.

Money market instruments are instruments which are normally traded on the money market, are liquid and whose value can be determined at any time. In particular, they include certificates of deposit, commercial papers, treasury bills and other fixed-income or floating-rate money market instruments.

The sub-funds use derivatives for hedging purposes and for efficiently implementing the portfolio strategy.

#### 2.3.1 Permitted investments are:

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

The Fund may invest in securities and money market instruments that are admitted to trading on a regulated market within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (MiFID II), or that are traded on another recognised and regulated market that operates regularly and is open to the public in a member state of the European Union (EU) or a state in Europe, Africa, Asia, Oceania or America.

##### b) New issues

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

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

The Fund may invest in money market instruments that are not traded on a stock exchange or on another regulated market, provided that the issue or issuer of these instruments is subject to regulations protecting investors and investments, and provided that these money market instruments satisfy the requirements laid down in Article 41(1)(h) of the UCI Act.

##### d) Liquidity

The Fund may invest in demand deposits and time deposits. These are deposits with credit institutions domiciled in an EU member state or in a non-EU member state that can be terminated at any time or within a period of no more than 12 months. In the case of credit institutions domiciled in non-EU member states, investments are only permitted if these credit institutions are subject to supervisory regulations which are equivalent to those under EU law. Obligors must be top-rated banks.

##### e) Investments in fund units

The Fund may invest in units of UCITS of the open-ended type and/or in other undertakings for collective investment (other UCIs) within the meaning of the UCI Act. Investments in such funds are permissible only if they are domiciled in a member state of the EU or in a third country, provided that:

- such other UCIs have been approved in accordance with legislation subjecting them to prudential supervision that, in the opinion of the CSSF, is equivalent to that which applies under EU law, and that adequate provision exists for ensuring cooperation between authorities;
- the level of protection afforded to unitholders in other UCIs is equivalent to that afforded to unitholders in a UCITS and, in particular, the rules governing the separate safekeeping of Fund assets, borrowing, lending and the short-selling of securities and money market instruments are equivalent to the requirements laid down in Directive 2009/65/EC;
- the business operations of such other UCIs are reported in semi-annual and annual reports to enable an assessment to be made of the assets and liabilities, income and transactions during the reporting period;
- the UCITS or the other UCIs in which units are to be acquired may not be permitted, under the terms of their founding documents, to invest more than 10% of their fund assets in the units of other UCITS or UCIs.

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

The Management Company and the other company may not charge any issue or redemption fees in this regard.

##### f) Derivative financial instruments (“derivatives”)

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

- the underlyings are instruments as defined in Article 41(1) of the UCI Act, financial indices, interest rates, exchange rates or currencies in which the UCITS may invest in accordance with the investment objectives stated in its founding documents;
- the counterparties in OTC derivatives transactions are institutions subject to prudential supervision and belonging to the categories authorised by the CSSF; and
- the OTC derivatives are valued daily in a reliable and verifiable manner and may be sold, liquidated or closed by

means of a back-to-back transaction at any time, upon the UCITS' initiative and at the appropriate fair value.

g) Other investments

The Fund may, in compliance with the investment restrictions, invest in other securities or money market instruments than the aforementioned permissible securities or money market instruments.

### 2.3.2 Investment restrictions

The following rules must be observed for sub-fund investments:

