

A handwritten signature in blue ink, appearing to be 'h3h', is written over the official stamp of the Commission de Surveillance du Secteur Financier.

**Symbiotics Sicav (Lux.) – Emerging Impact Bond Fund ("EIBF")**

**A Sub-Fund of Symbiotics SICAV (Lux.)**

*Société anonyme*

*Société d'investissement à capital variable – fonds d'investissement spécialisé*  
**(SICAV-FIS)**

**21 October 2019**

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This prospectus ("**Prospectus**") includes a general part ("**General Part**"), the content of which was last updated on 21 October 2019 and contains provisions which are applicable to all sub-funds of the Company as well as a special part ("**Special Part**") containing specific provisions relating to the EIBF sub-fund.

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## GENERAL PART

### IMPORTANT INFORMATION

This Prospectus comprises information relating to the Company, which is registered under the Law of 13 February 2007 relating to specialised investment funds (the "**Law**"). It should be noted that such registration on the list of specialised investment funds does not imply any approval by any Luxembourg authority of the contents of this Prospectus or of the portfolio of assets held by the Company. Any representation to the contrary is unauthorised and unlawful. Statements made in the Prospectus are based on the law and practice currently in force in Luxembourg and are subject to changes therein. The most recent annual report of the Company is available, once published, at the registered office of the Company and will be sent to Investors upon request. Such report shall be deemed to form part of the Prospectus.

The board of directors of the Company (the "**Board**") is responsible for the information contained in the Prospectus. To the best of the knowledge and belief of the Board (who has taken all reasonable care to ensure that such is the case) the information contained in the Prospectus is at its date in accordance with the facts and does not omit anything likely to affect the import of such information. The Board accepts responsibility accordingly.

No person has been authorised to give any information or to make any representations in connection with the offering of shares of the Company (the "**Shares**") other than those contained in this Prospectus and the report referred to above, and, if given or made, such information or representations must not be relied on as having been authorised by the Company. The delivery of this Prospectus (whether or not accompanied by any report) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof.

The distribution of this Prospectus and the offering of Shares in certain other jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

None of the Shares have been or will be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**") or registered or qualified under applicable state statutes and (except in a transaction which is exempt from registration under the 1933 Act and such applicable state statutes) none of the Shares may be offered or sold, directly or indirectly, in the United States of America or in any of its territories or possessions (the "**United States**"), or to any US Person (as defined in the 1933 Act) regardless of location. The Company, may at its discretion, sell Shares to US Persons on a limited basis and subject to the condition that such purchasers make certain representations to the Company which are intended to satisfy the requirements imposed by US law on the Company, which limit the number of its Shareholders who are US Persons, and which ensure that the Company is not engaged in a public offering of its Shares in the United States. In addition, the Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended (the "**1940 Act**") and Investors will not be entitled to the benefit of the 1940 Act. Based on interpretations of the 1940 Act by the staff of the United States Securities and Exchange Commission relating to foreign investment entities, if the Company has more than 100 beneficial owners of its Shares who are US Persons, it may become subject to the 1940 Act.

The Company will not knowingly offer or sell Shares to any Investor to whom such offer or sale would be unlawful, or might result in the Company incurring any liability to taxation or suffering any other pecuniary disadvantages which the Company might not otherwise incur or suffer or would result in the Company being required to register under the 1940 Act. Shares may not be held by any person in breach of the law or requirements of any country or governmental authority including, without limitation, exchange control regulations. Each Investor must represent and warrant to the Company that, amongst other things, he/she/it is able to acquire Shares without violating applicable laws. Power is reserved in the articles of incorporation of the Company (the "**Articles**"), to redeem any Shares held directly or beneficially in contravention of these prohibitions.

However, the Company may decide to accept applications for Shares in the Company from a limited number of accredited investors (as defined in the 1933 Act) in the United States provided that the Company receives evidence satisfactory to it that the sale of Shares to such an investor is exempt from registration under the securities laws of the United States including, but not limited to, the 1933 Act and that, in all events there will be no adverse tax consequences to the Company or to Shareholders as a result of such a sale.

Each Investor must be aware that subscription for or acquisition of one or more Shares implies its complete and automatic adherence (i) to the content of the Prospectus and (ii) to the fact that any amendment conveyed to the Prospectus following an acceptable and validly implemented procedure described in Section 12 of this Prospectus headed "*Procedures for amending the Prospectus*" shall bind and be deemed approved by all Investors.

Any information which the Fund Manager or the Company is under a mandatory obligation (i) to make available to Investors before investing in the Company, including any material change thereof and updates of this Prospectus essential elements, or (ii) to disclose (periodically or on a regular basis) to Investors (each such information under (i) or (ii) being hereafter referred to as a "**Mandatory Information**") shall be validly made available or disclosed to Investors via and/or at any of the following information means (the "**Information Means**"): (i) the Company's sales documents, offering or marketing documentation, (ii) subscription, redemption, conversion or transfer form, (iii) contract note, statement or confirmation in any other form, (iv) letter, telecopy, email or any type of notice or message (including verbal notice or message), (v) publication in the (electronic or printed) press, (vi) the Company's periodic report, (vii) the Company's, AIFM's or any third party's registered office, (viii) a third-party, (ix) internet/a website (as the case may be subject to password or other limitations) and (x) any other means or medium to be freely determined from time to time by the Company or its AIFM to the extent that such means or medium comply and remain consistent with the Articles and applicable laws and regulations.

Investors are reminded that certain Information Means (each hereinafter an "**Electronic Information Means**") require an access to internet and/or to an electronic messaging system and that, by the sole fact of investing or soliciting an investment in the Company, Investors acknowledge the possible use of Electronic Information Means and confirm having access to internet and to an electronic messaging system allowing them to access any Mandatory Information made available or disclosed via an Electronic Information Means.

In principle, this Prospectus mentions the specific relevant Information Means via and/or at which an Investor may access any Mandatory Information that is not available or disclosed in this Prospectus. If this were not the case, Investors acknowledge that the relevant Information Means is available or disclosed at the registered office of the Company. No Investor will be allowed to invoke or claim the unavailability or non-disclosure of any Mandatory Information if this Mandatory Information was contained in this Prospectus or was available or disclosed via and/or at the relevant Information Means available or disclosed at the registered office of the Company.

This Prospectus may be translated into other languages. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English text shall prevail to the extent permitted by the applicable laws or regulations, and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the applicable laws and regulations, as amended from time to time.

**Your attention is drawn to the Section 4 "Risk Disclosure" described in this General Part. Specific risk factors applying to each Sub-Fund are disclosed in each relevant Special Part. The Company's investments are subject to market fluctuations and the risks inherent in all investments and there can be no assurances that appreciation will occur. There can be no guarantee that the objective of the Company will be achieved.**

**Potential subscribers and purchasers of Shares in the Company should inform themselves as to (a) the possible tax consequences, (b) the legal requirements and (c) 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, purchase, holding and disposal of Shares in the Company.**

**If you are in any doubt about the contents of the Prospectus you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.**

## DIRECTORY

### **Registered Office**

5 Allée Scheffer  
L-2520 Luxembourg  
Grand Duchy of Luxembourg

### **Board of Directors**

Sébastien Duquet, – independent consultant  
Arnaud Gillin, Innpact, Partner  
Paul Guillaume, Altra Partners, S.A., Managing Partner  
Alexandre Prautzsch, Symbiotics SA

### **Depository, Domiciliary and Paying Agent**

CACEIS Bank, Luxembourg Branch  
5 Allée Scheffer  
L-2520 Luxembourg  
Grand Duchy of Luxembourg

### **Administrative and Registrar and Transfer Agent**

CACEIS Bank, Luxembourg Branch  
5 Allée Scheffer  
L-2520 Luxembourg  
Grand Duchy of Luxembourg

### **Approved Statutory Auditor**

KPMG Luxembourg  
39, avenue John F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

### **Fund Manager**

Symbiotics SA  
31, rue de la Synagogue  
CH-1204 Geneva  
Switzerland

### **Legal Advisers to the Company**

Elvinger Hoss Prussen  
*société anonyme*  
2, Place Winston Churchill  
L-1340 Luxembourg  
Grand Duchy of Luxembourg

Additional information in relation to individual Sub-Funds is contained in the relevant Special Parts of the Prospectus.

## GLOSSARY OF TERMS

The following definitions apply throughout this Prospectus unless the context otherwise requires:

" <b>Administrative Agent</b> "	means CACEIS Bank, Luxembourg Branch acting in its capacity as administrative or registrar and transfer agent of the Company or any succeeding entity, successively appointed in such capacity.
" <b>AIFM Directive</b> "	means the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers.
" <b>AIFM Law</b> "	the law of 12 July 2013 on alternative investment fund managers, as may be amended from time to time.
" <b>AIFM Regulation</b> "	means the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision.
" <b>AIFM Rules</b> "	means the corpus of rules formed by the AIFM Directive, the AIFM Regulation and any binding guidelines or other delegated acts and regulations issued from time to time by the EU relevant authorities pursuant to the AIFM Directive and/or the AIFM Regulation, as well as by any national laws and regulations (such as the AIFM Law) which are taken in relation to (or transposing either of) the foregoing.
" <b>Articles</b> "	means the articles of association of the Company as amended from time to time.
" <b>Approved Statutory Auditor</b> "	means KPMG Luxembourg or any succeeding entity successively appointed in such capacity.
" <b>Board</b> "	means the board of directors of the Company.
" <b>Business Day</b> "	means a full week day on which banks are normally open for business in Luxembourg, unless otherwise stated in the Special Part.
" <b>CHF</b> "	means Swiss franc, the legal currency of Switzerland.
" <b>Class</b> "	means each class of Shares within the Company and where the context so requires each Sub-Class.
" <b>Commitment Period</b> "	means the period during which a Sub-Fund or any other entities duly appointed to act on their behalf may call for Commitments payment.
" <b>Commitments</b> "	means undertakings by Investors to subscribe for Shares in time for a certain amount of monies in a particular Sub-Fund as disclosed in the relevant Subscription Agreement (each, a " <b>Commitment</b> ").
" <b>Company</b> " or " <b>Fund</b> "	means Symbiotics SICAV (Lux.).
" <b>CSSF</b> "	means the Luxembourg <i>Commission de Surveillance du Secteur Financier</i> .

<b>"Depository"</b>	means CACEIS Bank, Luxembourg Branch, acting in its capacity as depository of the Company or any succeeding entity, successively appointed in such capacity.
<b>"Drawdown"</b>	means a request by the Board or any other entities duly appointed to act on behalf of a particular Sub-Fund for the payment of a certain amount under a Commitment.
<b>"Drawdown Notice"</b>	means each written notice sent to relevant Investors by the Company or any other entities duly appointed to act on its behalf which provides such Investors with prior notice of the payment date, unless otherwise as specified in the relevant Special Part.
<b>"Eligible Investor"</b>	means an investor who qualifies as well-informed investor within the meaning of the Law, i.e. an Institutional Investor, a Professional Investor and/or an Other Well-Informed Investor.
<b>"EU"</b>	means the European Union.
<b>"Euro" or "EUR"</b>	means the legal currency of the European Monetary Union.
<b>"Fund Manager"</b>	means Symbiotics SA, the alternative investment fund manager of the Company within the meaning of the AIFM Law.
<b>"Institutional Investor"</b>	means an investor who qualifies as an institutional investor according to the Regulations.
<b>"Investor"</b>	means any investor who desires to subscribe or has subscribed to Shares.
<b>"Law"</b>	means the amended Luxembourg law of 13 February 2007 relating to specialised investment funds.
<b>"Mémorial"</b>	means the <i>Mémorial C, Recueil des Sociétés et Associations</i> .
<b>"Net Asset Value"</b>	means the net asset value of the Company, a Sub-Fund or a Class as determined pursuant to Section 7 "Net Asset Value".
<b>"Net Asset Value per Share"</b>	means the net asset value per Share of any Class within any Sub-Fund determined in accordance with the relevant provisions described in Section 7 "Net Asset Value".
<b>"Other Well-Informed Investor"</b>	means an investor who (i) adheres in writing to the status of well-informed investor and (ii) (a) invests a minimum of Euro 125,000 in the Company or (b) has been the subject of an assessment made by a credit institution within the meaning of Directive 2006/48/EC or an investment firm within the meaning of Directive 2004/39/EC or a management company within the meaning of Directive 2001/107/EC certifying his/her/its expertise, his/her/its experience and his/her/its knowledge in adequately appraising an investment in the Company.
<b>"Professional Investor"</b>	means an investor who qualifies as a professional investor according to the Regulations, including notably an investor who qualifies as a professional investor under annex II of Directive 2004/39/EC, as amended.

