

STATUTS COORDONNÉS

**YCAP FUND**

**(ci-avant : RISKELIA FUND)**

Société d'Investissement à Capital Variable

R.C.S. Luxembourg B 172.172

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du 3 octobre 2016

avec effet au 2 septembre 2016

tels qu'ils résultent des actes suivants reçus par :

Maître Carlo WERSANDT, notaire de résidence à Luxembourg:

le 10 octobre 2012 (Constitution), publié au Mémorial, Recueil des Sociétés et Associations, numéro 2656 du 29 octobre 2012.

le 3 décembre 2012 (Modification des statuts), publié au Mémorial, Recueil des Sociétés et Associations, numéro 260 du 2 février 2013.

Maître Joëlle BADEN, notaire de résidence à Luxembourg:

le 13 octobre 2014 (Modification des statuts), publié au Mémorial, Recueil des Sociétés et Associations, numéro 3286 du 7 novembre 2015.

le 23 novembre 2015 (Modification des statuts), publié au Mémorial, Recueil des Sociétés et Associations, numéro 124 du 18 janvier 2016.

le 3 octobre 2016 (Modification des statuts), non encore publié.

## **Title I. - Name - Registered Office - Purpose - Duration**

**Art. 1. Name.** There exists among the existing shareholders and those who become owners of shares (the "Shares") in the future, a public limited company ("*société anonyme*") qualifying as an investment company with variable share capital ("*société d'investissement à capital variable*") under the name of "YCAP FUND" (previously RISKELIA FUND) as from 2nd September 2016 (hereinafter the "Company").

**Art. 2. Registered Office.** The registered office of the Company is established in Luxembourg, Grand Duchy of Luxembourg. The registered office of the Company may be transferred to any other place within the Grand Duchy of Luxembourg by a resolution of the general meeting of shareholders of the Company, deliberating in the manner provided for amendments to the Articles or by the board of directors of the Company if and to the extent permitted by law. It may be transferred within the boundaries of the municipality by a resolution of the Board.

Branches, subsidiaries or other offices may be established either in the Grand Duchy of Luxembourg or abroad by a decision of the board of directors. In the event that the board of directors determines that extraordinary political or military events have occurred or are imminent which would interfere with the normal activities of the Company at its registered office or with the ease of communication between such office and persons abroad, the registered office may be temporarily transferred abroad until the complete cessation of these abnormal circumstances; such provisional measures shall have no effect on the nationality of the Company which, notwithstanding such temporary transfer, shall remain a Luxembourg corporation.

**Art. 3. Duration.** The Company is established for an unlimited period of time.

**Art. 4. Objects.** The exclusive purpose of the Company is to invest the funds available to it in transferable securities and other assets permitted by law, with the purpose of spreading investment risks and affording its shareholders the results of the management of its assets.

The Company may take any measures and carry out any transaction which it may deem useful for the fulfillment and development of its purpose to the largest extent permitted under the law of 17 December 2010 relating to undertakings for collective investment, as amended (the "2010 Law").

## **Title II. - Share Capital - Shares - Subscription - Redemption - Conversion - Net Asset Value**

**Art. 5. Share Capital - Class of Shares.** The capital of the Company shall be represented by fully paid up shares of no par value (the "Shares") and shall at any time be equal to the total net assets value of the Shares of the Company. The

capital must reach one million two hundred and fifty thousand euro (EUR 1,250,000.-) within the first six months following its incorporation, and thereafter may not be less than this amount.

The Company's initial capital shall be set at thirty-one thousand euro (EUR 31,000.-) represented by three hundred and ten (310) class EUR A shares with no par value of RISKELIA TACTICAL INVESTMENT, which are fully paid in.

The board of directors may, at any time, issue different classes of Shares which may differ inter alia in their reference currency, fee structure, minimum investment requirements, type of target investors and distribution policy applying to them. Shares are issued without par value and must be fully paid for upon subscription.

The Board may delegate to any duly authorised director, agent or officer of the Company or to any other duly authorised person, the power of accepting subscriptions and/or delivering and receiving payment for such new Shares, subject always to the limits imposed by the 2010 Law.

The board of directors may establish one or more sub-funds within the meaning of the 2010 Law (the "Sub-Fund(s)"). The assets of each Sub-Fund shall be invested pursuant to article 4 hereof in transferable securities or other permitted liquid financial assets corresponding to such geographical areas, sectors or monetary zones, or to such specific types of equity or debt securities or such other specific features as the board of directors shall from time to time determine in respect of each Sub-Fund.

The Company is one single legal entity. The rights of the investors and creditors relating to a Sub-Fund or arising from the setting-up, operation and liquidation of a Sub-Fund are limited to the assets of that Sub-Fund. The assets of a Sub-Fund are exclusively dedicated to the satisfaction of the rights of the investors relating to that Sub-Fund and the rights of those creditors whose claims have arisen in connection with the setting-up, operation and liquidation of that Sub-Fund. With regard to the shareholders, each Sub-Fund is regarded as being a separate entity.

Within a Sub-Fund, the board of directors may decide to issue two or more classes of Shares, the assets of which will be commonly invested but which may be subject to different fee structures, distribution, marketing target, investment policies and denominated in currencies other than the relevant reference currency of the Sub-Fund or for which other specific features may be applicable. The board of directors may decide to reserve one or several Sub-Fund(s) or one or several Classes of Shares to specific investors only. The board of directors may decide that no such classes will be available in any of the Sub-Funds or alternatively that such Class may only be purchased upon prior approval of the board of directors.

Shares are freely transferable (with the exception that Shares may not be transferred to a Prohibited Person or a US Person, as defined in article 10, and may be converted for Shares of another Sub-Fund in accordance with the provisions of article 9. Upon issue, Shares are entitled to participate equally in the profits and dividends of the Sub-Fund attributable to the relevant Class in which the Shares have been issued, as well as in the liquidation proceeds of such Sub-fund.

Shares do not carry any preferential or pre-emptive rights and each Share, irrespective of the Class to which it belongs or its Net Asset Value, is entitled to one vote at all general meetings of shareholders.

For the purpose of determining the share capital of the Company, the net assets attributable to each Sub-Fund/class of Shares shall, if not expressed in EUR, be converted into EUR and the share capital shall be the total of the net assets of all the Sub-Funds.

The capital of the Company may be increased or decreased as a result of the issue by the Company of new fully paid up Shares, the conversion or the redemption by the Company of existing Shares from its shareholders.

**Art. 6. Form of the Shares.** Shares shall be issued in registered form only. The registered Shares will be in principle issued without share certificates. Shares may be issued in one or more Classes in each Sub-Fund by the board of directors; each Class having features or being offered to different types of investors.

The Shares may be held in a settlement system represented by a global note. In this case, the investors in Shares will directly or indirectly have their interests in the Shares credited by book-entry in the accounts of the settlement system.

All issued registered Shares of the Company shall be registered in the register of shareholders which shall be kept by the Company or by one or more persons designated thereto by the Company, and such register shall contain the name of each owner of the registered Shares, his residence or elected domicile as indicated to the Company, the number of registered Shares held by him and the amount paid up on each Share.

The inscription of the shareholder's name in the register of shareholders evidences his right of ownership on such registered Shares. The Company treats the registered owner of a Share as the absolute and beneficial owner thereof.

The transfer of the registered Shares shall be made by a written declaration of transfer to be indicated in the register of shareholders, dated and signed by the transferor and transferee, or by persons holding suitable powers of attorney to act therefore. Any transfer of registered Shares shall be entered into the register of shareholders; such inscription shall be signed by one or several directors or

officers of the Company or by one or several other persons duly authorised thereto by the board of directors.

Shareholders entitled to receive registered Shares shall provide the Company with an address to which all notices and announcements may be sent. Such address will also be entered into the register of shareholders.

In the event that a shareholder does not provide an address, the Company may permit a notice to this effect to be entered into the register of shareholders and the shareholder's address will be deemed to be at the registered office of the Company, or at such other address as may be so entered into by the Company from time to time, until another address shall be provided to the Company by such shareholder. A shareholder may, at any time, change his address as entered into the register of shareholders by means of a written notification to the Company at its registered office, or at such other address as may be set by the Company from time to time.