- a) A sub-fund may not acquire more than 10% of the outstanding securities or money market instruments of a single issuer. It may not hold more than 25% of the units in a single UCITS or other UCIs.
- b) Subject to the exceptions mentioned explicitly, no more than 10% of the net assets of a sub-fund may be invested in money market instruments and securities from the same issuer. The total volume of the securities and money market instruments from issuers in which more than 5% of net assets is invested may not exceed 40% of the net assets of any sub-fund.
- c) Investments must not confer rights on the Management Company that enable it to exert significant influence over an issuer's operations.
- d) Furthermore, the restrictions stipulated under a) and c) do not apply to equity securities and participation rights that allow the sub-fund to participate in the capital of a company that is registered in a state outside the EU and invests its assets principally in the securities of issuers registered in that state if, according to the laws of that state, that issuer represents the only medium for investment in securities of issuers in that state. However, this exception applies only if the company registered outside the EU observes the investment restrictions of the sub-fund in question in its own investment policy.
- e) A maximum of 20% of the net assets of a sub-fund may be invested in deposits with a single institution.
- f) The 10% restriction stipulated in b) may be raised to a maximum of 35% if the money market instruments and securities in question are issued or guaranteed by: (i) a member state of the EU, (ii) its regional authorities, (iii) another western European member state of the Organisation for Economic Cooperation and Development (OECD), (iv) the United States of America, (v) Canada, (vi) Japan, (vii) Australia and (viii) New Zealand, or (ix) an international public organisation of which one or more EU states are members. These securities are not taken into account in calculating the 40% limit mentioned in b).
- g) **In addition, up to 100% of the net assets of a sub-fund may be invested in money market instruments and securities that have been issued or guaranteed by a state, provided that:**
- **it is a member state of the EU or its regional authorities or an OECD member state;**
  - **the sub-fund holds money market instruments and securities from at least six different issues; and**
  - **the money market instruments and securities from a single issue do not exceed 30% of the net assets of a sub-fund.**
- h) A sub-fund may invest a maximum of 20% of its net assets in demand deposits or time deposits of a single credit institution.
- i) In the case of transactions involving OTC derivatives and/or techniques for the efficient management of the portfolio, e.g. securities lending, the risk exposure per counterparty may not exceed 10% of the net assets of a sub-fund where the counterparty is a credit institution pursuant to the UCI Act. In all other cases, the risk exposure per counterparty may not exceed 5% of the net assets of a sub-fund.
- j) Subject to the exceptions stated under f) and g) and notwithstanding the upper limits laid down in b) first sentence, e) and i), each sub-fund may invest a maximum of 20% of its net assets with a single institution in a combination of the following:
- securities or money-market instruments issued by this institution, and/or
  - deposits with this institution and/or
  - risks arising from transactions in OTC derivatives acquired from this institution and/or involving techniques for the efficient management of the portfolio.
- k) A sub-fund may invest a maximum of 10% of its net assets in units of other UCITS and/or other UCIs as defined in Article 41(1)(e) of the UCI Act.
- l) The overall risk arising from the use of derivative financial instruments may not exceed 100% of the net assets of a sub-fund and therefore the overall risk of the sub-fund may not exceed a total of 200% of the net assets of a sub-fund on a lasting basis. Temporary borrowing may not increase the overall risk of the sub-fund by more than 10%, meaning that the overall risk may never amount to more than 210% of the net assets of a sub-fund. With regard to investments in derivative financial instruments, the overall risk of the corresponding underlyings, provided they are not index-based derivatives, may not exceed the limits given under b), d), e), i), j) and h).
- m) A maximum of 10% of a sub-fund's net assets may be invested in other investments as described in section 2.3.1 g).

Should the limits laid down in section 2.3.2 be exceeded unintentionally, priority must be given to bringing investments down to below the set percentages while safeguarding the interests of unitholders. Unless it is stated specifically that they relate to the assets of the Fund in their entirety, the percentage restrictions stated above refer to the assets of each individual sub-fund. These restrictions do not apply in the event that subscription rights are exercised.

Irrespective of their obligation to ensure compliance with the principle of risk diversification, newly authorised sub-funds may, in accordance with section 2.3.2, deviate from the investment restrictions for a period of six months following their authorisation.

### 2.3.3 Unauthorised investments

The Fund may not:

- a) acquire equities or equity instruments, with the exception of units of other UCITS or other UCIs referred to in section 3;
- b) short sell securities, money market instruments or other debt securities;
- c) participate in firm commitments of securities and other debt securities;
- d) grant loans or act as guarantor for third parties;
- e) invest its assets in real estate, precious metals, commodities or commodity contracts.

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

### 2.3.4 Investment techniques and instruments

#### a) Repos

The Management Company does not enter into securities repurchase agreements.

#### b) Loans

In principle, the Fund may not take out loans or temporarily overdraw its accounts. However, a sub-fund may take out loans for the purchase of foreign exchange in the form of a back-to-back loan or temporarily borrow up to 10% of the net assets.

- c) Each sub-fund may enter into forward exchange transactions and may use currency options, financial futures, forward rate agreements, interest rate and currency swaps and similar instruments if these transactions relate directly to the assets of the relevant sub-fund and serve to hedge currency and interest rate risks. Transactions effected in a single currency per sub-fund may not exceed the market value of all assets in that sub-fund denominated in that currency, nor may they

exceed the maturity of the assets on the date on which those transactions are concluded.

- d) Total return swaps may be conducted for each sub-fund for the purposes of efficient portfolio management. The Management Company does not currently plan to make use of total return swaps. If the Management Company wishes to make use of this option, between 40% and 60% of the assets of the relevant sub-fund would normally be covered by total return swaps. However, the Management Company reserves the right to transfer up to 100% of the assets held in the relevant sub-fund into a total return swap, depending on market conditions, with the aim of efficient portfolio management in the interests of investors. Both positive and negative income from total return swaps are fully taken into account in the fund assets.

- e) Within the scope of the investment policy, the Board of Directors may pledge a sub-fund's assets or transfer ownership thereof as collateral in connection with transactions involving derivative financial instruments.

#### f) Securities lending

- f1) With a view to the efficient management of assets and for the purpose of generating additional income, a sub-fund may, in compliance with the pertinent legal provisions, employ securities lending techniques and instruments provided they are permitted under Article 42(2) of the UCI Act and Article 11 of Directive 2007/16/EC of 19 March 2007 (Eligible Assets Directive).

- f2) When engaging in securities lending transactions, the sub-fund acts as lender, in which capacity it surrenders a security to the borrower, which the latter may dispose of for a limited period and for which the sub-fund receives a fee.

