ALICANTO SICAV I

Société d'investissement à capital variable Luxembourg

Distribution of this Prospectus is not authorized unless accompanied by a copy of the latest annual financial report and of the latest semi-annual financial report, if published thereafter. Such reports form an integral part of this Prospectus.

May 2026

LIST OF ACTIVE SUB-FUNDS

Name of the Sub-Funds	**Reference currency**
ALICANTO SICAV I – Bond Euro	**EUR**
ALICANTO SICAV I – Equity Alpha	**EUR**
ALICANTO SICAV I – Absolute Return	**EUR**

INTRODUCTION

ALICANTO SICAV I (the "**Company**") is an investment company organized under the laws of the Grand-Duchy of Luxembourg as a *société d'investissement à capital variable* and qualifies as an Undertaking for Collective Investments in Transferable Securities "**UCITS**".

The Company is offering shares (the "**Shares**") of several separate sub-funds (the "**Sub-Fund**") and within each Sub-Fund separate classes of Shares (the "**Class of Shares**" or "**Classes of Shares**"), on the basis of the information contained in this prospectus (the "**Prospectus**") and in the documents referred to herein.

No person is authorized to give any information or to make any representations concerning the Company other than as contained in the Prospectus and in the documents referred to herein, and any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in the Prospectus shall be solely at the risk of the purchaser. Neither the delivery of the Prospectus nor the offer, sale or issue of Shares shall under any circumstances constitute a representation that the information given in the Prospectus is correct at any time subsequent to the date hereof. An amendment or updated Prospectus shall be provided, if necessary, to reflect material changes to the information contained herein.

The Shares to be issued hereunder may be of several different classes which relate to several separate Sub-Funds of the Company. Shares of the different Sub-Funds may be issued, redeemed and converted at prices computed on the basis of the net asset value (the "**Net Asset Value**") per each Class of Shares of the relevant Sub-Fund, as defined in the articles of incorporation of the Company (the "**Articles**").

In accordance with the Articles, the board of directors of the Company (the "**Board of Directors**") may issue Shares and Classes of Shares in each Sub-Fund. A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective applicable to the relevant Sub-Fund. As a result, the Company is an "umbrella fund" enabling investors to choose between one or more investment objectives by investing in one or more Sub-Funds. Investors may choose which Sub-Fund best suits their specific risk and return expectations as well as their diversification needs.

The Board of Directors may, at any time, create additional Sub-Funds, whose investment objectives may differ from those of the Sub-Funds then existing. Upon creation of new Sub-Funds, the Prospectus will be updated accordingly.

The distribution of the Prospectus and the offering of the Shares may be restricted in certain jurisdictions. The Prospectus does not constitute an offer or solicitation in a jurisdiction where to do so is unlawful or where the person making the offer or solicitation is not qualified to do so or where a person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person in possession of the Prospectus and of any person wishing to apply for Shares to inform himself or herself of and to observe all applicable laws and regulations of relevant jurisdictions.

The Board of Directors has taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make any statement misleading herein, whether of fact or opinion. The Board of Directors accepts responsibility accordingly.

Grand-Duchy of Luxembourg - The Company is registered pursuant to Part I of the law of 17 December 2010 relating to undertakings for collective investment (the "**2010 Law**") as may be amended. However, such registration does not require any authority of the Grand-Duchy of Luxembourg to approve or disapprove either the adequacy or accuracy of the Prospectus or the assets held in the various Sub-Funds. Any representations to the contrary are unauthorized and unlawful.

European Union ("EU") - The Company is an UCITS for the purposes of the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (Directive 2009/65/EC) as amended by the Directive of the European Parliament and of the Council of July 23, 2014 for all matters relating to the depositary functions, remuneration policies and sanctions (the "**UCITS Directive**") and the Board of Directors of the Company proposes to market the Shares in accordance with the UCITS Directive in certain Member States of the EU and in countries which are not Member States of the EU.

United States of America - The Shares have not been registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"); they may therefore not be publicly offered or sold in the United States of America, or in any of its territories subject to its jurisdiction or to or for the benefit of a U.S. Person as such expression is defined by the Articles.

The Shares are not being offered in the United States of America, and may be so offered only pursuant to an exemption from registration under the 1933 Act, and have not been registered with the Securities and Exchange Commission or any state securities commission nor has the Company been registered under the Investment Company Act of 1940, as amended (the "**1940 Act**"). No transfer or sale of the Shares shall be made unless, among other things, such transfer or sale is exempt from the registration requirement of the 1933 Act and any applicable state securities laws or is made pursuant to an effective registration statement under the 1933 Act and such state securities laws and would not result in the Company becoming subject to registration or regulation under the 1940 Act. Shares may furthermore not be sold or held either directly by nor to the benefit of, among others, a citizen or resident of the United States of America, a partnership organized or existing in any state, territory or possession of the United States of America or other areas subject to its jurisdiction, an estate or trust the income of which is subject to United States federal income tax regardless of its source, or any corporation or other entity organized under the law of or existing in the United States of America or any state, territory or possession thereof or other areas subject to its jurisdiction (a "**U.S. Person**"). All purchasers must certify that the beneficial owner of such Shares is not a U.S. Person and is purchasing such Shares for its own account, for investment purposes only and not with a view towards resale thereof.

The Articles give powers to the Board of Directors to impose such restrictions as they may think necessary for the purpose of ensuring that no Shares in the Company are acquired or held by any person in breach of the law or the requirements of any country or governmental authority or by any person in circumstances which in the opinion of the Board of Directors might result in the Company incurring any liability or taxation or suffering any other disadvantage which the Company may not otherwise have incurred or suffered and, in particular, by any U.S. Person as referred to above. The Company may compulsorily redeem all Shares held by any such person.

The value of the Shares may fall as well as rise and a shareholder on transfer or redemption of Shares may not get back the amount he initially invested. Income from the Shares may fluctuate in money terms and changes in rates of exchange may cause the value of Shares to go up or down. The levels and basis of, and relief from, taxation may change. There can be no assurance that the investment objectives of the Company will be achieved.

Investors should inform themselves and should take appropriate advice on the legal requirements as to possible tax consequences, foreign exchange restrictions, exchange control requirements or additional costs and expenses incurred relating to investments in the Company 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, conversion, redemption or disposal of the Shares of the Company (including, but not limited to any potential fees of local financial intermediaries).

The Management Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the UCI(TS), notably the right to participate in general shareholders' meetings if the investor is registered himself and in his own name in the shareholders' register of the UCI(TS). In cases where an investor invests in the UCI(TS) through an intermediary investing into the UCI(TS) 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 UCI(TS). Investors are advised to take advice on their rights.

All references in the Prospectus to "**USD**", "**EUR**" and "**JPY**" are to the legal currency of the United States of America, the EU and Japan.

All references to:

- "**Business Day**": refers to any day on which banks are open for business in Luxembourg except 24th and 31th December.
- "**Valuation Day**": the net asset value per Share of each Class is determined on each day which is a Valuation Day for that Sub-Fund. Unless otherwise specified in Part B of this Prospectus, a Valuation Day in relation to any Sub-Fund is every day which is a bank business day in Luxembourg.

Further copies of this Prospectus may be obtained from:

CACEIS Bank, Luxembourg Branch
5, Allée Scheffer,
L-2520 Luxembourg

ALICANTO SICAV I
Société d'investissement à capital variable
R.C.S. Luxembourg B207600

Registered Office:	5, Allée Scheffer, L- 2520 Luxembourg Grand-Duchy of Luxembourg
Board of Directors:	
Class A Directors:	**Angelo Rusconi** Alicanto Capital S.G.R. S.p.A., General Director Via Agnello, 5 20121 Milano Italy
Class B Directors:	**Stefano Giovannetti, Independent Director** Attorney at law Carat & Partners 16 Avenue Marie-Thérèse, L-2132 Luxembourg Grand Duchy of Luxembourg **Antonello Senes, Independent Director** Attorney at law Just Lex 26 Côte d'Eisch L-1450 Luxembourg Grand Duchy of Luxembourg
Management Company and Distributor:	**Alicanto Capital S.G.R. S.p.A.** Via Agnello, 5 20121 Milano Italy
Sub-distributor:	ONLINE SIM S.p.A. Via Piero Capponi 13 20145 Milano Italy
Depositary and Principal Paying Agent:	**CACEIS Bank, Luxembourg Branch** 5, Allée Scheffer, L- 2520 Luxembourg Grand-Duchy of Luxembourg

UCI Administrator:	**CACEIS Bank, Luxembourg Branch** 5, Allée Scheffer, L- 2520 Luxembourg Grand-Duchy of Luxembourg
Auditor:	**PricewaterhouseCoopers, Société cooperative** 2 rue Gerhard Mercator, L-1014 Luxembourg Grand-Duchy of Luxembourg

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Data protection

In the course of business, the Company and the Management Company will collect, record, store, adapt, transfer and otherwise process information by which prospective investors may be directly or indirectly identified. The Company jointly with the Management Company are the data controller within the meaning of EU Regulation 2016/679 of 27 April 2016, concerning the protection of natural persons with regard to the processing of personal data and on the free movement of such data (Data Protection Regulation) and undertake to hold any personal data provided by investors in accordance with Data Protection Regulation.

The Company and the Management Company and/or any of its delegates or service providers may process prospective investor's personal data (including, but not limited to the name, address and invested amount of each investor) for any one or more of the following purposes and legal bases:

1. to operate the Company, including managing and administering a shareholder's investment in the Company on an on-going basis which enables the Company, the Management Company and/or any of its delegates or service providers and investors to satisfy their contractual duties and obligations to each other;

2. to comply with any applicable legal, tax or regulatory obligations on the Company and the Management Company and/or any of its delegates or service providers under any applicable laws and anti-money laundering and counter-terrorism legislation and to preserve the interests of the Company and its investors;

3. for any other legitimate business interests of the Company and the Management Company or a third party to whom personal data is disclosed, where such interests are not overridden by the interests of the investor, including for statistical analysis and market research purposes; or

4. for any other specific purposes where investors have given their specific consent and where processing of personal data is based on consent, the investors will have the right to withdraw it at any time.

The Company and the Management Company and/or any of its delegates or service providers may disclose or transfer personal data, whether in the European Union or elsewhere (including entities situated in countries outside of the EEA), to other delegates, duly appointed agents and service providers of the Company and the Management Company (and any of their respective related, associated or affiliated companies or sub-delegates) and to third parties including advisers, regulatory bodies, taxation authorities, auditors, technology providers for the purposes specified above.

The Company and the Management Company and/or any of its delegates and service providers will not transfer personal data to a country outside of the EEA unless that country ensures an adequate level of data protection or appropriate safeguards are in place or the transfer is in reliance on one of the derogations provided for under GDPR (GDPR means Regulation (EU)

2016/679 known as the General Data Protection Regulation, that came into force on 25 May 2018). The European Commission has prepared a list of countries that are deemed to provide an adequate level of data protection which, to date, includes Switzerland, Guernsey, Argentina, the Isle of Man, Faroe Islands, Jersey, Andorra, Israel, New Zealand and Uruguay. Further countries may be added to this list by the European Commission at any time. The US is also deemed to provide an adequate level of protection where the US recipient of the data is privacy shield-certified. If a third country does not provide an adequate level of data protection, then the Company and the Management Company and/or any of its delegates and service providers will ensure it puts in place appropriate safeguards such as the model clauses (which are standardised contractual clauses, approved by the European Commission).

The Company and the Management Company and/or any of its delegates or service providers will not keep personal data for longer than is necessary for the purpose(s) for which it was collected. In determining appropriate retention periods, the Company and the Management Company and/or any of its delegates or service providers shall have regard to any applicable statutes of limitation and any statutory obligations to retain information, including anti-money laundering, counter-terrorism, tax legislation. The Company and the Management Company and/or any of its delegates or service providers will take all reasonable steps to destroy or erase the data from its systems when they are no longer required.

Where processing is carried out on behalf of the Company and the Management Company, the Company and the Management Company shall jointly engage a data processor, within the meaning of Data Protection Regulation, which provides sufficient guarantees to implement appropriate technical and organisational security measures in a manner that such processing meets the requirements of Data Protection Regulation and ensures the protection of the rights of investors. The Company jointly with the Management Company will enter into a written contract with the data processor which will set out the data processor's specific mandatory obligations laid down in Data Protection Regulation, including to process personal data only in accordance with the documented instructions from the Company and the Management Company.

Where specific processing is based on an investor's consent, that investor has the right to withdraw at any time. Investors have the right to request access to their personal data kept by the Company and the Management Company and/or any of its delegates or service providers, and the right to rectification or erase of their data and to restrict or object to processing of their data, subject to any restrictions imposed by Data Protection Regulation.

Investors are required to provide their personal data for statutory and contractual purposes. Failure to provide the required personal data or an objection to processing may result in the Company and Management Company being unable to permit, process, or release the investor's investment in the Company and this may result in the Company terminating its relationship with the investor.

PART A: COMPANY INFORMATION

INVESTMENT OBJECTIVES, POLICIES, TECHNIQUES AND INVESTMENT RESTRICTIONS

I. INVESTMENT OBJECTIVES AND POLICIES

The investment objective of the Company is to manage the assets of each Sub-Fund for the benefit of its shareholders within the limits set forth under section "INVESTMENT RESTRICTIONS". In order to achieve the investment objective, the assets of the Company will be invested in transferable securities or other assets permitted by law including but not limited to cash and cash equivalents.

The investments within each Sub-Fund are subject to market fluctuations and to the risks inherent in all investments; accordingly, no assurance can be given that their investment objective will be achieved. **The investment policies and structure applicable to the various Sub-Funds created by the Board of Directors are described hereinafter in Part B of this Prospectus. If further Sub-Funds are created the Prospectus will be updated accordingly.**

II. INVESTMENT RESTRICTIONS

The Board of Directors shall, based upon the principle of risk spreading, have power to determine the investment policy for the investments for each Sub-Fund and the course of conduct of the management and business affairs of the Company.