If one or more Shares are jointly owned or if the ownership of such Share(s) is disputed, all persons claiming a right to such Share(s) shall jointly exercise their rights with respect to such Share(s) unless they appoint one or several person(s) to represent such Share(s) towards the Company.

Upon the death of a shareholder, the board of directors reserves the right to require the provision of appropriate legal documentation in order to verify the rights of all and any successors entitled to Shares.

The Company may decide to issue fractional Shares. Such fractional Shares shall not be entitled to vote but shall be entitled to participate in the net assets attributable to the relevant class of Shares on a pro rata basis.

**Art. 7. Subscriptions of Shares.** The board of directors is authorised without limitation to issue an unlimited number of fully paid up Shares at any time without reserving the existing shareholders a preferential right to subscribe for the Shares to be issued.

Whenever the Company offers Shares for subscription, the price per Share at which such Shares are offered shall be the Net Asset Value (as defined in article 12) per Share of the relevant class as determined in compliance with article 12 hereof as of such Valuation Day (as defined in article 12 hereof) as is determined in accordance with such policy as the board of directors may from time to time determine. Such price may be increased by a percentage estimate of costs and expenses to be incurred by the Company when investing the proceeds of the issue and by applicable sales commissions, as approved from time to time by the board of directors. The price so determined shall be payable before the relevant Valuation Date.

The board of directors may delegate to any director, manager, officer or other duly authorized agent the power to accept subscriptions, to receive payment of the price of the new Shares to be issued and to deliver them.

The Company may agree to issue Shares as consideration for a contribution in kind of securities, in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from an auditor («réviseur d'entreprises agréé»).

The Company may reject any subscription in whole or in part, and the board of directors may, at any time and from time to time and in its absolute discretion without liability and without notice, discontinue the issue and sale of Shares of any class in any one or more Sub-Funds.

If the board of directors determines that it would be detrimental to the existing shareholders of the Company to accept a subscription for Shares of any Sub-fund that represents more than 10% of the net assets of such Sub-fund, then it may postpone the acceptance of such subscription and, in consultation with the incoming shareholder, may require him to stagger his proposed subscription over an agreed period of time.

**Art. 8. Redemption of Shares.** Any shareholder may request the redemption of all or part of his Shares by the Company, under the terms and procedures set forth by the board of directors in the prospectus and within the limits provided by law and these Articles.

The redemption price per share shall be paid within the period determined in the prospectus and by the board of directors, provided that the relevant documents have been received by the Company.

Shares will be redeemed at a price equal to the Net Asset Value per Share of the relevant class within the relevant Sub-Fund less a redemption charge and/or a dilution levy, the rate of which (if any) is indicated in the prospectus (the «Redemption Price»). The relevant Redemption Price may be rounded up or down to the nearest unit of the relevant currency as the board of directors shall determine. A redemption fee may be charged.

The Company shall have the right, if the board of directors so determines, to satisfy payment of the Redemption Price to any shareholder who agrees, in specie by allocating to the holder investments from the portfolio of assets set up in connection with such Sub-Fund equal in value (calculated in the manner described in article 12) as of the valuation day, on which the redemption price is calculated, to the value of the Shares to be redeemed.

The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other

holders of Shares and the valuation used shall be confirmed by a special report of the auditor of the Company. The costs of any such transfers shall be borne by the transferee.

Shares in any Sub-Fund will not be redeemed if the calculation of the Net Asset Value per Share in such Sub-Fund is suspended by the Company.

If, as a result of any request for redemption, the aggregate Net Asset Value of the Shares held by any shareholder in a Sub-Fund/Class would fall below the minimum holding requirement specified in the prospectus for each Sub-Fund/class of Shares, the Company may treat such request as a request to redeem the entire shareholding of such shareholder in such Sub-Fund/Class. At the Company's discretion, the Company reserves the right to transfer any existing shareholder who falls below the minimum holding requirement for one class of Shares into another appropriate class of Shares without charge.

Furthermore, if on any Valuation Day redemption requests relate to more than 10% of the Shares in issue in a specific Sub-Fund, the board of directors may decide that part or all of such requests for redemption will be deferred proportionally for such period as the board of directors considers to be in the best interests of the Sub-Fund. On the next Valuation Day following such period, these redemption requests will be met on a pro-rata basis in priority to later requests and in compliance with the principle of equal treatment of shareholders.

If the Company discovers at any time that Shares are owned by a Prohibited Person, either alone or in conjunction with any other person, whether directly or indirectly, the board of directors may at its discretion and without liability, compulsorily redeem the Shares at the Redemption Price as described above after giving notice of at least ten (10) days, and upon redemption, the Prohibited Person will cease to be the owner of those Shares. The Company may require any shareholder to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a Prohibited Person.

All redeemed Shares shall be cancelled.

**Art. 9. Conversion of Shares.** Shareholders have the right, subject to the provisions hereinafter specified and subject to any limitations set out in relation to one or more Sub-Funds in the prospectus, to convert on the Valuation Day specified for each Sub-Fund in the prospectus, Shares from one class within one Sub-Fund for Shares of another Sub-Fund and/or Shares of another class. The rate at which Shares of any class in any Sub-Fund shall be converted will be determined by reference to the respective Net Asset Values of the relevant Shares calculated as of the same specific Valuation Day following receipt of the relevant



documents by a time defined in the prospectus for each class individually in each Sub-Fund.

A conversion fee may be charged. Such conversion fee shall not exceed the difference between the respective maximum sales charges for the subscription of shares of the two Sub-Funds or Classes concerned.

A conversion of Shares of one Sub-Fund or class for Shares of another Sub-Fund or class will be treated as redemption of Shares and a simultaneous purchase of Shares.

All terms and notices regarding the redemption of Shares shall equally apply to the conversion of Shares.

No conversion of Shares will be effected until a duly completed conversion request form or other written notification acceptable to the central administration agent of the Company have been received at the registered office of the central administration agent.

Upon conversion, Shares will be issued to five decimal places.

In converting Shares of a Sub-Fund or class for Shares of another Sub-Fund or class, a shareholder must meet applicable minimum investment requirements, if any, imposed by the acquired Sub-Fund in the relevant class.

If, as a result of any request for conversion, the aggregate Net Asset Value of the Shares held by the converting shareholder in a class of Shares/Sub-Fund falls below the minimum holding requirement indicated in the prospectus, the Company may treat such request as a request to convert the entire shareholding of such shareholder in such class/Sub-Fund. At the Company's discretion, the Company reserves the right to transfer any existing shareholder who falls below the minimum shareholding requirement for a class of Shares into another appropriate class of Shares without charge.

Shares of any class, if any, in any Sub-Fund will not be converted in circumstances where the calculation of the Net Asset Value per Share of such Sub-Fund is suspended by the Company.

The Shares which have been converted into Shares of another Sub-Fund shall be cancelled.

**Art. 10. Restrictions on Shareholdings.** The Board shall have power to impose such restrictions as it, in its discretion, may think necessary for the purpose of ensuring that no Shares in the Company are acquired or held by or on behalf of any person, firm, partnership or corporate body, if in the sole opinion of the Company such holding may be detrimental to the interest of the existing shareholders or of the Company, if it may result in a breach of any law or regulation, whether Luxembourg or otherwise, or if as a result thereof the

Company may become exposed to tax disadvantages, fines or penalties that it would not have otherwise incurred. Such persons, firms, partnership or corporate bodies shall be determined by the board of directors (the «Prohibited Persons»). As the Company is not registered under the United States Securities Act of 1933, as amended, nor has the Company been registered under the United States Investment Company Act of 1940, as amended, its Shares may not be offered or sold, directly or indirectly, in the United States of America or its territories or possessions or areas subject to its jurisdiction, or to citizens or residents thereof (hereinafter referred to as «US Persons»). Accordingly, the Company may require any subscriber to provide it with any information that it may consider necessary for the purpose of deciding whether or not he is, or will be a Prohibited Person or a US Person.