##### f2.1) Principal

Zürcher Kantonalbank shall be the sole direct borrower (principal) and the sole direct counterparty for securities lending transactions. As an independent public-law institution of the Canton of Zurich, it holds an unlimited state guarantee. As such, it is subject to prudential supervision by the Swiss Financial Market Supervisory Authority (FINMA), whose rules are recognised by the CSSF as equivalent to those enshrined in EU law.

##### f2.2) Agent

RBC Investor Services Bank S.A. has been appointed agent for securities financing transactions. The agent is responsible for the operational aspects of the loan, the recovery of the security and the distribution of income to the sub-funds. In addition, the agent ensures that the amount of the collateral is adequate after the valuation discount and is in accordance with the admissibility criteria.

- f3) Securities lending may not result in a change in the investment objective, nor may it entail substantial additional risks as compared with the original risk strategy.

The risks to which securities lending exposes a sub-fund shall be appropriately addressed by the risk management procedure. A detailed overview of the risks can be found in section 1.6.4 "Risks associated with securities lending" of this Sales Prospectus.

- f4) The Management Company will not accrue any income from securities lending transactions. All proceeds from securities lending shall be credited to the sub-fund involved in this securities lending less the fee paid to the agent for its securities lending services.

91% of the income generated by the securities financing business goes into the Fund assets. The agent receives the remaining 9%.

- f5) All securities transferred under a securities lending transaction may be transferred back at any time and all securities lending agreements may be terminated at any time. Securities lending transactions shall be factored into the risk management procedure for liquidity risks in order to ensure that a sub-fund can meet its redemption obligations at all times.

- f6) If the Management Company makes use of securities lending, a maximum of 20% of the assets of the relevant sub-fund will normally be covered by securities lending. However, the Management Company reserves the right to transfer up to 100% of the assets held in the relevant sub-fund into a securities loan, depending on market conditions, with the aim of efficient portfolio management in the interests of investors.

g) Collateral management

- g1) The risk positions that arise for a counterparty as a consequence of transactions involving OTC derivatives and techniques for efficient portfolio management will be combined for the purpose of calculating the thresholds of counterparty risk exposure as set out in Article 43 of the UCI Act.

- g2) If a sub-fund engages in transactions in OTC derivatives and uses techniques for efficient portfolio management, counterparty risk exposure may, in accordance with ESMA/2014/937 (Guidelines on ETFs and other UCITS issues) and ESMA's CESR/10-788 (CESR's Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS), be reduced by accepting collateral insofar as it satisfies the following criteria. The

same criteria apply to collateral received in connection with securities lending, unless otherwise stated.

- g2.1) The following assets are accepted as eligible collateral:

- Cash and sight deposits, with the exception of securities lending, which are denominated in USD, EUR or CHF or the reference currency of a sub-fund and are deposited with legal entities pursuant to Article 50(f) of the UCITS Directive;
- Highly liquid bonds issued by issuers with a high credit rating, which enjoy brisk trading on a regulated market with transparent pricing, in order that they can be sold at short notice with no loss of liquidity. Moreover, the collateral must be valued at least once on every trading day. The term of the bonds is limited to a maximum of 20 years;
- Shares traded on a regulated market in a member state of the EU or on a stock exchange in an OECD member state and from issuers from these countries. In addition, these shares must enjoy brisk trading, with transparent pricing and high liquidity assured.

- g2.2) Valuation of collateral

Collateral in the form of securities is valued at least once daily at the last known market price and in accordance with standard market practice. The exchange on which the securities are listed and which is the main market for this security is used for the valuation.

- g2.3) Safekeeping of collateral

The collateral received is held by the Depositary and its sub-depositaries on accounts separate from the assets. In the case of securities lending, the Depositary shall transfer the custody of the collateral to the agent, which may also use its sub-depositaries for this purpose.

- g2.4) Cash collateral

Cash collateral accepted may only be invested in high-quality government bonds or in short-dated money market funds in accordance with the definition in the CESR's Guidelines.

By reinvesting cash collateral, a sub-fund is also exposed to the interest rate, credit and liquidity risks attached to the respective government bonds or money market funds, which may manifest should the counterparty default or be in arrears.

In the case of securities lending, cash collateral or sight deposits are not considered collateral, which excludes reinvestment in this regard.

#### g2.5) Correlation

The collateral accepted by the sub-fund must be issued by a legal entity which is independent of the counterparty and has no high correlation with the development of the counterparty.

#### g2.6) Diversification of collateral

Collateral must be suitably diversified in terms of countries, markets and issuers. The criterion of suitable diversification is deemed to be satisfied in respect of issuer concentration if the sub-fund receives from the counterparty to the securities lending transaction and/or OTC derivatives transactions a collateral basket for which the maximum exposure to any particular issuer is 20% of the Fund's net asset value.

g2.7) Operational and legal risks in connection with collateral management must be calculated, controlled and reduced through the risk management process.

g2.8) In cases involving transfers of rights, the collateral accepted must be held in safekeeping by the sub-fund's Depository. Under other types of collateral agreements, the collateral may be held by a third party which is subject to supervision and is not in any way connected with the provider of the collateral.

g2.9) The sub-fund may realise accepted collateral at any time without conferring with the counterparty or requiring the latter's approval.