Except to the extent that more restrictive rules are provided for in connection with a specific Sub-Fund as described in the particulars of the Sub-Fund, the investment policy shall comply with the rules and restrictions laid down hereafter:

1. **Investment in each Sub-Fund of the Company shall consist solely of one or more of the following:**

   a) Transferable securities and money market instruments admitted to or dealt in on a regulated market that operates regularly and is recognized and is open to the public (a "**Regulated Market**");

   b) Transferable securities and money market instruments dealt in on another Regulated Market in a Member State of the European Union which operates regularly and is recognized and open to the public;

   c) Transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State of the European Union or dealt in on another regulated market in a non-Member State of the European Union which operates regularly and is recognized and open to the public;

   d) Recently issued transferable securities and money market instruments provided that:
      - The terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another regulated market referred to under a), b) and c) above; and
      - Such admission is secured within one (1) year of the issue;

e) Shares or units of UCITS authorized according to the Directive 2009/65/EC (the "**UCITS Directive**") and/or other UCI within the meaning of the first and second indent of Article 1(2) of the UCITS Directive, should they be situated in a Member State of the European Union or not, provided that:

- Such other UCIs are authorized under laws which provide that they are subject to supervision considered by the Commission de Surveillance du Secteur Financier (the "**CSSF**") to be equivalent to that laid down in Community law and that cooperation between authorities is sufficiently ensured;
- The level of guaranteed protection for share- or unit-holders in such other UCIs is equivalent to that provided for share- or unit-holders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS Directive;
- The business of the other UCI is reported in at least half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
- No more than 10% of the UCITS or the other UCI assets, whose acquisition is contemplated, can be, according to its instruments of incorporation, invested in aggregate in shares or units of other UCITS or other UCIs;

f) 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 Member State of the European Union or, if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;

g) Financial derivatives, including equivalent cash settled instruments, dealt in on a regulated market referred to under a), b) and c) above, and/or financial derivative instruments dealt in over-the-counter ("**OTC derivatives**"), provided that:

- The underlying consist of instruments covered by this section 1, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest in accordance with 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 board of directors of the Management Company; and
- 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;

h) Money market instruments other than those dealt in on Regulated Markets or other regulated markets referred to in a), b) and c) and other than money market instruments, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

- Issued or guaranteed by a central, regional or local authority, a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal

State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or

- Issued by an undertaking any securities of which are dealt in on Regulated Markets or other regulated markets referred to under a), b) or c) above; or
- Issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law or by an establishment which is subject to and complies with prudential rules considered by the Member States of the OECD and GAFI to be at least as stringent as those laid down by Community law; or
- Issued by other bodies 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, second and third indent of this section 1h), and provided that the issuer (i) is a company whose capital and reserves amount at least to ten million Euro (EUR 10,000,000) and (ii) which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, (iii) 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 (iv) is an entity which is dedicated to the financing of securitization vehicles which benefit from a banking liquidity line.

2. However:

(a) Each Sub-Fund may invest up to 10% of its assets in transferable securities and money market instruments other than those referred to under section 1a) trough h) above;

(b) An investment company may acquire movable and immovable property which is essential for the direct pursuit of its business;

(c) Each Sub-Fund may not acquire either precious metals or certificates representing them;

(d) Each Sub-Fund may hold ancillary liquid assets, i.e., bank deposit at sight;

(e) Each Sub-Fund may:

a) Hold ancillary liquid assets, i.e. bank deposit at sight;

b) borrow the equivalent of: a) up to 10% of their assets provided that the borrowing is on a temporary basis; b) up to 10% of their assets in the case of an investment company provided that the borrowing is to make possible the acquisition of immovable property essential for the direct pursuit of their business; in this case, these borrowings and those referred to in sub-paragraph a) may not in any case in total exceed 15% of their assets;

c) Acquire foreign currencies by means of back-to-back loans.

3. In addition, the Company shall comply in respect of the net assets of each Sub-Fund with the following investment restrictions per 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) A Sub-Fund may not invest more than 10% of its net assets in transferable securities or money market instruments issued by the same body.

The total value of the transferable securities and money market instruments held by the Sub-Fund in the issuing bodies in each of which it invests more than 5% of its net assets must not exceed 40% of the value of its net assets. This restriction does not apply to deposits and OTC transactions made with financial institutions subject to prudential supervision.

(2) The 10% limit laid down in paragraph (1) is raised to 20% in the case of transferable securities and money market instruments issued by the same group of companies.

(3) The 10% limit laid down in paragraph (1) is raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State of the European Union, by its local authorities, by a non-Member State or by public international bodies to which one or more Member States are members.

(4) The 10% limit laid down in paragraph (1) is raised to 25% for certain debt securities issued by a credit institution whose registered office is in a Member State of the European Union and which is subject by law to special public supervision designed to protect the holders of debt securities. In particular, sums deriving from the issue of such debt securities must be invested pursuant to the law in assets which, during the whole period of validity of the debt securities, are capable of covering claims attaching to the debt securities and which, in event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of accrued interest. To the extent that the Sub-Fund invests more than 5% of its assets in such debt securities, issued by the same issuer, the total value of such investments may not exceed 80% of the value of the Sub-Fund's net assets.

(5) The values mentioned in (3) and (4) above are not taken into account for the purpose of applying the 40% limit referred to under paragraph (1) above.

(6) **Notwithstanding the limits indicated above, and in accordance with the principle of risk-spreading, each Sub-Fund is authorized to invest up to 100% of its assets in transferable securities and money market instruments issued or guaranteed by a Member State of the European Union, its local authorities, a member state of the OECD or public international bodies of which one or more Member States of the European Union are members, provided that (i) these securities consist of at least six different issues and (ii) securities from any one issue may not account for more than 30% of the Sub-Fund's net assets.**

(7) Without prejudice to the limits laid down in (b) below, the limits laid down in (1) above are raised to maximum 20% for investment in shares and/or debt securities issued by the same body and when the Sub-Fund's investment policy is aimed at duplicating the composition of a certain stock or debt securities index, which is recognized by the CSSF and meets the following criteria:

- The index's composition is sufficiently diversified;
- The index represents an adequate benchmark for the market to which it refers;
- The index is published in an appropriate manner.

The 20% limit is increased to 35% where that proves to be justified by exceptional conditions, in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for one single issuer.

- **Bank deposits**

(8) A Sub-Fund may not invest more than 20% of its net assets in deposits made with the same entity.

- **Derivatives**

(9) The risk exposure to a counterparty in an OTC derivative transaction may not exceed 10% of the Sub-Fund's net assets when the counterparty is a credit institution referred to in f) in section 1 above, or 5% of its net assets in the other cases.

(10) The Sub-Fund may invest in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in (1) to (5), (8), (16) and (17). When the Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined with the limits laid down in (1) to (5), (8), (16) and (17).

(11) When a transferable security or money market instruments embeds a derivative, the latter must be taken into account when applying the provisions laid down in (12), (16) and (17), and when determining the risks arising on transactions in derivative instruments.

(12) With regard to derivative instruments, each Sub-Fund will ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio.

The risks exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

As more specifically provide for in the section "FINANCIAL TECHNIQUES AND INSTRUMENTS" herebelow and in the particulars of the Sub-Funds, derivatives may be used for both hedging and investment purposes.

- **Shares or units in open-ended funds**

(13) Each Sub-Fund may not invest more than 20% of its net assets in shares or units of a single UCITS or other UCI referred to in 1) e) above.

(14) Furthermore, investments made in UCIs other than UCITS, may not exceed, in aggregate, 30% of the net assets of the Sub-Fund.

(15) To the extent that a UCITS or UCI is composed of several sub-funds and provided that the principle of segregation of commitments of the different sub-funds is ensured in relation to third parties, each sub-fund shall be considered as a separate entity for the application of the limit laid down in (13) hereabove.

When the Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company to which the management company is linked by common management or control or by a substantial direct or indirect holding, that management company or other company may not charge subscription or redemption fees on account of the Sub-Fund's investment in the units of other UCITS and/or other UCI.

If the Sub-Fund shall decide to invest a substantial proportion of its assets in other UCITS and/or UCIs the maximum level of management fees that may be charged to both the Sub-Fund and to the UCITS and/or UCI in which it intends to invest will

be disclosed in this Prospectus under the specific information regarding the concerned Sub-Fund.

- **Combined limits**

(16) Notwithstanding the individual limits laid down in (1), (8) and (9), the Sub-Funds may not combine:
- Investments in transferable securities or money market instruments issued by;
- Deposits made with; and/or
- Exposures arising from OTC derivatives transactions undertaken with;

a single body in excess of 20% of its net assets.

(17) The limits set out in (1) to (5), (8) and (9) cannot be combined. Thus, investments by each Sub-Fund in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body in accordance with (1) to (5), (8) and (9) may not exceed a total of 35% of the net assets of the Sub-Fund.

(b) Restrictions with regard to control

(18) No Sub-Fund may acquire such amount of shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

(19) The Company may acquire no more than:
(i) 10% of the outstanding non-voting shares of the same issuer,
(ii) 10% of the outstanding debt securities of the same issuer,
(iii) 25% of the outstanding shares or units of the same UCITS and/or other UCI,
(iv) 10% of the outstanding money market instruments of the same issuer.

The limits set in points (ii) to (iv) may be disregarded at the time of acquisition if at that time the gross amount of debt securities or money market instruments, or the net amount of the securities in issue, cannot be calculated.

(20) The limits laid down in (18) and (19) are waived as regards:
- Transferable securities and money market instruments issued or guaranteed by a Member State of the European Union or its local authorities;
- Transferable securities and money market instruments issued or guaranteed by a non-Member State of the European Union;
- Transferable securities and money market instruments issued by public international bodies of which one or more Member States of the European Union are members;
- Shares held in the capital of a company incorporated in a non-Member State of the European Union which invests its assets mainly in securities of issuing bodies having their registered office in that State, where under the legislation of that State, such holding represents the only way in which the relevant Sub-Fund can invest in the securities of issuing bodies of that State and provided that the investment policy of the company complies with regulations governing risk diversification and restrictions with regard to control laid down herein;
- Shares held in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country/state where the subsidiary is located, in regard to the repurchase of the shares at the shareholders request

exclusively on its or their behalf.

4. **Furthermore, the following restrictions will have to be complied with:**

(i) No Sub-Fund may acquire either precious metals or certificates representing them.

(ii) No Sub-Fund may acquire real estate, provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

(iii) No Sub-Fund may issue warrants or other rights giving holders the right to purchase Shares in such Sub-Fund.

(iv) Without prejudice to the possibility of a Sub-Fund to acquire debt securities and to hold bank deposits, a Sub-Fund may not grant loans or act as guarantor on behalf of third parties. This restriction does not prohibit the Sub-Fund from acquiring Transferable securities, money market instruments or other financial instruments that are not fully paid-up.

(v) A Sub-Fund may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments.

5. **Notwithstanding the above provisions:**

(i) Each of the Sub-Funds needs not necessarily to comply with the limits referred to hereabove when exercising subscription rights attaching to transferable securities or money market instruments which form part of such Sub-Fund's portfolio concerned.

(ii) If the limits referred to above are exceeded for reasonsbeyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

6. **Cross-Investments**

Finally, a Sub-Fund of the Company may subscribe, acquire and/or hold securities to be issued or issued by one or more other sub-funds of the Company, in accordance with the provisions set forth in the sales documents of the Company and with the restrictions set forth in the 2010 Law. Provided that:

- the Target Sub-Fund does not, in turn, invest in the Sub-Fund investing in the Target Sub-Fund;
- the Target Sub-Fund may not, according to its investment policy, invest more than 10% of its net assets in other UCITS or UCIs;
- voting rights, attaching to the Shares of the Target Sub-Fund are suspended for as long as they are held by the Sub-Fund;
- in any event, for as long as the Shares are held by the Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purpose of verifying the minimum threshold of the net assets imposed by the 2010 Law.

7. **Master-Feeders structures**

Under the conditions set forth in Luxembourg laws, circulars and regulations, the Board of Directors may, at any time it deems appropriate and to the widest extent permitted by applicable Luxembourg laws:

- create any sub-fund and/or class of shares qualifying either as a feeder UCITS or as a master UCITS,

- convert any existing Sub-Fund and/or class of shares into a feeder UCITS Sub-Fund and/or class of shares or- change the master UCITS of any of its feeder UCITS Sub-Fund and/or class of shares.

By way of derogation from Article 46 of the 2010 Law, the Company or any of its Sub-Funds which acts as a feeder (the "**Feeder**") of a master-fund shall invest at least 85% of its assets in another UCITS or in a sub-fund of such UCITS (the "**Master**").

The Feeder may not invest more than 15% of its assets in the following elements:

1) ancillary liquid assets in accordance with Article 41, paragraph (2), second sub-paragraph of the 2010 Law;
2) financial derivative instruments which may be used only for hedging purposes, in accordance with Article 41 first paragraph, point g) and Article 42 second and third paragraphs of the 2010 Law;
3) movable and immovable property which is essential for the direct pursuit of the Company' business.

III. FINANCIAL TECHNIQUES AND INSTRUMENTS

1. General principle

The Company must employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio; it must employ a process for accurate and independent assessment of the value of OTC derivative instruments. It must communicate to the CSSF regularly and in accordance with the detailed rules defined by the latter, the types of derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in derivative instruments.

The Company may employ securities financing transactions ("**SFTs**") as described in section 2 "SFTs and TRS" hereunder and derivative instruments relating to transferable securities and money market instruments amongst others for hedging purposes, efficient portfolio management, duration management or other risk management of the portfolio as described here below.

When these operations concern the use of derivative instruments, these conditions and limits shall conform to the provisions laid down in section "INVESTMENT RESTRICTIONS". However, for the Sub-Funds using the commitment approach the overall risk exposure related to financial derivative instruments will not exceed the total net asset value of the Company. The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

Each sub-fund will employ the commitment or the VAR approach to calculate their global exposure accordingly to the risk profile of the Sub-Fund.

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives.

A Sub-Fund may also invest in OTC financial derivative instruments including but not limited to non deliverable forwards, total return swaps, interest rate swaps, currency swaps, swaptions, credit default

swaps, and credit linked note for either investment or for hedging purposes.

In doing so, the Sub-Fund shall comply with applicable restrictions and in particular with ESMA guidelines on exchange traded funds ("**ETFs**") and other UCITS issues as described in CSSF circular 14/592 and with EU Regulation 2015/2365 on transparency of securities financing transactions and of reuse of November 25, 2015 ("**SFTR**").

The risk exposures to a counterparty arising from OTC financial derivative transactions and efficient portfolio management techniques should be combined when calculating the counterparty risk limits of Article 43 of Directive 2009/65/EC.

In no case the use of financial derivatives instruments or other financial techniques and financial instruments may lead the Company to diverge from its investment objectives as expressed in the Prospectus.

When entering into Total Return Swaps ("**TRS**") arrangements, which for sake of clarity, also need to comply with the provisions applicable to TRS under the SFTR, or investing in other derivative financial instruments having similar characteristics to TRS, the Company must respect the limits of diversification referred to in Articles 43, 44, 45, 46 and 48 of the 2010 Law. Likewise, in accordance with Article 42 (3) of the 2010 Law and Article 48 (5) of CSSF Regulation 10-4, the Company must ensure that the underlying exposures of the TRS (respectively other similar financial instrument) are taken into account in the calculation of the investment limits laid down in Article 43 of the 2010 Law.

The Company may not enter into swap transactions unless it ensures that the level of its exposure to the swaps is such that it is able, at all times, to have sufficient liquid assets available to meet its redemption obligations and the commitments arising out of such transactions.

The counterparties will be leading financial institutions specialised in this type of transaction and subject to prudential supervision. These counterparties do not have discretionary power over the composition or management of the investment portfolio of the Sub-Fund or over the underlying assets of the derivative financial instruments.