<b>"Redemption Day"</b>	means the day with respect to which the Shares of the Company are redeemable, as specified, for each Sub-Fund, in the relevant Special Part.
<b>"Regulations"</b>	means the Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions.
<b>"RESA"</b>	means the <i>Recueil Electronique des Sociétés et Associations</i> , i.e., the Luxembourg official state gazette which replaced the <i>Mémorial</i> on 1 June 2016.
<b>"Shareholder"</b>	means a shareholder of the Company.
<b>"Share"</b>	means any share in the Company from any Class within any Sub-Fund subscribed by any Shareholder.
<b>"Special Part"</b>	means a part of the Prospectus containing information relating to each Sub-Fund.
<b>"Sub-Class"</b>	means each sub-class of Shares within the Company.
<b>"Sub-Fund"</b>	means a specific portfolio of assets and liabilities within the Company having its own Net Asset Value and represented by one or more Classes.
<b>"Subscription Agreement"</b>	means the agreement which might be required to be signed by an Eligible Investor by which it (i) agrees to commit to subscribe a certain amount in a particular Sub-Fund or (ii) irrevocably applies for Shares in a particular Sub-Fund.
<b>"Subscription Day"</b>	means the day with respect to which the Shares of any Class may be subscribed, as specified, for each Sub-Fund, in the relevant Special Part.
<b>"Symbiotics Group"</b>	Symbiotics SA, a public limited company organized under the laws of Switzerland, having its registered office at 31, rue de la Synagogue, 1204 Geneva, Switzerland, and all its subsidiaries.
<b>"Undrawn Commitment"</b>	means the amount of an Investor's outstanding Commitment which remains available and to be called by the Board or any other entities duly appointed to act on the particular Sub-Fund's behalf.
<b>"United States"</b>	means the United States of America or any of its territories or possessions.
<b>"USD"</b>	means the legal currency of the United States of America.
<b>"Valuation Day"</b>	means the day as at which the Net Asset Value is determined, as detailed, for each Sub-Fund, in the relevant Special Part.

Words importing the singular shall, where the context permits, include the plural and vice versa.

## 1. STRUCTURE OF THE COMPANY

The Company is an investment company organised as a public limited company (*société anonyme*) under the laws of the Grand Duchy of Luxembourg and qualifies as a *société d'investissement à capital variable – fonds d'investissement spécialisé* (SICAV-FIS) governed by the Law. It qualifies as an externally managed alternative investment fund ("**AIF**") under the law of 12 July 2013 on alternative investment fund managers (the "**AIFM Law**"). As indicated in Section 8 below, the Company has appointed Symbiotics SA (the "**Fund Manager**") as its alternative investment fund manager within the meaning of the AIFM Law. As Symbiotics SA is a non-EU entity, the Company is not subject to Part II of the Law for the time being.

The Company is an umbrella fund and as such may operate separate Sub-Funds, each of which is represented by one or more Classes / Sub-Classes. The Sub-Funds are distinguished by their specific investment policy or any other specific features, as further described in the Special Part.

The Company constitutes a single legal entity, but the assets of each Sub-Fund shall be invested for the exclusive benefit of the Shareholders of the corresponding Sub-Fund and the assets of a specific Sub-Fund are solely accountable for the liabilities, commitments and obligations of that Sub-Fund.

The Shares of the Company are currently not listed on a stock exchange. The Board reserves the right to list the Shares of one or several Sub-Funds in the future. In such event, the relevant Special Part may be amended accordingly.

The Board may at any time resolve to set up new Sub-Funds and/or create within each Sub-Fund one or more Classes / Sub-Classes and the relevant Special Part will be updated accordingly. By derogation to the foregoing, the Board will be entitled to create Sub-Classes without amending the relevant Special Part provided that (i) the Sub-Classes only differ from the relevant Class by their reference currency, distribution policy or hedging policy and that (ii) the list of available Sub-Classes is available at the registered office of the Company. In such a case, the offering details (including the issue price) of the relevant Sub-Class will be disclosed in the Subscription Agreement and/or the latest annual report of the Company. The Board may also at any time resolve to close a Sub-Fund, or one or more Classes / Sub-Classes within a Sub-Fund, to further subscriptions.

The Company was incorporated for an unlimited period in Luxembourg on 27 June 2012. The capital of the Company shall be equal at all times to the net assets of the Company. The minimum capital of the Company shall be the minimum prescribed by law, which at the date of this prospectus is the equivalent of Euro 1,250,000. This minimum must be reached within a period of 12 months following the authorisation of the Company as a SICAV-FIS under the Law.

The Company was incorporated with an initial capital of USD 42,000, divided into 42 fully paid up Shares.

The Company is registered with the *Registre de Commerce et des Sociétés, Luxembourg* (Luxembourg Register of Commerce and Companies) under number B 169.830. The Articles have been deposited with the *Registre de Commerce et des Sociétés, Luxembourg* and thereafter published in the *Mémorial* on 13 July 2012.

Under Luxembourg laws and its Articles, the Company is authorised to issue an unlimited number of Shares, all of which are without par value.

The base currency of the Company is the USD and all the financial statements of the Company will be presented in USD.

## 2. PURPOSE, INVESTMENT OBJECTIVES AND POLICIES

The exclusive objective of the Company is to place the funds available to it in assets of any kind with the purpose of affording its Shareholders the results of the management of its portfolios.

Each Sub-Fund shall pursue a distinct investment policy and the investment restrictions may differ for each of them. The investment policy and, as the case may be, specific investment restrictions are disclosed for each Sub-Fund in the relevant Special Part.

To the extent it is provided for in its investment policy, each Sub-Fund (the "**Investing Fund**") may subscribe, acquire and/or hold securities to be issued or issued by one or more Sub-Funds (each, a "**Target Sub-Fund**") without the Company being subject to the requirements of the Law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition however that:

- the Target Sub-Fund does not, in turn, invest in the Investing Sub-Fund invested in this Target Sub-Fund;
- voting rights, if any, attaching to the Shares of the Target Sub-Fund are suspended for as long as they are held by the Investing Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- in any event, for as long as these Shares are held by the Investing Sub-Fund, 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.

## 3. INVESTMENT RESTRICTIONS

Each Sub-Fund will invest in compliance with the principle of risk diversification. The specific investment restrictions applicable to each Sub-Fund are described in the relevant Special Part which is defined in light of CSSF circular 07/309.

Any Sub-Fund may, to the widest extent permitted by and under the conditions set forth in applicable Luxembourg laws and regulations, subscribe, acquire and/or hold shares to be issued or issued by one or more other Sub-Fund(s) of the Company.

Any Sub-Fund may invest indirectly through one or more wholly owned or otherwise under control special purpose vehicles or intermediate vehicles notably where it is considered that this would be operationally, commercially and/or tax efficient or would provide the only practicable means of access to the relevant assets. The investment restrictions, guidelines and limits shall not apply to the Sub-Fund's investment in a special purpose vehicle or intermediate vehicle. The investment restrictions, guidelines and limits shall apply to the underlying investments made by such special purpose vehicle or intermediate vehicle.

## 4. RISK DISCLOSURE

No assurance can be given that the investment objectives will be achieved. Furthermore, past performance is not indicative of future returns and it cannot be guaranteed that investors will recuperate the full amount invested.

The investments contemplated by the Company and its Sub-Funds are subject to risks inherent in all investments and risks tied to the specific features of its investment strategy and universe. By investing in the Company, the investor acknowledges such risks and their potential effects on the Company's return and costs.

Furthermore, all investment guidelines and limitations instructed by the Company to the Fund Manager refer to conditions

prevailing at the time of each specific transaction. If such conditions thereafter change due to market fluctuations, the Fund Manager will assist the Company in taking appropriate measures to bring the holdings in line with the guidelines within a reasonable time, considering the intervention should be in the best interest of the Company and its Sub-Funds. However, the short or medium term adjustment of the portfolio cannot always be assured due to the characteristics of the Company's investments.

In addition to the below risk warnings, applicable to the Company, specific risk factors applying to each Sub-Fund are disclosed in each relevant Special Part.

#### *Country risk*

A collection of risks associated with investing in a foreign country. These risks include political risk, exchange rate risk, economic risk, sovereign risk and transfer risk, which is the risk of capital being locked up or frozen by government action. Country risk varies from one country to the next.

#### *Political Risk*

The risk that an investment's returns could suffer as a result of political changes or instability in a country. Instability affecting investment returns could stem from a change in government, legislative bodies, other foreign policy makers, or military control or be the consequences of currency convertibility and transfer risk. Currency convertibility and transfer risk are losses arising from the inability to convert local currency into foreign exchange for transfer outside the host country.

#### *Credit risk*

The risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation. Credit risk arises whenever a borrower is expecting to use future cash flows to pay a current debt.

#### *Liquidity risk*

The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Liquidity risk is typically reflected in unusually wide bid-ask spreads or large price movements (especially to the downside). The rule of thumb is that the smaller the size of the security or its issuer, the larger the liquidity risk.

#### *Currency risk*

A form of risk that arises from the change in price of one currency against another. Whenever investors or companies have assets or business operations across national borders, they face currency risk if their positions are not hedged.

#### *Interest rate risk*

The risk that an investment's value will change due to a change in the absolute level of interest rates, in the spread between two rates, in the shape of the yield curve or in any other interest rate relationship. Such changes usually affect securities inversely and can be reduced by diversifying or hedging.

#### *Counterparty risk*

Counterparty risk refers to the risk that a counterparty to a transaction fails to fulfill its obligations.

### *Operational risk*

Operational risk is the risk of loss incurred due to inadequate or failed internal processes and systems, negligent people or from external events (including legal risk).

### *Volatility risk*

Volatility risk is the risk of a change of price of a portfolio as a result of changes in the volatility of a risk factor. It usually applies to portfolios of derivatives instruments, where the volatility of its underlyings is a major influencer of prices.

### *Settlement risk*

This is the risk of the loss of the Company resulting from the fact that a concluded transaction cannot be fulfilled as expected because a counterparty has failed to pay or to deliver, or because losses can arise due to errors at the operational level within the framework of the settlement of a transaction.

### *Inflation risk*

Inflation can reduce the value of the investments of the Company assets. The purchasing power of the invested capital sinks if the inflation rate is higher than the returns generated by the investments.

### *Reputational Risk*

A threat or danger to the good name or standing of a business or entity. Reputational risk can occur through a number of ways: directly as the result of the actions of the company itself; indirectly due to the actions of an employee or employees; or tangentially through other peripheral parties, such as joint venture partners or suppliers. In addition to having good governance practices, companies also need to be socially responsible and environmentally conscious to avoid reputational risk.

### *Tax risk*

The buying, holding or selling of assets may be subject to changing statutory fiscal regulations (e.g. deduction of withholding tax) outside the country of domicile of the Company.

## **5. SHARES**

Shares will be issued in registered form only. Shareholders shall receive a confirmation of their shareholding. Share certificates will only be issued upon request and at the expense of the Shareholder.

The Company draws the Investors' attention to the fact that any Investor will only be able to fully exercise Shareholders rights directly against the Company, notably the right to participate in general meeting of Shareholders if the investor is registered himself and in his own name in the Shareholders' register of the Company. In cases where an Investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the Investor, it may not always be possible for the Investor to exercise certain Shareholder rights directly against the Company. Investors are advised to take advice on their rights.

Fractions of Shares up to three decimal places will be issued if so decided by the Board. Such fractions of Shares shall not be entitled to vote but shall be entitled to participate in the net assets and any distributions attributable to the relevant Class on a pro rata basis.

Shares are of no par value and carry no preferential or pre-emptive rights. Each Share of the Company, irrespective of its Sub-Fund, is entitled to one vote at any general meeting of Shareholders, in compliance with Luxembourg laws and the Articles.

For the avoidance of doubt, the Board is entitled to issue Class S Shares within each of the Sub-Funds, carrying out the special rights disclosed in section 8 of the General Part. The only economic right attached to Class S Shares is the right to receive reimbursement of the initial contribution of the Class S Shareholders either upon request of the redemption of its Shares or at the liquidation of the Sub-Fund (or the Company).

## **6. ISSUE, REDEMPTION, CONVERSION AND TRANSFER OF SHARES**

The Board does not authorise neither Market Timing, as defined in the CSSF Circular 04/146, nor "active trading" or "excessive trading" activities ("**Active Trading**"). Such practices may indeed disrupt portfolio investment strategies and increase the Company's expenses and adversely affect the interests of the Company's long term Shareholders. To deter such practice, the Board reserves the right, in case of reasonable doubt and whenever an investment is suspected to be related to Market Timing, which the Board reserves the right to determine, to suspend, revoke or cancel any subscription or conversion order placed by Investors who have been identified as doing frequent in and out trades within the Company.

The Board, as safeguard for the fair treatment of all Investors, will take necessary measures to ensure that (i) the exposure of the Company to Market Timing and Active Trading activities is adequately assessed on an ongoing basis, and (ii) sufficient procedures and controls are implemented to minimise the risks of Market Timing in the Company. The Board may among others apply an additional redemption fee of, in principle, up to 2% for the benefit of the relevant Sub-Fund, without prejudice to the application of a higher percentage likely to annihilate the benefit of the Market Timing or Active Trading activity.

### **Issue of Shares**

Shares will be issued by each Sub-Fund and distributed pursuant to this Prospectus and each relevant Special Part. The offering details for each Sub-Fund are disclosed in each relevant Special Part.

### **Minimum Commitment/Subscription**

The Board may set and waive in its discretion a minimum Commitment or minimum initial subscription amount and minimum ongoing holding amount per Class in each Sub-Fund for each Shareholder, as disclosed in each relevant Special Part.

### **Description of the Offer**

The Board may decide to offer Shares for subscription either by way of direct subscriptions, where the total amount subscribed has to be paid immediately after the acceptance of the subscription, or by way of Commitments.

The Company reserves the right to accept or refuse any application in whole or in part in its entire discretion and without having to give the reasons thereof. The Company may also limit the distribution of Shares of a given Sub-Fund to specific countries.

In case of Commitments, confirmation of accepted Subscription Agreements will be sent to the Investors at the address indicated therein. Payment details in relation to the subscription of Shares will be included in the Subscription Agreement/Drawdown Notice.