#### g3) Haircut strategy

The Management Company has defined a strategy for imposing appropriate, conservative discounts on the collateral received ("haircut strategy").

The valuation discounts on collateral results in cover of more than 100%. This takes account of the fact that the valuation of the collateral or the liquidity profile of this asset changes daily. The adjusted collateral valuation achieved with the haircut may at no time fall below the Fund's counterparty exposure.

The haircut strategy factors in the characteristics of the collateral, the nature and credit rating of the issuer of the collateral, the price volatility of the collateral, the currency and the results of possible stress tests that can be run on

the collateral. If a sub-fund accepts collateral for at least 30% of its assets, it is required to have a suitable stress test strategy in place in order to ensure that said sub-fund can, in normal as well as extraordinary liquidity conditions, assess the liquidity risk associated with this collateral.

Owing to the different price volatilities, the haircuts on bonds are graded according to rating class. The bandwidth for haircuts on bonds is between 3% and 7%, and haircuts on shares amount to at least 12%.

The appropriateness of the haircuts applied is reviewed at regular intervals, but no less than once a year, and the haircuts are adjusted accordingly if required. In the event of significant changes in the markets, haircuts will be reviewed immediately.

### 3 Participation in the Fund

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

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

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

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

Units are issued, redeemed and converted on the basis of orders received by the Depository or Management Company during usual local business hours but by no later than 15:00 Luxembourg time on a Luxembourg bank business day (order date), or on the basis

of orders forwarded by a sales agent to the central order collecting point (SFCL) and received by the stipulated time. The net asset value used for the calculation of the issue, redemption and conversion price is calculated on the following valuation day. Orders received after such time will be treated in the same way as those received on the following bank business day. Subscriptions, redemptions and conversions are therefore effected on the basis of an unknown net asset value (forward pricing).

The individual valuation principles are described in the following paragraph.

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

In accordance with the Management Regulations and in accordance with section 3.1, the net asset value (NAV) of the units is calculated by the Management Company for each separate sub-fund on each bank business day in Luxembourg.

The net asset value of a unit in a sub-fund or of a unit class is – unless stated otherwise in this Sales Prospectus – expressed in the sub-fund’s currency of account and is calculated by dividing the net assets of the sub-fund or the unit class by the number of units of that sub-fund or unit class in circulation.

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

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

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

The assets of each sub-fund or unit class are valued as follows:

- a) Securities, derivatives and other investments listed on a stock exchange are valued at the latest available prices.

If these securities, derivatives and other investments are listed on several stock exchanges, the latest available price on the stock exchange that represents the primary market for this security shall apply.

In the case of securities, derivatives and other investments not commonly traded on a stock exchange and for which a secondary market among securities traders exists with pricing in line with the market, the Management Company may value these securities, derivatives and investments based on these prices.

Securities, derivatives and other investments that are not listed on a stock exchange, but are traded on another regulated market that operates regularly and is recognised and open to the public, are valued at the latest available price on this market.

- b) Securities and other investments that are neither listed on a stock exchange nor traded on a regulated market are valued at the last available market price. If no such price is available, the Management Company will value the securities according to other criteria, to be determined by the Board of Directors. The Management Company will base its calculation on the probable selling price, the level of which will be estimated with due care and to the best of the Management Company’s knowledge.
- c) Money market instruments that are not listed on an exchange, but are traded on another regulated market that operates regularly and is recognised and open to the public, may be valued as follows: The valuation price of such investments, based on the net acquisition price, shall be progressively adjusted to the redemption price while keeping the resulting investment return constant. If there are significant changes in the market conditions, the valuation principles for the individual investments will be adjusted in line with the new market returns.
- d) Liquid funds and fiduciary and fixed-term deposits will be valued at their nominal value plus accrued interest.
- e) For each sub-fund, the securities that are denominated in a currency other than that of the sub-fund are converted into the sub-fund currency at the relevant mean exchange rate. Futures contracts concluded for the purpose of hedging currency risks are taken into consideration in the conversion.
- f) Units in UCITS or other UCIs shall be valued at their last published net asset value. If no net asset value is available, only buying and selling prices, the units of such UCITS and other UCIs may be valued at the mean value of these buying and selling prices. Should no current prices be available, the Management Company will make a valuation according to other criteria, to be determined by the Board of Directors. The Management Company will base its calculation on the probable selling price, the level of which will be estimated with due care and to the best of the Management Company’s knowledge.
- g) Derivatives which are traded neither on a stock exchange nor on another regulated market will be valued at a market value (fair value) which is appropriate given a careful assessment which takes into account all of the relevant circumstances.

If, as a result of exceptional circumstances, the aforementioned valuation criteria cannot be applied or appear to be unsuitable, the Management Company is entitled to temporarily use other appropriate valuation criteria for the total Fund assets or the assets of a sub-fund.