Combined risk exposure to a single counterparty may not exceed 10% of the respective Sub-Fund assets when the counterparty is a credit institution referred to in article 41 paragraph (1) (f) of the 2010 Law or 5% of its assets in any other cases.

The rebalancing frequency for an index that is the underlying asset for a financial derivative is determined by the provider of the index in question. The costs for such rebalancing are estimated to an average of 4bps.

The TRS and other derivative financial instruments that display the same characteristics shall confer to the Company a right of action against the counterparty in the swap or in the derivative financial instrument, and any eventual insolvency risk of the counterparty may make it impossible for the payments envisioned to be received.

For the Sub-Funds using the commitment approach the total commitment arising from total return swap transactions of a particular Sub-Fund shall be the market value of the underlying assets used for such transactions at inception.

For the Sub-Funds using the commitment approach the net exposure of total return swap transactions in

conjunction with all exposures resulting from the use of options, interest rate swaps and financial futures may not in respect of each Sub-Fund exceed at any time the Net Asset Value of such Sub-Fund.

The total return swap transactions to be entered into will be marked to market daily using the market value of the underlying assets used for the transaction in accordance with the terms of the swap agreement.

Typically investments in total return swap transactions will be made in order to adjust regional exposures, limit settlement and custodian risks as well as repatriation risk in certain markets and to avoid costs and expenses related to direct investments or sale of assets in certain jurisdictions as well as foreign exchange restrictions.

Furthermore, the Company may, for efficient portfolio management purposes, exclusively resort to securities lending and borrowing and repurchase agreement transactions, provided that the rules described here below are complied with.

2. SFTs and TRS

2.1. General provisions related to SFTs and TRS

The Company does not make use of SFTs, such as securities lending and borrowing, and repurchase agreements.

If a sub-fund enters into SFTs, such information will be disclosed in the Investment Policy of the sub-fund.

The Company may use TRS, as further described in the Investment Policy of each sub-fund.

The maximum proportion, as result of the aggregate short and long positions, of assets under management of the Company that can be subject to TRS is 200%; while the current expected proportion of assets under management that will be subject to TRS is 80%.

The assets that may be subject to TRS are limited to:

- short term bank certificates or money market instruments such as defined within Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to certain UCITS as regards the clarification of certain definitions;
- bonds issued or guaranteed by a Member State of the OECD or by their local public authorities; or by supranational institutions and undertakings with EU, regional or world-wide scope;
- shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
- bonds issued by non-governmental issuers offering an adequate liquidity;
- shares quoted or negotiated on a regulated market of a European Union Member State or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index.

Counterparties for TRS transactions will be selected on the basis of very specific criteria taking into account notably their legal status, country of origin, and minimum credit rating. The Company will

therefore only enter into TRS with such counterparties that are subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and approved by the board of directors of the Management Company, and who are based on a regulated market of a European Union Member State or on a stock exchange of a Member State of the OECD.

The Company will collateralize its TRS pursuant to the provisions set forth hereunder in section "Collateral Management and Policy".

The risks linked to the use TRS and the potential future use of SFTs, as well as risks linked to collateral management, such as operational, liquidity, counterparty, custody and legal risks and, where applicable, the risks arising from its reuse are further described hereunder in section "RISK FACTORS".

Assets subject to SFTs and TRS will be safe-kept by the Depositary.

Policy on sharing of return generated by SFTs and TRS

All revenues arising from SFTs and TRS, net of direct and indirect operational costs and fees, will be returned to the Company. In particular, fees and cost may be paid to agents of the Company and other intermediaries providing services in connection with TRS and SFTs as normal compensation of their services. Such fees may be calculated as a percentage of gross revenues earned by the Company through the use of such techniques and transactions. Information on the identity of the entities to which such costs and fees are paid will also be available in the annual report of the Company.

These parties are not related parties to the Investment Manager or the Management Company.

2.2. Securities Lending and Borrowing

The Company in order to achieve a positive return in absolute terms may enter into securities lending transactions and borrowing transaction provided that they comply with the SFTR and the provisions set forth in CSSF's Circular 08/356, CSSF's Circular 14/592 and ESMA Guidelines 2014/937 concerning the rules applicable to undertakings for collective investment when they use certain techniques and instruments relating to transferable securities and money market instruments, as amended from time to time, as follows:

i. The Company may only lend or borrow securities through a standardized system organized by a recognized clearing institution or through a first class financial institution specializing in this type of transaction approved by the board of directors of the Management Company. In all cases, the counterparty to the securities lending or borrowing agreements must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law. In case the aforementioned financial institution acts on its own account, it is to be considered as counterparty in the securities lending agreement. If the Company lends its securities to entities that are linked to the Company by common management or control, specific attention has to be paid to the conflicts of interest which may result therefrom.

ii. As part of lending transactions, the Company must in principle receive an appropriate collateral, the value of which at the conclusion of the contract must be at least equal to the global valuation of the securities lent. At maturity of the securities lending transaction, the appropriate collateral will be remitted simultaneously or subsequently to the restitution of the securities lent.

iii. All assets received by the Company in the context of efficient portfolio management techniques should be considered as collateral. The collateral which must comply with the conditions set forth below under section "Collateral Management and Policy".

iv. In case of a standardised securities lending system organised by a recognised clearing institution or in case of a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in this type of transactions, securities lent may be transferred before the receipt of the guarantee if the intermediary in question assures the proper completion of the transaction. Such intermediary may, instead of the borrower, provide to the Company a guarantee which the value at conclusion of the contract must be at least equal to the total value of the securities lent.

v. 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 Company's assets in accordance with its investment policy.

vi. With respect to securities lending, the Company will generally require the borrower to post collateral representing, at any time during the lifetime of the agreement, at least the total value of the securities lent (interest, dividends and other potential rights included) as further described hereunder in section "Collateral Management and Policy".

vii. Borrowing transactions may not exceed 50% of the global valuation of the securities portfolio of each Sub-Fund. Each Sub-Fund 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 Depositary 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 relevant Sub-Funds.

viii. The Company ensures that it is able at any time to recall any security that has been lent or terminate any securities lending transaction into which it has entered; and

The Management Company does not act as securities lending agent.

At present the Company does not make use of securities lending and borrowing transactions; if a sub-fund intends to enter into such transactions information will be disclosed in the Investment Policy of the sub-fund.

2.3. Repurchase Agreement Transactions

The Company may on an ancillary basis, in order to achieve a positive return in absolute terms, enter into repurchase agreement transactions, which consist of the purchase and sale of securities with a clause reserving the seller the right or the obligation to repurchase from the acquirer the securities sold at a price and term specified by the two parties in their contractual arrangement.

The Company can act either as purchaser or seller in repurchase agreement transactions or a series of continuing repurchase transactions. Its involvement in such transactions is, however, subject to the

following rules:

i. 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 EU law and approved by the board of directors of the Management Company.

ii. At the maturity of the contract, the Company must ensure that it has sufficient assets to be able to settle the amount agreed with the counterparty for the restitution of the Company. The Company must take care to ensure that the volume of the repurchase agreement transactions is kept at a level such that it is able, at all times, to meet its redemption obligation towards shareholders.

iii. The Company must ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement must be used for the calculation of the Net Asset Value of the relevant Sub-Funds.

iv. The Company must further ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.

v. Repurchase agreement and reverse repurchase agreements will generally be collateralized as further described hereunder in section "Collateral Management and Policy", at any time during the lifetime of the agreement, at least their notional amount.

vi. The securities purchased with a repurchase option or through a reverse repurchase agreement transaction must be in accordance with the Sub-Fund investment policy and must, together with the other securities that it holds in its portfolio, globally comply with its investment restrictions.

Fixed-term repurchase and reverse repurchase agreements that do not exceed seven (7) days are to be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

At present the Company does not make use of repurchase agreement transactions; if a sub-fund intends to enter into such transactions information will be disclosed in the Investment Policy of the sub-fund.

3. Disclosure to Investors

In connection with the use of techniques and instruments the Company, will, in its financial reports, disclose the following information:

- the exposure obtained through efficient portfolio management techniques;
- the identity of the counterparty(ies) to these efficient portfolio management techniques;
- the type and amount of collateral received by the Company to reduce counterparty exposure;
- the use of TRS and SFTs pursuant to the SFTR;
- the revenues arising from efficient portfolio management techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.

4. Collateral Management and Policy

As security for any SFTs and OTC financial derivatives transactions, the relevant Sub-Fund will obtain collateral, under the form of bonds (bonds issued or guaranteed by a Member State of the OECD or by

their local public authorities; or by supranational institutions and undertakings with EU, regional or world-wide scope) and cash, covering at least the market value of the financial instruments object of SFTs and OTC financial derivatives transactions.

Collateral received must at all times meet the following criteria:

(a) Liquidity: Collateral must be sufficiently liquid in order that it can be sold quickly at a robust price that is close to its pre-sale valuation.

(b) Valuation: Collateral must be capable of being valued on at least a daily basis and must be marked to market daily it being understood that the Company does not intend to make use of daily variation margins.

(c) Issuer credit quality: The Company will ordinarily only accept very high quality collateral.

(d) Safe-keeping: Collateral must be transferred to the Depositary or its agent.

(e) Enforceable: Collateral must be immediately available to the Company without recourse to the counterparty, in the event of a default by that entity.

(f) Non-Cash collateral
   1. cannot be sold, pledged or re-invested;
   2. must be issued by an entity independent of the counterparty; and
   3. must be diversified to avoid concentration risk in one issue, sector or country.

(g) The maturity of the non-cash collateral shall be a maximum of five (5) years.

(h) Cash Collateral can only be:
placed on deposit with entities prescribed in Article 41(f) of the Law;
   - invested in high-quality government bonds;
   - used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on accrued basis;
   - invested in short-term money market funds as defined in ESMA's Guidelines on a Common Definition of European Money Market Funds. Each Sub-Fund may reinvest cash which it receives as collateral in connection with the use of techniques and instruments for efficient portfolio management, pursuant to the provisions of the applicable laws and regulations, including CSSF Circular 08/356, as amended by CSSF Circular 11/512 and the ESMA Guidelines.

Re-invested cash collateral will expose the Sub-Fund to certain risks such as foreign exchange risk, the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested. Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non cash collateral.

Each Sub-Fund must make sure that it is able to claim its rights on the guarantee in case of the occurrence of an event requiring the execution thereof. Therefore, the guarantee must be available at all times, either directly or through the intermediary of a first class financial institution or a wholly-owned subsidiary of this institution, in such a manner that the Sub-Fund is able to appropriate or realize the assets given as guarantee, without delay, if the counterparty does not

comply with its obligation to return the securities. During the duration of the agreement, the guarantee cannot be sold or given as a security or pledged.

Collateral diversification (asset concentration) – collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Company receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When the Company is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, a UCITS may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such a UCITS should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the UCITS' net asset value. UCITS that intend to be fully collateralised in securities issued or guaranteed by a Member State should disclose this fact in the prospectus of the UCITS. UCITS should also identify the Member States, local authorities, or public international bodies issuing or guaranteeing securities which they are able to accept as collateral for more than 20% of their net asset value.

5. Haircut Policy

The Company has set up, in accordance with the Circular 14/592, a clear haircut policy adapted for each class of assets received as collateral mentioned above. Such policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the collateral, the price volatility of the collateral and the results of any stress tests which may be performed in accordance with the stress testing policy.

When entering into securities lending and borrowing transactions, each Sub-Fund must receive, in principle, a guarantee the value of which is, during the lifetime of the lending agreement, at least equivalent to 105% of the global valuation (interests, dividends and other possible rights included) of the securities lent, depending on the degree of risk that the market value of the assets included in the guarantee may fall:

- Government bonds with maturity up to one (1) year: Haircut between 0 and 2%
- Government bonds with maturity of more than one (1) year: Haircut between 0% and 5%
- Corporate bonds: Haircut between 6% and 10%
- Cash: 0%

When entering into repurchase or reverse repurchase transactions, each Sub-Fund will obtain the following collateral covering at least the market value of the financial instrument object of the transaction:

- Government bonds with maturity up to one (1) year: Haircut between 0 and 5%
- Government bonds with maturity of more than one (1) year: Haircut between 0 and 5%
- Corporate bonds: Haircut between 6% and 10%
- Cash: 0%

When entering into OTC transaction each Sub-Fund must receive or pay a guarantee managed by the Credit Support Annex (CSA) to the ISDA in place with each counterparty and it will obtain the

following collateral covering at least the market value of the financial instrument object of the OTC transaction:

- Cash: 0%
- Government bonds with maturity up to one (1) year: Haircut between 0 and 2%
- Government bonds with maturity of more than one (1) year: Haircut between 0 and 5%

Any haircuts applicable to collateral are agreed conservatively with each OTC financial derivative counterparty on case by case basis. They will vary according to the terms of each collateral agreement negotiated and prevailing market practice and conditions. Collateral received or paid by the Company shall predominantly be limited to cash and government bonds according to the CSA.

All assets received in the context of Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques in accordance with the Circular 14/592 will be considered as collateral and will comply with the criteria set up above.

All collateral used to reduce counterparty risk exposure will comply with the following criteria at all times:

For all the sub-funds receiving collateral for at least 30% of their assets, the Company will set up, in accordance with the Circular 14/592, an appropriate stress testing policy to ensure regular stress tests under normal and exceptional liquidity conditions to assess the liquidity risk attached to the collateral.

The Company must proceed on a daily basis to the valuation of the guarantee received or paid, using available market prices and taking into account appropriate discounts which will be determined in according to the CSA for each asset class based on its haircut policy. The policy takes into account a variety of factors, depending on the nature of the collateral received, such as the issuer's credit standing, the maturity, currency, price volatility of the assets.

6. Currency Hedging

In order to protect its present and future assets and liabilities against the fluctuation of currencies, the Company may enter into transactions the object of which is the purchase or the sale of forward foreign exchange contracts, the purchase or the sale of call options or put options in respect of currencies, the purchase or the sale of currencies forward or the exchange of currencies on a mutual agreement basis provided that these transactions be made either on exchanges or over-the-counter with first class financial institutions specializing in these types of transactions and being participants of the over-the-counter markets.

The objective of the transactions referred to above presupposes the existence of a direct relationship between the contemplated transaction and the assets or liabilities to be hedged and implies that, in principle, transactions in a given currency, including a currency bearing a substantial relation to the value of the reference currency (i.e. currency of denomination) of the relevant Sub-Fund -known as "hedging by proxy"- may not exceed the total valuation of the assets and liabilities held in such currency nor may they, as regards their duration, exceed the period where such assets are held or anticipated to be acquired or for which such liabilities are incurred or anticipated to be incurred.

In its financial reports, the Company must indicate for the different categories of transactions involved, the total amount of commitments incurred under such outstanding transactions as of the reference date for such financial reports.

