CAPE CAPITAL SICAV-SIF II

Investment Company with variable capital under Luxembourg law
Specialised investment fund
(Société d'Investissement à Capital Variable – fonds d'investissement spécialisé, SICAV-FIS)

Offering Document

July 2017

Disclaimer

This offering document is not indented as being an offer to any person or entity not qualifying as eligible investor under European and local law in any country of jurisdiction where such marketing or sale of the shares issued by Cape Capital SICAV-SIF II is undertaken and where such marketing or sale of the shares issued by Cape Capital SICAV-SIF II would therefore be illegal.

Company

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Table of Contents

1. Information for Prospective Investors

This offering document (the "Offering Document") does not constitute an offer or solicitation to subscribe for shares (the "Shares") of Cape Capital SICAV-SIF II (the "Company") by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. The Offering Document is available at the registered office of the Company.

The Offering Document contains provisions applicable to all Subfunds (as defined below) (Chapters 1–13) and specific provisions relating to each Subfund (Chapter 14). The Company may issue one or several partial offering documents (each a "Partial Offering Document") with regard to the distribution of Shares of one or several Subfunds or for distribution in a specific country. Any Partial Offering Document shall always contain the provisions applicable to all Subfunds in general (Chapters 1–13) as supplemented by the specific provisions relating to a particular Subfund (Chapter 14) along with any additional provisions applicable locally in the country of distribution.

The Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended, (the "1933 Act") or any of the securities laws of any of the states of the United States of America. The Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws. Therefore, the Shares may not be offered or sold directly or indirectly in the United States of America, except pursuant to an exemption from the registration requirements of the 1933 Act.

Further, the board of directors of the Company (the "Board of Directors") has decided that the Shares shall not be offered or sold, directly or indirectly, to any ultimate beneficial owner that constitutes a U.S. Person (as defined in chapter 4. ("Investment in Cape Capital SICAV-SIF II"), section viii. ("Prohibited Persons and Compulsory Redemption")). As such, the Shares may not be directly or indirectly offered or sold to or for the benefit of a U.S. Person which shall be defined as and include (i) a "United States person" as described in section 7701(a)(30) of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), (ii) a "U.S. person" as such term is defined in Regulation S of the 1933 Act, (iii) a person that is "in the United States" as defined in Rule 202(a)(30)-1 under the U.S. Investment Advisers Act of 1940, as amended, or (iv) a person that is not a "Non-United States Person" as such term is defined in U.S. Commodities Futures Trading Commission Rule 4.7.

Information which is not contained in this Offering Document, or in the documents mentioned herein which are available for inspection at the registered office of the Company, shall be deemed unauthorised and cannot be relied upon.

Potential investors should inform themselves as to the possible tax consequences, the legal requirements and any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, holding, conversion, redemption or disposal of Shares.

Potential investors who are in any doubt about the contents of this Offering Document should consult their bank, broker, solicitor, accountant or other independent financial adviser.

This Offering Document may be translated into other languages. To the extent that there is any inconsistency between the original English version of the Offering Document and a version in another language, the original English version of the Offering Document shall prevail, unless stipulated otherwise by the laws of any jurisdiction in which the Shares are sold.

2. The Company

The Company has been established on 19 June 2017 as an open-ended investment fund in the legal form of an investment company with variable capital – specialised investment fund ("société d'investissement à capital variable – fonds d'investissement spécialisé) qualifying as public limited company ("société anonyme") in accordance with the Luxembourg law of 10 August 1915 on commercial companies, as amended and part II of the Luxembourg law dated 13 February 2007 relating to specialised investment funds, as amended (the "Law of 13 February 2007").

The Company qualifies as an externally managed alternative investment fund according to articles 1 (39) and 4 of the Luxembourg law of 12 July 2013 concerning alternative investment fund managers (the "Law of 12 July 2013") and has appointed MultiConcept Fund Management S.A. as its alternative investment fund manager (the "AIFM") (please see below Chapter 13).

Investors are legally bound by the Articles of Incorporation, the terms of their subscription agreement/application form and the terms of this Offering Document. The relationship between the investors and the Company shall be governed and construed in all respects in accordance with the laws of the Grand Duchy of Luxembourg. Any dispute or controversy between an investor and the Company shall be submitted to the exclusive jurisdiction of the District Court of Luxembourg City.

Investors shall note that judgements falling within the scope of Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters (recast) ("Regulation 1215/2012") and which are given and enforceable in a member state shall be enforceable in another member state without a declaration of enforceability being required, upon production of a copy of the judgement which satisfies the conditions necessary to establish its authenticity and a certificate to be issued by the court of origin. The recognition and enforcement of such judgements may be refused by the Luxembourg court only in the event of an application for refusal of recognition or enforcement and in accordance with the specific provisions contained in Regulation 1215/2012. In particular, recognition and enforcement shall be refused if the judgement issued by the court of origin is contrary to the Luxembourg public order (ordre public).

The Company is registered with the Luxembourg Trade and Companies Register under no. B 215894. Its Articles of Incorporation were published in the "Receuil électronique des sociétés et associations" ("RESA") on 3 July 2017. The Articles of Incorporation are filed in their consolidated, legally binding form for public reference with the Luxembourg Trade and Companies Register. All amendments of the Articles of Incorporation will be announced in accordance with Chapter 12 and become legally binding for all Shareholders subsequent to their approval by the general meeting of Shareholders ("General Meeting"). Whereas the initial capital of the Company amounted to EUR 30,000 it will thereafter correspond to the total net asset value of the Company. The minimum capital of the Company shall be at least EUR 1,250,000 within a period of twelve months following the authorisation of the Company.

The Company has an umbrella structure and as such provides investors with the choice of investment in a range of several separate subfunds each of which relates to a separate portfolio of transferable securities and other assets permitted by the Law of 13 February 2007 with specific investment objectives, as described in Chapter 14 of the Offering Document (each referred to as a "Subfund").

The Board of Directors has full discretion to launch additional Subfunds and to create and issue new classes of Shares ("Classes") within any Subfund.

The Company constitutes a single legal entity. However, each Subfund is treated as a separate entity. Therefore, with regard to third parties, in particular towards the Company's creditors, each Subfund shall in accordance with Art. 71, para. 5 of the Law of 13 February 2007 be exclusively responsible for all liabilities attributable to it.

3. Investment Objective and Investment Restrictions

i. Investment Objective

The primary investment objective of the Company is to provide investors with an opportunity to invest in professionally managed portfolios with the aim of spreading investment risks. The investment objective and policy of the individual Subfunds are described in Chapter 14. The investments of the individual Subfunds will adhere to the risk spreading rules set out below as well as in Chapter 14.

ii. Investment Restrictions

Should different investment restrictions as those set out below be applicable to the relevant Subfund due to the specific investment strategy of a Subfund, this will be specifically set out in Chapter 14.

a) Each Subfund shall not invest more than 30% of its net assets in securities of the same type issued by the same issuer.

b) Notwithstanding the foregoing, each Subfund is authorised to invest in accordance with the principle of risk spreading, up to 100% of its net assets in transferable securities and money market instruments issued or guaranteed by an OECD Member State or its regional or local authorities or by a Member State of the European Union, by its regional or local authorities or by regional or global supranational institutions and bodies.

c) Notwithstanding the foregoing, each Subfund is authorised to invest up to 100% of its net assets in shares or units of undertakings for collective investment in transferable securities authorised according to Directive 2009/65/EC ("UCITS") or in shares or units of undertakings for collective investment ("UCI") that are subject to risk diversification requirements that are comparable to the risk diversification requirements of the Law of 13 February 2007. For the purpose of the application of this restriction, every subfund of a target umbrella UCI is to be considered as a separate issuer provided that the principle of segregation of liabilities among the various subfunds vis-à-vis third parties is ensured.

d) Short sales may not in principle result in the relevant Subfund holding a short position in securities of the same type issued by the same issuer representing more than 30 % of its assets. A short sale means any sale of a security which the seller does not own at the time of entering into the agreement to sell including such a sale where at the time of the entering into the agreement the seller has borrowed or agreed to borrow the security for delivery at settlement, not including repurchase agreements, securities lending agreements or derivative instruments.

e) When using derivative instruments, the Subfund must assure, via appropriate diversification of the underlying assets, a similar level of risk-spreading. Similarly, the counterparty risks in an OTC transaction are, where applicable, limited in regard to the quality and the qualification of the counterparty.

f) Each Subfund may hold up to 100% of its net assets in cash and other liquid assets, provided that no more than 30% of its net assets are held with the same entity.

g) Each Subfund may borrow on a temporary basis from first class professionals specialised in this type of transaction; such borrowings shall not exceed 10 % of the net asset value of the Subfund, unless stated otherwise in Chapter 14.

No loans shall be granted by any Subfund.

The Subfunds may enter into securities lending transactions provided that the borrower in a securities lending transaction must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.

Each Subfund may subscribe, acquire and/or hold Shares to be issued or issued by another Subfund of the Company (the "Target Subfund") provided that:

- the Target Subfund does not, in turn, invest in the Subfund invested in this Target Subfund;

- voting rights, if any, attached to the relevant Shares are suspended for as long as they are held by the Subfund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports;
- in any event, for as long as these Shares are held by the Subfund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the Law of 13 February 2007.

Unless otherwise indicated in Chapter 14 for each Subfund specifically, the risk spreading rules and/or investment restrictions set out above and in Chapter 14 need not be complied with during the first six months following official authorisation of a Subfund in Luxembourg.

Use of Derivatives

In addition to direct investments, all Subfunds may acquire financial derivative instruments (such as, without being limited to, futures, forward or options) as well as swap transactions (such as, without being limited to, interest-rate swaps, credit default swaps or total return swaps) for the purpose of hedging, the efficient management of the portfolio and for implementing its investment strategy, provided due account is taken of the investment restrictions set out in the Offering Document.

Each Subfund may incur costs and fees in connection with total return swaps or other financial derivative instruments with similar characteristics, upon entering into total return swaps and/or any increase or decrease of their notional amount. The amount of these fees may be fixed or variable. Information on costs and fees incurred by each Subfund in this respect, as well as the identity of the recipients and any affiliation they may have with the Depositary, the Portfolio Manager or the AIFM, if applicable, may be available in the Annual Report, and, to the extent relevant and practicable, in Chapter 14 ("Subfunds").

A total return swap is an agreement in which one party (total return payer) transfers the total economic performance of a reference obligation to the other party (total return receiver). Total economic performance includes income from interest and fees, gains or losses from market movements, and credit losses.

Furthermore, the Subfunds may actively manage their currency exposure through the use of currency futures, currency, forwards, currency options and swap transactions.

The counterparties to OTC financial derivative instruments will be selected among financial institutions subject to prudential supervision (such as credit institutions or investment firms) and specialized in the relevant type of transaction. The identity of the counterparties will be disclosed in the Company's annual report.

Management of Collateral and Collateral Policy

General

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

Eligible Collateral

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

1. Any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;
2. It should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;
3. It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
4. It should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure of 20% of the respective Subfund's Net Asset Value to any single issuer on an aggregate basis, taking into account all collateral received; Notwithstanding the limits set out above, each Subfund is authorised to invest, in accordance with the principle of risk spreading, up to 100% of its net assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by one or more of its local authorities, by a member State of the OECD or the Group of Twenty (G20) such as the United States of America, by the Republic of Singapore, by the Hong Kong Special Administrative Region of the People's Republic of China, or by a public international body of which one or more Member States are members, provided that the Subfund holds in its portfolio securities from at least six different issues and that securities from any issue do not account for more than 30% of the net assets of the Subfund.
5. Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process;
6. Where there is a title transfer, the collateral received should be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral;
7. It should be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

Reinvestment of Collateral

Non-cash collateral received by the Company may not be sold, re-invested or pledged.

Cash collateral received by the Company can only be:

1. placed on deposit with credit institutions which have their registered office in an EU Member State or, if their registered office is located in a third-country, are subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;
2. invested in high-quality government bonds;
3. used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on accrued basis; and/or
4. invested in short-term money market funds as defined in the ESMA-Guidelines 2010/049 on a Common Definition of European Money Market Funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral as set out above.
The Subfund concerned may incur a loss in reinvesting the cash collateral it receives. Such a loss may arise due to a decline in the value of the investment made with cash collateral received. A decline in the value of such investment of the cash collateral would reduce the amount of collateral available to be returned by the Company on behalf of such Subfund to the counterparty at the conclusion of the transaction. The Subfund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Subfund.

Subject to the abovementioned conditions, collateral received by the Company may consist of:

1. Cash (if the currency of the collateral is different from the currency of the OTC derivative to which the collateral relates to);
2. Bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope;
3. Bonds with a minimum rating of AA- (S&P) or Aa3 (Moody's) issued or guaranteed by first class issuers offering adequate liquidity;
4. Shares admitted to or dealt in on a regulated market of a Member State of the EU or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index.

Level of Collateral

The Company will determine the required level of collateral for OTC financial derivatives transactions and efficient portfolio management techniques by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. At least the following level of collateral will be required by the Company for the different types of transactions:

Type of Transaction	Level of collateral (in relation to volume of transaction concerned)
OTC financial derivative transactions	100%
Securities lending transactions	100%
Repurchase transactions	100%
Reverse repurchase transactions	100%

Haircut Policy

Collateral will be valued, on a daily basis, using available market prices and taking into account appropriate discounts which will be determined by the Company for each asset class based on its haircut policy. The policy takes into account a variety of factors, depending on the nature of the collateral received, such as the issuer's credit standing, the maturity, currency, price volatility of the assets and, where applicable, the outcome of liquidity stress tests carried out by the Company under normal and exceptional liquidity conditions.