In exceptional circumstances, additional valuations may be made on one and the same day and will apply to issues and redemptions on that day.

In the event of a large volume of redemption orders, the Management Company may value the units of the sub-fund in question on the basis of the sales prices received in the requisite securities sales transactions.

### 3.3 Sale of units

Payment of the issue price must be made within three bank business days after receipt of the drawing order; however, the Management Company is entitled to extend this period to a maximum of five days if the three-day period proves to be too short. Issue prices are rounded down to the nearest currency unit.

The following are charged on the issue of units:

- an agency fee which goes to the intermediary. The maximum agency fee payable for each sub-fund or unit class is set out in the table in section 1.2 “Structure of the Fund”. However, the intermediary may charge a minimum fee of no more than CHF 80 or its equivalent in another currency;
- for conversions from one sub-fund to another within the same umbrella fund or from one unit class to another unit class within the same sub-fund, the intermediary may not charge an agency fee;
- any taxes and duties charged in connection with the issue;

The corresponding number of units will be transferred to investors immediately after payment of the purchase price in the corresponding amount. The Board of Directors is authorised to accept subscriptions for specific sums of money and, on this basis, consent to the issue of fractions of units of up to four decimal places. In such cases, the Management Company has the power to authorise one of the sales or paying agents to confirm the subscription of units to the unitholders in writing.

Only registered units shall be issued. They are not issued as physical certificates; they exist purely as book entries.

Physical bearer units which were not deposited by 18 February 2016 under the Act of 28 July 2014 on the mandatory immobilisation of bearer shares and units for the purpose of amending the Act of 10 August 1915 on commercial companies have been cancelled and the amounts corresponding to the value of these units deposited with Caisse de Consignation until the holder demands their payment.

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

### 3.4 Redemption of units

In principle, the Management Company will redeem units of the Fund at any time on a bank business day at the redemption price, against surrender of the corresponding unit certificates.

Since care must be taken that there are sufficient liquid assets in the Fund, payments on Fund units will usually be made within five bank business days after calculation of the redemption price, unless transfer of the redemption amount to the country in which the redemption has been applied for proves to be impossible owing to statutory provisions, such as foreign exchange and payment restrictions, or as a result of other circumstances beyond the control of the Depositary.

Repayment for the units is made in the currency of the sub-fund. No charge is made for redemption. Any taxes due on the redemption will be deducted from the redemption price. Redemption prices are rounded down to the nearest currency unit.

In the event of a large volume of redemption orders, the Depositary and the Management Company may decide to postpone the execution of redemption orders until the necessary assets of the Fund have been sold, without undue delay. Priority must subsequently be given to these deferred redemption orders.

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

### 3.5 Conversion of units

Unitholders in each sub-fund are entitled to convert some or all of their units into units of another sub-fund offered for subscription at no charge, or to convert units of one class into another class within the same sub-fund. Such conversions may be undertaken on any day on which the net asset value of the sub-fund is calculated. The subscription requirements for a particular unit class must also be fulfilled in the case of the conversion of units from one class to another. Investors must submit a conversion application to the Management Company for at least 10 units of a sub-fund or unit class and surrender the unit certificates, if any were issued. Conversion is subject to the same time limits as for the issue and redemption of the sub-funds in question. No agency fee is charged for conversion.

The Management Company will use the following formula to determine the number of units into which a unitholder may convert his/her existing units:

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

where:

- A = Number of units to be issued in the new sub-fund or the new unit class
- B = Number of units in the original sub-fund or the original unit class
- C = Redemption price per unit of the original sub-fund or the original unit class
- D = Net asset value per unit of the new sub-fund or the new unit class
- E = Exchange rate between the currencies of the two sub-funds or two unit classes on the date of conversion

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

The Management Company will provide the unitholder with the details of the conversion.

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

The Management Company is entitled to temporarily suspend the calculation of the net asset value, as well as the issue, conversion and redemption of units for one or more sub-funds in the following cases:

- a) If stock exchanges or markets that serve as the basis for the valuation of a substantial proportion of a sub-fund's assets, or foreign exchange markets for the currency in which the net asset value or a significant proportion of a sub-fund's assets are denominated are closed (apart from the usual public holidays), or if business is suspended or restricted on such markets, or if they are temporarily exposed to major fluctuations.
- b) If relevant disposals of a sub-fund's assets are not possible owing to political, economic, military or other emergencies which are beyond the control of the Management Company, or if such action would be detrimental to the interests of the unitholders.
- c) In the event of disruptions in the communications network, or if the net asset value of a sub-fund cannot be calculated with sufficient accuracy.
- d) If restrictions on foreign exchange transactions or other asset transfers make sub-fund transactions impossible, or if the purchase and sale of assets of a sub-fund cannot be effected at normal exchange rates.

- e) If special circumstances concerning the careful, proper management of the Fund or sub-fund(s) in question make such suspension necessary and it is in the interests of the unitholders.