The Company retains the right to offer only one or several classes of Shares for subscription in any particular jurisdiction in order to conform to local law, custom, business practice or the Company's commercial objectives.

The Company may reject any subscription in whole or in part, and the board of directors may, at any time and from time to time and in its absolute discretion without liability and without notice, discontinue the issue and sale of Shares of any class in any one or more Sub-Funds.

If the board of directors determines that it would be detrimental to the existing shareholders of the Company to accept a subscription for Shares of any Sub-Fund that represents more than 10% of the net assets of such Sub-Fund, then it may postpone the acceptance of such subscription.

If the Company discovers at any time that Shares are owned by a Prohibited Person, either alone or in conjunction with any other person, whether directly or indirectly, the board of directors may at its discretion and without liability, compulsorily redeem the Shares at the redemption price as described in article 8 after giving notice of at least ten (10) days, and upon redemption, the Prohibited Person will cease to be the owner of those Shares. The Company may require any shareholder to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a Prohibited Person.

**Art. 11. Temporary Suspension of Subscriptions, Redemptions and Conversions.** No Shares will be issued by the Company and the right of any shareholder to require the redemption or conversion of its Shares of the Company will be suspended during any period in which the determination of the Net Asset Value of the relevant Sub-Fund is suspended by the Company pursuant to the powers contained in the Articles and in article 11.

Notice of suspension will be given to subscribers and to any shareholder tendering Shares for redemption or conversion. Withdrawal of a subscription or of an application for redemption or conversion will only be effective if written notification by letter or by fax is received by the central administration agent of the Company before termination of the period of suspension, failing which subscription, redemption and conversion applications not withdrawn will be processed on the first Valuation Day following the end of the suspension period, on the basis of the Net Asset Value per Share determined on such Valuation Day.

**Art. 12. Calculation of the Net Asset Value per Share.** The net asset value (the «Net Asset Value») per Share of each class of Shares in each Sub-Fund shall be determined on each valuation day (a «Valuation Day»), being any Luxembourg business day (a «Business Day»), which is a full working day in Luxembourg during which the banks are open for business (except if another frequency for the valuation is indicated for a particular Sub-Fund in the prospectus).

The calculation of the Net Asset Value per Share of each class within each SubFund will be carried out by the central administration agent of the Company, subject to the supervision of the board of directors.

The Net Asset Value per Share of each class within each Sub-Fund shall be expressed in the reference currency (as defined in the prospectus) of each Class within each Sub-Fund to the nearest five decimal places, and shall be determined for each Sub-Fund on the relevant Valuation Day, by dividing the net assets of the Company attributable to Shares in such class within such Sub-Fund being the value of the portion of assets less the portion of liabilities attributable to such class within such Sub-Fund, on any such Valuation Day, by the number of Shares of the relevant class within the relevant Sub-Fund then outstanding, in accordance with the valuation rules set forth below.

If since the time of determination of the Net Asset Value there has been a material change in the quotations in the markets on which a substantial portion of the investments attributable to the relevant class within the relevant Sub-Fund are dealt in or quoted, the Company may, in order to safeguard the interests of the shareholders and the Company, cancel the first valuation and carry out a second valuation for all applications received on the relevant Valuation Day.

The value of such assets is determined by the central administration agent as follows:

(a) The value of any cash on hand or in deposit, bills, demand notes and accounts receivables, prepaid expenses, dividends and interests matured but not yet received shall be valued at the par-value of the assets except however if it appears that such value is unlikely to be received. In such a case, subject to the approval of

the board of directors, the value shall be determined by deducting a certain amount to reflect the true value of these assets.

(b) The value of assets which are listed or dealt in on any stock exchange is based on the last available price on the stock exchange which is normally the principal market for such assets.

(c) The value of assets dealt in on any other Regulated Market is based on the last available price.

(d) In the event that any assets are not listed or dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange, or other Regulated Market as aforesaid, the price as determined pursuant to sub-paragraph (b) or (c) is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith.

(e) The liquidating value of 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 of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, 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, 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 of directors may deem fair and reasonable.

(f) The value of Money Market Instruments not listed or dealt in on any stock exchange or any other Regulated Market and with remaining maturity of less than 12 months and of more than 90 days is deemed to be the nominal value thereof, increased by any interest accrued thereon. Money Market Instruments with a remaining maturity of ninety (90) days or less will be valued by the amortised cost method, which approximates market value.

(g) Interest rate swaps will be valued at their market value established by reference to the applicable interest rate curve.

(h) Units or Shares of open-ended UCI will be valued at their last determined and available net asset value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the board of directors on a fair and equitable basis. Units or Shares of a closed-ended UCI will be valued at their last available stock market value.

(i) All other securities and other assets will be valued at fair market value, as

determined in good faith pursuant to procedures established by the board of directors or a committee appointed to that effect by the board of directors.

The value of all assets and liabilities not expressed in the reference currency of a class or Sub-Fund will be converted into the reference currency of such class or Sub-Fund at the rate of exchange determined at the relevant Valuation Day in good faith by or under procedures established by the board of directors.

To the extent that the board of directors considers that it is in the best interests of the Company, given the prevailing market conditions and the level of subscriptions or redemptions requested by shareholders in relation to the size of any Sub-Fund, an adjustment, as determined by the board of directors at their discretion, may be reflected in the Net Asset Value of the Sub-Fund for such sum as may represent the percentage estimate of costs and expenses which may be incurred by the relevant Sub-Fund under such conditions.

The Net Asset Value per Share and the issue, redemption and conversion prices per Share of each Class within each Sub-Fund may be obtained during business hours at the registered office of the Company.

The liabilities of the Company shall include:

- (1) all loans, bills and accounts payable;
- (2) all accrued interest on loans of the Company (including accrued fees for commitment for such loans);
- (3) all accrued or payable administrative expenses (including the management fee and any other third party fees);
- (4) all known liabilities, present and future, including all matured contractual obligations for payment of money or property, including the amount of any unpaid dividends declared by the Company;
- (5) an appropriate provision for future taxes based on capital and income to the relevant Valuation Day, as determined from time to time by the Company, and other reserves, if any, authorised and approved by the board of directors; and
- (6) all other liabilities of the Company of whatsoever kind and nature except liabilities represented by Shares of the Company. In determining the amount of such liabilities, the Company shall take into account all expenses payable and all costs incurred by the Company, which shall comprise the management fee, fees payable to its directors (including all reasonable out-of-pocket expenses), the management company, investment advisors (if any), accountants, the custodian bank, the administrative agent, corporate agents, domiciliary agents, paying agents, registrars, transfer agents, permanent representatives in places of registration, distributors, trustees, fiduciaries, correspondent banks and any other agent employed by the Company, fees for legal and auditing services, costs of any

proposed listings and of maintaining such listings, promotion, printing, reporting and publishing expenses (including reasonable marketing and advertising expenses and costs of preparing, translating and printing in different languages) of prospectuses, addenda, explanatory memoranda, registration statements, annual reports and semi-annual reports, all taxes levied on the assets and the income of the Company (in particular, the «taxe d'abonnement» and any stamp duties payable), registration fees and other expenses payable to governmental and supervisory authorities in any relevant jurisdictions, insurance costs, costs of extraordinary measures carried out in the interests of shareholders (in particular, but not limited to, arranging expert opinions and dealing with legal proceedings) and all other operating expenses, including the cost of buying and selling assets, customary transaction fees and charges charged by custodian banks or their agents (including free payments and receipts and any reasonable out-of-pocket expenses, i.e. stamp taxes, registration costs, scrip fees, special transportation costs, etc.), customary brokerage fees and commissions charged by banks and brokers for securities transactions and similar transactions, interest and postage, telephone, facsimile and telex charges. The Company may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period.

The net assets of the Company are at any time equal to the total of the net assets of the various Sub-funds.

In determining the net asset value per Share, income and expenditure are treated as accruing daily.