According to the Company's haircut policy the following discounts will be made:

Type of Collateral	Discount
Cash: No haircut will generally be applicable to collateral in the form of cash unless it exposes the Subfund to currency risk.	0% - 8%
Bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope	0,5% - 5%
Bonds with a minimum rating of AA- (S&P) or Aa3 (Moody's) issued or guaranteed by first class issuers offering adequate liquidity	1% - 8%
Shares admitted to or dealt in on a regulated market of a Member State of the EU or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index	Up to 16%

If the limits set out above and in Chapter 14 are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, the Company shall as a matter of priority remedy that situation, taking due account of the interests of its Shareholders.

The Company is entitled to issue further investment restrictions at any time, in the interests of the Shareholders, if such restrictions are necessary to comply with the legislation and regulations in those countries in which Shares are or will be offered for sale.

The strategies and instruments used by individual Subfunds may be speculative and entail substantial risks. There can be no assurance that the investment objectives of the relevant Subfund will be attained.

iii. Leverage

The leverage effect is determined by the Directive 2011/61/EU as being any method by which the AIFM increases the exposure of the Company whether through borrowing of cash or securities, leverage embedded in derivative positions or by any other means. The leverage creates risks for the Company.

The leverage is controlled on a frequent basis and shall not exceed such thresholds as further described in the supplements of the Subfunds in Chapter 14, "The Subfunds", using both the "gross method" and the "commitment method". Leverage is the ratio between the sum of notionals of the derivative instruments used and borrowed cash and the net asset value of the relevant Subfund. In certain circumstances (e.g. low market volatility), the leverage can exceed the level mentioned in the Supplements in Chapter 14.

4. Investment in Cape Capital SICAV-SIF II

i. Eligible Investors

In general terms, the Shares of the Company are reserved to 'well informed investors' ("Eligible Investors"). 'Well informed investors' within the meaning of the Law of 13 February 2007 are:

i. institutional investors,

ii. professional investors,

iii. any other type of investor, who has declared in writing that he is a 'well-informed investor', and

- either invests a minimum of €125,000 or
- has an appraisal from a bank in the sense of the directive 2006/48/EC, other professional of the financial sector in the sense of the directive 2004/39/EC, or a management company in the sense of the directive 2009/65/EC certifying his ability to adequately understand the investment made in the Company.

ii General Information Concerning Shares

Within each Subfund one or more Class(es) may be offered which may differ in various characteristics, e.g. sales charge, commissions, appropriation of income, currency or regarding the targeted investors.

The types of Classes of each Subfund, their initial issue price, initial offering date, the related fees and charges and their respective reference currency are described in Chapter 14.

Unless otherwise stated in Chapter 14, Shares are not available as physical certificates.

The Shares of each Subfund may be listed on the Luxembourg Stock Exchange. Chapter 14, “The Subfunds” will specify if the Shares of a particular Subfund are listed.

Hedged Classes

Depending on the Subfund, Shares might be issued in one or more alternate currencies, as set out in Chapter 14, “The Subfunds”. In order to reduce the risk of an overall depreciation of the Subfund’s reference currency against the alternate currency of the respective Class, the net asset value of the respective Class, as calculated in the Subfund’s Reference Currency, might be hedged against the respective alternate currency of the Class in question through the use of forward foreign exchange transactions. The aim of this approach is, as far as possible, to mirror the performance of the Class in the Subfund’s Reference Currency minus any hedge costs.

Within this approach, the currency risk of the investment currencies (except for the Reference Currency) versus the alternate currency will not be hedged or will only be partially hedged. There is an additional cost to Hedged Classes. Hedged Classes are subject to mark-up fees as set out in Chapter 7, “Expenses and Taxes” section iii, “Expenses”.

The net asset value of the Shares of an alternate currency class (“Alternate Currency Class”) may not develop in the same way as that of the Classes issued in the respective Subfund’s Reference Currency.

The Classes might be subject to the management fee and sales charge as further set out in Chapter 14, “The Subfunds”. Subscription of Shares might be subject to the minimum initial investment and holding requirements as further set out in Chapter 14, “The Subfunds”.

iii. Subscription of Shares

Shares may be purchased on any Subscription Date specified as such in Chapter 14 for the relevant Subfund at the net asset value per Share of the relevant Class of the Subfund (calculated in accordance with Chapter 6), plus any applicable charges (as set out in Chapter 14) and taxes.

In addition, the Company may in the interest of the Shareholders accept transferable securities and other assets permitted by the Law of 13 February 2007 as payment for subscription (“contribution in kind”), provided, the offered transferable securities and other assets correspond to the investment policy and the investment restrictions of the respective Subfund. Each payment of Shares against contribution in kind is subject to a valuation report issued by the Independent Auditor. The Board of Directors may, at its sole discretion, reject all or several offered transferable securities and other assets without giving reasons. All costs caused by such contribution in kind shall be borne by the contributing investor.

Subscription applications must be submitted to the Central Administration, as defined below and shall be settled as defined in Chapter 14 for the relevant Subfund.

Subscription applications must be received by the Central Administration before the cut-off-time specified for the relevant Subfund in Chapter 14 (the “Cut-Off-Time”). Applications received after the relevant Cut-Off-Time on a Subscription Date shall be deemed to have been received prior to the Cut-Off-Time on the following Subscription Date.

Payment must be received within the time period specified for the relevant Subfund in Chapter 14.

Subscription monies shall be paid in the currency in which the relevant Shares are denominated. Payment shall be effected by bank transfer to the bank accounts of the depositary bank of the Company, Credit Suisse (Luxembourg) S.A. (the “Depositary Bank”). The issue of Shares shall be made upon the receipt of the issue price in cleared funds by the Depositary Bank.

Investors may, at the discretion of the Central Administration, as defined below, pay the subscription monies for Shares in a convertible currency other than the currency in which the relevant Shares are denominated. Such subscription monies which are received by the Depositary Bank as cleared funds shall be automatically converted by the Depositary Bank into the currency in which the relevant Shares are denominated. The proceeds of conversion from the currency of payment to the currency of denomination less fees and exchange commission shall be allocated to the purchase of Shares.

The minimum value or number of Shares, if any, which must be held by a Shareholder in a particular Class is set out in Chapter 14. Such minimum holding requirement may be waived in any particular case at the sole discretion of the Company.

Subscriptions of fractions of Shares shall be permitted up to three decimal places. Fractional Shares shall not be entitled to voting rights. A holding of fractional Shares shall entitle the Shareholder to proportional rights in relation to such Shares. It might occur that clearing institutions will be unable to process holdings of fractional Shares. Investors should verify whether this is the case.

The Company is entitled to refuse at its own discretion subscription applications and temporarily or permanently suspend or limit the sale of Shares.

iv. Redemption of Shares

The Company shall in principle redeem Shares on any Redemption Date specified as such in Chapter 14 for the relevant Subfund at the net asset value per Share of the relevant Class of the Subfund, calculated as of the respective Valuation Date on the Calculation Date (both as defined for the relevant Subfund in Chapter 14), less any applicable redemption charges (as set out in Chapter 14) and taxes.

Whether and to what extent the redemption price is lower or higher than the purchase price paid depends on the development of the net asset value of the respective Class.

Redemption applications must be submitted to the Central Administration, as defined below. Redemption applications for Shares held by a depository must be submitted to the depository concerned. Redemption applications must be received by

the Central Administration before the relevant Cut-Off-Time. Applications received after the relevant Cut-Off-Time on a Redemption Date shall be deemed to have been received prior to the Cut-Off-Time on the following Redemption Date.

If the execution of a redemption application would result in the relevant Shareholder's holding in a particular Class falling below the minimum holding requirement for that Class as set out in Chapter 14, the Company may, without further notice to the Shareholder concerned, treat such redemption application as though it were an application for the redemption of all Shares of that Class held by the Shareholder in question.
Equally, Shares of Classes, which may only be purchased by certain investors, shall automatically be redeemed if the Shareholder does not satisfy the requirements for that Class anymore.

Payment of the redemption price shall be made within a reasonable delay following calculation of the redemption price (see, however, section vi. "Suspension of Calculation of the Net Asset Value and of the Issue, Redemption and Conversion of Shares" hereunder). This delay is specified for the relevant Subfund in Chapter 14 but shall not apply where specific circumstances beyond the Depositary Bank's control make it impossible to transfer the redemption amount.

In the case of very large redemption applications, the Company may, as further described in Chapter 14, "The Subfunds" ("Redemption Limits"), decide to defer payment until it has sold corresponding assets without undue delay. In such case, the Shareholder will keep its status as a Shareholder. Once the respective Subfund has gained enough liquidity to handle such requests, redemptions and payment of redemption price will be performed reciprocally and simultaneously (ie, delivery vs. payment). Where such a measure is necessary, all redemption applications received on the same day shall be settled at the same price. As a consequence of the above stated deferral of the redemption price, the Company may decide to also suspend the issue of Shares and to suspend redemptions requested by Shareholders.

In addition, the Company may decide to pay the redemption proceeds proportionally in several payments in case the proceeds from the sale of assets are paid in instalments.
Payment shall be made by means of remittance to a bank. If payment is to be made in a currency other than that in which the relevant Shares are denominated, the amount to be paid shall be the proceeds of conversion from the currency of denomination to the currency of payment less all fees and exchange commission.

The Company may, at the request of the concerned Shareholder, satisfy payments of the redemption price to the relevant Shareholder in specie by allocating to the Shareholder investments from the portfolio of assets of such Subfund the Shares of which the Shareholder would like to redeem. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other Shareholders of the relevant Class or Classes and the valuation used shall be confirmed by a special report of the Independent Auditor. The costs of any such transfers shall be borne by the transferee.

Upon payment of the redemption price, the corresponding Share(s) shall cease to be valid.

The Company is entitled to compulsorily redeem all Shares held by a Prohibited Person as set out below.

v. Conversion of Shares

If specifically authorised by the Company in Chapter 14, Shareholders of a particular Class of a Subfund may at any time request the conversion of some or all of their Shares into Shares of the same Class of another Subfund or into Shares of another Class of the same or another Subfund, provided that the holding requirements of the Class into which such Shares shall be converted as set out in Chapter 14 are complied with. The fee charged for such conversions shall not exceed half the sales charge of the Class into which the Shares are converted.

Unless stated otherwise in Chapter 14, conversion applications must be completed and received in the same manner (including as to deadlines for acceptance) as redemption applications.

Where processing an application for the conversion of Shares would result in the relevant Shareholder's holding in a particular Class falling below the minimum holding requirement for that Class set out in Chapter 14, the Company may, without further notice to the Shareholder concerned, treat such conversion application as though it were an application for the conversion of all Shares of that Class held by the Shareholder in question.

Where Shares denominated in one currency are converted into Shares denominated in another currency, the fees and exchange commission incurred are taken into consideration and deducted.

vi. Transfer of Shares

Shares may only be sold, assigned or transferred by a Shareholder if the purchaser, assignee or transferee thereof qualifies as an Eligible Investors. The Company shall neither recognise nor execute any sale, assignment or transfer of Shares to any person not qualifying as an Eligible Investor or not complying with any additional eligibility requirements provided for the respective Subfund in Chapter 14 .

The Board of Directors has the right to refuse any transfer, assignment or sale of Shares in its sole discretion if the Board of Directors reasonably determines that it would result in a Prohibited Person holding Shares, either as an immediate consequence or in the future.

Any transfer of Shares may be rejected by the Central Administration and the transfer shall not become effective until the transferee has provided the required information under the applicable know your customer and anti-money laundering rules.

vii. Suspension of Calculation of the Net Asset Value and/or of the Issue, Redemption and Conversion of Shares

The Company may suspend the calculation of the net asset value and/or the issue, redemption and conversion of Shares of a Subfund where a substantial proportion of the assets of the Subfund:

a) cannot be valued because a stock exchange or market is closed outside the ordinary public holidays, or when trading on such stock exchange or market is restricted or suspended; or

b) is not freely accessible because a political, economic, military, monetary or other event beyond the control of the Company does not permit the disposal of the Subfund's assets, or such disposal would be detrimental to the interests of Shareholders; or

c) cannot be valued because of disruption to the communications network or any other reason makes valuation impossible; or

d) is not available for transactions because limitations on foreign exchange or other types of restrictions make asset transfers impracticable or if pursuant to objective verifiable measures transactions cannot be effected at normal foreign exchange transaction rates; or

e) upon the publication of a notice convening a general meeting of Shareholders for the purpose of resolving the winding-up of the Company or a Subfund.

Investors or Shareholders applying for, or who have already applied for, the purchase, redemption or conversion of Shares in the respective Subfund shall be notified of the suspension without delay so that they are given the opportunity to withdraw their application.

viii. Prohibited Persons and Compulsory Redemption

For the purpose of this section:

– "US Person" shall be defined and include (i) a "United States person" as described in section 7701(a)(30) of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), (ii) a "U.S. person" as such term is defined in Regulation S of the 1933 Act, as amended, (iii) a person that is "in the United States" as defined in Rule 202(a)(30)-1 under the U.S. Investment Advisers Act of 1940, as amended, or (iv) a person that is not a "Non-United States Person" as such term is defined in U.S. Commodities Futures Trading Commission Rule 4.7.