## 4 Appropriation of net income and capital gains

### 4.1 Distribution units

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

The Management Company is authorised to approve the distribution of interim dividends and the suspension of distributions.

Payment will be made according to the procedure described under section 3.4 "Redemption of units".

Claims for distributions and allocations that are not made within five years after their due date will become statute-barred and the assets will revert to the corresponding sub-fund or unit classes.

### 4.2 Accumulation units

No distributions are planned for these unit classes. After the deduction of general costs, net income will be used to increase the net asset value of the units (accumulation).

## 5 Taxes and charges

The Fund assets are subject to a "taxe d'abonnement" in Luxembourg of 0.01% p.a. of the net assets, which is payable quarterly. The Fund's earnings are not taxed in Luxembourg. No withholding tax is currently levied on distributions by the Fund. Under current legislation, unitholders do not have to pay income tax, wealth tax or any other tax in Luxembourg, unless they are or have been resident in Luxembourg or operate a business there to which the units belong.

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

The unit classes for which the Management Company charges an all-in fee for running the Fund, asset management and distribution of the Fund units are listed in section 1.4.5. In return, the Management Company will bear all costs regularly incurred in connection with running the Fund, asset management as well as

with distribution of the Fund, if compensation is made for such costs, such as:

- costs of managing the Fund;
- fees and costs charged by the Depositary and the paying agents;
- costs of distribution;
- all costs imposed by law or by regulations, in particular all costs for publications of all types (such as price publications and notices to investors), as well as the fees due to the supervisory authorities;
- printing the Management Regulations and Sales Prospectuses, as well as the annual and semi-annual reports;
- fees associated with any listing of the Fund and with its distribution both domestically and abroad;
- administrative costs, especially those for bookkeeping and calculating the net asset value;
- costs of paying out annual income to the investors;
- auditor fees;
- advertising costs.

The all-in fee is made up of two components: the flat management fee (to cover asset management and distribution costs) and the flat administration fee (to cover the costs of running the Fund and administrative costs).

The maximum all-in fee, maximum flat management fee and maximum flat administration fee for each sub-fund and unit class are set out in the table in section 1.4.5.

The sum of the flat management fee and the flat administration fee booked may not exceed the rate of the maximum all-in fee for the sub-fund or unit class in question. The aggregate figure for the all-in fee (or flat management fee and flat administration fee) actually paid out of the Fund to the Management Company is published in the Fund's annual and semi-annual reports.

The all-in fee (or flat management fee and flat administration fee) is charged to the Fund assets on a pro rata basis each time the net asset value is calculated, and is paid out at the end of each month.

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

The all-in fee (or flat management fee and flat administration fee) to be paid to the Management Company shall first come out of investment income, then out of realised gains on securities transactions, and then out of fixed assets. The assets of each individual sub-fund shall be liable for all claims against that sub-fund. These costs shall be charged separately to each sub-fund. Costs borne by the Fund which cannot be allocated to a single sub-fund shall be charged to the individual sub-funds in proportion to

their net assets. The assets of one sub-fund shall not be liable for claims against the assets of another sub-fund.

## **6 Information for unitholders**

### **6.1 Remuneration policy**

The Management Company has produced a remuneration policy in accordance with the applicable legal and regulatory requirements, particularly the UCI Act and the relevant ESMA guidelines on sound remuneration policies (ESMA/2016/411); this policy applies to all employees, in particular those identified under the UCI Act and including the salaried directors and executives of the Management Company. The remuneration policy has been prepared with the aim of protecting the interests of the investors as well as the interests of the Management Company and the Group on a long-term, sustainable basis. It is also in line with the business strategy, the goals and values of the Management Company and the funds it manages, and comprises measures aimed at avoiding conflicts of interest.

The remuneration policy is designed to promote effective, sound risk management and to prevent excessive risk-taking.

Employee remuneration consists of a fixed and a variable component; these are in due proportion to one another, such that percentage of the fixed component of total remuneration is high enough to facilitate total flexibility in relation to the variable component and also to be able to waive payment of a variable component entirely. The variable component is largely based on the consolidated net income, the performance of the Management Company and the function and performance of the employee.

The performance targets for individual employees are assessed and reviewed annually. The annual assessment provides a basis for setting the level of variable remuneration and any increase in the fixed element. Financial as well as non-financial criteria are taken into account when assessing an employee's individual performance. The variable component may be waived entirely following a failure to meet performance targets or a poor business result.

The version of the remuneration policy currently in force, which includes a precise description of this policy, details of how remuneration is calculated, other compensation and the identity of the persons responsible for awarding the remuneration, is available at <http://www.swisscanto.lu/verguetungspolitik> and in hard copy, free of charge, at the registered office of the Management Company.

### **6.2 Accounting reports**

The annual audited accounting reports will be made available to unitholders no later than four months after the end of the financial year (31 March) at the registered office of the Management

Company and the offices of the sales and paying agents. Unaudited semi-annual reports will be made available in the same way no later than two months after the end of the reporting period (30 September). Separate accounts will be drawn up for the individual sub-funds. The total of the sub-funds – after conversion into the currency of the Fund (CHF) – constitutes the Fund assets.