In case of Commitments, the Board, or any other duly appointed entity may decide, in their absolute discretion, to drawdown the Commitments in one or more Drawdowns. The Board, or any other duly appointed entity may decide to call all or part of the Undrawn Commitments at any time during the Commitment Period, as disclosed in the relevant Special Part. Drawdown Notices will be sent sufficiently in advance to each Investor at the address specified in the Subscription Agreement.

Unless otherwise provided for in the relevant Special Part, Drawdowns Notices shall, subject to the prior consent of the Shareholder, be made by email and notice shall be deemed to have been given to the Shareholder at the time of sending of the email. Shareholders are obliged to notify the Administrative Agent in writing in the event that their email addresses changes. None of the Company or the Administrative Agent shall be liable for any loss, damage or expense directly or indirectly suffered or incurred by a Shareholder arising directly or indirectly from a Shareholder's failure to notify the Administrative Agent of any change to the Shareholder's email address. Written notice of the Drawdown shall be issued to Shareholders following the issue of the email notice (if applicable).

Shares may be subscribed against contributions in kind considered acceptable by the Board on the basis of the Investment Objective and Policies of the relevant Sub-Fund and will be valued in an auditor's report as required by Luxembourg laws.

#### **Use of Proceeds**

The capital raised for each Sub-Fund will be used to:

- (a) acquire investments which meet the investment objective and policies criteria as set forth in each relevant Special Part; and
- (b) pay all fees and expenses (including the costs and expenses relating to the establishment and organization of the Company or of the relevant Sub-Fund) which, pursuant to the Prospectus, may be charged to the relevant Sub-Fund.

#### **Description of the Shares**

The Shares will be issued in registered form only and must be fully paid-up on issue, unless otherwise provided for in each relevant Special Part. The Company shall normally issue confirmations of shareholding to the Shareholders.

Confirmation of completed subscriptions will be mailed at the risk of the Investor, to the address indicated in the Subscription Agreement within the period following the issue of the Shares as determined by the Board, if originals of such Subscription Agreement have been received by then.

Unless otherwise provided for by Luxembourg laws, each Share entitles its holder to one vote at Shareholders meetings. The Shares carry no preferential or pre-emptive rights.

The Company may restrict or prevent the ownership of Shares by any person, firm or corporation, if such holding results in a breach of applicable laws and regulations, whether Luxembourg or foreign, or if it may be detrimental to the Company. Shares are notably, in accordance with the requirements of the Law, exclusively restricted to Investors who qualify as Eligible Investors. Where it appears to the Company that any person who is precluded from holding Shares either alone or in conjunction with any other person is a beneficial owner of Shares, the Company may purchase or redeem all the Shares so owned within the conditions provided for in the Articles.

The Board may decide to create within each Sub-Fund different Classes of Shares whose assets will be commonly invested pursuant to the specific investment policy of the relevant Sub-Fund, but where a specific fee structure, currency of denomination or other specific feature may apply to each Class. A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Class. The names and types of the different Classes

created in each Sub-Fund are disclosed in each relevant Special Part. The Board may decide to issue further Classes of Shares in each Sub-Fund, in which case the relevant Special Part will be updated.

Issue of Shares of a given Sub-Fund may be suspended whenever the determination of the Net Asset Value per Share of such Sub-Fund is suspended by the Company.

### **Anti-Money Laundering**

Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to, the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, and circulars of the supervising authority, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the Administrative Agent of a Luxembourg undertaking for collective investment must in principle ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Administrative Agent may require subscribers to provide any document it deems necessary to effect such identification.

In case of delay or failure by an applicant to provide the documents required, the application for subscription (or, if applicable, for redemption) will not be accepted. Neither the Company nor the Administrative Agent has any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations, including but not limited to the CRS Law (as defined below).

### **Conversion of Shares**

#### **Possibility of Conversion**

The Board reserves the right to permit Shareholders to request the conversion of the Shares they hold in one Sub-Fund into Shares of another Sub-Fund or to request the conversion of the Shares they hold in one Class of Shares into another Class of Shares of the same Sub-Fund, as disclosed in each relevant Special Part. For the avoidance of doubt, where a Special Part of a Sub-Fund indicates that Investors may not request conversions of their Shares at the level of this Sub-Fund, the Board may however, within its sole and absolute discretion, accept a conversion solicited by an Investor.

Unless otherwise provided for in the relevant Special Part, Investors may not request conversion of Shares.

#### **Procedure**

If authorised, conversions are subject to the following terms and conditions, unless otherwise provided for in each relevant Special Part.

Any request for conversions shall be irrevocable and may not be withdrawn by any Shareholder in any circumstances, except in the event of a deferral of his request or a suspension of the determination of the Net Asset Value of the relevant Sub-Fund. In the event of a suspension, the Company will process the conversion requests with respect to the first applicable Valuation Day following the end of the period of suspension.

Acceptance of any application for conversion is contingent upon the satisfaction of any conditions (including any minimum subscription and prior notice requirements) applicable to the Sub-Fund or Class into which the conversion is to be effected. If, as a result of a conversion, the value of a Shareholder's holding in the new Sub-Fund or Class would be less than any minimum holding amount specified in the relevant Special Part, the Board may decide not to accept the conversion request. If, as a result of a conversion, the value of a Shareholder's holding in the original Sub-Fund or Class

would become less than the minimum holding amount specified in the relevant Special Part, the Board may decide that such Shareholder shall be deemed to have requested the conversion of all of his Shares.

Unless specifically otherwise provided, the prior notice requirements for redemptions as specified for a given Sub-Fund in the relevant Special Part shall be applicable to conversion requests.

The number of full and fractional Shares issued upon conversion is determined on the basis of the Net Asset Value per Share of each Sub-Fund or Class concerned as at the common Valuation Day on which the conversion request is done. If there is no common Valuation Day for any two Sub-Funds or Classes, the conversion is made on the basis of the Net Asset Value determined as at the next following Valuation Day of the Sub-Fund or Class of Shares to be converted and as at the following Valuation Day of the Sub-Fund or Class into which conversion is requested, or on such other days as the Board may reasonably determine.

To cover any transaction costs which may arise from the conversion, including, as the case may be, costs of unwinding a hedging position, the Board may charge, for the benefit of the original Sub-Fund, a conversion fee as disclosed in the relevant Special Part.

### **Redemption of Shares**

Sub-Funds of the Company may be open-ended, as the case may be subject to a lock-up period, or closed-ended, as specified in each relevant Special Part.

Terms and conditions for the redemption of Shares are described in each relevant Special Part.

If, as a result of a redemption, the value of a Shareholder's holding in a Sub-Fund would become less than the minimum holding referred to above the relevant Shareholder will be deemed (if so decided from time to time by the Board) to have requested redemption of all of his Shares. Also, the Board may, at any time, decide to compulsorily redeem all Shares from Shareholders whose holding in a Sub-Fund is less than the minimum holding referred to above. In case of such compulsory redemption, the Shareholder concerned will receive a one month prior notice so as to be able to increase his holding above the minimum holding at the applicable Net Asset Value.

Redemption of Shares of a given Sub-Fund shall be suspended whenever the determination of the Net Asset Value per Share of such Sub-Fund is suspended by the Company.

A Shareholder may not withdraw his request for redemption of Shares of any one Sub-Fund except in the event of a deferral of his request as described below and, as the case may be, in the relevant Special Part or a suspension of the determination of the Net Asset Value of the Shares of such Sub-Fund and, in such event, a withdrawal will be effective only if written notification is received by the Administrative Agent before the termination of the period of suspension. If the request is not withdrawn, the Company shall proceed to redemption on the first applicable Valuation Day following the end of the suspension of the determination of the Net Asset Value of the Shares of the relevant Sub-Fund.

Redemption payments will in principle be made in the reference currency of the relevant Sub-Fund or Class. The Board may also agree to satisfy the payment of redemption proceeds in any other freely convertible currency specified by the Shareholder. In that case, any currency conversion cost shall be borne by the relevant Shareholder.

The Board and the relevant Shareholder may agree to satisfy the payment of redemption proceeds in kind. In such a case, the relevant Shareholder will receive a portfolio of assets from the relevant Class of equivalent value to the appropriate cash redemption payment. Any redemption in kind shall be specially accepted by the relevant Shareholder, which will always be entitled to request a cash redemption payment. Where the Shareholder agrees to accept redemption in kind he/she/it will, as far as possible, receive a representative selection of the Class' holdings pro rata to the value of Shares redeemed and the Board will make sure that the remaining Shareholders do not suffer any loss there from. To the extent

legally or regulatory required or in any case so as to ensure the fair treatment of Shareholders, the value of the redemption in kind will be certified by a certificate drawn up by the Approved Statutory Auditor. The specific costs for such redemptions in kind, in particular the costs of the special audit report, will have to be borne by the Shareholder or by a third party, unless the Board considers that the redemption in kind is in the interests of the Company in which case such costs may be borne in all or in part by the Company.

Unless otherwise stated in the relevant Special Part, if redemption or conversion requests from Shareholders for any applicable Valuation Day exceed in the aggregate more than 10% of the Net Asset Value of a Sub-Fund or Class (the "**Redemption Gate**"), the Board shall be entitled at its discretion to decide that the processing of part or all of such requests for redemption or conversion or part or all the payment of such requests, in excess of this 10% limit will be deferred for such period as the Board considers to be in best interest of the relevant Sub-Fund but normally not exceeding three months. With respect to the next applicable Valuation Day following such deferral period, these redemption and conversion requests will be met in priority to later requests, still subject to the aforementioned 10% limit. Alternatively, if a Redemption Gate is reached, the Board may at its discretion decide that the portion of the redemption and conversion requests exceeding the Redemption Gate concerned be deferred to the following applicable Valuation Day and any subsequent applicable Valuation Day for as long as redemption and conversion requests exceed the Redemption Gate. All pending redemption and conversion requests will be reduced proportionally and, for any given Valuation Day, deferred redemption and conversion requests will be dealt in priority to new redemption and conversion requests in the Sub-Fund concerned. The redemption and conversion price applicable to deferred redemption and conversion requests will be the price as at the Valuation Day the portion of the deferred redemption/conversion request has been effectively taken into account. If the Redemption Gate is reached for two (2) consecutive Valuation Days, the Board may at its discretion decide to reduce the Redemption Gate to 5% as from the second Valuation Day for which the Redemption Gate is reached.

In exceptional circumstances resulting in a lack of liquidity of certain investments made by certain Sub-Funds, the processing or the payment of redemption requests may be postponed and/or the issue and redemptions of Shares suspended by the Board.

The Board may compulsorily redeem Shares and the relevant Shareholder may be obliged to sell its Shares to the Company in the circumstances and within the conditions provided for in the Articles.

The Board or any duly appointed agent may furthermore proceed with the compulsory redemption of any Share the subscription of which would not be made in accordance with this Prospectus or whose wired subscription amounts would be insufficient to cover the relevant subscription price (including for the avoidance of doubt any applicable subscription charge) under the conditions set forth in the Articles.

### **Transfer of Shares**

Transfer of Shares may only be carried out if the transferee qualifies as an Eligible Investor. Transfer of Shares may normally be effected by delivery to the Administrative Agent of an instrument of transfer in appropriate form together with the relevant certificate(s). Any transferee will be required to complete a subscription agreement if he is a new Investor in the Company.

On receipt of the transfer request, the Administrative Agent may, after reviewing the endorsement(s), require that the signature(s) be certified by any satisfactory entity such as a public notary.

Shareholders are recommended to contact the Administrative Agent prior to requesting a transfer to ensure that they have all the correct documentation for the transaction.

Certain Special Part may disclose further conditions as regards to the transfer of Shares.

## 7. NET ASSET VALUE

### Calculation of Net Asset Value

The Net Asset Value of each Class of each Sub-Fund is determined as at the Valuation Day specified in the relevant Special Part.

The Net Asset Value of each Class of each Sub-Fund will be determined and made available in its reference currency.

The Net Asset Value per Share of each Class for each Sub-Fund is determined by dividing the value of the total assets of the Sub-Fund properly allocate to such Class less the liabilities of the Sub-Fund properly allocate to such Class by the total number of Shares of such Class outstanding as at any Valuation Day.

In calculating the Net Asset Value, income and expenditure are treated as accruing from day-to-day.

Assets will be valued in accordance with the following principles:

- (a) Debt instruments not listed or dealt in on any stock exchange or any other regulated market that operates regularly, is recognized and open to the public will be valued at the nominal value plus accrued interest. Such value will be adjusted, if appropriate, to reflect e.g. major fluctuations in interest rates in the relevant markets or the appraisal of the Board or any of its agents on the creditworthiness of the relevant debt instrument. The Board will use its best endeavours to continually assess this method of valuation and recommend changes, where necessary, to ensure that debt instruments will be valued at their fair value as determined in good faith by the Board. If the Board believes that a deviation from this method of valuation may result in material dilution or other unfair results to Shareholders, the Board will take such corrective action, if any, as it deems appropriate to eliminate or reduce, to the extent reasonably practicable, the dilution or unfair results.
- (b) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable (including any rebates on fees and expenses payable by any investment fund), prepaid expenses, cash dividends declared and interest accrued, and not yet received shall be deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Board may consider appropriate to reflect the true value thereof.
- (c) The value of securities (including shares or units of closed-ended investment funds) which are quoted, traded or dealt in on any stock exchange shall be based on the last closing prices or, if appropriate, on the average price on the stock exchange which is normally the principal market of such securities, and each security traded on any other regulated market shall be valued in a manner as similar as possible to that provided for quoted securities.
- (d) The valuation of private equity investments (such as equity) will be based on the International Private Equity and Venture Capital Valuation Guidelines issued by the EVCA (European Private Equity and Venture Capital Association), the BVCA (British Venture Capital Association) and the AFIC (*Association Française des Investisseurs en Capital*) in March 2005, or any subsequent update of such guidelines, and is conducted with prudence and in good faith.
- (e) For other non-quoted securities or securities not traded or dealt in on any stock exchange or other regulated market as well as quoted or non-quoted securities on such other market for which no valuation price is available, or securities for which the quoted prices are, in the opinion of the Board, not representative of the fair value, the value thereof shall be determined prudently and in good faith by the Board on the basis of foreseeable sale prices.
- (f) Liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis.