– "Prohibited Person" means any person, corporation, limited liability company, trust, partnership, estate or other corporate body, if in the sole opinion of the AIFM, the holding of Shares of the relevant Subfund may be detrimental to the interests of the existing Shareholders or of the relevant Subfund, if it may result in a breach of any law or regulation, whether Luxembourg or otherwise, or if as a result thereof the relevant Subfund or any subsidiary or investment structure (if any) may become exposed to tax or other legal, regulatory or administrative disadvantages, fines or penalties that it would not have otherwise incurred or, if as a result thereof the relevant Subfund or any subsidiary or investment structure (if any), the AIFM or the Company, may become required to comply with any registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply. The term "Prohibited Person" includes but is not limited to (i) any Shareholder where any of the representations and warranties made in connection with the acquisition of the Shares was not true or has ceased to be true, (ii) where the holding by such Shareholder in a particular Share Class has fallen below the minimum investment and holding requirement for that Class as set out in Chapter 2, "Summary of Share Classes", (iii) any investor which does not meet or ceases to meet investor eligibility criteria and conditions set out in this Offering Document, (iv) Shareholders who are not otherwise entitled to acquire or possess these Shares, (v) Shareholders who fail to comply with any obligations associated with the holding of these Shares under the applicable regulations and this Offering Document, (vi) any investor resident in Switzerland that does not meet the definition of Swiss Qualified Investor, (vii) any U.S. Person or (viii) any person who has failed to provide any information or declaration required by the AIFM or the Company within one calendar month of being requested to do so.

If the Board of Directors discovers at any time that any beneficial owner of the Shares owned by is a Prohibited Person, either alone or in conjunction with any other person, whether directly or indirectly, the Board of Directors may at its discretion and without liability, compulsorily redeem the Shares in accordance with the rules set down in the Articles of Incorporation, and upon redemption, the Prohibited Person will cease to be the owner of those Shares.

The Board of Directors may require any Shareholder to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a Prohibited Person.

Further, Shareholders shall have the obligation to immediately inform the Company to the extent the ultimate beneficial owner of the Shares held by such Shareholders becomes or will become a Prohibited Person.

ix. Measures to Combat Money Laundering

The Company ensures compliance with all current and future statutory or professional regulations aimed at combating money laundering. These regulations stipulate that the Company has to verify the identity of the subscriber and beneficial owners of Shares. The Company is entitled at its own discretion to request further evidence or to refuse subscription applications upon the submission of all documentary evidence. The Company has outsourced these tasks to the Central Administration, as defined below. Measures to combat money laundering comprise the following:

a) **Where the subscriber is an individual,** a copy of the passport or of the identity card of the subscriber (or the beneficial owner/s of the Shares where the subscriber is acting on behalf of another individual), which has been properly verified by a suitably qualified official of the country in which such individual is domiciled;

b) **Where the subscriber is a company,** a certified copy of the company's registration documentation (e.g. articles of association or incorporation) and an excerpt from the relevant commercial register. The company's representatives and

(where the shares issued by such company are not sufficiently broadly distributed among the general public) shareholders must then observe the disclosure requirements described in point a) above.

The Central Administration, as defined below, is responsible for observing the aforementioned verification procedure in the event of subscription applications submitted by distributors or investors which are not operators in the financial sector or which are operators in the financial sector but are not subject to an identity verification requirement equivalent to that existing under Luxembourg law. Permitted financial sector operators from Member States of the EU and/or FATF (Financial Action Task Force on Money Laundering) are generally deemed to be subject to an identity verification requirement equivalent to that existing under Luxembourg law. The same applies to their branches and subsidiary companies in countries other than those mentioned above, provided the financial sector operator is obliged to monitor compliance with the identity verification requirement on the part of its branches and subsidiary companies.

x. Market Timing and Late Trading

The Company does not allow «Market Timing» (the unfair taking advantage of differences in value of investment funds by short term and systematic dealing in units or shares of investment funds).

The Company does further not permit practices related to "Late Trading" (i.e. the execution of a subscription or redemption applications after the Cut–Off Time on the relevant day and the execution of such application at a price based on the net asset value applicable to such same day). The Company considers that such practices violate the provisions of the Offering Document according to which an application received after the Cut-Off Time is dealt with at a price based on the next applicable net asset value. As a result, subscription and redemption applications shall be dealt with at an unknown net asset value.

Therefore, the Company has the right to refuse those subscription and conversion applications that, in the sole opinion of the Company, are suspicious and to take appropriate measures for the protection of the other investors or Shareholders. The Company has outsourced these tasks to the Central Administration, as defined below.

5. Risk considerations

i. General

Potential investors should inform themselves, and where appropriate consult their investment adviser, as to the tax consequences of purchasing, holding, converting, redeeming or otherwise disposing of Shares under the law of their country of citizenship, residence or domicile. Investors should be aware that the investments of the Subfunds are subject to normal market fluctuations and other risks inherent in investing in securities. The value of the Subfunds' Shares may be influenced by factors including, but not limited to, the creditworthiness of the counterparties, interest rates, currency exchange rates, market perception, general economic and financial conditions and the occurrence of market disruption, among other factors. These factors cannot be enumerated exhaustively. There is no assurance that the investment objective of the respective Subfund will actually be achieved or that any appreciation in the value of the assets will occur.

ii. Traditional investments

The major risks inherent to the investments in fixed income securities include interest rate and credit risks. The value of fixed income securities increases if the market required yield decreases and vice-versa (interest rate risk). Interest rates typically vary from one country to the next, and may change for a number of reasons. Those reasons include rapid expansions or contractions of a country's money supply, changes in demand by business and consumers to borrow money and actual or anticipated changes in the rate of inflation. Furthermore, the issuer of any debt security acquired by a Subfund may default on its financial obligations. Moreover, the price of any debt security acquired by a Subfund normally reflects the perceived risk of default of the issuer of that security at the time the Subfund acquired the security. If after acquisition the perceived risk of default increases, the value of the security held by the Subfund is likely to fall. Credit risk to the issuer may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have lower credit rating are generally considered to have a higher credit risk and and a greater possibility of default than higher rated securities. In the event that any issuer of bonds or other fixed income securities experiences financial or economic difficulties, this may have an affect on the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the net asset value of the respective Subfund. Debt securities rated below investment grade may have greater price volatility and a greater risk of loss of pincipal and interest than investment grade securities. A rating is not a recommendation to buy, sell or hold any securities. Any or all of these ratings are subject to revision or withdrawal at any time by the assigning rating organisation. Each rating should be evaluated independently of any other rating. Nevertheless, the risk of loss due to default by these issuers is significantly greater because lower rated and unrated securities (high yield securities) of comparable quality generally are unsecured and frequently are subordinated to the prior payment of senior indebtedness. In addition, Subfunds which invest in such securities may find it more difficult to sell high yield securities or may be able to sell the securities only at prices lower than if such securities were widely traded. Furthermore, such Subfunds may experience difficulty in valuing certain securities at certain times. Prices realised upon the sale of such lower rated or unrated securities, under these circumstances, may be less than the prices used in calculating the net asset value per Share of such Subfunds.

Beyond these risks, debt securities with embedded derivatives are subject to volatility risk. The increase of the value of embedded call options shall take place if the market prices go up, whereby the value of the embedded put options shall increase by falling market prices.

Investments in contingent convertible intruments ("CoCos") entail different risks due to their innovative nature and their complex structure. There is a risk of a partial or total loss in nominal value or conversion into the equity security of the issuer which may cause the respective Subfund to suffer losses. Risks may comprise trigger level risk leading to a conversion into equity or a write-down depending on the issuers capital ratio and the effective trigger level, coupon cancellation risk due to

their discretion in relation to interest payments, a risk of suffering losses of capital when equity holders do not (capital structure inversion risk), a call exension risk as well as yield/valuation risk.

The risks associated with investments in equity (and equity-type) securities include significant fluctuations in market prices, adverse issuer or market information and the subordinate status of equity in relation to debt security issued by the same company. The volume of trading, volatility of prices, liquidity of issuers and the settlement periods may vary significantly among different companies. Delays in settlement could result in a portion of the assets of a Subfund remaining temporarily uninvested and in attractive investment opportunities being missed, or even losses, as the case may be.

Investing in securities of smaller, lesser known companies (e.g. “small caps”) may involve greater risk and the possibility of greater volatility than investing in larger, more mature, better-known companies. Among the reasons for greater price-volatility of these small company and unseasoned securities are the less certain growth perspects of smaller firms, the lower degree of liquidity of the markets for such securities, and the greater sensivity of small companies to changing economic conditions.

iii. Alternative Investments

Alternative investments entail a number of specific risks different to those of the traditional investments.

Risks associated with investments in hedge funds are their illiquidity, potential mispricing, counterparty and settlement risks. A hedge fund may utilise strategies such as short-selling, leverage, securities lending and borrowing, investment in sub-investment grade or non-readily realisable investments, uncovered options transactions, options and futures transactions and foreign exchange transactions and the use of concentrated portfolios, each of which could, in certain circumstances, magnify adverse market developments and losses. Furthermore, the success of a hedge fund (or other fund) is dependent on the expertise of its managers. The loss of one or more individuals could have a material adverse effect on the ability of a fund manager to manage a fund’s portfolio, resulting in losses for a fund and a decline in the value of a fund.

Investments in private equity are subject to the risks associated with the underlying businesses, and which characterise – among other things - through their illiquidity, long-term investment horizon and uncertainty about their outcome. Private equity investments involve risks associated with investment in companies operating at a loss or with substantial variation in operating results from period to period, companies with the need for substantial additional capital to support expansion or to maintain a competitive position, or companies with significant financial leverage. The potential investors should especially consider future payoff, timing of exit and probability of failure of the undertaking.

Investment in commodities, precious metals or commodity-linked derivatives may expose the Subfund to greater volatility than investments in traditional securities and the risk of loss is very high. The value of commodities, precious metals or commodity-linked investments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments.

iv. Derivatives and counterparty risk

Insofar as permitted by Chapter 14, a Subfund will enter into transactions involving derivative instruments with a view to achieving its investment objective. The respective Subfund may use derivatives for investment purposes (i.e. to increase to decrease its exposure to changing security prices, interest rates, currency exchange rates or other factors that affect security values) and/or hedging purposes.

Derivative products are highly specialised financial instruments. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself, without there being any opportunity to observe the performance of the derivative under all possible market conditions.

The other risks associated with the use of derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, interest rates and indices. Many derivatives are complex and are often valued subjectively. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to the Company. Consequently, the Company’s use of derivatives may not always be an effective means of, and sometimes could be counterproductive to, furthering the Subfund’s investment objectives.

Derivative instruments also carry the risk that a loss may be sustained by a Subfund as a result of the failure of another party to a derivative (usually a counterparty) to comply with the terms of the contract. The counterparty risk for exchange-traded derivatives is generally less than for privately negotiated derivatives, since the clearing house, which is the issuer or counterparty to each exchange-traded derivative, provides a guarantee of performance.

When dealing with counterparties (such as but not limited to debt instruments and structured products), the respective Subfund is subject to the risk that the counterparty may default on its contractual obligations.

In accordance with its investment objective and policy, a Subfund may trade ‘over-the-counter’ (OTC) financial derivative instruments such as non-exchange traded futures and options, forwards, swaps or contracts for difference. OTC derivatives are instruments specifically tailored to the needs of an individual investor that enable the user to structure precisely its exposure to a given position. Such instruments are not afforded the same protections as may be available to investors trading futures or options on organised exchanges, such as the performance guarantee of an exchange clearing house. The counterparty to a particular OTC derivative transaction will generally be the specific entity involved in the transaction rather than a recognised exchange clearing house. In these circumstances the Subfund will be exposed to the risk that the counterparty will not settle the transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. This could result in substantial losses to the Subfund.

Participants in OTC markets are typically not subject to the credit evaluation and regulatory oversight to which members of ‘exchange-based’ markets are subject. Unless otherwise indicated in the Prospectus for a specific Subfund, the Company

will not be restricted from dealing with any particular counterparties. The Company's evaluation of the creditworthiness of its counterparties may not prove sufficient. The lack of a complete and foolproof evaluation of the financial capabilities of the counterparties and the absence of a regulated market to facilitate settlement may increase the potential for losses.

The Company may select counterparties located in various jurisdictions. Such local counterparties are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Subfund and its assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize the effect of their insolvency on the Subfund and its assets. Shareholders should assume that the insolvency of any counterparty would generally result in a loss to the Subfund, which could be material.

If there is a default by the counterparty to a transaction, the Company will under most normal circumstances have contractual remedies and in some cases collateral pursuant to the agreements related to the transaction. However, exercising such contractual rights may involve delays and costs. If one or more OTC counterparties were to become insolvent or the subject of liquidation proceedings, the recovery of securities and other assets under OTC derivatives may be delayed and the securities and other assets recovered by the Company may have declined in value.