IV. SUSTAINABILITY-RELATED DISCLOSURE

Article 6 of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial service sector ("**SFDR**") requires that the Management Company disclose the manner in which sustainability risks are integrated into investment decisions with respect to the Company and the results of the assessment of the likely impacts of sustainability risks on the returns of the Company, and where the Management Company deems sustainability risks not to be relevant, the description shall include a clear and concise explanation of the for this.

A sustainability risk in this context means an environmental, social or governance (ESG) event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment.
The Management Company recognises the importance of ethical and social responsibility in the conduct of its business and corporate activities and is committed to respecting the legitimate interests of its stakeholders and the community in which it operates. The Management Company has long adopted its own code of ethics, which guides it in carrying out its activities in accordance with the principles of sustainability, fairness, transparency, integrity and loyalty, both in internal relations and in its dealings with third parties, and an ESG Policy aimed at integrating and assessing sustainability factors in the investment processes, where sustainability factors are understood to mean environmental, social and employee-related issues, respect for human rights, and matters relating to the fight against active and passive corruption.
In application of the ESG Policy, the Management Company has therefore defined criteria to exclude sectors, products or portfolios that are not compliant with ESG criteria, as well as issuers involved in serious legal or regulatory controversies. The negative screening approach adopted by the Company concerns involvement in sectors and/or products, with the aim of excluding issuers that exceed predefined thresholds of participation in activities considered controversial. This assessment is mainly based on the analysis of the issuer's revenues.
In addition, the Management Company excludes any investment included in sanctions lists relating to Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF), as well as OFAC sanctions lists.

Although the Company does not promote ESG characteristics and does not have a sustainable investment objective, in line with article 6 SFDR, and as implemented by the Management Company, certain sectors and activities are excluded from the investable universe and, as such the Company does not invest in entities deriving their main source of income from activities considered not to be aligned with globally defined social and environmental responsibility principles; in particular, the Company applies exclusion criteria to the following sectors:

- controversial and nuclear weapons
- thermal coal
- tobacco
- adult entertainment

To achieve the investment objective, the assets of the Company will be invested in transferable securities or other assets permitted by law including but not limited to cash and cash equivalents, in accordance with the investment policies and structure applicable to each Sub-Fund of the Company as described hereinafter in Part B of this Prospectus. While the Company will primarily invest in transferable

securities or other assets permitted by law, indirect exposure to equity benchmarks or indices may be sought by way of investment in collective investment schemes where in the best interests of the Company to do so. Certain of the collective investment schemes in which the Company invests may take ESG factors and sustainability risks into account when implementing their investment policy, however this is not a material factor in the investment making decision process of the Management Company or the Investment Manager in selecting collective investment schemes in which the Company invests.

As such, the consideration of sustainability risks does not play a role in the investment decision-making process in respect of the Company, and the impact of sustainability risks is not relevant to the returns of the Company.

At the date of this Prospectus, and following the entry into force from January 1st, 2023, of the Commission Delegated Regulation (EU) 2022/1288 (SFDR RTS), the Management Company continues to review and consider not relevant that sustainability risks are integrated into the investment decisions process for the Company. The Management Company is engaged in reviewing its obligations with respect to whether it considers principal adverse impacts of investment decisions on sustainability factors as set out in Article 4 of the SFDR.
The aforementioned effects are not taken into consideration to date as the investment process of most of the products managed by the Management Company is based on the systematic use of quantitative models, conceived to incorporate through the analysis of market prices all available information, thus tending to exclude the use of other factors that may in some way limit significatively the investable universe.

The Management Company considers that, in the context of the investment strategies of the Company, it is not possible to conduct detailed diligence on the principal adverse impacts of the investment decisions on sustainability factors; as consequence the Management Company does not take into consideration the principal adverse impact on sustainability factors of its investment decisions.

Disclosures in relation to Article 4 and Article 7 SFDR are published on the following website:
www.alicantosicav.com

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

V. RISK FACTORS

General risk considerations applicable to the Company

An investment in the Company is not a deposit in a bank or other insured depository institution. Investment may not be appropriate for all investors. The Company is not intended to be a complete investment programme and investors should consider their long-term investment goals and financial needs when making an investment decision. An investment in the Company is intended to be a long-term investment.

Past performance is not necessarily a guide to the future. The value of Shares, and the return derived from them, can fluctuate and can go down as well as up. There can be no assurance, and no assurance is given, that the Company will achieve its investment objectives. An investor who realises his investment after a short period may, in addition, not realise the amount that he originally invested because of the initial charge applicable on the issue of Shares.

The value of an investment in the Company will be affected by fluctuations in the value of the currency of denomination of the relevant Sub-Fund's Shares against the value of the currency of denomination of that Sub-Fund's underlying investments. It may also be affected by any changes in exchange control regulations, tax laws, economic or monetary policies and other applicable laws and regulations. Adverse fluctuations in currency exchange rates can result in a decrease in return and in a loss of capital.

An investment in equity instruments may decline in value over short or even extended periods of time as well as rise. Shareholders should be aware that the holding of warrants may result in increased volatility of the relevant Sub-Fund's value.

Sub-Funds which invest in fixed interest securities are subject to changes in interest rates and the interest rate environment. Generally, the prices of bonds and other debt securities will fluctuate inversely with interest rate changes. Fixed-income securities are subject to credit risk, which is an issuer's inability to meet principal and interest payments on the obligations, and may be subject to price volatility due to interest rate sensitivity.

Risk Considerations applicable to the use of derivatives

While the prudent use of derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. Investment in derivatives may add volatility to the performance of the Sub-Funds and involve peculiar financial risks. The following is a summary of the risk factors and issues concerning the use of derivatives that investors should understand before investing in the Company.

Market Risk

This is a general risk that applies to all investments meaning that the value of a particular derivative may change in a way which may be detrimental to the Company's interests.

Control and Monitoring

Derivative products are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the Company and the ability to forecast the relative price, interest rate or currency rate movements correctly.

Liquidity Risk

Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, the Company will only enter into OTC derivatives if it is allowed to liquidate such transactions at any time at fair value).

Counterparty Risk

The Company may enter into transactions in OTC markets, and the Sub-Funds may incur losses through their commitments vis-à-vis a counterparty on the techniques described above, in particular its swaps, TRS, forwards, in the event of the counterparty's default or its inability to fulfil its contractual

obligations. This will expose the Company to the credit of its counterparties and their ability to satisfy the terms of such contracts. In the event of a bankruptcy or insolvency of a counterparty, the Company could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated.

Securities Lending, Repurchase Agreements and Reverse Repurchase Transactions

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

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

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

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

Other Risks

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular OTC derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which may act as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to the Company. However, this risk is limited as the valuation method used to value OTC derivatives must be verifiable

by an independent auditor.

Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the Company's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, following the Company's investment objective.

If the investors are in any doubt about the risk factors relevant to an investment, they should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser.

Depositary Risk

The Depositary's liability only extends to its own negligence and wilful default and to that caused by the negligence or wilful misconduct of its local agent, and does not extend to losses due to the liquidation, bankruptcy, negligence or wilful default of any registrar. In the event of such losses, the Company will have to pursue its rights against the issuer and/or the appointed registrar of the securities.

Securities held with a local correspondent or clearing / settlement system or securities correspondent ("**Securities System**") may not be as well protected as those held within Luxembourg. In particular, losses may be incurred as a consequence of the insolvency of the local correspondent or Securities System. In some markets, the segregation or separate identification of a beneficial owner's securities may not be possible or the practices of segregation or separate identification may differ from practices in more developed markets.

Conflicts of interests

The Management Company, the distributor(s), the Investment Manager, the Depositary and the UCI Administrator may, in the course of their business, have potential conflicts of interests with the Company. Each of the Management Company, the distributor(s), the Investment Manager, the Depositary and the UCI Administrator will have regard to their respective duties to the Company and other persons when undertaking any transactions where conflicts or potential conflicts of interest may arise. In the event that such conflicts do arise, each of such persons has undertaken or will be requested by the Company to undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and the Shareholders are fairly treated.

Interested dealings

The Management Company, the distributor(s), the Investment Manager, the Depositary and the UCI Administrator and any of their respective subsidiaries, affiliates, associates, agents, directors, officers, employees or delegates (together the Interested Parties and, each, an Interested Party) may:

- contract or enter into any financial, banking or other transaction with one another or with the Company including, without limitation, investment by the Company, in securities in any company or body any of whose investments or obligations form part of the assets of the Company or any Sub-Fund, or be interested in any such contracts or transactions;
- invest in and deal with Shares, securities, assets or any property of the kind included in the property of the Company for their respective individual accounts or for the account of a third party; and
- deal as agent or principal in the sale, issue or purchase of securities and other investments to, or

from, the Company through, or with, the Investment Manager or the Depositary or any subsidiary, affiliate, associate, agent or delegate thereof.

Any assets of the Company in the form of cash may be invested in certificates of deposit or banking investments issued by any Interested Party. Banking or similar transactions may also be undertaken with or through an Interested Party (provided it is licensed to carry out this type of activities).

There will be no obligation on the part of any Interested Party to account to Shareholders for any benefits so arising and any such benefits may be retained by the relevant party.

Any such transactions must be carried out as if effected on normal commercial terms negotiated at arm's length.

Risks related investments in contingent convertible bonds

Contingent convertible bonds or CoCo bonds are a type of investment instrument that, upon the occurrence of a predetermined event (commonly known as a "trigger event"), can be converted into shares of the issuing company, potentially at a discounted price, or the principal amount invested may be lost on a permanent or temporary basis.

Special risk consideration regarding investment in contingent convertible bonds events that trigger the conversion from debt into equity are designed so that conversion occurs when the issuer of the contingent convertible bonds is in crisis, as determined either by regulatory assessment or objective losses (e.g. measure of the issuer's core tier 1 capital ratio).

Investment in contingent convertible bonds may entail the following risks (non-exhaustive list):

Liquidity Risk: In some circumstances, investments in contingent convertible bonds may become relatively illiquid making it difficult to dispose of them at the prices quoted on the various exchanges. Accordingly, a Sub-Fund's ability to respond to market movements may be impaired and the Sub-Fund may experience adverse price movements upon liquidation of such investments. Settlement of transactions may be subject to delay and administrative uncertainties.

Trigger level risk: trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult to anticipate the triggering events that would require the debt to convert into equity.

Conversion risk: it might be difficult to assess how the securities will behave upon conversion. In case of conversion into equity, there may be the need to sell these new equity shares because of the investment policy of the Sub-Fund does not allow equity in its portfolio. This forced sale may itself lead to liquidity issue for these shares.

Coupon cancellation: for some contingent convertible bonds, coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time.

Call extension risk: some contingent convertible bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority.

Risks related to investments in asset-backed securities (ABS) and mortgage-backed securities (MBS)

Asset-backed securities (ABS) are debt instruments that are backed by a pool of ring-fenced financial assets (fixed or revolving), that convert into cash within a finite time period. In addition, rights or other

assets may exist that ensure the servicing or timely distribution of proceeds to the holders of the security. Generally, asset-backed securities are issued by a specially created investment vehicle which has acquired the pool of financial assets from the originator/seller. In this regard, payments on the asset-backed securities depend primarily on the cash flows generated by the assets in the underlying pool and other rights designed to assure timely payment, such as liquidity facilities, guarantees or other features generally known as credit enhancements.

Mortgage-backed securities (MBS) are securities that represent an interest in a pool of mortgage loans.

The underlying assets to these instruments may be subject to higher credit, liquidity and interest rate risks than other securities such as government bonds. ABS and MBS carry the right to payments in amounts which depend principally on the flows generated by the underlying assets. ABS and MBS are often exposed to risks of expansion and early repayment, which may have a sizeable effect on the maturity and the amounts of the financial flows generated by the assets by which they are backed and may have a negative effect on their performance. The average term of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of option clauses or early redemption of bonds, the predominant level of interest rates, the actual default rate of the underlying assets, the time needed to return to normal and the rotation rate of the underlying assets.

Risks related to investments in distressed securities

Investment in a security issued by a company that is either in default or in high risk of default ("Distressed Securities") involves significant risk. Such investments will only be made when the Investment Advisers believe either that the security trades at a materially different level from the Investment Adviser's perception of fair value or that it is reasonably likely that the issuer of the securities will make an exchange offer or will be the subject of a plan of reorganisation; however, there can be no assurance that such an exchange offer will be made or that such a plan of reorganisation will be adopted or that any securities or other assets received in connection with such an exchange offer or plan of reorganisation will not have a lower value or income potential than anticipated when the investment was made. In addition, a significant period of time may pass between the time at which the investment in Distressed Securities is made and the time that any such exchange offer or plan of reorganisation is completed. During this period, it is unlikely that any interest payments on the Distressed Securities will be received, there will be significant uncertainty as to whether fair value will be achieved or not.

Risks related to investments in high yield bonds

High yield bond investments correspond to the ratings assigned by the rating agencies for borrowers rated below BBB- on the Standard & Poor's or Fitch rating scale and below Baa3 on the Moody's rating scale. Such high-yield bond issues are loans that generally take the form of bonds with a 5-,7- or 10-year maturity. The bonds are issued by companies with a weak financial base. The return on the securities, and their level of risk, is significant, making them highly speculative. In the case of securities rated by two or more agencies, the worst rate available will be considered. Sub-Funds investing in high-yield bonds present a higher than average risk due to the greater fluctuation of their currency or the quality of the issuer.

Risks related to investments in Total return swaps (TRS)

These contracts represent a derivative combining market risk and credit risk which are affected by interest rate fluctuations, as well as events and credit prospects. A TRS, which involves the receipt of a

total return by the Sub-Fund, is similar in terms of risk profile because it genuinely holds the underlying benchmark security. Furthermore, these transactions can be less liquid than interest rate swaps, as there is no standardisation of the underlying benchmark index and this situation can have a negative impact on the ability to settle the TRS position, or on the price at which the settlement is performed. The swap contract is an agreement between two parties, each of whom must bear the credit risk of the other. Hedging is used to minimise this risk. The information risk for TRS is reduced through adherence to the standard ISDA documentation.

When the investment policy of a Sub-Fund provides that the latter may invest in TRS and/or other derivative financial instruments that display similar characteristics, these investments will be made in compliance with the investment policy of such Sub-Fund.

The investment policy of the relevant Sub-Fund shall provide for the type of underlying (such as currencies, interest rates, transferable securities, a basket of transferable securities, indexes, or undertakings for collective investment) of such TRS and other derivative financial instruments that display the same characteristics.

The counterparties to such TRS will be high-standing financial institutions specialised in this type of transaction and subject to prudential supervision.

These counterparties do not have discretionary power over the composition or management of the investment portfolio of the Sub-Fund or over the underlying assets of the derivative financial instruments.

The TRS and other derivative financial instruments that display the same characteristics shall not confer to the Company a right of action against the counterparty in the swap or in the derivative financial instrument, and any eventual insolvency of the counterparty may make it impossible for the payments envisioned to be received.