- (g) The liquidating value of futures, spot, forward, cross-currency swap or options contracts not traded on exchanges or on other regulated markets shall mean their net liquidating value determined, pursuant to the policies established by the Board, on a basis consistently applied for each different variety of contracts. Unless otherwise provided for in the relevant Special Part, the liquidating value of futures, spot, forward or options contracts traded on exchanges or on other regulated markets shall be based upon the last available settlement prices of these contracts on exchanges and regulated markets on which the particular futures, spot, forward or options contracts are traded by the Company; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board may deem fair and reasonable.
- (h) Investments in open-ended investment funds will be taken at their latest official net assets values or at their latest unofficial net asset values (i.e. which are not generally used for the purposes of subscription and redemption of shares of the underlying investment funds) as provided by the relevant administrators or investment managers if more recent than their official net asset values and for which the Board, assisted by the Administrative Agent, has sufficient assurance that the valuation method used by the relevant administrator for said unofficial net asset values is coherent as compared to the official one.
- If events have occurred which may have resulted in a material change of the net asset value of such shares or units in other investment funds since the day on which the latest official net asset value was calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the Board, such change of value.
- (i) All other securities and assets will be valued at fair value as determined in good faith pursuant to procedures established by the Board.

The Board may, at its discretion, permit some other method of valuation to be used if it considers that such method of valuation better reflects the true value and is in accordance with good accounting practice. The Fund Manager (or any duly appointed delegate) may be asked to provide valuation for each investment that does not have a recognised market or third party valuation

The value of assets denominated in a currency other than the reference currency of a Sub-Fund shall be determined by taking into account the rate of exchange prevailing at the time of determination of the Net Asset Value.

The Board has delegated to the Administrative Agent the determination of the Net Asset Value and the Net Asset Value per Share.

The assets and liabilities of the Company shall be allocated in such manner as to ensure that the proceeds received upon the issue of Shares of a specific Sub-Fund shall be attributed to that Sub-Fund. All of the assets and liabilities of a specific Sub-Fund as well as the income and expenses which are related thereto shall be attributed to that Sub-Fund. Assets or liabilities which cannot be attributed to any particular Sub-Fund shall be allocated to all the Sub-Funds pro rata to their respective Net Asset Values. The proportion of the total net assets attributable to each Sub-Fund shall be reduced as applicable by the amount of any distribution to Shareholders and by any expenses paid.

The latest net asset values and/or market prices of the Company and/or the Shares, as the case may be, are available at the registered office of the Company.

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

The Company may temporarily suspend the calculation of the Net Asset Value of one or more Sub-Funds and in consequence the issue, redemption and conversion of Shares in any of the following events:

- (a) during any period when any one of the stock exchanges or other principal markets on which a substantial portion of the assets of the Company attributable to such Sub-Fund(s), from time to time, is quoted or dealt in is closed (otherwise than for ordinary holidays) or during which dealings therein are restricted or suspended provided that such restriction or suspension affects the valuation of the investments of the Company attributable to such Sub-Fund(s) quoted thereon; or
- (b) during any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Board, or the existence of any state of affairs which constitutes an emergency in the opinion of the Board, disposal or valuation of the assets held by the Company attributable to such Sub-Fund(s) is not reasonably practicable without this being detrimental to the interests of Shareholders, or if in the opinion of the Board, the issue and, if applicable, redemption prices cannot fairly be calculated; or
- (c) during any breakdown in the means of communication or computation normally employed in determining the price or value of any of the investments of the Company attributable to such Sub-Fund(s) or the current prices or values on any stock exchanges or other markets in respect of the assets attributable to such Sub-Fund(s); or
- (d) during any period when dealing the units/shares of an investment vehicle in which the concerned Sub-Fund(s) may be invested are restricted or suspended; or, more generally, during any period when remittance of monies which will or may be involved in the realisation of, or in the payment for any of the concerned Sub-Fund(s)' investments is not possible; or
- (e) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of Shares of such Sub-Fund(s) or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares of the Company cannot, in the opinion of the Board, be effected at normal exchange rate; or
- (f) from the time of publication of a notice convening an extraordinary general meeting of Shareholders for the purpose of winding up the Company or any Sub-Fund(s), or merging the Company or any Sub-Fund(s), or informing the Shareholders of the decision of the Board to terminate or merge any Sub-Fund(s); or
- (g) when for any other reason, the prices of any investments owned by the Company attributable to such Sub-Fund cannot be promptly or accurately ascertained; or
- (h) during any other circumstance where a failure to do so might result in the Company, any of its Sub-Funds or its Shareholders incurring any liability, pecuniary disadvantages or any other detriment which the Company the Sub-Fund or its Shareholders might so otherwise not have suffered; or
- (i) during any period when in the opinion of the Board there exist circumstances outside of the control of the Company where it would be impracticable or unfair towards the Shareholders to continue dealing in Shares of the concerned Sub-Fund(s) or Class(es) of the Company.

Notice of the suspension shall be given by the Company to all the Shareholders affected, i.e. having made an application for subscription or redemption of Shares for which the calculation of the Net Asset Value has been suspended.

In the event of suspension of the calculation of the Net Asset Value of the relevant Sub-Fund the Shareholders may give written notice that they wish to withdraw their application. If no such notice is received by the Company, such application will be dealt with as the case may be on the first Subscription, Redemption or Conversion Day following the end of the period of suspension.

## 8. MANAGEMENT AND ADMINISTRATION OF THE COMPANY

### The Board

The Board is responsible for the management of the Company, and in particular for defining and implementing the Company's investment policy according to the general guidelines set out in this document.

The Board members shall be appointed by the general meeting of Shareholders. As per the Articles, Class S Shareholders have the right to propose to the general meeting of Shareholders a list of names of candidates for the position of directors of the Company out of which a majority of the directors of the Company must be appointed. At the time of the incorporation of the Company, Class S Shares will be subscribed by the initial Shareholder of the Company and will be allocated to its initial Sub-Fund.

The Board may delegate, under its responsibility, certain tasks to third party service providers to assist the Board in the organisation and management of the Company's investment portfolio.

### Fund Manager

The Board has appointed Symbiotics SA (the "**Fund Manager**") as its alternative investment fund manager within the meaning of the AIFM Law.

The Fund Manager will be responsible for all aspects of the management of the Sub-Funds, in relation to sales and distribution, as well as portfolio management and risk management, including cash and liquidity management, investment management, risk monitoring, transaction origination, analysis, and portfolio investment decision-making, as well as monitoring and servicing of all transactions. It may, with the prior consent of the Board, delegate part of its duties to one or more investment manager(s), which will the case being disclosed in the relevant Special Part.

Symbiotics SA was incorporated in December 2004 in Geneva, Switzerland. The company provides investment research, advisory and management services pertaining to responsible and impact finance, mainly microfinance. In addition to Switzerland, Symbiotics SA holds four foreign subsidiaries, in Mexico, Singapore, Cape Town and London.

In the event that Symbiotics SA ceases to be appointed as Fund Manager to the Company, as per the Articles, the Company agrees that it will, on request of Symbiotics SA, change its name to another name omitting the word "Symbiotics".

### Advisory Committee

The Board may be assisted by one or more advisory committee(s), the details of which shall (where applicable) be disclosed in the relevant Special Part.

### Depositary

CACEIS Bank, Luxembourg Branch has been appointed as the Depositary of the assets of the Company which will be held by or to the order of or under the supervision of CACEIS Bank, Luxembourg Branch, either directly or through other banking institutions or financial intermediaries acting as its correspondents, nominees, agents or delegates.

CACEIS Bank Luxembourg, appointed by the Company as Depositary through an agreement as of 27 June 2012 has through a cross-border merger by way of absorption by CACEIS Bank France, a public limited liability company (*société anonyme*) incorporated under the laws of France with a share capital of 440,000,000 Euros, having its registered office located at 1-3, place Valhubert, 75013 Paris, France, identified under number 692 024 722 RCS Paris, turned into the Luxembourg branch of the CACEIS Bank France with effect as of 31 December 2016. The name of the Luxembourg Branch is CACEIS Bank, Luxembourg Branch. The transaction was approved by the responsible French and Luxembourg

authorities. As a consequence the Depositary will continue to provide services to the Company under such agreement.

All cash, securities and other assets constituting the assets of the Company shall be held under the control of the Depositary on behalf of the Company and its Shareholders. The Depositary shall assume the custody of the assets of the Company in accordance with the provisions of the Law. The duties which the Depositary has been entrusted with are more fully described in the depositary, domiciliary and paying agency agreement, a copy of which is available at the registered office of the Company.

The Depositary and the Company may terminate the appointment of the Depositary at any time upon ninety calendar days' written notice. In the event of termination of the appointment of the Depositary, the Company will use its best endeavours to appoint within two months of such termination, a new Depositary who will assume the responsibilities and functions of the Depositary. Pending the appointment of a new Depositary, the Depositary shall take all necessary steps to ensure good preservation of the interests of the Shareholders. Furthermore, the Depositary shall take all actions necessary for the preservation of the interests of the Investors for such reasonable period as may be necessary for the transfer of all assets of the Company to the new Depositary.

#### *Delegation*

The Depositary has delegated certain of its safe-keeping functions to third party service providers or correspondents.

Information about the safe-keeping functions which have been delegated, the identification of the relevant delegates, the conflicts of interests that may arise from these delegation and more generally the potential conflicts of interest between the Company, the Shareholders, the Fund Manager and the Depositary is available at the registered office of the Company.

#### **Administrative Agent**

The Company has appointed CACEIS Bank, Luxembourg Branch (more fully described above) as Administrative Agent. In its capacity as such, CACEIS Bank, Luxembourg Branch is responsible for processing of the issue (registration) redemption and conversion of the Shares and settlement arrangements thereof, keeping the register of the Company's Shareholders, calculating the Net Asset Value per Share, maintaining the records, assisting the Board in verifying that Investors qualify as Eligible Investors under the Law and other general functions as more fully described in the relevant agreements referred above.

#### **Approved Statutory Auditor**

KPMG Luxembourg, Grand Duchy de Luxembourg, has been appointed as Approved Statutory Auditor of the Company and will audit the Company's annual financial statements.

The Approved Statutory Auditor must carry out the duties provided by the Law and the AIFM Law. In this context, the main mission of the Approved Statutory Auditor is to audit the accounting information given in the annual report.

The Approved Statutory Auditor is also subject to certain reporting duties vis-à-vis the regulators as more fully described in the AIFM Rules and the Law.

#### **Shareholders' Rights against Service Providers**

It should be noted that Shareholders will only be able to exercise their rights directly against the Company and will not have any direct contractual rights against the service providers of the Company appointed from time to time. The foregoing is without prejudice to other rights which Investors may have under ordinary rules of law or pursuant to certain specific piece of legislation (such as a right of access to personal data).

## **9. FEES AND EXPENSES**

### **Management Fee**

The person(s) or entity(ies) to which some management/advisory functions have been delegated may be entitled to receive from the relevant Sub-Fund fees in consideration for the services provided to that Sub-Fund, as specified in the relevant Special Part.

### **Custody and Administrative Fees**

The Depository, paying agent and domiciliary agent and the Administrative Agent are entitled to receive out of the assets of each Sub-Fund fees calculated in accordance with normal banking practice in Luxembourg.

In addition, they are entitled to be reimbursed by the Company for their respective reasonable out-of-pocket expenses properly incurred in carrying out their duties as such and for the charges of any correspondents.

All the above charges are subject to review from time to time.

### **Formation and launching expenses of the Company and of new Sub-Funds**

The total costs and expenses of establishing the Company will be borne by the initial Sub-Fund and will be amortized over a period not exceeding 5 years.

The expenses incurred by the Company in relation to the launch of new Sub-Funds will be borne by, and payable out of the assets of, those Sub-Funds and may be amortized over a period not exceeding five years.

### **Other Fees and Expenses of the Company**

The Company also pays the costs and expenses (i) of all transactions carried out by it or on its behalf and (ii) of the administration of the Company, including (a) the charges and expenses of legal advisers, and the Approved Statutory Auditor(s), (b) brokers' commissions (if any) and any issue or transfer taxes chargeable in connection with any securities transactions, (c) all taxes and corporate fees payable to governments or agencies, (d) interest on borrowings, (e) communication expenses with respect to investor services and all expenses of meetings of Shareholders and of preparing, printing and distributing financial and other reports, proxy forms, prospectuses and similar documents, (f) the cost of insurance (if any), (g) litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, being *inter alia* the cost of obtaining and maintaining the listing of the Shares, as the case may be and marketing and promotional expenses, (h) remuneration of the directors and (i) all other organisational and operating expenses.