Regardless of the measures that the Company may implement to reduce counterparty credit risk there can be no assurance that a counterparty will not default or that the Subfund will not sustain losses on the transactions as a result. Such counterparty risk is accentuated for contracts with longer maturities or where the Subfund has concentrated its transactions with a single or small group of counterparties.

v. Structured Products

Structured products are financial instruments which are a combination of different other financial instruments, including derivatives, which are embedded in such a structured product. Structured products are frequently set up in a form of a certificate and created to customise the desired pay off patterns. Structured products may be highly complex, in particular in cases of embedded derivatives.

Structured products are subject to the credit and liquidity risks to a very high degree. Furthermore, structured products are often subject to prepayment, reinvestment and volatility risks and may, thus, be exposed to a greater risk than direct investments would be. Given that structured products often replicate other financial instruments, composites of securities or other baskets on such securities, they may correlate with them to a very high extent. Such high (positive or negative) correlation might result in the structured product additionally becoming subject to the same risks as the financial instruments, composite of securities or baskets thereon replicated by the relevant structured product. These risks might then in particular be market risk, interest rate risk, foreign exchange risk etc.

Substantial losses due to the use of structured products are possible at any time.

vi. Securities Lending Transactions

The principal risk when engaging in securities lending transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the Subfund as required by the terms of the transaction. Counterparty risk is mitigated by the transfer or pledge of collateral in favour of the Subfund. However, securities lending transactions may not be fully collateralised. Fees and returns due to the Subfund under securities lending transactions may not be collateralised. In addition, the value of collateral may decline between collateral rebalancing dates or may be incorrectly determined or monitored. In such a case, if a counterparty defaults, the Subfund may need to sell non-cash collateral received at prevailing market prices, thereby resulting in a loss to the respective Subfund.

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

Securities lending transactions also entail operational risks such as the non-settlement or delay in settlement of instructions and legal risks related to the documentation used in respect of such transactions.

The Company may enter into securities lending transactions with other companies in the Credit Suisse group. Affiliated counterparties, if any, will perform their obligations under any securities lending transactions concluded with the Company in a commercially reasonable manner. In addition, the Portfolio Manager will select counterparties and enter into transactions in accordance with best execution and at all times in the best interests of the respective Subfund and its Shareholders. However, Shareholders should be aware that the Portfolio Manager may face conflicts between its role and its own interests or that of affiliated counterparties.

vii. Leverage

According to Chapter 13, a Subfund may be allowed to use leverage. The consequence of the leverage effect is that the value of the Subfund's assets increases faster - than it did without involving leverage strategy – e.g., if capital gains arising from investments financed by borrowing exceed the related financing costs, namely the interests on borrowed money. A fall in prices, however, causes a faster decrease in the value of the Subfund's assets aggravated by the financing costs of the borrowed money. In extreme cases the use of leverage may result in the total loss. Also, the volatility of the portfolio using leverage is higher than the volatility of the portfolio without leverage effect.

viii. Currency risks

The value of the Shares may be affected by currency fluctuations, measures to manage foreign currency, tax regulations, including the levying of withholding tax, as well as any other economic or political factors or changes in the countries in which a Subfund might be invested.Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates also can be affected unpredictably by intervention (or the failure to intervene) by relevant governments or central banks, or by currency controls or political developments.

ix. Interest rate risks

Shares may be exposed to interest rate risks. These risks occur when there are fluctuations in the interest rates of the various relevant currencies of each security or other financial assets of a Subfund.

x. Liquidity risks

Investment in securities which cannot quickly be traded in the market to prevent a loss or make a profit represents a liquidity risk for investors. Such liquidity risk is increased where instruments are traded in low volumes, are traded on less developed markets with thin trading volumes or where the bid offer spread widens significantly. Highly liquid instruments such as bonds, index futures and ETF's reduce the risk of illiquidity for investors.

xi. Market risks

A situation where markets cease to function in a regular manner, typically characterised by rapid and large market declines is referred to as the risk of market disruption. Market disruptions can result from both physical threats to the stock exchange or unusual trading. In either case, the disruption creates widespread panic and results in disorderly market conditions and poses a risk for investors. Systems have been put in place in many exchanges to minimise the risks associated with market disruptions, including circuit breakers and price limits. These systems are designed to halt trading in rapidly declining markets to avoid panic conditions.

xii. Emerging markets

Where permitted pursuant to Chapter 14, a Subfund's portfolio may contain assets with exposure to emerging markets. Political and economic structures in countries with emerging economies or stock markets may be undergoing significant evolution and rapid development. Inherent risks, such as payment suspensions and default are due to various factors, such as political instability, bad financial management, a lack of currency reserves, capital leaving the country, internal conflicts or the lack of the political will to continue servicing the previously contracted debt. The ability of issuers in the sector to face their obligations may also be affected by these same factors. Furthermore, these issuers suffer the effect of decrees, laws and regulations introduced by the government authorities. These may be the modification of exchange controls and amendments to the legal and regulatory system, expropriations and nationalisations and the introduction of, or increase in, taxes, such as deduction at source. Uncertainly due to an unclear legal environment or to the inability to establish firm ownerships rights constitute other decisive factors. Added to this are the lack of reliable sources of information in these countries, the non-compliance of accounting methods with international standards and the lack of financial or commercial controls. Trading in securities of companies located in emerging markets can be extremely volatile. Rates of exchange between currencies are volatile and unpredictable and can be affected by many known and unknown factors, in particular with respect to emerging markets currencies.

xiii. Portfolio concentration

Although the Strategy of certain Subfunds may contain of investing in a limited number of assets and may have the potential to generate attractive returns over time, it may increase the volatility of the respective Subfund's performance as compared to funds that invest in a larger number of assets. If the assets in which such Subfund invest perform poorly, the Subfund could incur greater losses than if it had invested in a larger number of assets.

xiv. Volatility

The assets included in a Subfund's portfolio can be highly volatile, which means that their value may increase or decrease significantly over a short period of time. In particular, strategies or indices of a Subfund or Subfunds' assets can be highly volatile in terms of performance because such strategies or indices may combine long and/or short positions instruments across the market. It is impossible to predict the future performance of assets based on their historical performance.

xv. Hedged Share Classes

The Portfolio Manager may seek to hedge certain Classes of Shares by a variety of instruments including, but not limited to, currency forwards, currency futures, currency option transactions and currency swaps. Any expenses arising from such hedging transactions will be borne by the relevant Classes of Shares of the respective Subfund.

xvi. Legal risks

The risk that a change in laws and regulations will materially impact a security or market represents a regulatory risk for investors. A change in laws or regulations made by the government or a regulatory body can increase the costs of operating a business, reduce the attractiveness of investment and/or change the competitive landscape.

xvii. Tax risks

Prospective investors should be aware that tax laws and regulations are constantly changing and that they may be changed with retrospective effect. Moreover, the interpretation and application of tax laws and regulations by certain tax authorities may not be clear, consistent nor transparent. Accounting standards may also change, creating an obligation for the respective Subfund to accrue for a potential tax liability that was not previously required to be accrued or in situations where the Subfund does not expect to be ultimately subject to such tax liability.

xviii. FATCA

Capitalized terms used in this section should have the meaning as set forth in the Luxembourg amended law dated 24 July 2015 (the "FATCA Law"), unless provided otherwise herein.

The Company may be subject to regulations imposed by foreign regulators, in particular FATCA. FATCA provisions generally impose a reporting to the U.S. Internal Revenue Service of non-U.S. financial institutions that do not comply with FATCA and U.S. persons' (within the meaning of FATCA) direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Failure to provide the requested information will lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends.

Under the terms of FATCA, the Company will be treated as a Foreign Financial Institution (within the meaning of FATCA). As such, the Company may require all investors to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations.

Should the Company become subject to a withholding tax as a result of FATCA, the value of the Shares held by all Shareholders may be materially affected.

The Company and/or its Shareholders may also be indirectly affected by the fact that a non U.S. financial entity does not comply with FATCA regulations even if the Company satisfies with its own FATCA obligations.

Despite anything else herein contained, the Company shall have the right to:

- withhold any taxes or similar charges that it is legally required to withhold by applicable laws and regulations in respect of any shareholding in the Company;
- require any Shareholder or beneficial owner of the Shares to promptly furnish such personal data as may be required by the Company in order to comply with applicable laws and regulations and/or to promptly determine the amount of withholding to be retained;
- divulge any such personal information to the Luxembourg tax authority, as may be required by applicable laws or regulations or requested by such authority; and
- delay payments of any dividend or redemption proceeds to a Shareholder until the Company holds sufficient information to comply with applicable laws and regulations or determine the correct amount to be withheld.

Data protection information in the context of FATCA processing

In accordance with the FATCA Law, Luxembourg Financial Institutions ("FI") are required to report to the Luxembourg tax authority (i.e. *Administration des Contributions Directes*, the "Luxembourg Tax Authority") information regarding reportable persons such as defined in the FATCA Law.

The Company is the data controller and processes personal data of Shareholders and Controlling Persons as reportable persons for FATCA purposes.

The Company processes personal data concerning Shareholders or their Controlling Persons for the purpose of complying with the Company's legal obligations under the FATCA Law. These personal data include the name, date and place of birth, address, U.S. tax identification number, the country of tax residence and residence address, the phone number, the account number (or functional equivalent), the account balance or value, the total gross amount of interest, the total gross amount of dividends, the total gross amount of other income generated with respect to the assets held in the account, the total gross proceeds from the sale or redemption of property paid or credited to the account, the total gross amount of interest paid or credited to the account, the total gross amount paid or credited to the Shareholder with respect to the account, standing instructions to transfer funds to an account maintained in the United States, and any other relevant information in relation to the Unitholders or their Controlling Persons for the purposes of the FATCA Law (the "FATCA Personal Data").

The FATCA Personal Data will be reported by the Reporting FI, the Management Company or the Central Administration, as applicable, to the Luxembourg Tax Authority. The Luxembourg Tax Authority, under its own responsibility, will in turn pass on the FATCA Personal Data to the IRS in application of the FATCA Law.

In particular, Shareholders and Controlling Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg Tax Authority.

FATCA Personal Data may also be processed by the Company's data processors ("Processors") which, in the context of FATCA processing, refer to the AIFM of the Company and the Central Administration of the Company.

The Company's ability to satisfy its reporting obligations under the FATCA Law will depend on each Shareholder or Controlling Person providing the Company with the FATCA Personal Data, including information regarding direct or indirect owners of each Shareholder, along with the required supporting documentary evidence. Upon request of the Company, each Shareholder or Controlling Person must provide the Company with such information. Failure to do so within the prescribed timeframe may trigger a notification of the account to the Luxembourg Tax Authority.

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

Any Shareholder or Controlling Person that fails to comply with the Company's documentation requests may be charged with any taxes and penalties of the FATCA law imposed on the Company (inter alia: withholding under section 1471 of the

U.S. Internal Revenue Code, a fine of up to 250.000 euros or a fine of up to 0,5 per cent of the amounts that should have been reported and which may not be less than 1.500 euros) attributable to such Shareholder's or Controlling Person's failure to provide the information and the Company may, in its sole discretion, redeem the Shares of such Shareholders.

Shareholders and Controlling Persons should consult their own tax advisor or otherwise seek professional advice regarding the impact of the FATCA-Law on their investment.

Each Shareholder or Controlling Person has a right to access any data reported to the Luxembourg Tax Authority for the purpose of the FATCA Law and, as the case may be, to have these data rectified in case of error by writing to the Central Administration as defined under this Offering Document.

FATCA Personal Data will not be retained for a period longer than necessary for the purpose of the data processing, subject to applicable legal minimum retention periods and the statutory limitations.

xix. Common Reporting Standard

The Company may be subject to the Standard for Automatic Exchange of Financial Account Information in Tax matters (the "Standard") and its Common Reporting Standard (the "CRS") as set out in the Luxembourg law dated 18 December 2015 implementing Council Directive 2014/107/EU of 9 December 2014 as regards mandatory automatic exchange of information in the field of taxation (the "CRS-Law").

Capitalized terms used in this section should have the meaning as set forth in the CRS-Law, unless provided otherwise herein.

Under the terms of the CRS-Law, the Company is treated as a Luxembourg Reporting Financial Institution. As such, as of 30 June 2017 and without prejudice to other applicable data protection provisions, the Company is required to annually report to the Luxembourg tax authority personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) certain shareholders as per the CRS-Law (the "Reportable Persons") and (ii) Controlling Persons of certain non-financial entities ("NFEs") which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS-Law (the "Information"), will include personal data related to the Reportable Persons.

The Company's ability to satisfy its reporting obligations under the CRS-Law will depend on each Shareholder providing the Company with the Information, along with the required supporting documentary evidence. In this context, the Shareholders are hereby informed that, as data controller, the Company will process the Information for the purposes as set out in the CRS-Law. The Shareholders undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Company.

The term "Controlling Person" means in the present context any natural persons who exercise control over an entity. In the case of a trust it means the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, persons in equivalent or similar positions. The term "Controlling Persons" must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.

The Shareholders are further informed that the Information related to Reportable Persons within the meaning of the CRS-Law will be disclosed to the Luxembourg tax authority annually for the purposes set out in the CRS-Law. In particular, Reportable Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg tax authority.