Risks related to investment in small and mid-cap equities risk

Equities of small and mid-size companies can be more volatile and less liquid than equities of larger companies. Small and mid-size companies often have fewer financial resources, shorter operating histories, and less diverse business lines, and as a result can be at greater risk of long-term or permanent business setbacks. Initial public offerings (IPOs) can be highly volatile and can be hard to evaluate because of a lack of trading history and relative lack of public information

Conflicts of interests of the Investment Manager

The Investment Manager may also be appointed as the lending agent of the Company under the terms of a securities lending management agreement. Under the terms of such an agreement, the lending agent is appointed to manage the Company's securities lending activities and is entitled to receive a fee which is in addition to its fee as investment manager. The income earned from stock lending will be allocated between the Company and the Investment Manager and the fee paid to the Investment Manager willbe at normal commercial rates. Full financial details of the amounts earned and expenses incurred with respect to stock lending for the Company, including fees paid or payable, will be included in the annual and semi-annual financial statements. The Management Company will, at least annually, review the stock lending arrangements and associated costs.

The Investment Manager may execute trades through their affiliates on both a principal and agency

basis, as may be permitted under applicable law. As a result of these business relationships, the Investment Manager's affiliates will receive, among other benefits, commissions and mark-ups/mark-downs, and revenues associated with providing prime brokerage and other services. Certain conflicts of interest may arise from the fact that affiliates of the Investment Manager or the Management Company may act as sub-distributors of interests in respect of the Company or certain Sub-Funds. Such entities may also enter into arrangements under which they or their affiliates will issue and distribute notes or other securities the performance of which will be linked to the relevant Sub- Fund.

Where a commission (including a rebated commission) is received by the Investment Manager by virtue of an investment by a Sub-Fund in the units of another collective investment scheme, this commission must be paid into that Sub-Fund.

Conflicts of interests in the case of securities lending

The Depositary may also be appointed as the lending agent of the Company under the terms of a securities lending agreement. Under the terms of such an agreement, the lending agent is appointed to manage the Company's securities lending activities and is entitled to receive a fee which is in addition to its fee as Depositary. The income earned from stock lending will be allocated between the Company and the Depositary and the fee paid to the Depositary will be at normal commercial rates. Full financial details of the amounts earned and expenses incurred with respect to stock lending for the Company, including fees paid or payable, will be included in the annual and semi-annual financial statements. The Management Company will, at least annually, review the stock lending arrangements and associated costs.

The Depositary may execute trades through its affiliates on both a principal and agency basis, as may be permitted under applicable law. As a result of these business relationships, the Depositary's affiliates will receive, among other benefits, commissions and mark-ups/mark-downs, and revenues associated with providing prime brokerage and other services.

Certain conflicts of interest may arise from the fact that affiliates of the Depositary or the Management Company may act as sub-distributors of interests in respect of the Company or certain Sub-Funds. Such entities may also enter into arrangements under which they or their affiliates will issue and distribute notes or other securities the performance of which will be linked to the relevant Sub-Fund.

Where a commission (including a rebated commission) is received by the Depositary by virtue of an investment by a Sub-Fund in the units of another collective investment scheme, this commission must be paid into that Sub-Fund.

Emerging Markets

(a) In certain countries, there is the possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments which could affect investment in those countries. There may be less publicly available information about certain financial instruments than some investors would find customary and entities in some countries may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which certain investors may be accustomed. Certain financial markets, while generally growing in volume, have for the most part, substantially less volume than more developed markets, and securities of many companies are less liquid and their prices more volatile than securities of comparable companies in more sizeable markets. There are also varying levels of government

supervision and regulation of exchanges, financial institutions and issuers in various countries. In addition, the manner in which foreign investors may invest in securities in certain countries, as well as limitations on such investments, may affect the investment operations of the Sub-Funds.

(b) Emerging country debt will be subject to high risk and will not be required to meet a minimum rating standard and may not be rated for creditworthiness by any internationally recognised credit rating organisation. The issuer or governmental authority that controls the repayment of an emerging country's debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. As a result of the foregoing, a government obligor may default on its obligations. If such an event occurs, the Company may have limited legal recourse against the issuer and/or guarantor. Remedies must, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of foreign government debt securities to obtain recourse may be subject to the political climate in the relevant country. In addition, no assurance can be given that the holders of commercial debt will not contest payments to the holders of other foreign government debt obligations in the event of default under their commercial bank loan agreements.

(c) Settlement systems in emerging markets may be less well organised than in developed markets. Thus, there may be a risk that settlement may be delayed and that cash or securities of the Sub-Funds may be in jeopardy because of failures or of defects in the systems. In particular, market practice may require that payment will be made prior to receipt of the security which is being purchased or that delivery of a security must be made before payment is received. In such cases, default by a broker or bank (the Counterparty) through whom the relevant transaction is effected might result in a loss being suffered by Sub-Funds investing in emerging market securities.

(d) The Company will seek, where possible, to use Counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that the Company will be successful in eliminating this risk for the Sub-Funds, particularly as Counterparties operating in emerging markets frequently lack the substance or financial resources of those in developed countries.

(e) There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or to be transferred to the Sub-Funds. Furthermore, compensation schemes may be non-existent or limited or inadequate to meet the Company's claims in any of these events.

(f) In some Eastern European countries there are uncertainties with regard to the ownership of properties. As a result, investing in Transferable Securities issued by companies holding ownership of such Eastern European properties may be subject to increased risk.

Global Exposure & Risk Measurement

The Company may use derivative instruments, whose underlying assets may be transferable securities or money market instruments, both for hedging and for trading purposes.

If the aforesaid transactions involve the use of derivative instruments, these conditions and limits must correspond to the provisions of the Prospectus.

If a sub-fund uses derivative instruments for investment (trading) purposes, it may use such instruments only within the limits of its investment policy.

1. Determination of the global exposure

The sub-fund's global exposure must be calculated accordingly to CSSF Circular 11/512. The limits on global exposure must be complied with on an ongoing basis.

It is the responsibility of the management company to select an appropriate methodology to calculate the global exposure. More specifically, the selection should be based on the self-assessment by the management company of the sub-fund's risk profile resulting from its investment policy (including its use of financial derivative instruments).

2. Risk measurement methodology according to the sub-fund's risk profile

The sub-funds are classified after a self-assessment of their risk profile resulting from their investments policy including their inherent derivative investment strategy that determines two risk measurements methodologies:

- The advanced risk measurement methodology such as the Value-at-Risk (VaR) approach to calculate global exposure where:

  (a) The sub-fund engages in complex investment strategies which represent more than a negligible part of the sub-funds' investment policy;
  (b) The sub-fund has more than a negligible exposure to exotic derivatives; or
  (c) The commitment approach doesn't adequately capture the market risk of the portfolio.

- The commitment approach methodology

Except as otherwise specified in the relevant Sub-Fund schedule the Management Company will employ the commitment approach methodology to monitor and measure the global exposure.

3. Calculation of the global exposure

- The commitment conversion methodology for standard derivatives is always the market value of the equivalent position in the underlying asset. This may be replaced by the notional value or the price of the futures contract where this is more conservative;

- For non-standard derivatives, an alternative approach may be used provided that the total amount of the derivatives represents a negligible portion of the sub-fund's portfolio;

- For structured sub-funds, the calculation method is described in the ESMA/2011/112 guidelines.

A financial derivative instrument is not taken into account when calculating the commitment if it meets both of the following conditions:

(a) The combined holding by the sub-fund of a financial derivative instrument relating to a financial asset and cash which is invested in risk free assets is equivalent to holding a

cash position in the given financial asset.

(b) The financial derivative instrument is not considered to generate any incremental exposure and leverage or market risk.

The sub-fund's total commitment to derivative financial instruments, limited to 100 % of the portfolio's total net value, is quantified as the sum, as an absolute value, of the individual commitments, after possible netting and hedging arrangements.

THE SHARES

The Company may issue Shares of different Classes reflecting the various Sub-Funds which the Board of Directors may decide to open. Within a Sub-Fund, Classes of Shares may be defined from time to time by the Board so as to correspond to (i) a specific distribution policy, such as entitling to distributions ("**Distribution Shares**") or not entitling to distributions ("**Capitalisation Shares**") and/or (ii) a specific sales and redemption charge structure and/or (iii) a specific management or advisory fee structure, and/or (iv) a specific distribution fee structure, (v) a specific minimum subscription amount or holding amount and/or (vi) any other specific features applicable to one class.

If different Classes of Shares are issued within a Sub-Fund, the details will be described in the relevant Sub-Fund in Part B of this Prospectus.

A separate Net Asset Value, which will differ as a consequence of the variable factors described here above, will be calculated for each Class within each Sub-Fund.

The Company will issue registered shares. The inscription of the shareholder's name in the register of Shares evidences his or her right of ownership of such registered Shares.

All Shares must be fully paid-up; they are of no par value and carry no preferential or preemptive rights. Each Share of the Company to whatever Sub-Fund it belongs is entitled to one vote at any general meeting of shareholders, in compliance with the laws of the Grand-Duchy of Luxembourg and the Articles.

Fractional registered Shares will be issued to one thousandth of a Share, and such fractional Shares shall not be entitled to vote but shall be entitled to a participation in the net results and in the proceeds of liquidation attributable to the Shares in the relevant Sub-Fund on a pro rata basis.

If the Shares of a Sub-Fund are listed on the Luxembourg Stock Exchange, it will be specified in Part B of the present Prospectus.

DESCRIPTION OF THE SHARES AND CLASSES OF SHARES

1. Classes of Shares

The Board of Directors may decide to issue, within each Sub-Fund, separate Classes of Shares, whose assets will be commonly invested but where a specific structure, as mentioned here above, may be applied. The details of the different Classes issued within a Sub-Fund will be specified in Part B of this Prospectus.

For the time being the Company may offer the following Classes of Shares within the Sub-Funds:

- Classic Class (hereafter "**C**"), offered to individuals or corporate entities or professional asset managers or institutional investors.

- Institutional Class (hereafter "**I**"), reserved for professional asset managers or institutional investors holding the shares as part of their own asset or acting on behalf of individual or corporate entities.

- Dedicated Class (hereafter "**P**"), offered to individuals or corporate entities who are shareholders, affiliates or who work within the group of the investment manager, or to any other investor as may be decided by the Board of Directors.

The particulars of each sub-fund will specify the share classes available.

Each of these Classes may be associated with specific fee structure and minimum subscription amounts as detailed hereunder and in Part B of this Prospectus.

2. Minimum subscription amounts and holding requirements

The Board of Directors may fix initial minimum subscription amounts and holding amounts for each Class of Shares, which if applicable, are detailed in the relevant Sub-Fund in Part B of this Prospectus.

The Board of Directors may also fix a minimum additional subscription amount for shareholders wishing to add to their shareholding a given Class of Shares.

The Board of Directors has the discretion, from time to time, to waive any applicable minimum amounts.

The Board of Directors, may at any time, decide to compulsory redeem all Shares from shareholders whose holding is less than the minimum subscription amount specified for the relevant Sub-Fund or who fail to satisfy any other applicable eligibility requirements. In such case, the shareholder concerned shall receive one (1) month's prior notice so as to be able to increase his amount or to satisfy the eligibility requirement.

The Board of Directors may decide to issue, within each Sub-Fund, separate Classes of Shares, whose assets will be commonly invested but where a specific structure, as mentioned here above, may be applied.

PROCEDURE OF SUBSCRIPTION, CONVERSION AND REDEMPTION

1. Subscription of Shares

The subscription price per each Class of Shares in the relevant Sub-Fund (the "**Subscription Price**") is the total of the Net Asset Value per Share of such Class determined on the applicable Valuation Day and the sales charge as stated in Part B of this Prospectus. The Subscription Price is available for inspection at the registered office of the Company.

Investors whose applications are accepted will be allotted Shares issued on the basis of the Net Asset Value per each Class of Shares determined as of the Valuation Day following receipt of the application

form provided that such application is received by the Company not later than 4.00 p.m., Luxembourg time, on the Business Day preceding that Valuation Day. Applications received after 4.00 p.m., Luxembourg time, on the Business Day preceding the Valuation Day, will be dealt with on the following Valuation Day.

Orders will generally be forwarded to the Company by the distributor(s) or any agent thereof on the date received provided the order is received by the distributor(s) or any agent thereof prior to such deadline as may from time to time be established in the office in which the order is placed. Neither the distributor(s) nor any agent thereof is permitted to withhold placing orders whether with aim of benefiting from a price change or otherwise.

Investors may be required to complete a purchase application for each Class of Shares or other documentation satisfactory to the Company or to the distributor(s) or any agent thereof, indicating that the purchaser is not a U.S. Person, as such term is defined in Articles, or nominees thereof. Application forms containing such representation are available from the Company or from the distributor(s) or any of its agents.

Payments for Shares may be made either in the reference currency of the Company, or in the reference currency of the relevant Sub-Fund or in any other freely convertible currency.

Payments for subscriptions must be made within five (5) Business Days of the calculation of the Subscription Price.

If the payment is made in a currency different from the reference currency of the relevant Sub-Fund, any currency conversion cost shall be borne by the shareholder.

The Company reserves the right to reject any application in whole or in part, in which case subscription monies paid, or the balance thereof, as appropriate, will be returned to the applicant as soon as practicable or to suspend at any time and without prior notice the issue of Shares in one, several or all of the Sub-Funds.

No Shares in any Sub-Fund will be issued during any period when the calculation of the Net Asset Value per each Class of Shares in such Sub-Fund is suspended by the Company, pursuant to the powers reserved to it by the Articles.

In the case of suspension of dealings in Shares the application will be dealt with on the first Valuation Day following the end of such suspension period.

In order to contribute to the fight against money laundering, subscription requests must include a certified copy (by one of the following authorities: embassy, consulate, notary, police commissioner) of (i) the subscriber's identity card in the case of individuals, (ii) the articles of incorporation as well as an extract of the register of commerce for corporate entities in the following cases:

1. **direct subscription at the Company,**

2. **subscription via a professional of the financial sector who is domiciled in a country which is not legally compelled to an identification procedure equal to the standards that apply in the Grand-Duchy of Luxembourg in the fight against laundering monies through the financial system,**

3. **subscription via a subsidiary or a branch of which the parent company would be subject to an identification procedure equal to the one required by the laws of the Grand-Duchy of Luxembourg if the law applicable to the parent company does not compel it to see to the application of these measures by its subsidiaries or branches.**

Moreover, the Company is legally responsible for identifying the origin of funds transferred from banks not subject to an identification procedure equal to the one required by the laws of the Grand-Duchy of Luxembourg. Subscriptions may be temporarily suspended until such funds have been correctly identified.

It is generally admitted that professionals of the financial sector residing in countries adhering to the conclusions of the GAFI report (*Groupe d'action financière sur le blanchiment de capitaux*) are considered as being subject to an identification procedure equal to the one required by the laws of the Grand-Duchy of Luxembourg.