### **Other Fees and Expenses of the Sub-Funds**

Each Sub-Fund will bear the specific fees and expenses provided for in the relevant Special Part.

## **10. DISTRIBUTION POLICY**

Distributions may be made under the form of redemption of Shares, dividends or otherwise, as determined by the Board and in accordance with the provisions of the Prospectus and the Articles. In particular, distributions made by redemption of Shares will be subject to the provisions of Section 6. "ISSUE, REDEMPTION, CONVERSION AND TRANSFER OF SHARES", paragraph "Redemption of Shares".

In each Class within each Sub-Fund, the Board may, in its discretion, issue capitalisation Shares and distribution Shares.

Distribution Shares may pay a dividend to their holders whereas capitalisation Shares capitalise their entire earnings.

No distribution may be made if, as a result, the Net Asset Value of the Company would fall below the equivalent of Euro 1,250,000.

Interim dividends may be distributed as the Board may determine in compliance with applicable law.

Dividends and interim dividends not claimed within five years of the date of payment will lapse and will return to the Sub-Fund concerned.

## 11. TAXATION IN LUXEMBOURG

**The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of shares and is not intended as tax advice to any particular Investor or potential Investor. Prospective Investors should consult their own professional advisers as to the implications of buying, holding or disposing of Shares and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than Luxembourg.**

### The Company

In Luxembourg, the Company is not subject to taxation on its income, profits or gains. The Company is not subject to net wealth tax in Luxembourg.

A EUR 75.- registration tax is to be paid upon incorporation and each time the Articles are amended. No stamp duty, capital duty or other tax will be payable in Luxembourg upon the issue of the Shares.

The Company is subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.01% per annum based on the Net Asset Value of the Company at the end of the relevant quarter, calculated and paid quarterly.

Subscription tax exemption applies to (i) the investments in other UCIs, which have already been subject to the Luxembourg subscription tax, (ii) money market Specialised Investment Funds ("SIF") as well as individual compartments with multiple compartments of SIFs, (iii) SIFs, compartments thereof or dedicated classes reserved for retirement pension schemes, and (iv), SIFs and individual compartments thereof whose the main object is the investment in microfinance institutions. Income and gains, if any, received or realized by the Company from investments may be liable to taxation in the State of source at varying rates, which normally cannot be recovered.

### Withholding tax

Interest and dividend income received by the Company may be subject to non-recoverable withholding tax in the source countries. The Company may further be subject to tax on the realized or unrealized capital appreciation of its assets in the countries of origin. The Company may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from withholding tax or reduction of the withholding tax rate.

Distributions made by the Company are not subject to withholding tax in Luxembourg.

## Taxation of the Shareholders

### *Luxembourg resident individuals*

Capital gains realized on the sale of the Shares by Luxembourg resident individuals Investors who hold the Shares in their personal portfolios (and not as business assets) are generally not subject to Luxembourg income tax except if:

- (i) the Shares are sold within 6 months from their subscription or purchase; or
- (ii) if the Shares held in the private portfolio constitute a substantial shareholding. A shareholding is considered as substantial when the seller holds or has held, alone or with his/her spouse and underage children, either directly or indirectly at any time during the five years preceding the date of the disposal, more than 10% of the share capital of the Company.

Distributions made by the Company to the Grand Duchy of Luxembourg resident individual Investors will be subject to income tax.

Luxembourg personal income tax is levied following a progressive income tax scale and increased by the solidarity surcharge (*contribution au fonds pour l'emploi*), giving an effective maximum marginal tax rate of 45.78% in 2017.

### **Luxembourg resident corporate**

Luxembourg resident corporate Investors will be subject to corporate taxation at the rate of 27.08% (in 2017 for entities having the registered office in Luxembourg-City) on capital gains realized upon disposal of Shares and on the distribution received from the Company.

Luxembourg corporate resident Investors who benefit from a special tax regime, such as, for example, (i) UCI, (ii) SIFs, (iii) reserved alternative investment funds subject to the law of 23 July 2016 on reserved alternative investment funds (to the extent they have not opted to be subject to general corporation taxes), or (iv) family wealth management companies subject to the law of 11 May 2007 related to family wealth management companies, are exempt from income tax in Luxembourg, but instead subject to an annual subscription tax (*taxe d'abonnement*) and thus income derived from the Shares, as well as gains realized thereon, are not subject to Luxembourg income taxes.

The Shares shall be part of the taxable net wealth of the Luxembourg resident corporate Investors except if the holder of the Shares is (i) an UCI, (ii) a vehicle governed by the law of 22 March, 2004 on securitization, (iii) a company governed by the law of 15 June 2004 on venture capital vehicles, (iv) a SIF (v) a reserved alternative investment funds subject to the law of 23 July 2016 on reserved alternative investment funds, or (vi) a family wealth management company subject to the law of 11 May 2007 related to family wealth management companies. The taxable net wealth is subject to tax on a yearly basis at the rate of 0.5%. A reduced rate of 0.05% is due for the portion of the net wealth tax exceeding EUR 500 million.

### **Non-Luxembourg resident Shareholders**

Non-resident individuals or collective entities who do not have a permanent establishment in Luxembourg to which the Shares are attributable, are not subject to Luxembourg taxation on capital gains realized upon disposal of the Shares nor on the distribution received from the Company and the Shares will not be subject to net wealth tax.

**Investors should inform themselves of and, when appropriate, consult their professional advisors on the possible tax consequences of purchasing, holding, transferring or disposing Shares under the laws of their country of citizenship, residence, domicile or incorporation.**

## Automatic Exchange of Information

The Organisation for Economic Co-operation and Development ("**OECD**") has developed a common reporting standard ("**CRS**") to achieve a comprehensive and multilateral automatic exchange of information ("**AEOI**") on a global basis. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the "**Euro-CRS Directive**") was adopted in order to implement the CRS among the EU Member States ("**Member State**").

The Euro-CRS Directive was implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("**CRS Law**"). The CRS Law requires Luxembourg financial institutions to identify financial assets holders and establish if they are fiscally resident in an EU Member State other than Luxembourg or in a country with which Luxembourg has a tax information sharing agreement. Luxembourg financial institutions will then report financial account information of the asset holder to the Luxembourg tax authorities, which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the Company may require its Investors to provide information in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status and report information regarding a shareholder and his/her/its account to the Luxembourg tax authorities (*Administration des Contributions Directes*), which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis, if such an account is deemed a CRS reportable account under the CRS Law. Responding to CRS-related questions is mandatory. The personal data obtained will be used for the purpose of the CRS Law or such other purposes indicated by the Company in the data protection section of the General Part in compliance with Luxembourg data protection law. The Company is responsible for the treatment of the personal data provided for in the CRS Law.

Under the CRS Law, the first exchange of information will be applied by 30 September 2017 for information related to the calendar year 2016. Under the Euro-CRS Directive, the first AEOI must be applied by 30 September 2017 to the local tax authorities of the Member States for the data relating to the calendar year 2016.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("**Multilateral Agreement**") to automatically exchange information under the CRS. The Multilateral Agreement aims to implement the CRS among non-Member States; it requires agreements on a country-by-country basis.

The Company reserves the right to refuse any application for Shares if the information provided or not provided does not satisfy the requirements under the CRS Law.

Investors should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the Amending Directive.

## FATCA

FATCA, a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the US ("foreign financial institutions" or "FFIs") to pass information about "Financial Accounts" held by "Specified US Persons", directly or indirectly, to the US tax authorities, the Internal Revenue Service ("**IRS**") on an annual basis. A 30% withholding tax is imposed on certain US source income of any FFI that fails to comply with this requirement. On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("**IGA**") with the United States of America and a memorandum of understanding in respect thereof. The Company would hence have to comply with such Luxembourg IGA as implemented into Luxembourg law by the Law of 24 July 2015 relating to FATCA (the "**FATCA Law**") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Company may be required to collect information aiming to identify its direct and indirect

Shareholders that are Specified US Persons for FATCA purposes ("**US reportable accounts**"). Any such information on US reportable accounts provided to the Company will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. The Company intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Company. The Company will continually assess the extent of the requirements that FATCA and notably the FATCA Law places upon it.

To ensure the Company's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Company or the Fund Manager may:

- a) request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a Shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such Shareholder's FATCA status;
- b) report information concerning a Shareholder and his account holding in the Company to the Luxembourg tax authorities if such account is deemed a US reportable account under the FATCA Law and the Luxembourg IGA;
- c) report information to the Luxembourg tax authorities (*Administration des Contributions Directes*) concerning payments to Shareholders with FATCA status of a non-participating foreign financial institution;
- d) deduct applicable US withholding taxes from certain payments made to a Shareholder by or on behalf of the Company in accordance with FATCA, the FATCA Law and the Luxembourg IGA; and
- e) divulge any such personal information to any immediate payor of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

The Company reserves the right to refuse any application for shares if the information provided by a potential Investor does not satisfy the requirements under FATCA, the FATCA Law and the IGA. The Company is responsible for the treatment of the personal data provided for in the FATCA Law. The personal data obtained will be used for the purposes of the FATCA Law and such other purposes indicated by the Company in this General Part in accordance with applicable data protection legislation, and may be communicated to the Luxembourg tax authorities. Responding to FATCA-related questions is mandatory.

## **12. GENERAL INFORMATION**

### **Reports**

The financial year of the Company ends on 31 March in each year and for the first time on 31 March 2013.

Audited financial statements of the Company will be prepared in USD in accordance with Luxembourg generally accepted accounting principles (for the first time with respect to the financial year ending on 31 March 2013) and will be available to Shareholders within six months from the end of the period to which they relate.

Copies of the latest annual report will be sent free of charge on request.

## **Meetings of Shareholders**

The annual general meeting of Shareholders of the Company will be held at the registered office of the Company in Luxembourg on 28 September of each year at 2.30 pm (Luxembourg time). If such a day is not a business day in Luxembourg, the meeting will be held on the next following business day. The first annual general meeting will be held in 2013.

Other general meetings of Shareholders may be held pursuant to the Articles and Luxembourg laws.

## **Procedures for amending the Prospectus**

Should any amendments of the Prospectus entail an amendment of the Articles or require the decision to be made by the general meeting of Shareholders of the Company or of one or several Sub-Funds, such decision shall be passed by a resolution of an extraordinary general meeting of Shareholders in accordance with the form, quorum and majority requirements set forth in the Articles and in compliance with Luxembourg laws and regulations.

The Board is also authorised to amend any other provision of the Prospectus, provided such changes are not material to the structure and/or operations of the Company and its Sub-Funds and are beneficial or at least not detrimental to the interests of the Shareholders of the Company, any Sub-Fund or any Class, as the case may be, as determined by the Board at its sole but reasonable discretion and subject to the prior approval of the CSSF. In such case, the Prospectus will be amended and the Shareholders will be informed thereof, for their information purposes only. For the avoidance of doubt, Shareholders will not be offered the right to request the cost-free redemption of their Shares prior to such changes becoming effective. As a matter of example, this Prospectus may notably be amended by the Company without the consent of the Shareholders if such amendment is intended:

- (a) to acknowledge the change of the name of the Company and/or to change the name of any Sub-Fund;
- (b) to acknowledge any change of the Depositary, Domiciliary, Administrative Agent, Registrar and Transfer Agent, Paying Agent, the Approved Statutory Auditor;
- (c) to implement any amendment of the law and/or regulations applicable to the Company, the Fund Manager and their respective affiliates;
- (d) as the Board determines in good faith to be advisable in connection with legal, tax, regulatory, accounting or other similar issues affecting one or more of the Shareholders, so long as such amendment does not materially and adversely affect the Shareholders, as determined by the Board in its sole discretion;
- (e) to correct any printing, typing or secretarial error and any omissions, provided that such amendment not adversely and significantly affect the interests of the Shareholders or update any factual information;
- (f) to make any other change which is for the benefit of, or not materially adverse to the interests of the Shareholders of the Company; and
- (g) to reflect the creation of additional sub-funds within the Company.

The Board is authorised to make other amendments to the provisions of the Prospectus (such as the change of the fee structure of the Company or the Sub-Fund), subject to the approval of the CSSF, provided that such changes shall only become effective and the Prospectus amended accordingly, in compliance with the Law to the extent the procedures set forth below have been complied with (unless otherwise provided for in the Special Part):

- (i) in an open-ended Sub-Fund, provided that there is sufficient liquidity, all Shareholders have been offered a cost-free redemption of their Shares within a one (1) month period from the sending of such notice to all Shareholders or

Shareholders of the relevant Sub-Fund or Class in cases where such amendments are only applicable to Sub-Fund or Class. Such changes shall become effective only after the expiry of this one-month period; or

(ii) in a closed-ended Sub-Fund or in the event that the cost-free redemption is not possible because the assets of the Sub-Fund are illiquid, the Shareholders shall not have a right to request cost-free redemption of their Shares and the Board shall seek a prior approval of such amendments by a decision of the general meeting of Shareholders taken in writing or at a general meeting as the Board shall determine on a case-by-case basis and such decision shall be passed with at least three quarters (3/4) of the votes attached to all Shares issued by the Company (or where applicable, in the relevant Sub-Fund or Class) and validly casting a vote.