In the event that liabilities from transactions involving derivative financial instruments and/or loans exist at the end of the financial year, they are to be explicitly stated in the accounting report, i.e. the strike price of current options and any liabilities associated with financial forwards and futures. Total liabilities from currency forwards, excluding options, must be stated for each type of transaction.

### **6.3 Data protection**

Investors are advised that for organisational reasons and due to the outsourcing of various tasks, it is possible that personal data and information on the unitholders may be processed in countries which may not be subject to the same data protection standards as in Luxembourg.

### **6.4 Other Information**

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

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

The Management Company may amend these provisions in whole or in part at any time in the interests of the unitholders and with the consent of the Depositary. Unless otherwise specified, amendments to the Management Regulations shall enter into force upon signature.

Unitholders registered in the unitholders’ register will be informed of changes to the Sales Prospectus and the Management Regulations in writing in due time.

In addition, the following documents are available for inspection at the registered office of the Management Company during normal business hours. Copies are available free of charge from this office:

- Management Regulations
- Articles of Association of the Management Company
- Depositary Agreement between the Management Company and the Depositary

The latest version of the Sales Prospectus, the Management Regulations, the Key Investor Information Document, the annual and semi-annual reports and notices to investors can be downloaded on the internet at [www.swisscanto.lu](http://www.swisscanto.lu).

### **Management Company:**

Swisscanto Asset Management International S.A.

### **Depositary:**

RBC Investor Services Bank S.A.

## Specific provisions governing the sale of units in Switzerland, Germany, Austria and Liechtenstein

### In Switzerland

#### Representative

The representative in Switzerland is Swisscanto Fondsleitung AG, Bahnhofstrasse 9, 8001 Zurich.

#### Paying agent

The paying agent in Switzerland is Basler Kantonalbank, Spiegelgasse 2, 4002 Basel.

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

The sales prospectus, the key investor information document and the management regulations, as well as the annual and semi-annual reports, are available free of charge from the representative, the paying agent, online at [www.swisscanto.com](http://www.swisscanto.com) or on the website of Swiss Fund Data AG at [www.swissfunddata.ch](http://www.swissfunddata.ch).

#### Publications

- a) In Switzerland, any announcements concerning the Fund will be made on the website of Swiss Fund Data AG at [www.swissfunddata.ch](http://www.swissfunddata.ch) and may also be viewed at [www.swisscanto.com](http://www.swisscanto.com).
- b) Issue and redemption prices, i.e. the net asset value together with a note "excluding commission" for all unit classes are published on each bank business day on the website of Swiss Fund Data AG at [www.swissfunddata.ch](http://www.swissfunddata.ch).
- c) If, in the case of a sub-fund, the net asset value is calculated using the swinging single pricing method (hereinafter the "SSP method"), this means the published net asset value is a modified net asset value.

#### Payment of retrocessions and rebates

##### a) Retrocessions

The Management Company and its agents may pay retrocessions as compensation for the distribution of fund units in Switzerland or from Switzerland. Distribution activities comprise all activities in connection with the offering, advertising or brokering of fund units.

The following services in particular may be compensated with this remuneration:

- Clarifying client requirements and subscription conditions;
- Performing checks in connection with the prevention of money laundering and the financing of terrorism;
- Supplying literature;
- Training the distributor's staff;

- Fostering existing client relationships; clarifying and responding to enquiries;
- Performing administrative tasks of all kinds in connection with the distribution of fund units.

Retrocessions are not considered rebates even if they are ultimately passed on to investors in full or in part.

The recipient of retrocessions shall guarantee transparent disclosure and shall inform the investor, free of charge and at its own initiative, of the compensation amount they could receive for distribution.

On request, the recipient of retrocessions shall disclose the effective amounts received for the distribution of the investor's collective investments.

##### b) Rebates

The Management Company and its agents may pay rebates directly to the investor upon request when distributing in Switzerland or from Switzerland. The purpose of rebates is to reduce the fees or costs incurred by the investor concerned. Rebates are permitted provided they

- are paid from the Management Company's fees and thus are not additional charges for the Fund;
- are granted based on objective criteria;
- are granted to the same extent and within the same time constraints to all investors who meet the objective criteria and request rebates.

The objective criteria according to which the Management Company shall grant rebates are the following:

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

The Management Company shall disclose the corresponding amount of rebates free of charge at the investor's request.

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

In accordance with Section 3.2 of the sales prospectus, the Board of Directors may decide to have the net asset value of a sub-fund calculated in accordance with the SSP method in order to protect existing unitholders.