The value of all assets and liabilities not expressed in the reference currency of a Sub-Fund will be converted into the reference currency of such Sub-Fund at the rate of exchange determined on the relevant Valuation Date in good faith by or under procedures established by the board of directors.

The board of directors, in its discretion, may permit some other method of valuation to be used if it considers that such valuation better reflects the fair value of any asset of the Company.

All valuation regulations and determinations shall be interpreted and made in accordance with generally accepted accounting principles.

In the absence of bad faith, gross negligence or manifest error, every decision in calculating the Net Asset Value taken by the board of directors or by any bank, company or other entity which the board of directors may appoint for the purpose of calculating the Net Asset Value, shall be final and binding on the Company and present, past or future shareholders.

**Art. 13. Temporary Suspension of the Calculation of the Net Asset Value.** The Company may temporarily suspend the determination of the Net Asset Value per Share of any class or Sub-Fund and the issue and redemption of its Shares from its shareholders as well as the conversion from and to Shares of each class or Sub-Fund during:

- (a) any period when the principal Stock Exchanges on which a substantial proportion of the investments of the Company attributable to such Sub-Fund are quoted are closed otherwise than for ordinary holidays, or during which dealings thereon are restricted or suspended; or
- (b) the existence of any state of affairs which constitutes an emergency as a result of which disposals or valuation of assets owned by the Company attributable to such Sub-Fund would be impractical; or
- (c) any breakdown in the means of communication normally employed in determining the price or value of any of the investments attributable to any particular Sub-Fund or the currency price or values on any such stock exchange; or
- (d) any moment when for other reason the prices of any investments owned by the Company attributable to any Sub-Fund cannot promptly or accurately be ascertained;
- (e) any period when the Company is unable to repatriate Sub-Funds for the purpose of making repayments due on the redemption of such Shares or during which any transfer of Sub-Funds involved in the realisation or acquisition of investments or payments due on the redemption of such Shares cannot in the opinion of the board of directors be effected at normal rates of exchange; or
- (f) following a possible decision to liquidate or dissolve the Company or one or several classes or Sub-Funds.

The suspension of any class or Sub-Fund shall have no effect on the calculation of the Net Asset Value per Share, the issue, redemption and conversion of Shares of any other Class or Sub-Fund, if the assets within such other Class or Sub-Fund are not affected to the same extent by the same circumstances.

Any request for subscription, redemption or conversion shall be irrevocable except in the event of a suspension of the calculation of the Net Asset Value.

Notice of the beginning and of the end of any period of suspension will, if so decided by the board of directors, be published in a Luxembourg daily newspaper and in any other newspaper(s) selected by the board of directors, as well as in the official publications specified for the respective countries in which the Company Shares are sold. The Luxembourg regulatory authority, and the relevant authorities of any member states of the European Union in which Shares of the

Company are marketed, will be informed of any such suspension. Notice will be given to any subscriber or shareholder as the case may be applying for subscription, conversion or redemption of Shares in the Sub-Fund(s) concerned.

### Title III. - Administration and Supervision

**Art. 14. Board of Directors.** The Company shall be managed by a board of directors composed of not less than three (3) members, who need not be shareholders of the Company. They shall be elected for a term not exceeding six (6) years. The directors shall be elected by the shareholders at a general meeting of shareholders; the latter shall further determine the number of directors, their remuneration and the term of their office.

Directors shall be elected by the majority of the votes of the Shares present or represented.

Any director may be removed with or without cause or be replaced at any time by resolution adopted by the general meeting.

In the event of a vacancy in the office of director, the remaining directors may temporarily fill such vacancy; the shareholders shall take a final decision regarding such nomination at their next general meeting.

**Art. 15. Meetings of the Board of Directors.** The board of directors will choose from among its members a chairman and may choose one or more vice-chairmen. It may also choose a secretary, who need not be a director, who shall draft and keep the minutes of the meetings of the board of directors and of the shareholders. The board of directors shall meet upon call by the chairman or any two directors, at the place indicated in the notice of meeting.

The chairman shall preside at the meetings of the board of directors and of the shareholders. In his absence, the shareholders or the board members shall decide by a majority vote that another director, or in case of a shareholders' meeting, that any other person shall be in the chair of such meetings.

The board of directors may appoint any officers, including a general manager and any assistant general managers as well as any other officers that the Company deems necessary for the operation and management of the Company. Such appointments may be cancelled at any time by the board of directors. The officers need not be directors or shareholders of the Company. Unless otherwise stipulated by these Articles, the officers shall have the rights and duties conferred upon them by the board of directors.

Written notice of any meeting of the board of directors shall be given to all directors at least twenty-four (24) hours prior to the date set for such meeting, except in circumstances of emergency, in which case the nature of such circumstances shall be set forth in the notice of meeting. This notice may be



waived by consent in writing, by email, telegram, telefax or any other similar means of communication. Separate notice shall not be required for meetings held at times and places fixed in a resolution adopted by the board of directors.

Any director may act at any meeting by appointing in writing, by email, telegram, or telefax or any other similar means of communication another director as his proxy. A director may represent several of his colleagues.

Any director may participate in a meeting of the board of directors by conference call, video conference or similar means of communications equipment whereby all persons participating in the meeting can hear each other, and participating in a meeting by such means shall constitute presence in person at such meeting.

The directors may only act at duly convened meetings of the board of directors. The directors may not bind the Company by their individual signatures, except if specifically authorised thereto by resolution of the board of directors.

The board of directors can deliberate or act validly only if at least the majority of the directors, or any other number of directors that the board may determine, are present or represented.

Resolutions of the board of directors will be recorded in minutes signed by the chairman of the meeting. Copies of extracts of such minutes to be produced in judicial proceedings or elsewhere will be validly signed by the chairman of the meeting or any two directors.

Resolutions are taken by a majority vote of the directors present or represented. In the event that at any meeting the number of votes for or against a resolution is equal, the chairman of the meeting shall have a casting vote.

Resolutions in writing approved and signed by all directors shall have the same effect as resolutions voted at the directors' meetings; each director shall approve such resolution in writing, by email, telegram, telefax or any other similar means of communication. Such approval shall be confirmed in writing and all documents shall form the record that proves that such decision has been taken.

A director having a personal interest contrary to that of the Company in a matter arising before the board of directors shall inform the board thereof and this declaration shall be recorded in the minutes of the meeting. The director may not take part in or vote on the relevant part of the meeting of the board. At the following general meeting of shareholders, before votes are taken on any other matter, the general meeting of shareholders shall be informed that a director had a personal interest or conflicting with the interest of the Company.

The term «personal interest», as used in the preceding paragraph, shall not include any relationship with or interest in any matter, position or transaction involving any entity promoting the Company or any subsidiary or affiliate thereof or such

other company or entity as may from time to time be determined by the board on its discretion, unless such «“personal interest»” is considered to be a conflicting interest by applicable laws and regulations.

The provisions of this article shall not apply where the decision of the board of directors relates to current operations entered into under normal conditions.

Where a quorum of the board of directors cannot be reached due to a conflict of interest of one or several directors, resolutions may be passed validly by a majority of the other members of the board present or represented at such meeting.

**Art. 16. Powers of the Board of Directors.** The board of directors is vested with the broadest powers to perform all acts of disposition and administration within the Company's purpose, in compliance with the investment policy as determined in article 20 hereof.

All powers not expressly reserved by law or by the present Articles to the general meeting of shareholders are in the competence of the board.

The Company may appoint a management company in order to carry out the functions of management as these functions are described in Part IV of the 2010 Law.

**Art. 17. Corporate Signature.** Vis-à-vis third parties, the Company is validly bound by the joint signatures of any two directors or by the joint or single signature of any officer(s) of the Company or of any other person(s) to whom authority has been delegated by the board of directors.

**Art. 18. Delegations of Powers.** The board of directors of the Company may delegate its powers to conduct the daily management and affairs of the Company (including the right to act as authorised signatory for the Company) and its powers to carry out acts in furtherance of the corporate policy and purpose to one or several physical persons or corporate entities, which need not be members of the board, who shall have the powers determined by the board of directors and who may, if the board of directors so authorises, sub-delegate their powers.