If the laws and regulations applicable to the Company or having an impact on the Company's operation change (either at Luxembourg level or European level and such changes require compulsory amendment to the structure of the Company or its operations, then the Board shall be authorized to amend any provision of this Prospectus, subject to the prior approval of the CSSF. In such case, and provided that such compulsory amendment to the structure or the operations of the Company does not require the involvement of the general meeting of Shareholders of the Company or the Sub-Fund, then the Prospectus will be updated and the Shareholders will be informed thereof, for their information purposes only without any other involvement in the decision making process prior to the effectiveness of the above mentioned amendment. For the avoidance of doubt, in this case, the Shareholders will not be offered the right to request the cost-free redemption of their Shares prior to the changes becoming effective.

#### **Risk management system**

The Company has put in place a risk management system, dealing among others with the liquidity risk management that will be available at the registered office of the Company. The Company has delegated the risk management function to the Fund Manager. In particular, with respect to loan origination activities of the Company, the risk management function shall ensure that there is (i) a periodic monitoring of loan; (ii) a periodic risk assessment; (iii) an identification of material risks to which the Company (or its Sub-Funds) is/are exposed as well as a mitigation of those risks; and (iv) an escalation procedure in case of payment default on any direct MSME-FIs investments or for any event that materially affects the performance of the Company.

#### **Fair and preferential treatment**

Whenever a Shareholder obtains preferential treatment or the right to obtain preferential treatment, a description of that preferential treatment, the type of Shareholders who obtained such preferential treatment and, where relevant, their legal or economic links with the Company or the Fund Manager will be made available at the registered office of the Company within the limits required by the AIFM Law.

#### **Conflicts of interest**

Where organisational arrangements made by the Company to identify, prevent, manage and monitor conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to investors' interests will be prevented, the Company must clearly disclose the general nature or sources of conflicts of interest to the investors before undertaking business on their behalf, and develop appropriate policies and procedures.

Investors are informed that, by the sole fact of soliciting an investment or, a fortiori, investing in the Company, they acknowledge and consent that the information to be disclosed as per the above is provided at the registered office of the Company and that this information will not be addressed personally to them.

The Company has put in place a conflict of interest policy that will be available at the registered office of the Company.

## Historical performances

If any Company's historical performance is required to be produced by the Fund Manager or the Company it will be made available at the registered office of the Company.

## Personal Data Protection

The Company and Fund Manager (the "**Controllers**") jointly process information relating to several categories of identified or identifiable natural persons (including, in particular but not only, prospective or existing investors, their beneficial owners and other natural persons related to prospective or existing investors) who are hereby referred to as the "**Data Subjects**". This information has been, is and/or will be provided to, obtained by, or collected by or on behalf of, the Controllers directly from the Data Subjects or from other sources (including prospective or existing investors, intermediaries such as distributors, wealth managers and financial advisers, as well as public sources) and is hereby referred to as the "**Data**".

Detailed and updated information regarding this processing of Data by the Controllers is contained in a privacy notice (the "**Privacy Notice**"). All persons contacting, or otherwise dealing directly or indirectly with, any of the Controllers or their service providers in relation to the Company are invited to obtain and take the time to carefully consider and read the Privacy Notice.

Any question, enquiry or solicitation regarding the Privacy Notice and the processing of Data by the Controller in general may be addressed by post mail to either the registered office of the Company or to the Fund Manager at 31, Rue de la Synagogue, 1204 Geneva, Switzerland or via the website of the Fund Manager.

## Obtaining and accessing the Privacy Notice

The Privacy Notice is available and can be obtained online upon request via the registered office of the Company or upon request addressed via the website of the Fund Manager ([www.symbioticsgroup.com](http://www.symbioticsgroup.com)). The current version of the Privacy Notice is also appended to the application form of each shareholder. The Privacy Notice notably sets out and describes in more detail:

- the legal basis for processing; and where applicable the categories of Data processed, from which source the Data originate, and the existence of automated decision-making, including profiling;
- that Data will be disclosed to several categories of recipients; that certain of these recipients (the "Processors") are processing the Data on behalf of the Controllers; that the Processors include the majority of the service providers of the Controllers; and that Processors shall act as processors on behalf of the Controllers and may also process Data as controllers for their own purposes;
- that Data will be processed by the Controllers and the Processors for several purposes (the "Purposes") and that these Purposes include (i) the general holding, maintenance, management and administration of prospective and existing investment and interest in the Company, (ii) enabling the Processors to perform their services for the Company, and (iii) complying with legal, regulatory and/or tax (including FATCA/CRS) obligations;
- that Data may, and where appropriate will, be transferred outside of the European Economic Area, including to countries whose legislation does not ensure an adequate level of protection as regards the processing of personal data;
- that any communication (including telephone conversations) (i) may be recorded by the Controllers and the Processors and (ii) will be retained for a period of 10 years from the date of the recording;
- that failure to provide certain Data may result in the inability to deal with, invest or maintain an investment or interest in, the Company;

- that Data will not be retained for longer than necessary with regard to the Purposes, in accordance with applicable laws and regulations, subject always to applicable legal minimum retention periods;
- that Data Subjects have certain rights in relation to the Data relating to them, including the right to request access to such Data, or have such Data rectified or deleted, the right to ask for the processing of such Data to be restricted or to object thereto, the right to portability, the right to lodge a complaint with the relevant data protection supervisory authority, or the right to withdraw any consent after it was given.

All persons contacting, or otherwise dealing directly or indirectly with, any of the Controllers or their service providers in relation to the Company, will likely be requested to formally acknowledge, agree, accept, represent, warrant and/or undertake (where applicable) that they have obtained and/or have been able to access the Privacy Notice; that the Privacy Notice may be amended at the sole discretion of the Controllers; that they may be notified of any change to or update of the Privacy Notice by any means that the Controllers deem appropriate, including by public announcement; that they have authority to provide, or allow the provision of, any Data relating to third-party natural persons to the Controllers; that, if necessary and appropriate, they are required to obtain the (explicit) consent of the relevant third-party natural persons to such processing; that these third-party natural persons have been informed of the processing by the Controller of the Data as described herein and their related rights; that these third-party natural persons have been informed of, and provided with, easy access to the Privacy Notice; that when notified of a change or update of the Privacy Notice they will continue this change or update to these third-party natural persons; that they and each of these third-party natural persons shall abide by any limitation of liability provision contained in the Privacy Notice; and that they shall indemnify and hold the Controllers harmless for and against adverse consequences arising from any breach of the foregoing.

### **Securities Financing Transactions**

If the Company or any of its Sub-Funds uses securities financing transactions as defined in Regulation (EU) 2015/2365 on transparency of securities financing transaction and of reuse and amending Regulation (EU) No 648/012 (the "**SFT Regulation**") all the information required by the SFT Regulation will be available at the registered office of the Company.

### **Liquidation of the Company – Liquidation or Amalgamation of Sub-Funds**

#### **Liquidation of the Company**

The Company has been established for an unlimited period. However, the Company may, at any time, be liquidated by a resolution of the general meeting of Shareholders taken in the same conditions that are required by law to amend the Articles. The Board may propose at any time to the Shareholders to liquidate the Company.

Any decision to liquidate the Company will be published in the RESA.

As soon as the decision to liquidate the Company is taken, the issue, redemption or conversion of Shares in all Sub-Funds is prohibited and shall be deemed void.

The liquidation of the Company will be conducted by one or more liquidators, who may be individuals or legal entities and who will be appointed by a meeting of Shareholders. This meeting will determine their powers and compensation.

Any liquidation of the Company shall be carried out in accordance with the provisions of the Regulations which specify the steps to be taken to enable Shareholders to participate in the distribution of the liquidation proceeds and provides upon finalisation of the liquidation that the assets be deposited in escrow with the *Caisse de Consignation* to be held for the benefit of the relevant Shareholders. Amounts not claimed from escrow within the relevant prescription period will be liable to be forfeited in accordance with the provisions of the Regulations.

## Liquidation or Amalgamation of Sub-Funds

The Sub-Funds may be established for a limited or unlimited period, as specified in the relevant Special Part.

If the net assets of any Sub-Fund or Class fall below or do not reach an amount determined by the Board at its discretion, to be the minimum level for such Sub-Fund or such Class to be operated in an economically efficient manner or if a change in the economic, monetary or political situation relating to the Sub-Fund or Class concerned justifies it or in order to proceed to an economic rationalisation, the Board has the discretionary power to liquidate such Sub-Fund or Class by compulsory redemption of Shares of such Sub-Fund or Class at the Net Asset Value per Share (but taking into account actual realisation prices of investments and realisation expenses) determined as at the Valuation Day at which such a decision shall become effective. The decision to liquidate will be published by the Company prior to the effective date of the liquidation and the publication will indicate the reasons for, and the procedures of, the liquidation operations. Unless the Board decides otherwise in the interest of, or in order to ensure equal treatment of, the Shareholders, the Shareholders of the Sub-Fund or Class concerned may continue to request redemption or conversion of their Shares free of redemption or conversion charges (but taking into account actual realisation prices of investments and realisation expenses).

Notwithstanding the powers conferred to the Board by the preceding paragraph, a general meeting of Shareholders of any Sub-Fund or Class may, upon proposal from the Board and with its approval, redeem all the Shares of such Sub-Fund or Class and refund to the Shareholders the Net Asset Value of their Shares (taking into account actual realisation prices of investments and realisation expenses) determined as at the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such a general meeting of Shareholders at which resolutions shall be adopted by simple majority of the votes cast.

Assets which could not be distributed to the relevant Shareholders upon the conclusion of the liquidation of a Sub-Fund or Class will be deposited with the *Caisse de Consignation* to be held for the benefit of the relevant Shareholders. Amounts not claimed will be forfeited in accordance with the Regulations.

Upon the circumstances provided for under the second paragraph of this section, the Board may decide to allocate the assets of any Sub-Fund to those of another existing Sub-Fund within the Company or to another undertaking for collective investment ("UCI"), or to another sub-fund within such other UCI (the "**new Sub-Fund**") and to re-designate the Shares of the Sub-Fund concerned as Shares of the new Sub-Fund (following a split or consolidation, if necessary and the payment of the amount corresponding to any fractional entitlement to Shareholders). Such decision will be notified to the Shareholders concerned (and, in addition, the notification will contain information in relation to the new Sub-Fund), one month before the date on which the amalgamation becomes effective in order to enable Shareholders to request redemption or conversion of their Shares, free of charge, during such period. After such period, the decision commits the entirety of Shareholders who have not used this possibility, provided however that, if the amalgamation is to be implemented with a Luxembourg undertaking for collective investment of the contractual type ("*fonds commun de placement*") or a foreign based undertaking for collective investment, such decision shall be binding only on the Shareholders who are in favour of such amalgamation.

Notwithstanding the powers conferred to the Board by the preceding paragraph, a contribution of the assets and liabilities attributable to any Sub-Fund to another Sub-Fund of the Company to another UCI, or to another sub-fund within that UCI, may be decided upon by a general meeting of the Shareholders, upon proposal from the Board and with its approval, of the contributing Sub-Fund for which there shall be no quorum requirements and which shall decide upon such an amalgamation by resolution adopted by simple majority of the votes cast except when such amalgamation is to be implemented with a Luxembourg UCI of the contractual type ("*fonds commun de placement*") or a foreign based UCI, in which case resolutions shall be binding only on the Shareholders of the contributing Sub-Fund who have voted in favour of such amalgamation.

## **Documentation**

A copy of the Articles and the latest financial reports may be obtained by the Shareholders without cost on request from the Company.

## **Applicable Law and Jurisdiction**

By applying for Shares, the relevant Investor agrees to be bound by the terms and conditions of the Subscription Agreement, the Prospectus and the Articles. This contractual relationship is governed by Luxembourg laws. The Shareholders will be subject to the exclusive jurisdiction of the courts of Luxembourg to settle any dispute or claim arising out of or in connection with a Shareholder's investment in the Company or any related matter.

According to Regulation (EU) 1215/2012 of 12 December 2012 of the European Parliament and of the Council on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, a judgment given in a Member State shall, if enforceable in that Member State, in principle (a few exceptions are provided for in Regulation (EU) 1215/2012) be recognised in the other Member State without any special procedure being required and shall be enforceable in the other Member States without any declaration of enforceability being required.

## SPECIAL PART

### Symbiotics SICAV (Lux.) – Emerging Impact Bond Fund

#### DEFINITIONS

Unless otherwise defined below in this Special Part or unless the context indicates otherwise, capitalised words and expressions in this Special Part have the meaning as described in the General Part of the Prospectus.

<b>Commercial Financial Institutions or "CFIs"</b>	are defined as financial institutions or intermediaries which provide financial products and services on a commercial basis, without a specific focus on impact finance. They primarily include banks but may also include non-bank financial institutions.
<b>Corporate and Sovereign Bonds</b>	includes bonds issued by corporations and governments which provide sufficient security and liquidity to the Sub-Fund.
<b>Corporate Debt &amp; Project Finance</b>	are defined as private sector companies, whether NGO, cooperative or shareholding businesses, or projects which pursue IDI goals and follow ESG Principles.
<b>Development Finance Institutions or "DFIs"</b>	are defined as development banks setup by governments, either as multilateral or national institutions, and either solely funded by themselves or in public private partnerships. More broadly, they may include any development agencies and government institutions which pursue IDI goals and follow ESG Principles.
<b>Emerging &amp; Frontier Markets or "EFMs"</b>	are broadly defined by the World Bank as low and middle income countries.
<b>Financial Institutions</b>	mean CFIs, DFIs and IFIs
<b>Impact Finance Institutions or "IFIs"</b>	are defined as financial institutions or intermediaries which provide financial products and services which trigger IDI, such as microfinance, SME finance, agricultural finance, education finance, energy finance, housing finance, etc., whether only on a smaller portion or on the majority of their assets, and which comply with a minimum standard of ESG Principles. Microfinance Institutions (MFIs) are viewed as a type of IFI whose direct clientele is composed of at least 50% of MSMEs and LMIHs.