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

Any Shareholder that fails to comply with the Company's Information or documentation requests may be held liable for penalties imposed on the Company and attributable to such shareholder's failure to provide the Information.

xx. EU Bank Recovery and Resolution Directive

Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (the "BRRD") was published in the Official Journal of the European Union on June 12, 2014 and entered into force on July 2, 2014. The stated aim of the BRRD is to provide resolution authorities, including the relevant Luxembourg resolution authority, with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers' exposure to losses.

In accordance with the BRRD and relevant implementing laws, national prudential supervisory authorities can assert certain powers over credit institutions and certain investment firms which are failing or are likely to fail and where normal insolvency would cause financial instability. These powers comprise write-down, conversion, transfer, modification, or suspension powers existing from time to time under, and exercised in compliance with any laws, regulations, rules or requirements in effect in the relevant EU Member State relating to the implementation of BRRD (the "Bank Resolution Tools").

The use of any such Bank Resolution Tools may affect or restrain the ability of counterparties subject to BRRD to honour their obligations towards the Subfunds, thereby exposing the Subfunds to potential losses.

The exercise of Bank Resolution Tools against investors of a Subfund may also lead to the mandatory sale of part of the assets of these investors, including their shares/units in that Subfund. Accordingly, there is a risk that a Subfund may experience reduced or even insufficient liquidity because of such an unusually high volume of redemption requests. In such case the Fund may not be able to pay redemption proceeds within the time period stated in this Prospectus.

Furthermore, exercising certain Bank Resolution Tools in respect of a particular type of securities may, under certain circumstances, trigger a drying-up of liquidity in specific securities markets, thereby causing potential liquidity problems for the Subfunds.

6. Net Asset Value

The net asset value of the Shares of each Subfund shall be calculated as of the respective Valuation Date on the corresponding Calculation Date (both as defined for the relevant Subfund in Chapter 14).

For this purpose, the assets and liabilities of the Subfund shall be allocated to the individual Classes. The calculation is carried out by dividing the total net assets of the Subfund less its liabilities by the total number of Shares outstanding for the relevant Subfund or the relevant Class. If the Subfund in question has more than one Class, the portion of the total net assets of the Subfund attributable to the particular Class will be divided by the number of issued Shares of that Class.

The net asset value of an alternate currency Class shall be calculated first in the reference currency of the relevant Subfund. Calculation of the net asset value of the alternate currency Class shall be carried out through conversion at those rates between the reference currency and the alternate currency which are determined on any Valuation Date at 5 p.m. (Central European Time).

The net asset value of the alternate currency Class will in particular reflect the costs and expenses incurred for the currency conversion in relation to the subscription, redemption and conversion of fund Shares in this alternate currency Class and for hedging the currency risk.

Unless stated otherwise in Chapter 14, the assets of each Subfund shall be valued as follows:

a) Securities which are listed on a stock exchange shall be valued at the closing mid-price (the mean of the closing bid and ask prices). If such a price is not available for a particular trading day, the last available traded price or alternatively, the closing bid price, may be taken as a basis for the valuation. If a security is traded on several stock exchanges, the valuation shall be made by reference to the exchange on which it is primarily traded.

b) In the case of securities for which trading on a stock exchange is not significant although a secondary market with regulated trading among securities dealers does exist, the valuation may be based on this secondary market.

c) Securities traded on a regulated market shall be valued in the same way as securities listed on a stock exchange.

d) Securities that are not listed on a stock exchange and are not traded on a regulated market shall be valued at their last available market price. If no such price is available, the Board of Directors shall value these securities in accordance with other criteria to be established by the Board of Directors and on the basis of the probable sales price, the value of which shall be estimated with due care and in good faith.

e) Shares and units in UCIs shall be valued on the basis of their most recently calculated net asset value, taking due account of applicable redemption fees. Where no net asset value and only buy and sell prices are available, the shares or units in such UCIs may be valued at the mean of such buy and sell prices.

f) Derivatives shall be treated in accordance with the above.

g) Fixed-term deposits and similar assets shall be valued at their respective nominal value plus accrued interest.

h) The valuation price of a money-market investment, based on the net acquisition price, shall be progressively adjusted to the redemption price whilst keeping the resulting investment return constant. In the event of a significant change in market conditions, the basis for the valuation of different investments shall be brought in line with the new market yields.

The amounts resulting from such valuations shall be converted into the reference currency of each Subfund at those rates which are determined on any Valuation Date at 5 p.m. (Central European Time). Foreign exchange transactions conducted for the purpose of hedging currency risks shall be taken into consideration when carrying out this conversion.

Subject to the conditions set out in Chapter 14, the net asset value per Share may be increased or reduced by a percentage of the net asset value specified in Chapter 14 in the event of a net surplus of subscription applications or a net surplus of redemption applications respectively, the purpose in particular being to cover the transaction costs, tax charges or bid-ask spreads relating to the assets held by the Subfund in question. The percentage rate actually applied is published in the Company's annual report. Unless stated otherwise in Chapter 14, a threshold will then be specified for the Subfund that must be exceeded for such an adjustment of the net asset value.
If a valuation in accordance with the above rules is rendered impossible or incorrect owing to special or changed circumstances, then the Board of Directors shall be entitled to use other generally recognised and auditable valuation principles in order to value the Subfund's assets.

The net asset value per Share shall be rounded up or down, as the case may be, to the next smallest unit of the reference currency which is currently used unless stated otherwise in Chapter 14.

Unless otherwise stated in Chapter 14, the total net asset value of the Company shall be calculated in Euro.

7. Expenses and Taxes

i) Taxes

1. General Considerations

The following information is of a general nature only and is based on the Company's understanding of certain aspects of the laws and practice in force in Luxembourg as of the date of this Offering Document. It does not purport to be a comprehensive description of all of the tax considerations that might be relevant to an investment decision. It is included

herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. It is a description of the essential material Luxembourg tax consequences with respect to the Shares and may not include tax considerations that arise from rules of general application or that are generally assumed to be known to Shareholders. This summary is based on the laws in force in Luxembourg on the date of this Offering Document and is subject to any change in law that may take effect after such date. Prospective Shareholders should consult their professional advisors with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

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

2. Taxation of the Company in Luxembourg

(1) Subscription tax

The Company is liable in Luxembourg to an annual subscription tax (taxe d'abonnement) of 0.01 per cent per annum on the Company's net asset value that is calculated on the last Valuation Date of each quarter and payable in quarterly instalments.

However, the following exemptions from the subscription tax apply:

a) the value of the assets represented by units held in other undertakings for collective investment, to the extent such units have already been subject to the subscription tax provided by the Law of 13 February 2007 or by the amended Luxembourg law of 17 December 2010 relating to undertakings for collective investment;

b) specialised investment funds, as well as individual compartments of specialised investment funds with multiple compartments:

- the exclusive object of which is the collective investment in money market instruments and the placing of deposits with credit institutions, and;
- the weighted residual portfolio maturity of which does not exceed 90 days, and;
- that have obtained the highest possible rating from a recognised rating agency;

c) specialised investment funds as well as individual compartments of specialised investment funds with multiple compartments, the securities of which are reserved for:

- institutions for occupational retirement provision, or similar investment vehicles, set up on one or several employers' initiative for the benefit of their employees; and
- companies of one or several employers investing the funds they own, in order to provide their employees with retirement benefits;

d) as well as individual compartments of specialised funds with multiple compartments the main object of which is the investment in microfinance institutions.

(2) Withholding tax

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

Dividends, interest, income and gains received by the Company on its investments may be subject to non-recoverable withholding tax or other taxes in the countries of origin.

(3) Income tax

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

(4) Value added tax

In Luxembourg, regulated investment funds such as specialised investment funds have the status of taxable persons for value added tax ("VAT") purposes. Accordingly, the Company is considered in Luxembourg as a taxable person for VAT purposes without any input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Company could potentially trigger VAT and require the VAT registration of the Company in Luxembourg. As a result of such VAT registration, the Company will be in a position to fulfil

its duty to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

No VAT liability arises in principle in Luxembourg in respect of any payments by the Company to its investors, to the extent that such payments are linked to their subscription to the Shares and do not constitute the consideration received for taxable services supplied.

(5) Other taxes

No stamp or other tax is generally payable in Luxembourg on the issue of Shares against cash by the Company, except a fixed registration duty of EUR 75 which is paid upon the Company's incorporation or any amendment of its Articles of Incorporation.

The Company is exempt from net wealth tax.

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

3. Taxation of Shareholders in Luxembourg

It is expected that Shareholders will be resident for tax purposes in many different countries. Consequently, except as set-out below, no attempt is made in this Offering Document to summarise the taxation consequences for each investor subscribing, converting, holding or redeeming or otherwise acquiring or disposing of Shares. These consequences will vary in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances.

Investors should consult their professional advisors on the possible tax or other consequences of buying, holding, transferring or selling the Shares under the laws of their countries of citizenship, residence or domicile.

(1) Luxembourg tax residency of the Shareholders

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

(2) Taxation of the Shareholders

(a) Income tax

(aa) Luxembourg resident individuals

Dividends and other payments derived from the Shares by a resident individual Shareholder, who acts in the course of the management of either his/her private wealth or his/her professional/business activity, are subject to income tax at the ordinary progressive rates.

Capital gains realised upon the disposal of the Shares by a resident individual Shareholder, who acts in the course of the management of his/her private wealth, are not subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation. Capital gains are deemed to be speculative and are thus subject to income tax at ordinary rates if the Shares are disposed of within 6 months after their acquisition or if their disposal precedes their acquisition. A participation is deemed to be substantial where a resident individual Shareholder holds or has held, either alone or together with his spouse or partner and / or minor children, directly or indirectly at any time within the 5 years preceding the disposal, more than 10% of the share capital of the company whose shares are being disposed of. A Shareholder is also deemed to alienate a substantial participation if he acquired free of charge, within the 5 years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same 5-year period). Capital gains realised on a substantial participation more than 6 months after the acquisition thereof are taxed according to the half-global rate method (i.e. the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realised on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the shareholding.

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

(bb) Luxembourg resident companies

A Luxembourg resident company (société de capitaux) must include any profits derived, as well as any gain realised on the sale, disposal or redemption of Shares, in their taxable profits for Luxembourg income tax assessment purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

(cc) Luxembourg residents benefiting from a special tax regime

Shareholders who are Luxembourg resident companies benefiting from a special tax regime, such as (i) undertakings for collective investment subject to the Luxembourg law of 17 December 2010 on undertakings for collective investment, (ii) specialised investment funds subject to the Law of 13 February 2007 and (iii) family wealth management companies governed by the amended Luxembourg law of 11 May 2007, are income tax exempt entities in Luxembourg, and profits and gains derived from the Shares are thus not subject to Luxembourg income tax.

(dd) Luxembourg non-residents

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

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

(b) Net worth tax

Luxembourg resident holders, as well as non-resident holders of our common shares who have a permanent establishment or a permanent representative in Luxembourg to which our common shares are attributable, are subject to Luxembourg net wealth tax on our common shares, except if the holder is (i) a resident or non-resident individual taxpayer, (ii) a securitisation company governed by the amended law of 22 March 2004 on securitisation, (iii) a company governed by the amended law of 15 June 2004 on venture capital vehicles, (iv) a professional pension institution governed by the amended law dated 13 July 2005, (v) a specialised investment fund governed by the amended law of 13 February 2007, (vi) a family wealth management company governed by the law of 11 May 2007 or (vii) an undertaking for collective investment governed by the amended law of 17 December 2010. However, (i) a securitization company governed by the amended law of 22 March 2004 on securitization, (ii) a company governed by the amended law of 15 June 2004 on venture capital vehicles and (iii) a professional pension institution governed by the amended law dated 13 July 2005 remain subject to minimum net wealth tax.

As from 1 January 2016, a minimum net wealth tax (“MNWT”) levied on companies having their statutory seat or central administration in Luxembourg. For entities for which the sum of fixed financial assets, transferable securities and cash at bank exceeds 90% of their total gross assets and EUR 350,000, the MNWT is set at EUR 3,210. For all other companies having their statutory seat or central administration in Luxembourg which do not fall within the scope of the EUR 3,210 MNWT, the MNWT ranges from EUR 535 to EUR 32,100, depending on the company’s total gross assets.

(c) Other taxes

No estate or inheritance tax is levied on the transfer of the Shares upon death of a Shareholder in cases where the deceased was not a resident of Luxembourg for inheritance purposes.

On the contrary, no inheritance tax is levied on the transfer of the Shares upon death of a Shareholder in cases where the deceased was not a resident of Luxembourg for inheritance purposes at the time of his/her death.

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

ii) Certain U.S. Regulatory and Tax Matters – Foreign Account Tax Compliance

The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act (commonly known as "FATCA") generally imposes a new reporting regime and potentially a 30% withholding tax with respect to (i) certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends ("Withholdable Payments") and (ii) a portion of certain non-US source payments from non-US entities that have not entered into FFI Agreements (as defined below) to the extent attributable to Withholdable Payments ("Passthru Payments"). As a general matter, the new rules are designed to require US Persons’ direct and indirect ownership of non-US accounts and non-US entities to be reported to the US Internal Revenue Service (the "IRS"). The 30% withholding tax regime applies if there is a failure to provide required information regarding US ownership.