The board may also confer special powers of attorney by notarial or private proxy.

**Art. 19. Investment Manager, Investment Advisor.** The Company, or as the case may be, the management company appointed by the board of directors, may appoint such company or companies as it thinks fit to manage the assets of one or several Sub-Funds (any such company being referred to as an «“Investment Manager»”). The Investment Manager will determine the investments and reinvestments of the assets of those Sub-Funds for which he has been appointed, subject to the investment guidelines and restrictions of the Company and the relevant Sub-Fund and under the responsibility of the board of directors.

The Investment Manager may be assisted at its own expense by one or several investment managers or advisers.

The Company, or as the case may be, the management company appointed by the board of directors, may appoint such company or companies as it thinks fit in order to give investment advice to one or several Sub-Funds (any such company being referred to as an «Investment Adviser»). Such investment advice shall include the analysis and recommendation of suitable investment instruments. However, it shall not include direct investment decisions.

**Art. 20. Investment Policy.** The board of directors, based upon the principle of risk spreading, has the power to determine (i) the investment policies to be applied in respect of each Sub-Fund, (ii) the strategy to be applied to specific classes of Shares within particular Sub-Funds and (iii) the course of conduct of the management and business affairs of the Company, all within the restrictions as shall be set forth by the board of directors in compliance with applicable laws and regulations.

Unless otherwise provided in the prospectus for each specific Sub-Fund, the following investment restrictions shall apply in respect of each Sub-Fund:

I. The Company, in each Sub-Fund, shall invest solely in:

- 1) Transferable Securities and Money Market Instruments listed or traded on a regulated market;
- 2) Transferable Securities and Money Market Instruments traded on another regulated and regularly functioning market of a Member State of the European Union, that is recognised and open to the public, as defined in the UCI Law;
- 3) Transferable Securities and Money Market Instruments admitted for listing of a stock market of a State which is not part of the European Union or traded on another market of a State that is not part of the European Union, which is regulated and regularly functioning, recognised and open to the public;
- 4) Recently issued Transferable Securities and Money Market Instruments, provided that:
  - the terms of issue include an undertaking that an application will be made for admission to be officially listed on a stock exchange or other regulated, regularly functioning market which is recognised and open to the public; and
  - that such admission is obtained at the latest within one year of the issue.
- 5) Units of UCITS approved in conformity with UCITS Directive and/or other UCIs within the meaning of the first and second indent of Article 1, paragraph 2 of UCITS Directive, whether located or not in a European Union Member State, provided that:
  - such other UCIs are authorized under laws which provide that they are subject to

supervision considered by the CSSF to be equivalent to that laid down in UCITS Directive, and that the cooperation between authorities is sufficiently ensured;

- the level of protection guaranteed to shareholders of these other UCIs is equivalent to that intended for shareholders of a UCITS, and, in particular, that the rules relating to the division of assets, borrowings, loans, short sales of transferable securities and money market instruments are equivalent to the requirements of UCITS Directive;

- the activities of the other UCIs are reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;

- the proportion of the assets of the UCITS or of these other UCIs whose acquisition is envisaged and which can be wholly invested in units of other UCITS or other UCIs in conformity with their constitutive documents does not exceed 10%;

6) Deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve (12) months, provided that the credit institution has its registered office in a European Union Member State or, if the registered office of the credit institution is located in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those provided by the EU legislation;

7) Derivative financial instruments, including equivalent cash-settled instruments, traded on a regulated markets or other markets referred to in (1), (2) and (3) above, and/or derivative financial instruments dealt in over-the-counter (the «OTC Derivatives»), provided that:

- the underlying consists of instruments covered by this Prospectus, financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest according to its investment objectives;

- the counterparties to OTC Derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF, and

- the OTC Derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative;

8) Money Market Instruments other than those traded on a regulated market and designated by Article 1 of the UCITS Law, as long as the issue or the issuer of such instruments are themselves subject to regulations whose aim is to protect the investors and investments, and that the instruments are:

- issued or guaranteed by a central, regional or local authority or by a central bank

of a European Union Member State, a Central Bank of a European Union Member State, by the European Central Bank, by the European Union or by the European Investment Bank, by a third state or, in the case of a federal state, by one of the members making up the federation, or by a international public agency of which one or more European Union Member State are members; or

- issued by an undertaking any securities of which are traded on regulated markets referred to in 1), 2) or 3) above; or

- issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by European Union law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those intended by European Union legislation; or

- issued by other entities belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million Euros (EUR 10,000,000.-) and which presents and publishes its annual accounts in accordance with UCITS Directive, or is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

II. Moreover, and for each of the Sub-Funds, the Company may:

- invest a maximum of 10% of the assets of each Sub-Fund in transferable securities and money market instruments other than those referred to above under I.1.1 above;

- except otherwise specified in the investment policy of each Sub-Fund, the Company may hold cash and cash equivalents on an ancillary basis.

III. Moreover, concerning the net assets of each Sub-Fund, the following investment restrictions shall be observed by the Company in respect of each issuer:

(a) Rules for risk spreading

For the calculation of the limits defined in points (1) to (5) and (7) below, companies belonging to the same Group of Companies shall be treated as a single issuer.

- Transferable Securities and Money Market Instruments

1) The Company may not invest more than 10% of the assets of each SubFund in transferable securities or money market instruments of the same issuer and cannot invest more than 20% of its assets in deposits placed with the same entity. The counterparty risk of the Company in a transaction involving OTC Derivatives may

not exceed 10% of the assets when the counterparty is one of the credit establishments specified in 5.1.1 paragraph 6), or 5% of its assets in other cases.

2) The total value of the transferable securities and money market instruments held by the Company from issuers in which it invests more than 5% of its assets may not exceed 40% of the value of its assets. The limitation does not apply to deposits in financial establishments that are subject to prudential supervision and to transactions of OTC Derivative instruments with these establishments. Notwithstanding the individual limits set in paragraph 1) above, the Company may not combine where this would lead to investment of more than 20% of its assets in a single entity, any of the following:

- instruments in transferable securities or money market instruments issued by that single entity;
- deposits made in that single entity, and/or
- risks related to transactions involving OTC Derivative instruments undertaken with a single entity, that represent more than 20% of its assets.

3) The 10% limitation defined in the first sentence of paragraph 1) above may be raised to a maximum of 35% when the transferable securities or money market instruments are issued or guaranteed by a European Union Member State, by its local authorities, by a state that is not a member of the European Union or by international public bodies of which one or more EU Member States are members. The transferable securities and money market instruments mentioned in this paragraph are not accounted for when applying the 40% limit mentioned in paragraph 2) above.

4) The 10% limit defined in the first sentence of paragraph 1) above may be raised to a maximum of 25% for certain debt securities, when they are issued by a credit establishment having its registered headquarters in an European Union Member State that is legally subject to special public auditing designed to protect holders of the bonds. In particular, the amounts originating from the issue of the bonds must be invested, in conformity with the law, in assets that adequately cover, for the entire duration of the validity of the bonds, the related liabilities and that will be distributed preferentially as redemption of the capital and payment of interest accrued in the event of default by the issuer. When the Company invests more than 5% of its assets in bonds as understood in this paragraph and issued by the same issuer, the total value of the investments may not exceed 80% of the value of the assets of a Sub-Fund of the Company. The transferable securities and money market instruments mentioned in this paragraph are not accounted for when applying the 40% limit mentioned in paragraph 2) above.

5) The limits defined in the previous points 1), 2), 3) and 4) are not cumulative

and therefore, the instruments in transferable securities or money market instruments of a single issuer, in deposits or derivative instruments involving this entity, in conformity with these paragraphs, may not exceed a total of 35% of the assets of the Company.

6) The companies that are grouped together in the consolidated accounts, within the meaning of UCITS Directive or in conformity with recognised international accounting rules, are considered as a single entity for the calculation of the limits described in points 1) to 5) above.

A single UCI may invest cumulatively up to 20% of its assets in the transferable securities or money market instruments within the same group.