**Inclusive Development Impact or "IDI"**

means the capacity to contribute to a distributive macro-economic growth and development domestically, which has a positive socio-economic impact by being inclusive, reaching out at the base of the pyramid to LMIHs and MSMEs, in particular in relation to fostering job creation, entrepreneurship, employment and education, as well as providing access to goods and services of first necessity, such as agriculture, housing, energy, health, etc.

**Low & Middle Income Households or "LMIH"**

are defined as households with net disposal income that is average or below average in their country, ranging from extreme poor to moderate poor and vulnerable non poor levels (as defined by the World Bank)<sup>1</sup>.

**Micro-, Small & Medium Enterprises or "MSMEs"**

are defined as micro-enterprises (usually up to 5 employees), small enterprises (usually from 5 to 50 employees), and medium enterprises (usually from 50 to 250 employees).<sup>2</sup>

**Money Market Plus or "MM+"**

is defined as a risk/return strategy using cash, currency and fixed income instruments which provide a relatively low yield, volatility and drawdown, with a view to beat the cost of inflation with a premium.

**Non Financial Institutions**

include Corporate Debt & Project Finance, Corporate and Sovereign Bonds;

**Sustainable Principles or ESG Principles**

refers broadly to the Environmental, Social and Governance principles as defined by the United Nations Principles for Responsible Investment (PRI). These principles underpin a value creation approach which is not solely based on shorter term shareholder/investor value maximization, but seeks to maximize multi-stakeholder value by integrating the multiple interests along any business or economic value chain, as a means to stabilizing and perpetuating longer term value creation capacity.

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<sup>1</sup> Extreme poor are households in the bottom 10-50 percent of households below the poverty line; moderate poor are household in the top 50 percent of household below the poverty line; vulnerable non-poor are households above the poverty line but vulnerable to falling back into poverty.

<sup>2</sup> The figures provided for in that definition are indicative only.

## 1. Name of the Sub-Fund

Symbiotics Sicav (Lux.) – Emerging Impact Bond Fund (in short "**EIBF**" or the "**Sub-Fund**").

## 2. Investment Objective, Strategy and Policy

### Investment Philosophy

The Sub-Fund offers investors the opportunity to provide access to capital to people at the "base of the pyramid". By promoting the democratization of access to capital to micro, small and medium enterprises ("**MSME**") active with low income population and low and middle income households ("**LMIH**"), the Sub-Fund aims to contribute to poverty alleviation, and hence contribute to a sustainable form of globalization. MSME development has proven to be a useful and important tool for promoting sustainable development and income generation in Emerging and Frontier Markets ("**EFM**") and boosting economic growth in these regions over the long term.

### Investment Objective

The main objective of the Sub-Fund is to provide a "Money Market Plus" risk/return profile to investors resulting from economic value creation at the base of the pyramid in EFMs.<sup>3</sup> In particular, the Sub-Fund will focus on businesses and projects which target LMIHs as well as MSMEs populations, with a view to fostering inclusive development impact for its clientele and long term value creation through sustainable principles (environment, social, governance) for its investors.

### Investment policy

The Sub-Fund will primarily target financial intermediaries serving MSMEs as well as LMIHs.

The Sub-Fund will achieve its investment objective by primarily investing in Financial Institutions, namely CFIs, DFIs and IFIs, but will also target to a lesser extent Non-Financial Institutions namely Corporate Debt & Project Finance, Corporate and Sovereign Bonds. The Sub-Fund may also have minority portions invested into collective investment structures whose portfolio of investments is in line with the Investment Philosophy of the Sub-Fund.

Ultimately, it will seek to maximize the share of the fund contributing to inclusive development impact and complying with sustainable principles.

### Liquidity Management

The Sub-Fund may invest on an ancillary basis, and for the purpose of its liquidity management, its treasury in cash, sight deposits, term deposits, money market instruments or other liquid instruments, including money market debt instruments, investment funds and liquid socially responsible, in particular microfinance-related, investment products.

The Sub-Fund may borrow up to 10% of its net assets for liquidity management purposes and notably to satisfy redemption on requests.

The Sub-Fund will ensure that its liquidities are sufficient to enable it to comply with its obligations (in particular in terms of redemptions) under the Prospectus. If the level of liquidities falls below the threshold deemed

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<sup>3</sup> This is an objective that the Sub-Fund aims to achieve. It cannot however guarantee that it will achieve its goals, given market fluctuations and other risks to which the investments are exposed

acceptable by the Board, the latter will take all necessary steps to sell (or instruct the Fund Manager to sell) liquid assets so as to reach an acceptable threshold in an appropriate timeframe.

Ultimately, in extreme redemption requests/schedules, the Board of the Sub-Fund may temporarily block redemptions and investments, and use natural liquidity of the Sub-Fund through transaction repayments, to repay investors accordingly.

#### Currency Risk Management

The reference currency of the Sub-Fund is the USD.

The Sub-Fund may open Share Classes denominated in currencies other than USD.

Classes / Sub-Classes which are not denominated in USD may be hedged against the USD or not, as further described in section 6.

On the assets side, the Sub-Fund will both invest in hard currency and local currency denominated transactions whose FX risk may or may not be fully or partially covered by hedging instruments. The Sub-Fund intends to adopt a diversification policy in terms of currency exposure as further described under section 3 hereof.

The Sub-Fund will also limit any hedging counterparty risk by engaging in currency hedges solely with first class financial institutions, investment grade development banks or specialized 'exotic' currency facilities where required.

#### Investment Instruments Forms

Given the emerging nature of its target investment universe, the Sub-Fund will seek to be as flexible as possible in terms of eligible financial instruments.

Within the limits described in section 3, an indicative list of the Sub-Fund's contemplated investment instruments include:

- Certificates of deposit and term deposits;
- Short-term loans and credit lines;
- Guarantees and letters of credit;
- Promissory notes and terms loan agreements;
- Co-investments (syndicated loans);
- Subscriptions to bond or note issues; and
- Shares in fixed income investment funds.

Investments in target institutions will be done directly or for single issuer risk, although indirect investments through investment vehicles or existing portfolio pools can also be done if deemed appropriate. Attention of investors is drawn on the fact that most investment instruments foreseen are illiquid by nature (private/unlisted instruments) or do not benefit from active secondary markets.

In relation to its foreign exchange risk management, the Sub-Fund may need to participate in specialized structures, through equity or equity-like investments, such as TCX or MFX (irrespective of transaction collateral requirements).

### 3. Investment Restrictions

The Sub-Fund is subject to and will conduct its investment operations in accordance with the principle of risk diversification and in particular following the investment restrictions described in this section.

The Sub-Fund may depart from the diversification restrictions disclosed in this section for a period of up to twenty four months after its launch; to the exception of the restriction provided for under section a) (i) below, which shall be complied with after a ramp-up period of 12 months.

If any of the percentages herein are exceeded as a result of the exercise of subscription rights or as a result of any events other than the making of investments, the situation shall be remedied taking due account of the interests of the Shareholders.

#### a) General risks diversification

- (i) The Sub-Fund may invest up to 30% of its total assets in securities of the same kind issued by the same issuing body.

This restriction does not apply:

- to investments in securities issued or guaranteed by a member state of the OECD, or by its local authorities or by supranational institutions and bodies of a European, regional or worldwide nature;
- to investments in investment vehicles which are subject to risk diversification requirements at least similar to those provided for in relation to investment vehicles ruled by the Law;

For the application of this restriction, each compartment of a target issuer with an umbrella structure is to be considered as a separate issuer, provided that the principle of segregation of commitments of the different compartments of such target issuer in relation to third parties is ensured.

- (ii) The Sub-Fund may hold up to 20% of a single issuer's total assets;
- (iii) The Sub-Fund may borrow up to 10% of its net assets for liquidity management purposes and notably to satisfy redemptions requests;
- (iv) The Sub-Fund may employ techniques and instruments such as derivative instruments only for efficient management and hedging purposes.
- (v) The Sub-Fund may have up to 30% of its NAV denominated in unhedged domestic currencies of EFMs. To the exception of the USD, the Sub-Fund may nevertheless not expose itself more than 3% of its NAV to any single currency.

#### b) Core/Satellite Approach and Limits

The Sub-Fund may:

- invest up to 90% of its NAV in its Core Portfolio, composed of Financial Institutions, with a minimum of 50% in DFIs and/or IFIs;

- invest up to 50% of its NAV in its Satellite Portfolio composed of Non-Financial Institutions.

**c) Investment Instruments**

Overall, it is expected that at least 80% of the Sub-Fund's NAV be composed of listed bonds and other transferable securities (which may be illiquid).

**d) Geographical diversification**

**Country diversification**

The Sub-Fund may invest:

- only in EFMs;
- up to 15% per country with less than 100 million population;
- up to 20% per country with more than 100 million population;

For the avoidance of doubt, item (i) does not apply to investments made through DFIs and the geographical exposure of indirect investments depends on the final location of underlying investments, not the registration of the investment vehicle or instrument.

**Regional diversification**

The Sub-Fund may not invest more than 50% of its NAV in its largest region, no more than 75% in its two largest regions and must at least invest in four regions.

Regions are defined as follows:

- Central America, Mexico & the Caribbean (CAM)
- South America (SAM)
- Central & Eastern Europe (CEE)
- Russia, Central Asia & the Caucasus (RCCA)
- Middle East & North Africa (MENA)
- Sub-Saharan Africa (SSA)
- South Asia (SAS)
- East Asia & the Pacific (EAP)

**4. Leverage**

Leverage means any method by which the Sub-Fund's exposure may be increased, whether through the borrowing of cash or of any other assets, via derivatives or by any other means.

Information regarding notably the maximum level of leverage, the circumstances in which the Sub-Fund is entitled to use leverage, the types and sources of leverage, any right to reuse collateral or any guarantee granted under the leveraging arrangement will be disclosed at the registered office of the Company. The frequency or timing of such disclosure is also available at the registered office of the Company.

## 5. Technical Assistance

The Sub-Fund may seek to optimize its social and environmental transformational objectives by offering technical assistance contributions (“Technical Assistance”) to the Financial and Non Financial Institutions.

Such contributions may be sourced externally from a range of solutions including multilateral and governmental donor agencies, private or public foundation and charitable organizations and shareholders of Class F shares.

Such Technical Assistance will be managed by the Fund Manager.

## 6. Classes of Shares

At the date of this Prospectus, the following Classes of Shares are available for subscription:

- Class A, reserved to investors below USD 5 million;
- Class B, reserved to investors above or equal to USD 5 million;
- Class C, reserved for seed investors, having invested during the Initial Offer Period. For the avoidance of doubt, investors having invested in the Sub-Fund during the Initial Offer Period and having requested partial redemption of their Class C Shares thereafter will be entitled to subscribe to Class C should they wish to increase their investment in the Sub-Fund.
- Class D, reserved to investors below USD 1 million, accepted as from 21 October 2019;
- Class E, reserved to investors below USD 2 million, accepted as from 21 October 2019;
- Class F, reserved to investors, specifically accepted in that Class by the Fund Manager, as from 21 October 2019, and who may participate directly to the Technical Assistance, as referred to under Section 5 above.

The Board may, at any time, decide to issue other Classes. In that case, this Special Part will be amended accordingly.

The Board may also, within each Class, decide to issue one or more Sub-Classes, which may differ by different features such as their reference currency or their distribution policy. At the time of this prospectus, the following Sub-Classes are available:

- Class A/C (Cumulative) – USD;
- Class B/C (Cumulative) – USD;
- Class C/C (Cumulative) – USD;
- Class D/C (Cumulative) – USD;
- Class E/C (Cumulative) – USD;
- Class F/C (Cumulative) – USD.

The creation of an additional Sub-Class, only differing from the others by its currency or its dividend policy, will not require a change to this Special Part. A list of all available Sub-Classes may be obtained at the registered office of the Company.

Classes / Sub-Classes which are not denominated in USD may be hedged against the USD or not.

The hedge ratio of each of them may be adjusted according to the portion of the Company's assets denominated in the currency of the relevant Class / Sub-Class. In all case, the currency risk cannot be fully mitigated and a residual currency risk will exist.

**7. Reference currency of the Sub-Fund**

The reference currency of the Sub-Fund is the USD.

**8. Duration of the Sub-Fund**

Unlimited.

**9. Investment Management**

Symbiotics SA, the Fund Manager, has not delegated the investment management function and will thus act as investment manager in relation to the Sub-Fund.

**10. Advisory Committee**

The Board may establish an Advisory Committee.

To the extent applicable, the rules governing the setting-up, functioning and decision making of the Advisory Committee will be defined by the Board. These rules relate, inter alia, to the structure of the Advisory Committee, its members, their functions and eligibility criteria, as well as the terms of reference of the Advisory Committee.

The Advisory Committee (if any) shall act in a purely advisory capacity.

**11. Distributors**

The Fund Manager is responsible for the promotion of the Sub-Fund and will therefore act as placement agent and investor relationship manager.

The Fund Manager may designate one or several distributors to distribute or arrange for the distribution of Shares.

Details on the identity of any appointed distributor are available to Investors free of charge at the registered office of the Company.