With the SSP method, the incidental expenses (transaction costs) incurred in connection with subscriptions and redemptions for the purchase and sale of investments (standard brokerage fees, commissions, bid-ask spreads, taxes, etc.) are also taken into account for the calculation of the net asset value. The flow of net

capital due to subscriptions and redemptions determines the volume necessary for the portfolio adjustment. The maximum adjustment is 2% of the net asset value of the sub-fund in question. The transaction costs incurred in connection with subscriptions and redemptions on the trading day must be borne by the investors applying for these subscriptions or redemptions. If the subscriptions on a given valuation day exceed the redemptions, the Management Company adds the transaction costs incurred in connection with the subscriptions and redemptions to the calculated net asset value (valuation net asset value; this is a modified net asset value). If the redemptions on a given valuation day exceed the subscriptions, the Management Company subtracts the transaction costs incurred in connection with the subscriptions and redemptions from the calculated valuation net asset value (this is a modified net asset value). The surcharge or discount on the valuation net asset value in the case of the transaction costs incurred in connection with subscriptions or redemptions is made at a flat rate in each case and is based on an average value of the incidental expenses (transaction costs) from a previous period of one year maximum. Investors are expressly advised that the transaction costs mentioned in this provision include all incidental expenses incurred in connection with subscriptions and redemptions for the purchase and sale of investments (bid-ask spreads, standard brokerage fees, commissions, taxes, etc.).

#### **Place of performance and jurisdiction**

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

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

### **Paying and information agent**

The Fund's paying agent (the "German Paying Agent") and information agent (the "Information Agent") in the Federal Republic of Germany is:

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

(hereinafter the "German Paying and Information Agent")

### **Redemption and conversion of units**

Applications for the redemption and exchange of units in a sub-fund that may be sold in the Federal Republic of Germany may be lodged with the German Paying and Information Agent.

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

### **Reference point for Fund's documents**

Paper copies of the sales prospectus, the key investor information document, the management regulations, the audited annual reports and the unaudited semi-annual reports are available free of charge from the German Paying and Information Agent. The net asset value per unit of each sub-fund or each unit class, as well as the issue, redemption and any conversion prices, may also be obtained free of charge from the German Paying and Information Agent. In addition, the sales prospectus, the key investor information document, the management regulations, the semi-annual reports and the audited annual reports, as well as the issue and redemption prices and any notices for unitholders are published daily at [www.swisscanto.com](http://www.swisscanto.com) and at [www.fundinfo.com](http://www.fundinfo.com).

Furthermore, the documents listed under Section 6 above can be viewed at the German Paying and Information Agent during usual business hours. Copies of the documents can also be obtained free of charge.

### **Particular risks associated with obligations to provide evidence for tax purposes in Germany**

It is the intention of the Management Company to provide details of the tax base for Germany in accordance with the Investment Tax Act (InvStG). The Management Company must provide evidence that this tax base is accurate at the request of the German tax authorities. The principles for calculating this data may be interpreted in different ways and no assurance can therefore be

given that the German tax authorities will acknowledge every material aspect of the calculation method used by the Management Company. Should past mistakes come to light, corrections will not be made with relation to the past but instead taken into account when preparing the data for the current financial year. The correction may be to the advantage or disadvantage of unitholders receiving a distribution or having an accumulation amount credited to them during that financial year.

## **In Austria**

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

### **Paying and Information Agent in Austria:**

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

### **Subscription and redemption of units**

Units may be subscribed for and redeemed via the Paying Agent.

### **Reference point for Fund's documents**

The sales prospectus, the key investor information document and the management regulations, as well as the semi-annual reports and the audited annual reports, are available free of charge from the aforementioned Paying and Information Agent as well as at [www.swisscanto.com](http://www.swisscanto.com) and [www.fundinfo.com](http://www.fundinfo.com). Information on issue and redemption prices may also be obtained there.

### **Publications**

Issue and redemption prices are also published on the website of the daily newspaper "Der Standard" ([www.derstandard.at](http://www.derstandard.at)) and any other announcements at [www.swisscanto.com](http://www.swisscanto.com) and [www.fundinfo.com](http://www.fundinfo.com).

### **In the Principality of Liechtenstein**

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

#### **Representative and paying agent in Liechtenstein:**

BENDURA BANK AG  
Schaaner Strasse 27  
FL-9487 Gamprin-Bendern

#### **Reference point for Fund's documents**

The sales prospectus, the key investor information document and the management regulations, as well as the annual and semi-annual reports, are available in German free of charge from the paying agent in Liechtenstein, and online at [www.swisscanto.com](http://www.swisscanto.com), [www.swissfunddata.ch](http://www.swissfunddata.ch) as well as [www.fundinfo.com](http://www.fundinfo.com).

Notices and changes to the sales prospectus will be published on the website of Swiss Fund Data AG at [www.swissfunddata.ch](http://www.swissfunddata.ch) and at [www.swisscanto.com](http://www.swisscanto.com).

#### **Publications**

The net asset values are published at least twice a month on the website of Swiss Fund Data AG at [www.swissfunddata.ch](http://www.swissfunddata.ch).

#### **Place of performance and jurisdiction**

The place of performance and jurisdiction is Vaduz.