7) Notwithstanding the limits indicated above, and in accordance with the principle of risk spreading, the Company may invest up to 100% of the assets of each Sub-Fund in transferable securities or money market instruments issued or guaranteed by a EU or OECD Member State, by local authorities of an EU Member State or by international public bodies of which one or more EU Member States are members, provided that these securities belong to at least six (6) different issues and that ii) the securities belonging to a single issue do not exceed 30% of the net assets of the Sub-Fund.

8) The Company may not invest more than 20% of the assets of each Sub-Fund in a single UCITS or other UCI as defined under 5.1.1. The investment in UCI units other than UCITS may not exceed a total of 30% of the assets of each Sub-Fund. In the application of this limit, each Sub-Fund of a UCI with multiple sub-funds is considered as a separate issuer provided that the principle of segregation vis-à-vis to third parties is ensured.

When a Sub-Fund's investment policy allows it to invest via total return swaps in shares or units of UCITS and/or other UCIs, the 20% limit defined above is also applied, to the extent that potential losses resulting from the kind of swap contract creating an exposure to a single UCITS or UCI together with direct investments in this single UCITS or UCI, will not in total exceed 20% of the net assets of the Sub-Fund in question. In the case that these UCITS are Sub-Funds of the Company, the swap contract will include provisions for a cash settlement.

(b) Restrictions with regard to investment

The Company may not acquire for any of the Sub-Funds:

- 1) Shares granting voting right in sufficient number to allow it to exercise a significant influence on the management of the issuer;
- 2) More than:
  - 10% of shares without voting rights of a single issuer;
  - 10% of the bonds of a single issuer;

- 25% of the units or shares of a single undertaking for collective investment;
- 10% of money market instruments of a single issuer.

The limits set forth in the second, third and fourth indents above may be disregarded at the time of acquisition if, at that time, the gross value of the bonds or money market instruments or the net value of securities issued cannot be calculated.

The restrictions mentioned above are not applicable:

- to the transferable securities and money market instruments issued or guaranteed by a European Union Member State, by its local authorities, or by a state that is not a member of the European Union;
- to the transferable securities and money market instruments issued by international public bodies of which one or more European Union Member States are members;
- to shares held in the capital of a corporation of a third state to the European Union that invests its assets mainly in the securities of issuers of that state, where under the legislation of that state such a holding represent the only way in which the UCITS can invest on the securities of issuers of that state. This exception is, however, only applicable when the third state of the European Union respects in its investment policy the limits established by Articles 43 to 46 and Article 48, paragraph 1) and 2), of the UCITS Law. In the case that the limits defined in Articles 43 to 46 of the UCITS Law are exceeded, Article 49 applies;
- to shares held by one or more investment companies in the capital of subsidiary companies exercising management, advising, or sales companies solely for the benefit of the subsidiary companies in the country where the subsidiary is located in regard to the redemption of shares at the shareholder's request.
- Loans

\* The Company may for each Sub-Fund temporarily contract loans in a proportion not to exceed 10% of the assets of that Sub-Fund.

\* The Company may not grant credits or act as guarantor on behalf of third parties.

The paragraph above does not prevent the acquisition by the Company of transferable securities, money market instruments or other financial instruments allowed under clause 5.1.1 points 5), 7) and 8) not fully paid up.

- The Company may not, for any Sub-Fund, undertake transactions involving the physical short sale of transferable securities, money market instruments or other financial instruments specified in 5.1.1 points 5), 7) and 8).

- Special investment techniques and instruments

The Company may employ techniques and instruments relating to transferable



securities and money market instruments for investment purposes as well as hedging and efficient portfolio management purposes.

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives as laid down in the prospectus under «“Investment Objectives, Policies and Restrictions»”.

- Options, futures contracts, exchange contracts on transferable securities, currencies or financial instruments

To ensure that the portfolio is managed effectively and for hedging purposes, the Company may buy and sell call and put options and futures contracts, and conclude exchange contracts, CFDs («“Contracts For Difference»”) on transferable securities, currencies or any other type of financial instruments, provided that these derivative instruments are traded on a regulated market operating regularly that is recognised and open to the public; however, these derivatives may also be traded over-the-counter («“OTC»”) provided that they are contracted with leading financial institutions specialising in this type of transaction.

- Credit derivatives

The Company may invest in buying and selling derivatives. Credit derivatives products are used to insulate and transfer the credit risk associated with a base asset. They are two categories of credit derivatives: «“financed»” and «“non-financed»” depending on whether or not the protection seller has made an initial payment in relation to the base asset.

Despite the great variety of credit derivatives, the three most common types of transaction are the following:

- The first type: transactions on credit default products are transactions in which the debts of the parties are linked to the presence or absence of one or several credit events in relation to the base asset. The credit events are defined in the contract and represent a decline in the value of the base asset. Credit default products may either be paid in cash or by physical delivery of the base asset following the default.

- The second type: total return swaps («“Total Return Swaps»”) are an exchange of the economic performance of an underlying asset without transferring ownership of the asset. When a buyer purchases a Total Return Swap, it makes a regular payment at a variable rate, in return for which all the results relating to a notional amount of that asset accrue to it over a period of time agreed with the counterparty. The use of these instruments can help offset the Company's exposure.

- The third type: credit spread derivatives are credit protection transactions in

which the payments may be made either by the buyer or by the seller of the protection based on the relative credit value of two or more base assets.

However, at no time may these operations be conducted for the purpose of modifying the investment policy.

- Application of sufficient hedging on transactions involving derivative products and instruments whether or not traded on a regulated market

When a derivative financial contract is provided, either automatically or at the choice of the Company's counterparty, for the physical delivery of the underlying financial instrument on the date of expiry or on exercise, and as long as physical delivery is common practice for the instrument concerned, the Company must hold the underlying financial instrument in its portfolio as a hedge.

- Substitution by another underlying hedge in the event of a cash settlement

When a derivative financial instrument is settled in cash, automatically or at the Company's discretion, the Company is allowed to not hold the specific underlying instrument as a hedge. In this case, the following categories of instruments are acceptable hedges:

- Cash;
- Liquid debt securities, provided that appropriate safeguards methods exist; and
- Any other very liquid asset considered by reason of its correlation with the underlying asset of the derivative instrument, provided that appropriate safeguards methods exist.
- Calculating the amount of the hedge

The amount of hedge must be calculated using the liabilities approach.

For the purpose of reduction of risk, reduction of cost and in order to generate additional capital or income, the Company is authorised to use the following techniques and instruments relating to transferable securities and money market instruments, in compliance with the requirements of the CSSF circular 08/356:

- Securities lending, borrowing and repurchase agreement transactions;
- Reverse repurchase and repurchase agreement transactions.
- Securities lending, borrowing and repurchase agreement transactions

The Company may, for efficient portfolio management purposes, enter into securities lending, borrowing and repurchase agreement transactions in respect of securities held within the portfolio of a Sub-Fund provided that they comply with the following rules:

- The Company may only lend or borrow securities through a standardised system organized by a recognized clearing institution or through a first class financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by European Union legislation and specialised in

this type of transactions.

- As part of lending transactions the Company must receive collateral the value of which during the lifetime of the contract must be at least 90% of the total value of the securities lent. The amount of collateral is valued daily to ensure that this level is maintained.

This guarantee must be given in the form of liquid assets and/or in the form of securities referred to in the CSSF Circular 08/356 dated on June 4, 2008. The guarantee given under any form other than cash or shares/units of a UCI/UCITS must be issued by an entity not affiliated to the counterparty.

Cash guaranties may be reinvested under the conditions set out in Section III of the CSSF Circular 08/356 dated on June 4, 2008.

Such a guarantee shall not be required if the securities lending is made through Clearstream Banking or Euroclear or through any other organisation assuring to the lender a reimbursement of the value of the securities lent, by way of a guarantee or otherwise.

- The Company must ensure that the volume of the securities lending transactions is kept at an appropriate level or that it is entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations and that these transactions do not jeopardise the management of the Company's assets in accordance with its investment policy.