**12. Fees and expenses**

**Sales Charge**

A sales charge of up to a maximum of 2% of the subscription price may be applied in order to remunerate the placement/marketing activity relating to the Shares of the Sub-Fund.

**Early Redemption Fees**

A redemption charge of up to 2% of the Net Asset Value may be charged for the benefit of the Sub-Fund when the application for the redemption of Shares takes place within the twelve (12) months following the subscription of such Shares. The redemption charge may be up to 1% during the following second year following the subscription of the Shares following the subscription of the Shares. There will be no redemption charge for Shares redeemed after the second year.

### **Dilution Fee**

The Board, having due regard to the interests of the Shareholders, may, at its sole discretion, decide to charge a dilution fee for redemption of the Sub-Fund's Shares. The dilution fee may be charged if a request for redemption of Shares, made by one single investor to be dealt with on the same Valuation Day, exceeds 5% of the total assets of the Sub-Fund. The dilution fee in favour of the Sub-Fund and not exceeding 1 per cent of the applicable Net Asset Value of the Shares redeemed, may be charged if the Board, in its opinion, considers that the remaining Shareholders might otherwise be adversely affected. In order to ensure equal treatment between Shareholders, the same rate of the dilution fee (if any) will be applied to all the investors redeeming Shares (all of them cumulated for an amount exceeding 5% of the total assets) in the Sub-Fund on the same Valuation Day.

### **Fund Manager's Fee**

The Fund Manager is entitled to receive an ongoing management fee, calculated on a 30/360 basis, to be paid monthly out of the assets of the relevant Class of:

- up to 0.60% per annum of the NAV of Class A Shares;
- up to 0.40% per annum of the NAV of Class B Shares;
- up to 0.20% per annum of the NAV of Class C Shares;
- up to 1.35 per annum of the NAV of Class D shares;
- up to 0.85% per annum of the NAV of Class E shares,
- up to 0.35% per annum of the NAV of Class F shares.

It should be noted that:

- (i) direct debt exposures may hold monitoring or servicing fees, either paid out to the Fund Manager or to a third party, as an on-going fee paid out over the life of the transaction, charged to the Sub-Fund at its NAV dates. When any such fee is paid to the Fund Manager, this fee is usually capped at 1.0%;
- (ii) the Fund Manager is entitled to negotiate upfront transaction origination or structuring fees, as described in section 19 hereof.

For the avoidance of doubt, these fees mentioned under items (i) and (ii) above are in addition to the Fund Manager's Fees and are not covered by the below paragraph.

In special instances where the Fund Manager cause the Sub-Fund to invest in bonds that the Fund Manager has itself structured and issued (primary bond issuance, secondary purchase), any fees already charged in respect of such investment will be deducted from the Fund Manager's Fee, so as not to create any double fee payment.

### **Other Fees to the Sub-Fund**

Other fees include the Sub-Fund services, custody, share administration, audit, tax and legal expenses, in addition to any marketing / reporting materials and transaction fees such as banking expenses and currency hedging costs, and other advisory/consulting fees as agreed upon by the Board. Any brokerage fees or other upfront payments are directly borne by the issuer and thus not charged to the Sub-Fund Net Asset Value.

### **13. Subscriptions**

#### **Ongoing subscriptions**

The Board has decided to offer Shares for subscriptions by way of ongoing subscriptions, where the total amount subscribed has to be paid upon the acceptance of the subscription.

#### **Subscriptions during the initial offer period**

Subscriptions of Shares in the Sub-Fund will be accepted at an initial subscription price of USD 1,000 per Share (the "**Initial Offering Price**") until 14 August 2015 (the "**Last Day of the Initial Offer Period**"). The Board may, subject to the consent of all investors having subscribed for Shares by 14 August, decide to postpone the Last Day of the Initial Offer Period until 15 September.

Applications must be received by the Administrative Agent no later than 12:00 noon (Luxembourg time) on the Last Day of the Initial Offer Period. The subscription moneys must be received on the account of the Sub-Fund at the latest on the Last Day of the Initial Offer Period.

#### **Subscriptions after the initial offer**

Shares will be issued at a price based on the Net asset Value per Share determined as at the relevant Valuation Day increased, as the case may be, by any applicable sales charge and Dilution Fee, as detailed in section 12 hereof.

All applications for subscriptions will be processed in accordance with the following principles.

Investors whose applications are accepted will be allotted Shares issued on the basis of the Net Asset Value determined as at the Valuation Day following receipt of the application form provided such application has been received by the Administrative Agent before 12:00 (noon, Luxembourg time) on the last Business Day of the week. Any applications received after the applicable deadline will be processed in respect of the next Valuation Day.

Payment for subscribed Shares has to be made no later than 12:00 (noon, Luxembourg time) on the last Business Day of the week. Investors will therefore be required to subscribe for an amount and not for a number of Shares. Subscription money will be returned without undue delay should the subscription be rejected by the Board of its duly appointed agent.

### **14. Minimum Initial Subscription and Holding Amounts**

The minimum initial subscription amount and a minimum holding amount per Class in the Sub-Fund is the equivalent, in the reference currency of the relevant class of one hundred twenty-five thousand Euros (EUR 125,000.-). The Board may decide to waive, in general or on a case-by-case basis, but in accordance with the law, such initial subscription amount and minimum holding amount at its sole discretion.

### **15. Redemptions**

Redemptions will be accepted as at each Valuation Day.

Shares will be redeemed at a price based on the Net Asset Value per Share determined as at the relevant Valuation Day, less, any applicable redemption fee and Dilution Fee, as detailed in section 12 hereof.

Shareholders will have their Shares redeemed at a price based on the Net Asset Value determined as at the Valuation Day following receipt of the application provided such application has been received by the Administrative Agent before 12:00 (noon, Luxembourg time), 30 calendar days prior to the relevant Valuation Day.

Any applications received after the applicable deadline will be processed in respect of the next Valuation Day, unless the Board decides at its discretion to treat such applications made as at the relevant Valuation Day. In case the Board decides to waive the prior notice in relation to a Valuation Day, this however shall apply to all applications received in relation to such Valuation Day. In any case, applications shall be received no later than 5 Business Days prior to the Valuation Day.

Payment of redemption proceeds will be effected at the latest 7 Business Days following the publication of the Net Asset Value.

By way of derogation to the General Part, if redemption or conversion requests for any applicable Valuation Day exceed in aggregate more than 5% of all the outstanding Shares in issue in the Sub-Fund (the "Redemption Sale"), the Board shall be entitled at its discretion to decide that the processing of part or all of such requests for redemption or conversion or part of all the payment of such requests will be deferred for such period as the Board considers to be in the best interest of the Sub-Fund but normally not exceeding three months.

## **16. Conversions**

Investors may not request conversions of their Shares.

## **17. Frequency of the Net Asset Value calculation and Valuation Day**

The Net Asset Value per Share will be determined as at the last Business Day of each week, and any other day or days as the Board may determine on a case by case basis or generally from time to time (the "**Valuation Day**").

## **18. Valuation rules**

By derogation to point g) of the valuation principles set forth in section 7 of the General Part, foreign exchange derivative instruments ("**FX derivative(s)**"), such as but not limited to foreign exchange forward, future ("**FX future**") and cross-currency swap ("**Swap**") contracts, which are entered in by the Company for the sole purpose of hedging a non regularly quoted or an illiquid debt investment, denominated in currency different from the reference currency of the Sub-Fund and which are linked in notional, spot exchange rates, interest rates, maturities and other terms to that investment shall be valued considering the economic substance of the transaction. Rather than valuing separately the debt instrument in the original currencies and the related FX derivative contracts, the debt and the related contract will be amalgamated as if it was a synthetic debt instruments denominated in the reference currency of the Sub-Fund. Such derivative contracts will be valued as at any Valuation Day using the spot exchange rate on the principal and accrued interest amounts of the related debt instrument.

Such valuation approach shall be changed if a credit risk materializes in the form of impairment. The part of the FX derivative notional then exceeding the valuation of the underlying debt instrument would be valued using a marked to market approach and any difference between (i) the forward rate at which the FX derivative was contracted and (ii) the spot rate at which the debt instrument was disbursed, will be amortized over the period until expiration of the debt instrument and recognized as interest income or expense.

In the case where the underlying debt investment is sold before maturity, the net gain or loss realized after the

unwinding of the related FX derivative transaction will be fully accounted as interest income or expense.

## **19. Specific Risks Disclosure / Important Information**

### *Emerging and Frontier markets*

In general, emerging countries investments and securities are substantially less liquid than investments and securities of more developed countries. This may adversely affect the timing and pricing of the Sub-Fund's acquisitions and disposals of such investments and securities.

Emerging countries companies are generally not subject to accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those used in developed countries.

The degree of regulation in emerging countries is also generally less stringent than that in more developed countries.

The Sub-Fund's investments can be adversely affected by political, economic and diplomatic changes.

In certain countries and for certain types of securities forming part of the portfolio of the Sub-Fund, the validity of title may be challenged by third parties or by the relevant issuers due to the possible deficiencies arising from applicable laws and regulations.

Settlement systems in emerging countries may be less well recognized than in developed countries. There may be a risk that settlement may be delayed and that investments and securities of the Sub-Fund may be in jeopardy because of failures or of defects in the system. Market practice may even require that payment be made prior to receipt of the investment or security, or that delivery of the investment or security be made before payment is received. In such cases, default by the counterparty through which the transaction is effected might result in a loss being suffered by the Sub-Fund.

### *Credit risk*

Due to characteristics of the investment instruments, the selection of suitable counterparties may not be based on extensive historical records and past research.

The investment targets typically lack internationally recognized public ratings and are often not followed by analysts of global investment banks; investment decisions will often be made on local or internal analysis. In either case, specialized research also includes higher transaction costs.

While some investment targets offer potentially significant capital returns, they may face business and financial uncertainties. Furthermore, they will often be in an early stage of development with little or no operating history and will have a need for substantial additional capital to support expansion. There can be no assurance that their use of the Sub-Fund's financing will be profitable to the Sub-Fund.

Furthermore, many investment targets might not be subject to any regulatory control by a supervisory authority in the country of origin or operation, or may not necessarily abide to internationally-recognized regulatory standards.

Several investment targets, being double bottom line institutions, will pursue objectives of both social impact and profit maximization, which may not always be in line with each other and may be the source of negative operational or governance developments.

Many investment targets typically access large, often subsidized, sources of funding from the public sector and multilateral aid organizations; this situation may in some cases provoke some moral hazard for the investor's confidence and for the investee's capacity to accept market considerations.

Some investment targets do not have access to or are not knowledgeable of adequate foreign currency risk management and may be subject to a misbalance of foreign currency on their balance sheet that may significantly raise their credit risk in times of high currency fluctuation.

#### *Liquidity risk*

The Sub-Fund may take part in loan or capital issuances which will be neither listed on a stock exchange, nor dealt in on another regulated market that operates regularly, is recognized and open to the public. Such issuances may not be submitted to any control from a regulatory authority.

Investment in companies not listed or traded on a stock exchange or regulated market is more speculative and involves a higher degree of risk than is normally associated with equity or fixed income investment on established stock exchanges and trading places.

In many cases, there is limited organized secondary market for the trading of securities issued by the investment targets. Thus, the liquidity might be very limited with regard to these instruments.

The lack of an active public market for securities and debt instruments will make it more difficult and subjective to value investments of the Sub-Fund.

Lastly, listed securities, particularly in nascent and emerging industries, historically provide significant volatility in securities prices.

#### *Currency risk*

Some investments will be proposed and issued in local currency by the investment targets, ultimately exposing the Sub-Fund to currency fluctuations, sometimes highly speculative, inherent to emerging economies.

The Sub-Fund faces different of solutions and strategies in relation to managing its currency risk. Some of its target currency markets are sufficiently liquid and hence hedging is feasible. Often these markets though do not have long term hedging solutions; the Sub-Fund thus rolls-over shorter term hedging agreements, minimizing currency risk, while not eliminating it. Other target currency markets are quite illiquid, to the point that in some instances the cost of hedging may exceed expected depreciations or even the expected yield of a transaction. In other cases, hedging solution may simply not exist.

#### *Interest rate risk*

The value of listed bonds and mezzanine instruments that are sufficiently liquid may quickly vary with changes in yield curves and credit spreads, which tend to be volatile due to high inflation risk and rapid changes in investors' sentiment in emerging markets.

Although private debt instruments do not benefit from secondary markets and are thus not regularly marked-to-market (i.e. there is no impact of interest rate fluctuations on their valuation), local currency investments with fixed interest rates that are exposed to foreign exchange risk are also indirectly exposed to interest rate risk. In fact, the net USD return that can be locked in by the Sub-Fund when closing its open currency exposures depends on the evolution of hedging costs which in turn depends on the differential between the US and the emerging market yield curves.

### *Costs risk management*

In instances where the Fund Manager purchases instruments that he has not himself already structured and issued, the Sub-Fund faces potentially high brokerage and transaction fees, as nascent markets often lack sufficient high competition levels to put pressure on intermediation costs.

### *Upfront fee*

The Fund Manager is entitled to negotiate upfront origination fees of up to 1% of a transaction notional amount to cover administrative expenses, charged to the investment target as a deduction of the disbursement amount and hence not included in the NAV calculation. Attention is drawn to the fact that investment targets using this model may negotiate reduced interest coupons to compensate for such intermediation expense (vs. financial solution charging more on an on-going basis rather than an upfront fee). This transaction fee is not part of the Sub-Fund's TER.