2. Conversion of Shares

Shareholders have the right, subject to the provisions hereinafter specified, to convert all or part of their Shares of any Class from one Sub-Fund into Shares of another existing Class of that or another Sub-Fund.
However, the right to convert the Shares is subject to compliance with any conditions (including any minimum subscriptions amounts) applicable to the Class into which the conversion is to be effected.

The rate at which Shares in any Sub-Fund shall be converted will be determined by reference to the respective Net Asset Values of the relevant Shares or Classes of Shares, calculated as of the Valuation Day of the Classes following receipt of the documents referred to below.

Conversions of Shares or Classes of Shares in any Sub-Fund shall be subject to a fee based on the respective Net Asset Value of the relevant Shares or Classes of Shares as stated in Part B section "Conversion" of each Sub-Fund. However, this amount may be increased if the subscription fee applied to the original Sub-Fund was less than the subscription fee applied to the Sub-Fund in which the Shares will be converted. In such cases, the conversion fee may not exceed the amount of the difference between the subscription rate applied to the Sub-Fund in which the Shares will be converted and the subscription rate applied to the initial subscription. This amount will be payable to the distributor(s).

Shares may be tendered for conversion on any Valuation Day.

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 request for conversion of Shares has been received at the registered office of the Company from the shareholder.

Fractions of registered Shares will be issued on conversion to one thousandth of a Share.

Written confirmations of shareholding (as appropriate) will be sent to shareholders within ten (10) Business Days after the relevant Valuation Day, together with the balance resulting from such conversion, if any.
In converting Shares of any Class of a Sub-Fund for Shares of another Class and/or of another Sub-Fund, a shareholder must meet the applicable minimum initial investment requirements imposed by the

acquired Sub-Fund.

If, as a result of any request for conversion, the number of Shares held by any shareholder in a Sub-Fund falls below the minimum number indicated in section 4. "Minimum Investment" under the Specific Information for each Sub-Fund, the Company may treat such request as a request to convert the entire shareholding of such shareholder.

Shares in any Sub-Fund will not be converted in circumstances where the calculation of the Net Asset Value per Share or Classes of Shares in such Sub-Funds is suspended by the Company pursuant to the Articles.

In the case of suspension of dealings in Shares, the request for conversion will be dealt with on the first Valuation Day following the end of such suspension period.

3. Redemption of Shares

Each shareholder of the Company may at any time request the Company to redeem on any Valuation Day all or any of the Shares or Classes of Shares held by such a shareholder in any of the Sub-Funds.

Shareholders desiring to have all or any of their Shares redeemed should apply in writing to the registered office of the Company.

The distributor(s) and its agents shall transmit redemption requests to the Company on behalf of the shareholders.

Redemption requests should contain the following information (if applicable): the identity and address of the shareholder requesting the redemption, the number of Shares to be redeemed, the relevant Class of Shares, if any, of the Sub-Fund, the name in which such Shares are registered and details as to whom payment should be made. All necessary documents to complete the redemption should be enclosed with such application.

Shareholders whose applications for redemption are accepted will have their Shares redeemed on any Valuation Day provided that the applications have been received by the Company prior to 4.00 p.m., Luxembourg time, on the Business Day preceding the relevant Valuation Day. Applications received after 4.00 p.m., on the Business Day preceding the Valuation Day, will be dealt with on the following Valuation Day.

Shares will be redeemed at a price (the "**Redemption Price**") based on the Net Asset Value per Share or Class of Shares in the relevant Sub-Fund determined on the first Valuation Day following receipt of the redemption request, potentially decreased by a fee, as stated in Part B of this Prospectus.

The Redemption Price shall be paid no later than five (5) Business Days after the calculation of the relevant Net Asset Value.

Payment will be made by bank transfer order to an account indicated by the shareholder, at such shareholder's expense and at the shareholder's risk.

Payment of the Redemption Price will automatically be made in the reference currency of the relevant Sub-Fund, except if instructions to the contrary are received from the shareholder; in such case, payment may be made in the reference currency of the Company or in any other freely convertible currency and any currency conversion cost shall be deducted from the amount payable to that shareholder.

The Redemption Price may be higher or lower than the price paid at the time of subscription or purchase.

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

Notice of any such suspension shall be given in all the appropriate ways to the shareholders who have made a redemption request which has been thus suspended. In the case of suspension of dealings in Shares, the request will be dealt with on the first Valuation Day following the end of such suspension period.

If, as a result of any request for redemption, the number or value of Shares or Classes of Shares in a Sub-Fund would fall below the minimum amounts for each Class of Shares in the relevant Sub-Fund as indicated in part B of the present Prospectus, the Company may treat such request as a request to redeem the entire shareholding of such shareholder.

Unless otherwise provided in the particulars of each Sub-Fund, if on any Valuation Day redemption and conversion requests pursuant to the Articles relate to more than 10 percent of the Shares in issue in a specific Sub-Fund or in case of a strong volatility of the market or markets on which a specific Sub-Fund is investing, the Board of Directors may decide that part or all of such requests for redemption or conversion will be deferred for such period as the Board of Directors considers to be in the best interests of the Sub-Fund, but normally not exceeding thirty (30) days. On the next Valuation Day following such period, these redemption and conversion requests will be met in priority to later requests.

Furthermore, the Board of Directors may decide to apply an exit fee of maximum 1% to Shareholders making a redemption or conversion representing more than 5% individually, or 10% in aggregate to cover the corresponding costs of sales of the underlying portfolio. The rate of such exit fee will be the same for all Shareholders having requested the redemption or conversion of their shares on the same Valuation Day. The exit fee shall be reverted to the Sub-Fund from which the redemption or conversion was requested.

Payment of redemptions in kind is possible for Shares reserved to or held by Professional Investors and subject to their approval, provided that the remaining Shareholders are not prejudiced, and that the repayment corresponds to the proportion of assets held by the Company. The type and kind of assets that may be transferred in such cases will be determined by the Management Company, taking into account the investment policy and restrictions of the Sub-Fund in question. The costs of such transfers will be borne by the applicant.

When there is insufficient liquidity or in other exceptional circumstances, the Board of Directors reserves the right to temporarily suspend redemptions in the best interest of Shareholders.

The Board of Directors may at all times redeem units held by investors who are excluded from the right to acquire or to hold units. This shall apply in particular to U.S. Persons, to non-institutional investors who invest in units reserved for institutional investors, as defined in the Sub-Fund schedules.

PROTECTION AGAINST LATE TRADING AND MARKET TIMING

In accordance with Circular 04/146 issued by CSSF regarding the protection of UCIs and their investors against Late Trading and Market Timing practices, the Company does not authorise practices associated

to Market Timing and Late Trading. The Board of Directors will not knowingly allow investments associated with market timing or late trading practices or other excessive trading practices, as such practices may adversely affect the interests of the shareholders. The Board of Directors shall refuse subscriptions, conversions or redemptions from shareholders suspected of such practices and take, as the case may be any other decisions as it may think fit to protect the interests of other shareholders.

Market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same UCI within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the net asset value of the UCI.

Late trading is to be understood as the acceptance of a subscription, conversion or redemption order after the time limit fixed for accepting orders (cut-off time) on the relevant day and the execution of such order at the price based on the net asset value applicable to such same day.

Subscription, redemption and conversion are carried out at unknown Net Asset Value.

DETERMINATION OF THE NET ASSET VALUE

1. Calculation and Publication

The Net Asset Value per each Class of Shares in respect of each Sub-Fund shall be determined in the reference currency of that Sub-Fund.

The Net Asset value is calculated at 3 decimal points.

The Net Asset Value per each Class of Shares in a Sub-Fund shall be calculated as of any Valuation Day (as defined hereinafter) by dividing the net assets attributable to each Class of the Company attributable to such Sub-Fund (being the value of the portion of assets less the portion of liabilities attributable to each Class of Shares in the Sub-Fund on any such Valuation Day) by the total number of Shares of such Classes in the relevant Sub-Fund then outstanding.
If, since the time of determination of the Net Asset Value per each Class of Shares on the relevant Valuation Day, there has been a material change in the quotations in the markets on which a substantial portion of the investments attributable to 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. All subscription, redemption and conversion requests shall be treated on the basis of this second valuation.

The Net Asset Value per each Class of Shares is determined on the day specified for each Sub-Fund in Part B of this Prospectus (the "**Valuation Day**") on the basis of the value of the underlying investments of the relevant Sub-Fund, determined as follows:

(a) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.

(b) The value of each security and/or financial derivative instrument and/or money market instrument which is quoted or dealt in on any stock exchange will be based on its last closing price on the

stock exchange which is normally the principal market for such security and/or financial derivative instrument and/or money market instrument known at the end of the day preceding the relevant Valuation Day.

(c) The value of each security and/or financial derivative instrument and/or money market instrument dealt in on any other Regulated Market will be based on its last known closing price which is normally available at the end of the day preceding the relevant Valuation Day.

(d) shares or units in open-ended investment funds shall be valued at their last available calculated net asset value.

(e) swaps are valued at their fair value based on the underlying securities.

(f) 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) to (e) 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.

(g) All other securities and other assets are valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors.

The net proceeds from the issue of Shares in the relevant Sub-Fund are invested in the specific portfolio of assets constituting such Sub-Fund.

The Board of Directors shall maintain for each Sub-Fund a separate portfolio of assets. As between shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund and each Sub-Fund is treated as a separate legal entity. The assets of a particular Sub-Fund are only applicable to the debts, engagements and obligations of that Sub-Fund.

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 ruling in Luxembourg on the relevant Valuation Day. If such quotations are not available, the rate of exchange will be determined in good faith by or under procedures established by the Board of Directors.

The Board of Directors, in its discretion, may permit other methods of valuation to be used if it considers that such valuation better reflects the fair value of any assets.

The Net Asset Value per each Class of Shares and the issue, redemption and conversion prices for the Shares in each Sub-Fund may be obtained during business hours at the registered office of the Company and will be published in such newspapers as determined for each Sub-Fund in part B of this prospectus.

2. Suspension of calculation of Net Asset Value, of the issue, redemption and conversion of the shares

Unless otherwise provided in the particulars of each Sub-Fund, the Company may temporarily suspend the calculation of the Net Asset Value per each Class of Shares and the issue, redemption and conversion of Shares during:

(a) during any period when any of the principal stock exchanges or other markets on which a substantial portion of the investments of the Company attributable to such class of shares 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

(b) the valuation on the investments of the Company attributable to such class of shares quoted thereon;

(c) during the existence of any state of affairs which constitutes an emergency in the opinion of the board of directors as a result of which disposal or valuation of assets owned by the Company attributable to such class of shares would be impracticable;

(d) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of shares of such class of shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of shares cannot, in the opinion of the board of directors, be effected at normal rates of exchange;

(e) when for any other reason the prices of any investments owned by the Company attributable to such class of shares cannot promptly or accurately be ascertained;

(f) upon the publication of a notice convening a general meeting of shareholders for the purpose of resolving the winding-up of the Company;

(g) any period when the market of a currency in which a substantial portion of the assets of the Company is denominated is closed other than for ordinary holidays, or during which dealings therein are suspended or restricted;

(h) any period when political, economic, military, monetary or fiscal circumstances which are beyond the control and responsibility of the Company prevent the Company from disposing of the assets, or determining the net asset value of the Company in a normal and reasonable manner;

(i) when a Sub-Fund merges with another sub-fund or with another UCITS (or a Sub-Fund of such other UCITS) provided any such suspension is justified by the protection of the Shareholders; and/or

(j) when a class of shares or a sub-fund is a Feeder of another UCITS, if the net asset value calculation of the Master UCITS or sub-fund or class of shares is suspended.

Notice of the beginning and of the end of any period of suspension shall be given by the Company to all the shareholders by way of publication or letter to shareholders affected, i.e. having made an application for subscription, redemption or conversion of Shares for which the calculation of the Net Asset Value has been suspended.

Any application for subscription, redemption or conversion of Shares is irrevocable except in case of suspension of the calculation of the Net Asset Value per Share in the relevant Sub-Fund, in which case shareholders may give notice that they wish to withdraw their application. If no such notice is received by the Company, such application will be dealt with on the first Valuation Day following the end of the period of suspension.

DISTRIBUTION POLICY

Some Sub-Funds, if so specified in Part B of this Prospectus, may issue shares on a distribution basis. Those shares will entitle shareholders to receive dividends.

The Board of Directors reserves the right to propose the payment of a dividend at any time.

In any event, no distribution may be made if, as a result, the Net Asset Value of the Company would fall below EUR 1,250,000.

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

MANAGEMENT COMPANY

Pursuant to a Management Company Agreement dated 1 April 2019 Alicanto Capital S.G.R. S.p.A., having its registered office via Agnello, 5, 20121 Milano, Italy (the "**Management Company**"). has been appointed as Management Company to the Company.

The Management Company, Alicanto Capital S.G.R. S.p.A., is a public company established in Italy and supervised by the Banca of Italy, and registered in the register of SGR pursuant to Sect. 35 of the Italian consolidated law on finance under number 16 in the section for UCITS managers.

The Management Company will be responsible on a day-to-day basis, under the overall responsibility and supervision of the Board of Directors, for providing administration, marketing, investment management and advisory services in respect of the Company. The Management Company Agreement is terminable by any party thereto by giving not less than three (3) months' prior written notice. The Management Company will provide investment management directly to the Company unless otherwise provided for in the relevant sub-fund schedules.

The Management Company has the possibility to delegate any or all of such functions to third parties, under its responsibility and control and subject to the rules laid down for UCITS management companies by the Banca of Italia. The Management Company has delegated the administration functions to the administration agent and registrar and transfer functions to the Registrar and Transfer Agent. The Management Company may delegate the marketing and distribution functions to distributor(s) as may be appointed.

In accordance with article 122(1) of the 2010 Law, a management company which pursues the activity of collective portfolio management in Luxembourg on a cross border basis shall comply with the rules of the Management Company's home member state, more particularly the Banca of Italia in relation to delegation, risk management procedures, prudential rules, supervision and reporting.

Alicanto Capital S.G.R. S.p.A. originated from the reverse merger between Alpi Fondi S.G.R. S.p.A and Fiduciaria Orefici SIM S.p.A. The Management Company is authorised to provide portfolio management, investment advisory, and UCITS collective management services.The Management Company has in place a remuneration policy in line with the Directive 2014/91/EU of the European Parliament and of the Council of July 23, 2014 amending 2009/65/EC of the European Parliament and of the Council of July 13, 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

The remuneration policy sets out principles applicable to the remuneration of the senior management, all staff members having a material impact on the risk profile of the financial undertakings as well as all

staff members carrying out independent control functions.

The remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the Fund's Management Regulations or the present Prospectus.

The remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the Fund and of the Fund's Shareholders and includes measures to avoid conflicts of interest.

Variable remuneration is paid by the Management Company on the basis of the assessment of performance which is set in a multi-year framework appropriate to the holding period recommended to the Fund's Unitholders in order to ensure that the assessment process is based on the longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period.