- The securities borrowed by the Company may not be disposed of during the time they are held by the Company, unless they are covered by sufficient financial instruments that enable the Company to return the borrowed securities at the close of the transaction.

- Borrowing transactions may not exceed 50% of the global valuation of the securities portfolio of each Sub-Fund.

- The Company may borrow securities under the following circumstances in connection with the settlement of a sale transaction: (a) during a period the securities have been sent out for re-registration; (b) when the securities have been loaned and not returned in time; (c) to avoid a failed settlement when the Custodian fails to make delivery; and (d) as a technique to meet its obligation to deliver the securities being the object of a repurchase agreement when the counterparty to such agreement exercises its right to repurchase these securities, to the extent such securities have been previously sold by the Company.

- Reverse repurchase and repurchase agreement transactions

The Company may on an ancillary basis enter into reverse repurchase and repurchase agreement transactions, which consist of a forward transaction at the maturity of which:

- the seller (counterparty) has the obligation to repurchase the asset sold and the Company the obligation to return the asset received under the transaction. Securities that may be purchased in reverse repurchase agreements are limited to those referred to in the CSSF Circular 08/356 dated on June 4, 2008 and they must conform to the Company's investment policy; or

- the Company has the obligation to repurchase the asset sold and the buyer (the counterparty) the obligation to return the asset received under the transaction. The Company must ensure that, at maturity of the agreement, it has sufficient assets to be able to settle the amount agreed with the counterparty for the restitution to the Company.

The Company may enter into these transactions only if the counterparties to these transactions are subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by European Union law.

The Company must take care to ensure that the value of the reverse repurchase or repurchase agreement transactions is kept at a level such that it is able, at all times, to meet its redemption obligations towards its shareholders.

(c) Risk management process

The Company utilises a risk management method that allows it at all times to monitor and measure the risk associated with positions and the contribution of the positions to the overall portfolio risk profile.

The Company also utilises a method that allows a precise and independent evaluation of the value of the OTC derivatives.

The Company makes sure that the overall risk associated with the derivative instruments does not exceed the total net asset value of the portfolio. Risks are calculated taking account on the current value of the underlying assets, the counterparty risk, foreseeable changes in the markets and the time available for liquidating the positions.

The counterparty risk associated with OTC derivative financial instruments is evaluated in accordance with the market value notwithstanding the necessity to use ad hoc price fixing models when the market price is not available.

In addition, the integral credit equivalent approach, coupled with multiplier coefficients will be used to reflect the potential future risk.

The board of directors, acting in the best interests of the Company, may decide, in the manner described in the prospectus of the Company, that (i) all or part of the assets of the Company or of any Sub-fund be co-managed on a segregated basis with other assets held by other investors, including other undertakings for collective investment and/or their Sub-funds, or that (ii) all or part of the assets of two or more Sub-funds be co-managed amongst themselves on a segregated or on

a pooled basis.

**Art. 21. Conflict of Interest.** No contract or other transaction between the Company and any other company or firm shall be affected or invalidated by the fact that any one or more of the directors or officers of the Company is interested in, or is a director, associate, officer or employee of, such other company or firm. Any director or officer of the Company who serves as a director, officer or employee of any company or firm with which the Company shall contract or otherwise engage in business shall not, by reason of such affiliation with such other company or firm, be prevented from considering and voting or acting upon any matters with respect to such contract or other business.

In the event that any director or officer of the Company may have in any transaction of the Company an interest opposite to the interests of the Company, such director or officer shall make known to the board of directors such opposite interest and shall not consider or vote on any such transaction, and such transaction and such director's or officer's interest therein shall be reported to the next general meeting of shareholders.

**Art. 22. Indemnification.** The Company may indemnify any director or officer and his heirs, executors and administrators, against expenses reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Company or, at its request, of any other company of which the Company is a shareholder or a creditor and which he is not entitled to be indemnified, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or misconduct; in the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Company is advised by counsel that the person to be indemnified did not commit such a breach of duty. The foregoing right of indemnification shall not exclude other rights to which he may be entitled.

**Art. 23. Auditor.** The accounting data related in the annual report of the Company shall be examined by an auditor («réviseur d'entreprises agréé») appointed by the general meeting of shareholders and remunerated by the Company.

The auditor shall fulfill all duties prescribed by the 2010 Law.

#### Title IV. - General meetings - Accounting Year - Distributions

**Art. 24. Powers of the General Meetings of Shareholders.** The general meeting of shareholders of the Company shall represent the entire body of shareholders of the Company. Its resolutions shall be binding upon all the shareholders regardless

of the class of Shares held by them. It shall have the broadest powers to order, carry out or ratify acts relating to the operations of the Company. Shareholders of any Sub-Fund/class of Shares may hold separate general meetings to deliberate on any matters which relates only to that Sub-Fund/class of Shares. The provisions of article 26 shall apply to such general meetings.

**Art. 25. Annual General Meeting of Shareholders - Other General Meetings.**

The annual general meeting shall be held in accordance with Luxembourg law at the registered office of the Company, or at such other place in the municipality of its registered office as may be specified in the notice of the meeting, on the last Tuesday in the month of April at 12.00 p.m. each year and for the first time in 2014.

If such day is a legal or a bank holiday in Luxembourg, the annual general meeting shall be held on the next following business day. The annual general meeting may be held abroad if, in the absolute and final judgment of the board of directors, exceptional circumstances so require.

Other general meetings of shareholders may be held at such place and time as may be specified in the respective notices of meeting.

**Art. 26. Proceedings, Vote, Notice.** The quorum and notice periods required by law shall govern the notice for, and conduct of, the meetings of shareholders of the Company, unless otherwise provided herein.

Shareholders will meet upon call by the board of the directors or its chairman pursuant to a notice setting forth the agenda. Notices of all general meetings are sent by mail to all registered shareholders at their registered address at least eight (8) days prior to such meeting. Such notice will indicate the time and place of such meeting and the conditions of admission thereto, will contain the agenda and will refer to the requirements of Luxembourg law with regard to the necessary quorum and majorities at such meetings. To the extent required by Luxembourg law, further notices will be published in the Mémorial and in one Luxembourg newspaper.

If all the shareholders of the Company are present or represented at a meeting of the shareholders of the Company, and consider themselves as being duly convened and informed of the agenda of the meeting, the meeting may be held without prior notice.

Each whole Share of whatever Sub-Fund, regardless of the Net Asset Value per Share within the Sub-Fund, is entitled to one vote, subject to the limitations imposed by these Articles. A Shareholder may act at any meeting of Shareholders by appointing another person as his proxy in writing or by cable, telegram, or telefax message. Such proxy holder need not be a shareholder and may be a

director of the Company.

A shareholder may participate at any meeting of Shareholders by means of a videoconference or any other means of telecommunication allowing identifying such shareholder. Such means must allow the shareholder to effectively act at such meeting of shareholders, the proceedings of which must be retransmitted continuously to such shareholder.

Except as otherwise required by law or as otherwise provided herein, resolutions at a meeting of Shareholders duly convened will be passed by a simple majority of the votes cast. Votes cast shall not include votes in relation to shares represented at the meeting of shareholders in respect of which shareholders have not taken part in the vote or have abstained or have returned a blank or invalid vote.

The board of directors may determine all other conditions that must be fulfilled by shareholders for them to take part in any meeting of Shareholders.

The business transacted at any meeting of the shareholders shall be limited to the matters contained in the agenda (which shall include all matters required by law) and business incidental to such matters. Each share of whatever class is entitled to one vote, in compliance with Luxembourg law and these Articles.

Any resolution of the general meeting of shareholders of the Company, affecting the rights of the holders of Shares of any class vis-à-vis the rights of the holders of Shares of any other class or classes, shall be subject to a resolution of the general meeting of shareholders of such class or classes in compliance with Article 68 of the law of August 10, 1915 on commercial companies, as amended.

Any investor will only be able to fully exercise the right to participate in general meetings 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 in general meetings of shareholders.

**Art. 27. Accounting Year.** The accounting year of the Company shall commence on the first of January of each year and shall terminate on the thirty-first of December of the same year with the exception of the first accounting year which shall start on the day of incorporation of the Company and end on December 31, 2013.