Generally, the new rules will subject all Withholdable Payments and Passthru Payments received by the Company to 30% withholding tax (including the share that is allocable to Non-US Investors) unless the Company enters into an agreement (a "FFI Agreement") with the IRS to provide information, representations and waivers of non-US law (including any waivers relating to data protection) as may be required to comply with the provisions of the new rules, including, information regarding its direct and indirect US accountholders, or otherwise qualifies for an exemption, including an exemption under an intergovernmental agreement (or "IGA") between the United States and a country in which the non-US entity is resident or otherwise has a relevant presence.

The governments of Luxembourg and the United States have entered into an IGA regarding FATCA. Provided the Company adheres to any applicable terms of the IGA, the Company will not be subject to withholding or generally required to withhold amounts on payments it makes under FATCA. Additionally, the Company will not have to enter into an FFI agreement with the IRS and instead will be required to obtain information regarding its Shareholders and to report such information to the Luxembourg government, which, in turn, will report such information to the IRS.

Any tax caused by an Investor's failure to comply with FATCA will be borne by such Investor.

Each prospective investor and each Shareholder should consult its own tax advisors regarding the requirements under FATCA with respect to its own situation.

Each Shareholder and each transferee of a Shareholder's interest in any Subfund shall furnish (including by way of updates) to the AIFM, or any third party designated by the AIFM (a "Designated Third Party"), in such form and at such time as is reasonably requested by the AIFM (including by way of electronic certification) any information, representations, waivers and forms relating to the Shareholder (or the Shareholder's direct or indirect owners or account holders) as shall reasonably be requested by the AIFM or the Designated Third Party to assist it in obtaining any exemption, reduction or refund of any withholding or other taxes imposed by any taxing authority or other governmental agency (including withholding taxes imposed pursuant to the Hiring Incentives to Restore Employment Act of 2010, or any similar or successor legislation or intergovernmental agreement, or any agreement entered into pursuant to any such legislation or intergovernmental agreement) upon the Company, amounts paid to the Company, or amounts allocable or distributable by the Company to such Shareholder or transferee. In the event that any Shareholder or transferee of a Shareholder's interest fails to furnish such information, representations, waivers or forms to the AIFM or the Designated Third Party, the AIFM or the Designated Third Party shall have full authority to take any and all of the following actions: (i) withhold any taxes required to be withheld pursuant to any applicable legislation, regulations, rules or agreements; (ii) redeem the Shareholder's or transferee's interest in any Subfund, and (iii) form and operate an investment vehicle organised in the United States that is treated as a "domestic partnership" for purposes of section 7701 of the Internal Revenue Code of 1986, as amended and transfer such Shareholder's or transferee's interest in any Subfund or interest in such Subfund assets and liabilities to such investment vehicle. If requested by the AIFM or the Designated Third Party, the Shareholder or transferee shall execute any and all documents, opinions, instruments and certificates as the AIFM or the Designated Third Party shall have reasonably requested or that are otherwise required to effectuate the foregoing. Each Shareholder hereby grants to the AIFM or the Designated Third Party a power of attorney, coupled with an interest, to execute any such documents, opinions, instruments or certificates on behalf of the Shareholder, if the Shareholder fails to do so.

The AIFM or the Designated Third Party may disclose information regarding any Shareholder (including any information provided by the Shareholder pursuant to this Chapter) to any person to whom information is required or requested to be disclosed by any taxing authority or other governmental agency including transfers to jurisdictions which do not have strict data protection or similar laws, to enable the Company to comply with any applicable law or regulation or agreement with a governmental authority.

Each Shareholder hereby waives all rights it may have under applicable bank secrecy, data protection and similar legislation that would otherwise prohibit any such disclosure and warrants that each person whose information it provides (or has provided) to the AIFM or the Designated Third Party has been given such information, and has given such consent, as may be necessary to permit the collection, processing, disclosure, transfer and reporting of their information as set out in this Chapter and this paragraph.

The AIFM or the Designated Third Party may enter into agreements on behalf of the Company with any applicable taxing authority (including any agreement entered into pursuant to the Hiring Incentives to Restore Employment Act of 2010, or any similar or successor legislation or intergovernmental agreement) to the extent it determines such an agreement is in the best interest of the Company or any Shareholder.

Automatic Exchange of Information

On 9 December 2014, the Council of the European Union adopted the Directive 2014/107/EU amending the Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation which now provides for an automatic exchange of financial account information between EU Member States ("DAC Directive"). The adoption of the aforementioned directive implements the OECD's CRS and generalizes the automatic exchange of information within the European Union as of 1 January 2016.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information between financial authorities. Under this Multilateral Agreement, Luxembourg will automatically exchange financial account information with other participating jurisdictions as of 1 January 2016. The Luxembourg law dated 18 December 2015 implementing Council Directive 2014/107/EU of 9 December 2014 as regards mandatory automatic exchange of information in the field of taxation (the "CRS-Law") implements this Multilateral Agreement, jointly with the DAC Directive introducing the CRS in Luxembourg law.

Data protection information in the context of CRS processing

In accordance with the CRS-Law, Luxembourg Financial Institutions ("FI") are required to report to the Luxembourg Tax Authority information regarding Reportable Persons such as defined in the CRS-Law.

As Luxembourg Reporting FI, the Company is the data controller and processes personal data of Shareholders and Controlling Persons as Reportable Persons for the purposes set out in the CRS-Law.

In this context, the Company may be required to report to the Luxembourg Tax Authority the name, residence address, TIN(s), the date and place of birth, the country of tax residence(s), the phone number, the account number (or functional equivalent), standing instructions to transfer funds to an account maintained in a foreign jurisdiction, the account balance or value, the total gross amount of interest, the total gross amount of dividends, the total gross amount of other income generated with respect to the assets held in the account, the total gross proceeds from the sale or redemption of property paid or credited to the account, the total gross amount of interest paid or credited to the account, the total gross amount paid or credited to the Shareholder with respect to the account, as well as any other information required by applicable laws of i) each Reportable Person that is an account holder, ii) and, in the case of a Passive NFE within the meaning of the CRS-Law, of each Controlling Person that is a Reportable Person (the "CRS Personal Data").

CRS Personal Data regarding the Shareholders or the Controlling Persons will be reported by the Reporting FI to the Luxembourg Tax Authority. The Luxembourg Tax Authority, under its own responsibility, will in turn pass on the CRS Personal Data to the competent tax authorities of one or more Reportable Jurisdiction(s). The Company processes the CRS Personal Data regarding the Shareholders or the Controlling Persons only for the purpose of complying with the Company's legal obligations under the CRS Law.

In particular, Shareholders and Controlling Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg Tax Authority.

CRS Personal Data may also be processed by the Company's data processors ("Processors") which, in the context of CRS processing, refer to the Management Company of the Company and the Central Administration of the Company.

The Company's ability to satisfy its reporting obligations under the CRS-Law will depend on each Shareholder or Controlling Person providing the Company with the CRS Personal Data, including information regarding direct or indirect owners of each Shareholder, along with the required supporting documentary evidence. Upon request of the Company, each Shareholder or Controlling Person must provide the Company with such information. Failure to do so within the prescribed timeframe may trigger a notification of the account to the Luxembourg Tax Authority.

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

Any Shareholder or Controlling Person that fails to comply with the Company's documentation requests may be charged with any taxes and penalties of the CRS-Law imposed on the Company (inter alia: a fine of up to 250.000 euros or a fine of up to 0,5 per cent of the amounts that should have been reported and which may not be less than 1.500 euros) attributable to such Shareholder's or Controlling Person's failure to provide the information and the Company may, in its sole discretion, redeem the Shares of such Shareholder.

Shareholders should consult their own tax advisor or otherwise seek professional advice regarding the impact of the CRS-Law on their investment.

Each Shareholder or Controlling Person has a right to access any data reported to the Luxembourg Tax Authority for the purpose of the CRS Law and, as the case may be, to have these data rectified in case of error by writing to the Central Administration as defined under this Prospectus.

CRS Personal Data will not be retained for a period longer than necessary for the purpose of the data processing, subject to applicable legal minimum retention periods and the statutory limitations..

iii) Expenses

Unless stated otherwise in Chapter 14, the Company shall bear the costs specified below:

a) standard brokerage and bank charges incurred by the Company through securities transactions in relation to the portfolio;

b) the AIFM fee payable to the AIFM for its services as further described in Chapter 13 below; the Portfolio Manager and the distributors shall be paid out of this fee. The AIFM fee may be charged at different rates for individual Subfunds and Classes within a Subfund or may be waived in full;

c) mark-up fees which may be charged by the hedging counterparty for share-class hedging. Share-class hedging is executed in the best interest of the Shareholders and applicable to the Classes that are issued in one or more alternate currencies, as set out in Chapter 14, "The Subfunds";

d) the fee payable to the Central Administration, as defined below in Chapter 14 in connection with the due performance of its duties;

e) costs in relation to the preparation and provision of regulatory reports (e.g. in relation to Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers ("AIFMD") and Regulation (EU) No. 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories ("EMIR"));

f) additional performance-related fees payable to the Portfolio Manager of the respective Subfund, as set out in Chapter 14, if any;

g) fees payable to the Depositary Bank, which are charged at rates agreed from time to time with the Company on the basis of usual market rates prevailing in Luxembourg, and which are based on the net assets of the respective Subfund and/or the value of transferable securities and other assets held or determined as a fixed sum. The fees payable to the Depositary Bank may not exceed the pre-determined percentage amount and may be subject to minimum fees. The Depositary Bank's monitoring fees, transaction fees and the fees of the Depositary Bank's correspondents may be charged additionally, and prime brokers, as the case may be, at rates agreed from time to time with the Company;

h) fees for the domiciliation of the Company with the Central Administration;

i) all other charges for other services rendered to the Company but not mentioned in the present section;

j) fees incurred for collateral management in relation to derivative transactions;

k) expenses, including those for legal and tax advice, which may be incurred by the Company or the Depositary Bank through measures taken on behalf of the Shareholders;

l) the cost of preparing, depositing and publishing any documents which are required in connection with the Company or with the offering of the Shares and the fees for the registrar and transfer agency services; the cost of printing and

distributing the annual reports of the Company in all required languages, the cost of book-keeping and calculating the net asset value, the cost of notifications to Shareholders including, but not limited to the costs for publication of the net asset value of the Company;

m) fees and costs of mergers, splits and liquidations of the Subfunds or the Company;

n) the fees and costs of the Independent Auditor, and all other similar administrative expenses;

o) the costs in relation to the performance of the risk management function, including the costs for services rendered to the Company in this regard;

p) costs in relation to the Shareholder's meetings;

q) costs in relation to the Shareholder Register;

r) taxes and costs connected with the movements of the Subfund's assets, subscription tax and any other taxes related to the operations of the Subfund's;

s) fees and costs enumerated in Chapter 14.

When investing in shares or units of target funds the same costs may be incurred at the level of the respective Subfund as well as the underlying target fund. If the Subfund acquires shares of target funds which are directly or indirectly managed by the same Portfolio Manager or by another company affiliated with the Portfolio Manager by means of joint management or control or a material direct or indirect participation, the Company or the other company may not charge any fees via the Subfund for the subscription or redemption of shares of these target funds.

All recurring fees shall first be deducted from investment income, then from the gains from securities transactions and then from fixed assets. The costs of establishing the Company and the Subfunds as well as other non-recurring expenses may be written off over a period of up to five years.

The costs of establishing new Subfunds or Classes may also be written off over a maximum of five years.

The expenses attributable to the individual Subfunds are allocated directly; otherwise the expenses shall be divided among the individual Subfunds in proportion to the total net assets of each Subfund.

8. Accounting Year

The accounting year of the Company closes on 31 December of each year. The first accounting year will end on 31 December 2017.

9. Appropriation of Net Income and Capital Gains

Accumulating Shares

At present, no distribution is envisaged for accumulating Classes of the Subfunds (see Chapter 14) and the income generated shall be used to increase the net asset value of the Shares after deduction of costs. However, within the scope of statutory provisions the Company may distribute from time to time, in whole or in part, ordinary net income and/or realised capital gains, after deduction of realised capital losses.

Distribution Shares

The annual general meeting of Shareholders shall, on proposal of the Board of Directors, decide if and to what extent distributions shall be made from the net investment income attributable to each distributing Class of each Subfund (see Chapter 14). In addition, gains made on the sale of assets belonging to a Subfund may be distributed to the Shareholders of such Subfund. Further distributions may be made from the Subfund's assets in order to achieve an appropriate distribution ratio.

Distributions must not cause the Company's capital to fall below the minimum amount prescribed by law.

Distributions shall generally be effected on an annual basis or at such other intervals as the Board of Directors may decide. The Company intends to effect the annual distributions within five (5) months of the end of the relevant accounting year.

General Information

Payment of income distributions shall be made in the manner described in section iv. of Chapter 4.

Claims for distributions which are not made within five years of maturity shall lapse and the assets involved shall revert to the respective Subfund.

10. Life of the Company, Liquidation and Merging of Subfunds

Unless stated otherwise in Chapter 14, the Company and the Subfunds are established for an unlimited period. However, an extraordinary general meeting of Shareholders may dissolve the Company. The validity of this decision needs the minimum quorum prescribed by law. If the Company is liquidated, the liquidation shall be carried out in accordance with Luxembourg law and the liquidator(s) named by the general meeting of Shareholders shall dispose of the Company's assets in the best interests of the Shareholders and the net liquidation proceeds shall be distributed pro rata to the Shareholders.