Fixed and variable components of total remuneration paid by the Management Company are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

The details of the updated remuneration policy containing further details and information in particular on how the remuneration and advantages are calculated and the identity of the persons responsible for the attribution of the remuneration and advantages (including the members of the remuneration committee) is available at

https://www.alicantocapital.com/documenti/

A hard copy of the remuneration policy or its summary may be obtained free of charge upon request.

The remuneration policy is reviewed at least on annual basis.

DISTRIBUTOR(S)

The Management Company may appoint distributors to market the Sub-Funds.

Distribution agreements are concluded for an unlimited period of time from the date of their signature and may be terminated by any party thereto by giving not less than three (3) months' prior written notice. However, the Management Company may terminate these agreements with immediate effect when this is in the best interest of the shareholders.

The distributor(s) are authorized to retain a sales charge calculated on, and paid out of, the Net Asset Value per Share of the Sub-Fund on the relevant Valuation Day, as further described in each Sub-Fund's schedule if relevant.

The distributor(s) may be involved in the collection of subscription and redemption orders on behalf of the Company and any of the Sub-Funds and may, in that case, provide a nominee service for investors purchasing Shares through the distributor(s). Investors may elect to make use of such nominee service pursuant to which the nominee will hold the Shares in its name for and on behalf of the investors who shall be entitled at any time to claim direct title to the Shares and who, in order to empower the nominee

to vote at any general meeting of shareholders, shall provide the nominee with specific or general voting instructions to that effect. Notwithstanding the foregoing, investors may also invest directly in the Company without using the nominee service.

The Management Company has appointed ONLINE SIM S.p.A. to act as distributor. ONLINE SIM S.p.A. will invest in Shares of the Sub-Funds in its own name for its own account or on behalf of third parties for the account of its customers that are qualified as Professional Investors pursuant to Consob regulations adopted with deliberation nr 16190/2007. The Management Company will in this respect pay, out of the investment management fee the Management Company receives from the Company, to ONLINE SIM S.p.A. an intermediation fee calculated daily.

The Management Company, the Company and the distributor(s) will at all time comply with any obligations imposed with respect to money laundering and, in particular, with the Luxembourg laws of 19 February 1973, April 5, 1993 and 12 November 2004, as amended, and the related circulars and regulations issued by the Luxembourg supervisory authority (in particular CSSF Regulation N° 12-02 of 14 December 2012) on the fight against money laundering and against the financing of terrorism and any other applicable laws and regulations, as they may be amended or revised from time to time.

INVESTMENT MANAGER AND INVESTMENT ADVISER(S)

The Management Company may delegate its investment management services to a delegated investment manager (the "**Investment Manager**"). The Investment Manager will manage the investment and reinvestment of the assets of the Sub-Fund(s) in accordance with its investment objectives, and investment and borrowing restrictions, under the overall responsibility of the Board of Directors.

The particulars of each Sub-Fund will specify when an Investment Manager has been approved.

The Investment Manager shall be entitled to delegate, with the prior approval of the Board of Directors and the Management Company and at its own expenses, its functions, discretions, privileges and duties herein or any of them to any person, firm or corporation (the "**Sub-Investment Manager**") whom it may consider appropriate, provided that the Investment Manager shall remain liable hereunder for any loss or omission of such person, firm or corporation as if such act or omission was its own other than in respect of any error of judgment or mistake of law on the part of such person, firm or corporation made or committed in good faith in the performance of the duties delegated to it. Information on the Sub-Investment Manager, if any, will be specified in Part B of this Prospectus.

Moreover, the Management Company or the Investment Manager may appoint one or more investment advisers who shall provide advice and recommendations to the Management Company or Investment Manager as to the investment of the portfolios of the Sub-Funds.

DEPOSITARY AND PRINCIPAL PAYING AGENT

CACEIS Bank, Luxembourg Branch, established at 5, allée Scheffer, L-2520 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B209310 is acting as depositary of the Company (the "**Depositary**") in accordance with a depositary agreement dated 1 April 2019 as amended from time to time (the "**Depositary Agreement**") and the relevant provisions of the Law and UCITS Rules.

CACEIS Bank, Luxembourg Branch is acting as a branch of CACEIS Bank, a public limited liability

company (*société anonyme*) incorporated under the laws of France, having its registered office located at 1-3, place Valhubert, 75013 Paris, France, registered with the French Register of Trade and Companies under number 692 024 722 RCS Paris.

CACEIS Bank is an authorised credit institution supervised by the European Central Bank ("**ECB**") and the Autorité de contrôle prudentiel et de résolution ("**ACPR**"). It is further authorised to exercise through its Luxembourg branch banking and central administration activities in Luxembourg.

Investors may consult upon request at the registered office of the Company, the Depositary Agreement to have a better understanding and knowledge of the limited duties and liabilities of the Depositary.

The Depositary has been entrusted with the custody and/or, as the case may be, recordkeeping and ownership verification of the Compartments' assets, and it shall fulfil the obligations and duties provided for by Part I of the Law. In particular, the Depositary shall ensure an effective and proper monitoring of the Company' cash flows.

In due compliance with the UCITS Rules the Depositary shall:

(i) ensure that the sale, issue, re-purchase, redemption and cancellation of units of the Company are carried out in accordance with the applicable national law and the UCITS Rules or the Articles;

(ii) ensure that the value of the Units is calculated in accordance with the UCITS Rules, the Articles and the procedures laid down in the Directive;

(iii) carry out the instructions of the Company, unless they conflict with the UCITS Rules, or the Articles;

(iv) ensure that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits; and

(v) ensure that an Company's income is applied in accordance with the UCITS Rules and the Articles.

The Depositary may not delegate any of the obligations and duties set out in (i) to (v) of this clause.

In compliance with the provisions of the Directive, the Depositary may, under certain conditions, entrust part or all of the assets which are placed under its custody and/or recordkeeping to Correspondents or Third Party Custodians as appointed from time to time. The Depositary's liability shall not be affected by any such delegation, unless otherwise specified, but only within the limits as permitted by the Law.

A list of these correspondents/third party custodians are available on the website of the Depositary (www.caceis.com, section "veille règlementaire"). Such list may be updated from time to time. A complete list of all correspondents/third party custodians may be obtained, free of charge and upon request, from the Depositary. Up-to-date information regarding the identity of the Depositary, the description of its duties and of conflicts of interest that may arise, the safekeeping functions delegated by the Depositary and any conflicts of interest that may arise from such a delegation are also made available to investors on the website of the Depositary, as mentioned above, and upon request. There are many situations in which conflicts of interest may arise, notably when the Depositary delegates its safekeeping functions or when the Depositary also performs other tasks on behalf of the Company, such

as administrative agency and registrar agency services. These situations and the conflicts of interest thereto related have been identified by the Depositary. In order to protect the Company's and its Shareholders' interests and comply with applicable regulations, a policy and procedures designed to prevent situations of conflicts of interest and monitor them when they arise have been set in place within the Depositary, aiming namely at:

(a) identifying and analysing potential situations of conflicts of interest;

(b) recording, managing and monitoring the conflict of interest situations either in:

- relying on the permanent measures in place to address conflicts of interest such as maintaining separate legal entities, segregation of duties, separation of reporting lines, insider lists for staff members; or

- implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall, making sure that operations are carried out at arm's length and/or informing the concerned Shareholders of the Company, or (ii) refuse to carry out the activity giving rise to the conflict of interest.

The Depositary has established a functional, hierarchical and/or contractual separation between the performance of its UCITS depositary functions and the performance of other tasks on behalf of the Company, notably, administrative agency and registrar agency services.

The Company and the Depositary may terminate the Depositary Agreement at any time by giving three (3) months' notice in writing. The Company may, however, dismiss the Depositary only if a new depositary bank is appointed within two (2) months to take over the functions and responsibilities of the Depositary. After its dismissal, the Depositary must continue to carry out its functions and responsibilities until such time as the entire assets of the Compartments have been transferred to the new depositary bank.

The Depositary has no decision-making discretion nor any advice duty relating to the Company's investments. The Depositary is a service provider to the Company and is not responsible for the preparation of this Prospectus and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus or the validity of the structure and investments of the Company.

UCI ADMINISTRATOR (REGISTRAR AND TRANSFER, AND DOMICILIARY AGENT)

The Management Company has also appointed CACEIS Bank, Luxembourg Branch, as UCI Administrator, Registrar and Transfer, and Domiciliary agent to the Company (the "**UCI Administrator**").

The UCI Administrator is responsible for all administrative duties required by Luxembourg laws and among others for handling the processing of subscription for Shares, dealing with requests of redemption and conversion and accepting transfers of funds, for the safekeeping of the register of Shareholders of the Company, for the bookkeeping, the maintenance of accounting records, the calculation and determination of the net asset value per Share in each Sub-Fund, the communication with investors within the meaning of CSSF Circular 22/811 as amended (including drafting and dispatching of financial reports and contract notes) as well as for the mailing of statements, reports, notice and other documents to the concerned Shareholders of the Fund, in compliance with the provisions of, and as more fully

described in, the relevant agreement above mentioned.

The Net Asset value is calculated by the UCI Administrator at 3 decimal points.

For the performance of its activities the UCI Administrator may outsource IT and operational functions, particularly those as registrar and transfer agent, including shareholders and investor services, with other entities of the CACEIS or Credit Agricole Group, located in Europe or in third countries, including United Kingdom, Canada and Malaysia. In this context, CACEIS Bank, Luxembourg Branch may be required to transfer to the outsourcing provider data related to investors (such as name, address, nationality, tax number, etc.). The current list of countries where the CACEIS Group is located is available at www.caceis.com.

MONEY LAUNDERING PREVENTION

Pursuant to the Luxembourg law of 7 July 1989 to combat drug addiction, to the Luxembourg law of 5 April 1993 on the financial sector, to the Luxembourg law of 11 August 1998 related to money laundering crime, to the law of 12 November 2004 on the fight against money laundering and against the financing of terrorism, as amended from time to time and to CSSF Regulation N°12-02 of 14 December 2012 on the fight against money laundering and financing of terrorism and the prevention of the use of the financial sector for money laundering and terrorism financing purposes, obligations have been imposed on all professionals of the financial sector to prevent the use of the undertakings for collective investment for money laundering purposes.
In order to contribute to the fight against money laundering of funds, prospective investors will have to establish their identity with the Company, the Management Company or with the financial institutions which collect their subscriptions.

Investors must provide adequate proof of identity to the Management Company, Registrar and Transfer Agent, its agents or the distributors (as the case may be) and meet such other requirements as the Management Company may deem necessary. The Registrar and Transfer Agent is also required to verify the source of the money invested or transmitted by the prospective investors or their agents.

Where the Shares are subscribed through an intermediary acting on behalf of his/her customers, the Company and the Management Company shall put in place enhanced customer due diligence measures for this intermediary which is applied mutatis mutandis pursuant to the terms of Article 3-2(3) of the Law of 12 November 2004 on the fight against money laundering and terrorist financing, Article 3(3) of the Grand-ducal regulation of 1 February 2010 providing details on certain provisions of the Law of 12 November 2004 on the fight against money laundering and terrorist financing, Article 28 of the CSSF Regulation N° 12-02 of 14 December 2012 on the fight against money laundering and terrorist financing or at least equivalent obligations are complied with.

The Company will invest in accordance with its investment policy. In line with applicable laws and regulations, the Company will perform "anti-money laundering checks" using a risk-based approach on the assets of the Company.

When the remitting banks is not located in a FATF (Financial Action Task Force) member state, the Registrar and Transfer Agent is to request from subscribers a certified copy (by one of the following authorities: embassy, consulate, notary, police, commissioner) of (i) the investor’s identity card in the

case of individuals, and (ii) the articles of incorporation as well as an extract of the register of commerce for corporate entities.

Subscriptions may be temporarily suspended until funds have been correctly identified.

The Registrar and Transfer Agent may require, at any time, additional documentation relating to an application for Shares. If an investor is in any doubt with regard to this legislation, the Company will provide him with a money-laundering checklist. Failure to provide additional information may result in an application not being processed.

CHARGES AND EXPENSES

1. General

The Company pays out of the assets of the relevant Sub-Fund all expenses payable by the Company which shall include but not be limited to formation expenses, fees payable to the Management Company, any investment manager including performance fees, if any, fees and expenses payable to the auditor and accountants, Depositary and its correspondents, Domiciliary agent, Registrar and Transfer Agent, distributor(s), the Principal Paying Agent, any permanent representatives in places of registration, as well as any other agent employed by the Company, the remuneration (if any) of the Directors and their reasonable out-of-pocket expenses, insurance coverage, and reasonable travelling costs in connection with board meetings, fees and expenses for legal and auditing services, any fees and expenses involved in registering and maintaining the registration of the Company with any governmental agencies or stock exchanges in the Grand-Duchy of Luxembourg and in any other country, reporting and publishing expenses, including the costs of preparing, printing, advertising and distributing prospectuses, explanatory memoranda, periodical reports or registration statements, and the costs of any reports to shareholders, all taxes, duties, governmental and similar charges, and all other operating expenses, including the cost of using index/benchmark, buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex. The Company may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount for yearly or other periods.

In the case where any liability of the Company cannot be considered as being attributable to a particular Sub-Fund, such liability shall be allocated to all the Sub-Funds on a *prorata* basis to their Net Asset Values or in such other manner as determined by the Board of Directors acting in good faith, provided that all liabilities, whatever Sub-Fund they are attributable to, shall, unless otherwise agreed upon with the creditors, be binding upon the Company as a whole.

Charges relating to the incorporation of the Company and the creation of a new Sub-Fund shall be borne by all the existing Sub-Funds on a *prorata* basis to their net assets. Hence, the new created Sub-Funds shall have to bear on a *prorata* basis of the costs and expenses incurred in connection with the creation of the Company and the initial issue of Shares, which have not already been written off at the time of the creation of the new Sub-Funds.

All charges relating to the creation of a new Sub-Fund after the Company's incorporation expenses have been written off, shall be fully amortized upon their occurrence and shall be borne by all the existing Sub-Funds on a *prorata* basis to their net assets.

In case of a dissolution of a Sub-Fund all charges relating to the incorporation of the Company and the

creation of new Sub-Funds which have not already been written off shall be borne by all the remaining Sub-Funds.

2. Fees of the Management Company

The Management Company is entitled to receive a management fee as further described in the relevant Part B of this Prospectus.

The fee will be calculated on the quarterly average of the total assets under management of the previous quarter. The fees will be payable quarterly in arrears.

In addition, the Management Company shall also be entitled to an investment management fee in compensation for its investment management services. Such a fee is payable quarterly and calculated on the average of the net assets of the relevant Sub-Fund for the relevant quarter, unless otherwise determined in Part B of this Prospectus.