**Art. 28. Distribution Policy.** The general meeting of shareholders of the class or classes issued in respect of any Sub-Fund shall, upon proposal from the board of directors and within the limits provided by law, determine how the results of such Sub-Fund shall be disposed of, and may from time to time declare, or authorise the board of directors to declare distributions.

For any class or classes of Shares entitled to distributions, the board of directors may decide to pay interim dividends in compliance with the conditions set forth by the 2010 Law.

For any class or classes of Shares entitled to distributions, the board of directors may decide that dividends be directly reinvested by the purchase of additional Shares.

In any event, no distribution may be made if, as a result, the Net Asset Value of the Company would fall below the minimum capital required by the 2010 Law.

Dividends to be reinvested will be paid to the registrar and transfer agent who will reinvest the money on instructions received from the shareholders in additional Shares of the same class. Such Shares will be issued on the payment date at the Net Asset Value per Share of the relevant class. Fractional entitlements to registered Shares will be recognised to five decimal places.

Distributions may be paid in such currency and at such time and place that the board of directors shall determine from time to time.

Dividends not claimed within five (5) years of their due date will lapse and revert to the relevant Class within the relevant Sub-Fund.

No interest shall be paid on a distribution declared by the Company and kept by it at the disposal of its beneficiary.

#### Title V. - Termination of a Sub-Fund - Amalgamation, Division - Dissolution and Liquidation

**Art. 29. Termination of a Sub-Fund.** In the event that for any reason the value of the total net assets in any class or Sub-Fund has not reached or has decreased to an amount determined by the board of directors to be the minimum level for such class or Sub-Fund to be operated in an economically efficient manner, or in case of a substantial modification in the political, economic or monetary situation or as a matter of economic rationalisation, the board of directors may decide to offer to the shareholders of such Sub-Fund to compulsory redeem all the Shares of the relevant class or Sub-Fund at the Net Asset Value per Share (taking into account actual realisation prices of investments and realization expenses) determined on the Valuation Day at which such decision shall take effect. The Company shall serve a written notice to the holders of the relevant class or Sub-Fund prior to the effective date for the compulsory redemption provided however that in no event shall such shareholders receive less than thirty (30) days' prior notice. This notice will indicate the reasons and the procedure for the redemption operations. Unless it is otherwise decided in the interests of, or to keep equal treatment between the shareholders, the shareholders of the Class or the Sub-Fund concerned may continue to request redemption or conversion of their Shares free of charge (but



taking into account actual realisation prices of investments and realisation expenses) prior to the date effective for the compulsory redemption.

Notwithstanding the powers conferred to the board of directors by the preceding paragraph, the general meeting of shareholders of any class within any Sub-Fund may, upon proposal from the board of directors, redeem all the Shares of the relevant Class within the relevant Sub-Fund and refund to the shareholders the Net Asset Value of their Shares (taking into account actual realisation prices of investments and realisation expenses) calculated on the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such general meeting of shareholders which shall decide by resolution taken by simple majority of those present or represented and voting.

Assets which may not be distributed to their owners upon the implementation of the redemption will be deposited with the Caisse de Consignations in Luxembourg on behalf of the persons entitled thereto.

All redeemed Shares shall be cancelled by the Company.

**Art. 30. Amalgamation, Division or Transfer of Sub-Funds.** The board of directors have the right from time to time to amalgamate or divide any Sub-Fund or to transfer one or more Sub-Funds to another Luxembourg based or foreign UCITS. In the case of the amalgamation or division of Sub-Funds, the existing shareholders have the right to require, within one (1) month of notification of such event, the redemption by the Company of their Shares free of charge. Any merger, as defined in Article 1 (20) of the 2010 Law; will be implemented in accordance with Chapter 8 of the 2010 Law.

The Board of Directors will decide on the effective date of any merger of the Company with another UCITS pursuant to article 66 (4) of the 2010 Law.

**Art. 31. Dissolution and Liquidation of the Company.** The Company may at any time be dissolved by a resolution of the general meeting of shareholders subject to the quorum and majority requirements as defined in the Articles and Luxembourg law.

Whenever the capital falls below two-thirds of the minimum capital as provided in the 2010 Law, the board of directors must submit the question of the dissolution of the Company to the general meeting of shareholders. The general meeting, for which no quorum shall be required, shall decide by simple majority of the Shares present and represented at the meeting.

The question of the dissolution of the Company shall also be referred to a general meeting of shareholders whenever the capital falls below one quarter of the minimum capital. In such event, the general meeting shall be held without quorum requirement, and the dissolution may be decided by the shareholders holding one

quarter of the Shares present and represented at that meeting.

The meeting must be convened so that it is held within a period of forty (40) days from the date that the net assets of the Company have fallen below two thirds or one quarter of the legal minimum, as the case may be.

The issue of new Shares by the Company shall cease on the date of publication of the notice of the general meeting of shareholders, to which the dissolution and liquidation of the Company shall be proposed. One or more liquidators shall be appointed by the general meeting of shareholders to realise the assets of the Company, subject to the supervision of the relevant supervisory authority in the best interests of the shareholders. The proceeds of the liquidation of each Sub-Fund, net of all liquidation expenses, shall be distributed by the liquidators among the holders of Shares in each Class in accordance with their respective rights. The amounts not claimed by shareholders at the end of the liquidation process shall be deposited, in accordance with Luxembourg law, with the Caisse de Consignations in Luxembourg until the statutory limitation period has lapsed.

#### Title VI. - Final provisions

**Art. 32. Publication of the Net Asset value per Share.** The Net Asset Value per Share of each class of Shares in each Sub-Fund is made public at the registered office of the Company and is available at the offices of the custodian. The Company will arrange for the publication of this information in the reference currency, if any, in leading financial newspapers. The board of directors is not liable for any error or delay in publication or for non-publication of prices.

**Art. 33. Custodian and Management Agreements.** To the extent required by law, the Company shall enter into a custodian agreement with banking or saving institution as defined by the law of April 5, 1993 on the financial sector, as amended (herein referred to as the «“Custodian””).

The custodian shall fulfill the duties and responsibilities as provided for by the 2010 Law.

To the extent permitted by law, the Company may enter into a management company agreement with a management company authorised under the 2010 Law pursuant to which it designates such management company to supply the Company with investment management, administration and/or marketing services.

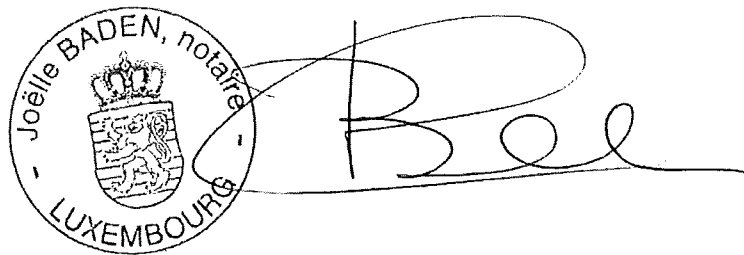
**Art. 34. Amendment of Articles.** These Articles may be amended from time to time by a general meeting of shareholders subject to the quorum and majority requirements provided by the law of 10 August 1915 on commercial companies, as amended.

Any amendments affecting the rights of the shareholders of one Sub-Fund vis-à-vis those of any other Sub-Fund shall be subject to the quorum and majority

requirements provided by the law of 10 August 1915 on commercial companies, as amended.

**Art. 35. Applicable Law.** All matters not governed by these Articles of Incorporation shall be determined in accordance with the law of 10 August 1915 on commercial companies and the 2010 Law; as such laws have been or may be amended from time to time.

-POUR STATUTS COORDONNES-

A circular notary seal for Joëlle Baden, Notaire in Luxembourg. The seal features a central coat of arms with a crown on top. The text "Joëlle BADEN, notaire" is written in a circle around the top, and "LUXEMBOURG" is at the bottom. A handwritten signature, appearing to be "J. Baden", is written over the right side of the seal.