The dissolution of a Subfund and the compulsory redemption of Shares of the Subfund concerned may be decided by the Board of Directors, if the dissolution is deemed to be appropriate after due consideration of the interests of the Shareholders.

The dissolution of a Subfund and the compulsory redemption of Shares of the Subfund concerned may further be made upon a resolution of a general meeting of Shareholders of the relevant Subfund. According to the Articles of Incorporation the quorum and majority requirements prescribed by Luxembourg law for decisions regarding amendments to the Articles of Incorporation are applicable to such general meeting of Shareholders.

Any decision of the Board of Directors to dissolve a Subfund shall be notified in writing to the Shareholders concerned. The net asset value of Shares of the Subfund concerned shall be paid at the date of the compulsory redemption (less applicable taxes, if any).

Any redemption proceeds that cannot be distributed to the Shareholders within a period of six months shall be deposited with the «Caisse de Consignation» in Luxembourg until the statutory period of limitation has elapsed.

The Board of Directors as well as a general meeting of the Shareholders of a Subfund may resolve to merge such Subfund with another existing Subfund or to contribute the assets and liabilities of such Subfund to another UCI under Luxembourg law against issue of shares or units of such other UCI to be distributed to the Shareholders concerned. Any such resolution shall be notified in writing to the Shareholders of the Subfund in question. The notification shall be made with a one-month notice period and shall provide for the possibility of the Shareholders of such Shares to apply for the redemption of their Shares of the Subfund to be merged, without payment of any redemption fee or other costs (except for any deferred sales charge), prior to the implementation of the transaction. There shall be no quorum requirement for general meetings of Shareholders which decide on the merger of different Subfunds within the Company or on the merger of a Subfund with another Luxembourg UCI and decisions may be taken by simple majority. In case of a merger of a Subfund with a foreign UCI or a UCI in contractual form, decisions of the general meeting of Shareholders of the Subfunds concerned shall be binding only upon Shareholders who have voted in favour of such merger.

11. Meetings of Shareholders

The annual general meeting of the Shareholders is held at the registered office of the Company in Luxembourg or at such alternative location in Luxembourg as may be specified in the notice of such meeting on the third Thursday in May of each year or, if such date is not a business day in Luxembourg, on the next following business day. Notices of meetings of Shareholders shall be communicated to the Shareholders in accordance with the provisions of Chapter 12, «Information to Shareholders». Meetings of Shareholders of a specific Subfund may decide on issues which relate exclusively to that Subfund.

12. Information to Shareholders

Notices to Shareholders, including any information relating to a suspension of the calculation of the net asset value, shall be communicated in writing to registered Shareholders.

The audited annual reports shall be made available to Shareholders free of charge at the registered office of the Company at latest within six months of the close of each accounting year.

The audited annual reports contain in particular the following information:

- the percentage of the Subfunds' assets which are subject to special arrangements arising from their illiquid nature;
- any new arrangements for managing the liquidity of the Subfunds;
- the current risk profiles of the Subfunds and the risk management systems employed by the AIFM to manage those risks;
- any changes to the maximum level of leverage (if any) which are employed in relation to the Subfunds as well as any right of reuse of collateral or any guarantee granted under the leveraging arrangement; and
- the total amount of leverage employed by a Subfund (if any).

Other information regarding the Company, as well as the net asset value, the issue and redemption prices of the Shares, may be obtained free of charge on any business day in Luxembourg at the registered office of the Company.

Investors may obtain this Offering Document (as well as any Partial Offering Documents), the latest audited annual report and copies of the Articles of Incorporation free of charge from the registered offices of the Company. The contracts between the Company and the different service providers are available for inspection at the registered office of the Company during normal business hours.

In addition, the following information is available free of charge at the registered office of the Company during normal business hours:

- a description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by the Shareholders;
- a description of how the AIFM ensures fair treatment of Shareholders;
- where available, the historical performance of the Subfunds;
- the percentage of the Subfunds' assets which are subject to special arrangements arising from their illiquid nature;

- a description of the Company's liquidity risk management as well as any new arrangements for managing the liquidity of the Subfunds;
- the current risk profiles of the Subfunds and the risk managements systems employed by the AIFM to manage those risks;
- any changes to the maximum level of leverage (if any) which the Portfolio Manager of the respective Subfund will employ as well as any right of reuse of collateral or any guarantee granted under the leveraging arrangement; and
- the total amount of leverage employed by a Subfund (if any).

Where conflicts of interest cannot be avoided and there exists a risk of damage to investor's interests, the AIFM and/or the Portfolio Manager shall inform investors of the general nature or causes of the conflicts of interest and develop appropriate policies and procedures in order to mitigate such conflicts while ensuring equal treatment between investors and ensuring that the Company is treated in an equitable manner.

13. Management and Administration

i. Alternative Investment Fund Manager

The Company has appointed MultiConcept Fund Management S.A. as alternative investment fund manager (the "AIFM"). In this capacity, the AIFM may perform at least the following tasks when managing the Subfunds:

- Management of the Subfunds' portfolios; and
- Risk management.

The AIFM may additionally perform the following functions in the course of the collective management if not delegated to other service providers as described in the Offering Document:

- Administration:
  - Legal and fund management accounting services;
  - Handling with Shareholder complaints;
  - Valuation of the Company's assets and the calculation of the asset value, including tax returns;
  - Regulatory and compliance monitoring;
  - Maintenance of the register of Shareholders;
  - Distribution of income;
  - Issue and redemption of Shares;
  - Contract settlement, including the dispatch of certificates;
  - Record keeping;
- Marketing of Shares; and
- Activities related to the assets of the Company, namely services necessary to meet the fiduciary duties of the AIFM, facilities management, real estate administration activities, advice to undertakings on capital structure, industrial strategy and related matters, advice and services relating to mergers and the purchase of undertakings and other services connected to the management of the Company and the companies and other assets in which it has invested.

The AIFM was incorporated in Luxembourg on 26 January 2004 as a joint-stock company for an indefinite period and is subject to the provisions of Chapter 15 of the Luxembourg Law of 17 December 2010 on undertakings for collective investment. It has its registered office in Luxembourg, at 5, rue Jean Monnet. The AIFM has been approved by the CSSF in accordance with the provisions of Chapter 2 of the Law of 12 July 2013 with effect as of 24 January 2014.

The articles of incorporation of the AIFM were published in the Mémorial on 14 February 2004 and have since that time been amended several times. The latest amendments have been made on 24 January 2014 and were published on 9 March 2014. The AIFM is registered in the Luxembourg Register of Trade and Companies under no. B 98 834.

The equity capital of the AIFM amounts to 3,336,125 Swiss francs.

To cover potential professional liability risks resulting from its activities, the AIFM has sufficient additional own funds being appropriate to cover potential liability risks arising from professional negligence. The AIFM shall be supervised by an independent auditor. At present, this function is performed by KPMG Luxembourg, société coopérative.

In addition to the Company, the AIFM also manages other undertakings for collective investment.

ii. Portfolio Manager

Cape Capital AG, Switzerland, acts as Portfolio Manager of the Subfunds. Cape Capital AG is an independent asset management company and was incorporated in Switzerland on 6 June 2002, and is regulated by the Swiss Financial Market Supervisory Authority ("FINMA") since 20 March 2015 as an asset manager for Collective Investments Schemes according

to Art. 13 Paragraph 2 lit. f Swiss Collective Investment Scheme Act. Its registered office is at Schipfe 2, CH-8001 Zurich, Switzerland.

In the framework of its portfolio management function, the Portfolio Manager elaborates in collaboration with the AIFM and the Board of Directors the investment objectives, policies, strategies and investment restrictions of the Company and its Subfunds. The Portfolio Manager takes the investment decisions and manages the Company's assets in a discretionary manner and with the goal of reaching the investment objectives of the different Subfunds, subject to the control and supervision of the AIFM and under the responsibility of the Board of Directors.

Any changes to the investment objectives, policies, strategies and investment restrictions of the Company and its Subfunds will be decided by the Board of Directors in collaboration with the Portfolio Manager and the AIFM. In this case, the Offering Document will be amended accordingly, subject to prior approval of the Commission de Surveillance du Secteur Financier (the "CSSF") which, should it consider the amendments in question to be material, may request a one-month notice period during which Shareholders concerned have the right to redeem their Shares of the relevant Subfund free of any charge (with the exception of any deferred sales charges).

iii. Depositary Bank

Pursuant to a depositary and paying agent services agreement dated 20 June 2017 (the "Depositary Agreement"), Credit Suisse (Luxembourg) S.A. has been appointed as depositary of the Company (the "Depositary Bank" as defined above). The Depositary Bank will also provide paying agent services to the Company.

Credit Suisse (Luxembourg) S.A. is a public limited company ("société anonyme") under the laws of Luxembourg incorporated for an unlimited duration. Its registered and administrative offices are at 5, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg. It is licensed to engage in all banking operations under Luxembourg law.

Pursuant to the Depositary Agreement, the Depositary Bank has been entrusted to provide safe-keeping services, in the form of custody and/or other services in respect of the Company's assets in accordance with the obligations and duties provided for in the Law of 12 July 2013 and shall ensure an effective and proper monitoring of the Company's cash flows. In addition, the Depositary Bank shall also ensure that (i) the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with Luxembourg law and the Articles of Incorporation; (ii) the value of the Shares is calculated in accordance with Luxembourg law, the Articles of Incorporation and the procedures laid down in the Law of 12 July 2013; (iii) the instructions of the Company and the AIFM are carried out, unless they conflict with applicable Luxembourg law and/or the Articles of Incorporation; (iv) in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits; (v) the Company's incomes are applied in accordance with Luxembourg law and the Articles of Incorporation.

In compliance with the provisions of the Depositary Agreement and the Law of 12 July 2013, the Depositary Bank may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties to one or more sub-custodian(s), as they are appointed by the Depositary Bank from time to time. When selecting and appointing a sub-custodian, the Depositary Bank exercises all due skill, care and diligence as required by the Law of 12 July 2013 to ensure that it entrusts the Company's assets only to a sub-custodian who may provide an adequate standard of protection. The Depositary Bank will ensure that such financial instruments are held in a manner that it is readily apparent from the books and records of such sub-custodian that they are segregated from the Depositary Bank's own assets and/or assets belonging to the sub-custodian and that the segregation obligations according to the Law of 12 July 2013 are complied with. The Depositary Bank's liability as described further below shall not be affected by any such delegation, unless otherwise stipulated in the Law of 12 July 2013 and agreed between the Company and the Depositary Bank as set forth below.

The Depositary Bank is liable to the Company and its Shareholders for the loss of a financial instrument held in custody by the Depositary Bank and/or a sub-custodian. In accordance with the provisions of the Law of 12 July 2013, the Depositary Bank will not be liable for the loss of a financial instrument, if such loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. Furthermore, and provided certain conditions are met, the Depositary Bank may discharge itself of liability and contract with the sub-custodian, to whom the financial instruments will be entrusted, a transfer of liability to such sub-custodian. A contracted discharge of liability will be disclosed by the Company to its Shareholders by way of an amendment to this Offering Document with regard to each Subfund in relation to which such discharge of liability shall be allowed (Chapter 13, The "Subfunds").

The Depositary Bank will not be liable to the Company and its Shareholders, for the loss of a financial instrument booked with a securities settlement system, including central securities' depositaries.

The Depositary Bank shall not be liable to the Company or to the Shareholder(s) for all other losses suffered by them unless as a result of the Depositary Bank's negligence or intentional failure to properly fulfil its duties in accordance with the Law of 12 July 2013 and the Depositary and Paying Agent Services Agreement.

The Company, the AIFM and the Depositary Bank may terminate the Depositary and Paying Agent Services Agreement at any time by giving ninety (90) days' notice in writing. If the termination notice is given by the Depositary Bank, the Company and/or the AIFM is required to name within sixty (60) days a successor depositary bank to whom the Company's assets are to be delivered and who will take over the functions and responsibilities of the Depositary Bank. If within these sixty (60) days the Company and/or the AIFM does not name such successor depositary bank, the Depositary Bank shall notify the CSSF of the situation and the Company will decide about the liquidation of the Company.

In case the Company's assets remain with the Depositary Bank after the expiry of the aforementioned ninety (90) days termination period, the Depositary Bank shall take all necessary steps in accordance with mandatory provisions of the applicable law.

iv. Central Administration

The AIFM has delegated all duties related to the administration of the Company, including legal and fund management accounting services, the handling with Shareholders complaints, the calculation of the net asset value, including tax returns, regulatory and compliance monitoring, maintenance of the register of Shareholders, distribution of income, the issue and redemption of Shares, the contract settlement, including the dispatch of certificates and record keeping to Credit Suisse Fund Services (Luxembourg) S.A., (the "Central Administration").

The Central Administration may sub-delegate with the approval of the Company a part or all of its duties to one or more third parties.

v. Distributors

The distribution of Shares will be executed by Cape Capital AG.

Other service providers may be appointed from time to time.

vi. Risk Management Function and Liquidity Risk Management

In accordance with Article 14 of the Law of 12 July 2013 and Articles 38 et seqq. of the Commission Delegated Regulation (EU) No. 231/2013, the risk management function of the AIFM shall be hierarchically and functionally independent from operating units. The AIFM will apply a risk management procedure for each of the Company's Subfunds in compliance with the Law of 12 July 2013 and other applicable provisions, in particular the Commission Delegated Regulation (EU) No. 231/2013.

Under the AIFM related laws and regulations, "leverage" is defined as being any method by which the AIFM increases the exposure of a Subfund whether through borrowing of cash or securities, leverage embedded in derivative positions or by any other means. The leverage creates risks for the Subfund. A leverage (as defined by the AIFMD) of 100% means a leverage-free portfolio.
The AIFM related laws and regulations use two distinct definitions of leverage, both of which are calculated on a regular basis by the AIFM:

a) Under the "gross method" (as defined by the AIFM Laws and Regulations), the leverage is calculated as the ratio between the Subfund's investment exposure (calculated by adding the absolute values of all portfolio positions, including the sum of notionals of the derivative instruments used but excluding cash and cash equivalents) and the Net Asset Value; and

b) Alternatively, the "commitment method" (as defined by the AIFM Laws and Regulations) takes into account netting and hedging arrangements and is defined as the ratio between the Subfund's net investment exposure (not excluding cash and cash equivalents) and the Net Asset Value.

For a description of the leverage and the authorised maximum of leverage used in each Sub-Fund, please refer to Section 14. The actual level of leverage used will be disclosed in the Company's annual report.

The risk management procedure will measure and control the global exposure of the Subfunds using the so-called commitment approach. This approach entails converting positions in derivative financial instruments into the corresponding underlying positions.

The AIFM adopts procedures enabling it to monitor the liquidity risk of the Subfunds and to ensure that the liquidity profile of the investments of the Subfunds comply with the underlying obligations. The AIFM regularly conducts stress tests, under normal and exceptional liquidity conditions, which enable it to assess the liquidity risk of the Subfunds and monitor the liquidity risk of the Subfunds accordingly.

vii. Data Protection

In accordance with the provisions of the Luxembourg law of 2 August 2002 on the protection of persons with regard to the processing of personal data, as amended, the Company, as data controller, collects, stores and processes, by electronic or other means, the data supplied by Shareholders for the purpose of fulfilling the services required by the Shareholders and complying with its legal obligations. The data processed includes in particular the name, contact details (including postal or email address), banking details, invested amount and holdings in the Company and its Subfunds ("Personal Data"). Each Shareholder may at his/her discretion refuse to communicate Personal Data to the Company. In this case, however, the Company may reject a request to subscribe for Shares. By subscribing Shares, each investor consents to such processing of his/her/its personal data. This consent is formalised in writing in the application form used by the Central Administration.

Personal Data supplied by Shareholders is processed for the purposes of processing subscriptions, redemptions and conversions of Shares and payments of dividends to Shareholders, performing controls on market timing and late trading, and complying with applicable anti-money laundering rules as well as other applicable regulation like the FATCA and the CRS-Law. Personal Data supplied by Shareholders is also processed for the purpose of maintaining the register of Shareholders. Personal Data may be transferred to the Company's data processors ("Processors") which include, in particular, the AIFM, the Investment Managers and any Distributor. Personal Data may also be transferred to Processors where the transfer is necessary for the above mentioned purposes, being understood that those affiliates and third parties intervene in the process of the business relationship and which may be located within or outside of the European Union. Shareholders must also be aware that telephone conversations with the AIFM, the Depositary and the Central Administration may be recorded. Recordings will be conducted in compliance with applicable laws and regulations. Recordings may be produced in court or other legal proceedings with the same value in evidence as a written document. The Company will not transfer Personal Data to any third-party other than Processors except if required by law or with the prior consent of the Shareholder. In particular, such Personal Data may be disclosed to the Luxembourg tax authorities, which in turn may, acting as data controller, disclose it to foreign tax authorities.

Each Shareholder has a right to access his/her Personal Data and may ask for Personal Data to be rectified where it is inaccurate or incomplete by writing to the Company at the following address: 5, rue Jean Monnet, L-2180 Luxembourg.

14. The Subfunds

Name of the Subfund	**Cape Capital SICAV-SIF II – Cape Long/Short Equity Fund**
Investment Objective and Policy	The objective of the Subfund is to deliver a sustainable long term capital appreciation, predominantly through investment in a diversified portfolio of long/short equity funds (the "Target Funds"). The Subfund envisages exposing investors via the Target Funds to the global equity markets, while offering downside protection in difficult market conditions by ensuring optimal diversification across regions, sectors, and investment strategies. The Subfund typically holds between 5 to 20 Target Funds managed by reputable investment managers specialised in equity long/short strategies, which aim to profit from gains in long positions and declines in short positions. Therefore, the respective Target Fund invests in equities either long or short side based on various investment techniques which include but are not limited to fundamental research, quantitative research, event driven, or arbitrage strategies. In extreme circumstances, driven by, e.g. extraordinary market conditions, the Subfund may, based on decisions of the Portfolio Manager, increase the allocation of the portfolio to cash or cash equivalents to up to 100%. The Subfund will not make use of total return swaps, securities lending transactions, repurchase or reverse repurchase transactions. The investment restrictions as set out under Chapter 3 ii of the Offering Document apply, with the exception set out below under "Leverage".
Leverage	In implementing its investment policy, the Subfund is generally expected to be leveraged at the ratio of 1.3:1 (using the gross method of calculation) and 1:1 (using the commitment method of calculation), Shareholders should note that the actual leverage levels may vary and deviate from these levels significantly. However, leverage will not exceed the ratio of 2:1 (using the gross method of calculation) and 1.5:1 (using the commitment method of calculation). As an exception to the borrowing rules described in Chapter 3 ii. g) of the Offering Document, the Subfund may borrow on a temporary basis from first class professionals specialised in this type of transactions (e.g. credit facilities); such borrowings shall not exceed 20 % of the net asset value of the Subfund. The Subfund will make use of these borrowings in exceptional cases in the interest of the Shareholders, i.e. in order to bridge liquidity gaps (e.g. caused by large redemption requests).
Period of Establishment / Life to Maturity	Unlimited
Reference Currency	USD
Classes and Eligible Investors	EUR Share Class I EUR Share Class II CHF Share Class I CHF Share Class II SEK Share Class I SEK Share Class II USD Share Class I USD Share Class II GBP Share Class I GBP Share Class II (Non-USD Classes shall be hedged against Reference Currency by the Portfolio Manager)
Minimum Sucbscription Amount	None, provided the requirements of Chapter 4. i. are fulfilled
Initial Issue Price	EUR 100
Launch Date	The Subfund was initially launched on 3 August 2015 within the specialised investment fund Cape Capital SICAV-SIF, and, following restructuring, continued as sub-fund of Cape Capital SICAV-SIF II on 17 July 2017.
Minimum Initial Subscription and Holding Requirement	None, provided the requirements of Chapter 4. i. are fulfilled
Sales Charge	None
Redemption Charge	None
Conversion Charge	None

Appropriation of Income	Accumulating
Business Day	Each day on which banks are normally open for business in Luxembourg, Switzerland and the Canton of Zurich
Cut-Off Time for remittance of Subscription/Redemption Applications	The Shares may be subscribed/ redeemed on each Business Day prior to the cut-off time (see below) (the "Subscription Date" or "Redemption Date", respectively). Subscription applications must be submitted to the Central Administration at least ten (10) Business Days prior to the Valuation Date by 3.00 p.m. (Central European time). Redemption applications must be submitted to the Central Administration at least forty five (45) Business Days prior to the Valuation Date by 3.00 p.m. Subscription / Redemption applications received after 3.00 p.m. on a Business Day shall be deemed to have been received prior to 3 p.m. on the following Business Day. Subscriptions and Redemptions will occur once per month.
Redemption Limits	If on any Valuation Day, redemption requests relate to more than 20 % of the net asset value of the Subfund, the Company may decide that part or all of such requests for redemption will be deferred proportionally for such period as the Company considers to be in the best interest of the Subfund, but normally not exceeding an unreasonable amount (industry standard) of Business Days after the Redemption Date in relation to which the relevant redemption request relates. All deferred redemption requests will be met on a pro-rata basis in priority to later requests and in compliance with the principle of equal treatment of Shareholders.
Valuation Day	The last Business Day of each month.
Calculation Date	The 20th Business Day following a Valuation Day. The calculation date may be postponed in case that a significant number of Target Funds held by the Subfund have not published the net asset value of these Target Funds and this is in the interest of the Shareholders.
Payment Period	Subscription payment must be received within two (2) Business Days after the the cut-off time for subscriptions, as defined above. Payment of the redemption price of the Shares shall be made within twenty (20) Business Days following the Calculation Date. The Company may decide to defer payment of the redemption price until it has sold corresponding assets (and received the redemption price from the Target Funds) without undue delay. In such case, the Shareholder will keep its status as a Shareholder. Once the respective Subfund has gained enough liquidity to pay off the redemption price, redemptions and payment of redemption price will be performed reciprocally and simultaneously (ie, delivery vs. payment). Where such a measure is necessary, all redemption applications received on the same day shall be settled at the same price. As a consequence of the above stated deferral of the redemption price, the Company may decide to also suspend the issue of Shares and to suspend redemptions requested by Shareholders. In addition, the Company may decide to pay the redemption proceeds proportionally in several payments in case the proceeds from the sale of assets (the shares/units held in Target Funds) are paid in instalments. Furthermore, the Company may propose in accordance with Chapter 4. iv. of the Offering Document to a Shareholder a "redemption in kind" whereby the Shareholder receives a portfolio of assets of the Subfund of equivalent value to the Redemption Price (less any Redemption Fee). To the extent required by applicable laws and regulations, any redemption in kind will be valued independently in a special report issued by the Auditor or any other authorised statutory auditor (réviseur d'entreprises agréé) agreed by the Company. Any costs incurred in connection with a redemption in kind, including the costs of issuing a valuation report, shall be borne by the redeeming Shareholder or by such other third party as agreed by the Company.
Taxe d'abonnement	0.01% p.a
Valuation principles	See Chapter 5
Fees and Expenses	See Chapter 6. For its portfolio management services described in Chapter 12, the Portfolio Manager

	receives a portfolio management fee which shall not exceed 0.80 % p.a. with respect to Share Classes I, and not exceed 0.50 % p.a. with respect to Share Classes II. Cape Capital AG in its capacity as distributor and, as the case may be, appointed distributors, shall also be entitled to receive a distrubution fee of up to 0.20 % p.a. with respect to Share Classes I for the distributing services. For its services described in Chapter 12, the AIFM shall receive an AIFM fee. The portfolio management fee and the distribution fee, if any, shall be paid out of the AIFM fee. The AIFM fee shall not exceed 1.05 % p.a. with respect to Share Classes I, and not exceed 0.55 % p.a. with respect to Share Classes II. The AIFM fee shall be paid monthly in arrears during the month following the end of the relevant month. The portfolio management fee, the distribution fee and the AIFM fee shall be calculated based on the average monthly net asset value of the respective Class. The fee for the accounting services of the Central Administration paid out of the assets of the Subfund shall not exceed 0.05 % p.a., calculated on the basis of the average monthly net asset value of the Subfund. The fee payable to the Depositary Bank paid out of the assets of the Subfund shall in principle not exceed 0.05 % p.a., calculated on the basis of the average monthly net asset value of the Subfund. Additional fees and expenses that may be charged are specified in section iii), “Expenses”, of Chapter 6, “Expenses and Taxes”.

Distribution in Switzerland

Neither the Company nor any Subfund have been registered with the Swiss Financial Market Supervisory Authority FINMA (FINMA) for distribution (i.e. any offering of or advertising for collective investment schemes) to non-qualified (i.e. retail) investors within the meaning of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 ("CISA") and the corresponding Collective Investment Schemes Ordinance ("CISO").

As a result, no Shares shall thus be distributed in or from Switzerland other than to qualified investors, as defined in article 10 paras 3 to 4 CISA in conjunction with articles 6 and 6a paras 3 to 4 CISO as well as any applicable regulation issued by FINMA, or unless distribution activities are out of the scope of article 2 CISA or do not qualify as "distribution" as defined under article 3 CISA.

Representative in Switzerland

Credit Suisse Funds AG, Uetlibergstrasse 231, CH-8070 Zurich, has been appointed as representative in Switzerland.

Paying agent in Switzerland

Credit Suisse AG, Paradeplatz 8, CH-8001 Zurich, has been appointed as paying agent in Switzerland.

Distributor in Switzerland

Cape Capital AG, Schipfe 2, CH-8001 Zurich, has been appointed as distributor in Switzerland.

Place where the relevant documents may be obtained

Shareholders may obtain the Offering Document, a copy of the Articles of Incorporation and the latest annual report free of charge from the representative in Switzerland.

Place of performance and jurisdiction

With respect to Shares distributed in Switzerland and out of Switzerland, the place of performance and jurisdiction is deemed to be the registered office of the representative in Switzerland.

Payment of retrocessions and rebates

The AIFM and its agents do not pay any retrocessions to third parties as remuneration for distribution activity in respect of fund units in or from Switzerland.

In respect of distribution in or from Switzerland, the AIFM and its agents do not pay any rebates to reduce the fees or costs incurred by the investor and charged to the Fund.