For its risk management activities, the Management Company is entitled to receive from the Company a fee of 0.025% per annum, payable quarterly and calculated on the average quarterly net asset value of the Sub-Funds. The fees relating to the risk management activities are part of the management fees mentioned above.

The fees paid to the Management Company out of the assets of the Company are subject to a global minimum of 75.000 EUR per annum (prorata for all Sub-Funds in proportion to their net assets) and amount to the annual percentage rates of the Net Asset Value of the Sub-Funds as set out below:

- Up to 150.000.000 EUR of total net assets: 0.09% of the net assets of the Sub-Funds with a global minimum as described above;

- From 150.000.000 EUR up to 300.000.000 EUR of total net assets: 135.000 EUR per annum plus 0.06% of the net assets of the Sub-Funds above 150.000.000 EUR;

- Above 300.000.000 EUR of total net assets: 225.000 EUR per annum plus 0.05% of the net assets of the Sub-Funds above 300.000.000 EUR.

3. Fees of the Investment Manager

Where an Investment Manager has been appointed as specified in the particulars of the relevant Sub-Funds, the Management Company will pay the Investment Manager an investment management fee for its investment activity out of the investment management fee the Management Company receives from the Company unless otherwise determined in Part B of this Prospectus.

4. Duplication of Commissions and Fees

Where a Sub-Fund invests in other UCIs, investors must be aware that the applicable investment management commissions may be in addition to commissions paid by UCIs to their sub-managers, resulting in double payment of such commissions.

Investors are also made aware that the Sub-Funds may invest, in accordance with the terms of the present Prospectus, in collective investment schemes that are managed, directly or by delegation, by the same management company or by any other company with which the Management Company is linked by

common management or control, or by a substantial direct or indirect holding; in this case the Management Company or the other company may not charge subscription, conversion or redemption fees on the account of the Sub-Funds investment in the collective investment schemes.

A Sub-Fund that invests a substantial proportion of its assets in other collective investment schemes shall disclose in the present Prospectus the maximum level of the management fees that may be charged both to the Sub-Fund itself and to the other collective investment schemes in which it intends to invest. In the annual report of the Company, it shall indicate the maximum proportion of management fees charged both to the Sub-Fund itself and to the other collective investment schemes in which it intends to invest.

5. Fees of the Depositary and UCI Administrator

The Depositary and Paying Agent, and the UCI Administrator Agent are entitled to receive out of the assets of each Sub-Fund a fee calculated in accordance with customary banking practice in Luxembourg. In addition, the Depositary and Paying Agent, and the UCI Administrator are entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and disbursements and for the charges of any correspondents.

As remuneration for services rendered to the Company in its respective capacities, the Depositary will receive from the Company, in accordance with market practice in Luxembourg and unless otherwise determined in Part B of this Prospectus, a variable fee, payable monthly in arrears, of maximum 0.030% per annum and calculated on the average net assets of each Sub-Fund. The Depositary will also charge transaction fees related to the purchase and sale of assets.

A variable fee, payable monthly in arrears, of maximum 0.050% per annum and calculated on the average net assets of each Sub-Fund will be charged to the Company for accounting services and NAV calculation provided to the Company, with a minimum of EUR 30,000 per Sub-Fund (the minimum will be waived for twelve (12) months following the launch of each Sub-Fund. For the Bond Sub-Fund, this waiver will be valid until December 31, 2016). The UCI Administrator will also charge transaction fees related to the subscription and redemption of shares.

The Domiciliary Agent will receive an annual fee of EUR 2,500 per Sub-Fund, with an annual minimum of EUR 5,000 for the Company.

6. Soft commissions

The Management Company, or its delegates may effect transactions on behalf of the Company with, or through the agency of a person who provides services under a soft commission agreement under which that person will, from time to time, provide to, or procure for the Management Company, or its delegates, and/or their respective associates goods, services, or other benefits such as research, and advisory services, specialised computer hardware or software provided that:

(i) such transactions are effected on a best execution basis, disregarding any benefit which might ensure directly, or indirectly to the Management Company, or its delegates, or their respective associates, or the Company from the services or benefits provided under such soft commission agreement;

(ii) the services, and/or benefits provided are of a type which: (a) assist the Management Company

or its delegates in the provision of investment services to the Company; (b) enhance the quality of the investment services to be provided to the Company hereunder; and (c) do not impair the ability of the Management Company or its delegates to act in the best interests of the Company; and

(iii) the Management Company or its delegates shall provide the Company on request with such information with respect to soft commissions as the Company may reasonably require to enable inclusion of a report in the Company's annual reports describing the Management Company's and its delegates soft commission practices.

TAXATION

The following summary is based on the laws and practice currently applicable in the Grand-Duchy of Luxembourg and is subject to changes therein.

1. Taxation of the Company in the Grand-Duchy of Luxembourg

The Company is not liable to any tax in the Grand-Duchy of Luxembourg on profits or income, nor are distributions paid by the Company liable to any withholding tax in the Grand-Duchy of Luxembourg.

The Company is, however, liable in the Grand-Duchy of Luxembourg to a subscription tax (taxe d'abonnement) of 0.05 % *per annum* of its Net Asset Value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Sub-Funds at the end of the relevant calendar quarter.

However, in respect of the Classes of Sub-Fund which are only held by institutional investors the Company is liable to the above mentioned subscription tax at a rate of 0.01% *per annum* of the Net Asset Value of such Sub-Fund, as defined by guidelines or recommendations issued by Luxembourg supervisory authorities.

It is to be noted that no such subscription tax is levied on the portion of the net assets of the Sub-Funds that is invested in the shares or units of other UCI governed by the laws of the Grand-Duchy of Luxembourg. No stamp duty or other tax is payable in the Grand-Duchy of Luxembourg on the issue of Shares. No tax is payable in the Grand-Duchy of Luxembourg on the realized capital appreciation of the assets of the Company.

General

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

2. Taxation of Shareholders in the Grand-Duchy of Luxembourg

Under the current laws, shareholders are not subject to any capital gains, income or withholding tax in the Grand-Duchy of Luxembourg (except for (i) those domiciled, resident or having a permanent establishment in the Grand-Duchy of Luxembourg or (ii) non-residents of the Grand-Duchy of Luxembourg who hold (personally or by attribution) more than 10% of the Shares of the Company and who dispose of all or part of their holdings within six (6) months from the date of acquisition or (iii) in some limited cases, some former residents of the Grand-Duchy of Luxembourg who hold (personally or by attribution) more than 10% of the Shares of the Company).

General

It is expected that shareholders in the Company will be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarize the taxation consequences for each investor of subscribing, converting, holding or redeeming or otherwise acquiring or disposing of Shares in the Company. These consequences will vary in accordance with the law and practice currently in force in a shareholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances.

Under the law of December 18, 2015 implementing the EU Council Directive 2014/107/UE on administrative cooperation in the field of direct taxation (the "**DAC Directive**") and the OECD Common Reporting Standard (the "**CRS**") (the "**DAC Law**"), since January 1, 2016, the financial institutions of an EU Member State or a jurisdiction participating to the CRS are required to provide to the fiscal authorities of other EU Member States and jurisdictions participating to the CRS details of payments of interest, dividends and similar type of income, gross proceeds from the sale of financial assets and other income, and account balances held on reportable accounts, as defined in the DAC Directive and the CRS, of account holders residents of, or established in, an EU Member State and certain dependent and associated territories of EU Member States or in a jurisdiction which has introduced the CRS in its domestic law.

Payment of interest and other income derived from the Units will fall into the scope of the DAC Directive and the CRS and are therefore subject to reporting obligations.

Prospective investors should consult their own tax advisor with respect to the application of the DAC Directive and the CRS to such investor in light of such investors' individual circumstances. Investors are further invited to request information regarding applicable laws and regulations (i.e. any particular tax aspects or exchange regulations) of the countries of which they are citizens, or in which they are domiciled or resident and which may concern the subscription, purchase, holding and redemption of the Units.

Dividends and interest on securities held by the Company may be subject to non-recoverable withholding taxes or other taxes imposed by the jurisdiction of the issuer.

The foregoing is only a summary of the implications of the Directive and the Law, is based on the current interpretation thereof and does not purport to be complete in all respects. It does not constitute investment or tax advice and investors should therefore seek advice from their financial or tax adviser on the full implications for themselves of the Directive and the Law.

Foreign Account Tax Compliance Act ("FATCA") Requirements

FATCA provisions generally impose a reporting to the U.S. Internal Revenue Service of U.S. persons' direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Failure to provide the requested information could lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends.

The basic terms of FATCA may include the Company as a "Financial Institution", such that in order to comply, the Company may require all Shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned legislation.

Despite anything else herein contained and as far as permitted by Luxembourg law, the Company shall have the right to:

- withhold any taxes or similar charges that it is legally required to withhold, whether by law or otherwise, in respect of any shareholding in the Company;
- require any Shareholder or beneficial owner of the Shares to promptly furnish such personal data as may be required by the Company in its discretion in order to comply with any law and/or to promptly determine the amount of withholding to be retained;
- divulge any such personal information to any tax or regulatory authority, as may be required by law or such authority;
- withhold the payment of any dividend or redemption proceeds to a Shareholder until the Company holds sufficient information to enable it to determine the correct amount to be withheld.

In addition the Company hereby confirms that it may become a participating Foreign Financial Institution ("**FFI**") as laid down in the FATCA rules and that it may register and certify compliance with FATCA with obtaining a GIIN ("**Global Intermediary Identification Number**"). From this point the Company will furthermore only deal with professional financial intermediaries duly registered with a GIIN.

The foregoing provisions are based on the laws and practices currently in force, and are subject to change. Potential investors are advised to seek information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment. The attention of investors is also drawn to certain tax provisions specific to individual countries in which the Company publicly markets its shares.

GENERAL INFORMATION

1. Corporate Information

The Company was incorporated for an unlimited period of time on July 4, 2016 and is governed by the law of 10 August 1915 on commercial companies, as amended, and by the 2010 Law, as amended.

The registered office of the Company is established at 5, Allée Scheffer, 2520 Luxembourg. The Company is registered with the *Registre de Commerce et des Sociétés* of Luxembourg under number B207600.

The Articles were published in the *Recueil Electronique des Sociétés et Associations* on July 19, 2016.

The copies, as well as the corresponding key investor information documents, are available on request at the registered office of the Company.

The minimum capital of the Company, as provided by law, is of EUR 1,250,000.-. The capital of the Company is represented by fully paid-up Shares of no par value.

The Company is open-ended which means that it may, at any time on the request of the shareholders, redeem its Shares at prices based on the applicable Net Asset Value per Share of the relevant Sub-Fund.

The Company shall be managed by a Board of Directors composed of at least three (3) directors.

The Board of Directors shall be composed of one or several class A director(s) and one or several class B director(s) elected by the shareholders.

Class A directors shall be members of Alicanto Capital S.G.R. S.p.A. and class B directors shall be independent directors.

The Board of Directors can validly deliberate and act only if a majority of its members is present or represented, including at least one class A director and one class B director.

Decisions of the Board of Directors are adopted by a majority of the directors participating to the meeting or duly represented thereto provided that at least one class A director and one class B director have approved these resolutions.

This ensures that decisions are taken collectively, independently and in the best interest of the shareholders of the Company avoiding any conflicts of interest.

In accordance with the Articles, the Board of Directors may issue Shares in each Sub-Fund. A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective applicable to the relevant Sub-Fund. As a result, the Company is an "umbrella fund" enabling investors to choose between one or more investment objectives by investing in one or more Sub-Funds.

The Board of Directors of the Company may from time to time decide to create further Sub-Funds; in that event, the Prospectus will be updated and amended so as to include detailed information on the new Sub-Funds.

The share capital of the Company will be equal, at any time, to the total value of the net assets of all the Sub-Funds.

2. Meetings of, and Reports to, Shareholders

Notice of any general meeting of shareholders shall be mailed to each registered shareholder at least eight (8) days prior to the meeting and shall be published to the extent required by the 2010 Law or the 1915 Law in the *Recueil Electronique des Sociétés et Associations* and in any newspaper published in the Grand-Duchy of Luxembourg and other newspaper(s) that the Board of Directors may determine. Such notices will indicate the date and time of the meeting as well as the agenda, quorum requirements and the conditions of admission.

If all the Shares are only issued in registered form, convening notices may be mailed by registered mail to each registered shareholder without any further publication unless it has been agreed with a shareholder in the subscription agreement to send the convening notices by email or by any other means.

The Company publishes annually a detailed audited report on its activities and on the management of its assets; such report shall include, inter alia, the combined accounts relating to all the Sub-Funds, a detailed description of the assets of each Sub-Fund and a report from the Auditor.

The Company shall further publish semi-annual unaudited reports, including, inter alia, a description of the investments underlying the portfolio of each Sub-Fund and the number of Shares issued and redeemed since the last publication. The first unaudited report covered the period from incorporation to December 31, 2016.

The aforementioned documents will be available within four (4) months for the annual reports and two (2) months for the semi-annual reports of the date thereof and copies may be obtained free of charge by any person at the registered office of the Company.

The accounting year of the Company commences on the first of January and terminates on the thirty-first of December. The first accounting year has commenced on the day of incorporation and terminated on December 31, 2017.

The annual general meeting of shareholders takes place in the Grand Duchy of Luxembourg at a place specified in the notice of meeting on the third Thursday in the month of April at 2.00 p.m.. If such day is not a bank business day in Luxembourg, the meeting shall be held on the next following bank business day in Luxembourg.

The shareholders of any Class of Shares of any Sub-Fund may hold, at any time, general meetings to decide on any matters which relate exclusively to such Class of Shares of a Sub-Fund.

The combined accounts of the Company shall be maintained in EUR being the currency of the share capital. The financial statements relating to the various separate Sub-Funds shall also be expressed in the reference currency for the Sub-Funds.

3. Dissolution and Liquidation of the Company

The Company may at any time be dissolved by a resolution of a general meeting of shareholders subject to the quorum and majority requirements applicable for amendments to the Articles.

Whenever the share capital falls below two-thirds of the minimum capital indicated in the Articles, the question of the dissolution of the Company shall be referred to a general meeting of shareholders by the Board of Directors. The meeting, for which no quorum shall be required, shall decide by the simple majority of the Shares represented at the meeting.

The question of the dissolution of the Company shall also be referred to a general meeting of shareholders whenever the share capital falls below one-fourth of the minimum capital set by the Articles; in such event, the meeting shall be held without any quorum requirement and the dissolution may be decided by shareholders holding one-fourth of the Shares represented at the meeting.

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

Liquidation shall be carried out by one or several liquidators, who may be physical persons or legal entities, duly approved by the regulatory authority and appointed by the general meeting of shareholders which shall determine their powers and their compensation.

The net proceeds of liquidation corresponding to each Class of Shares in each Sub-Fund shall be distributed by the liquidators to the holders of Shares of the relevant Class in such Sub-Fund in proportion to their holding of such Shares.

Should the Company be voluntarily or compulsorily liquidated, its liquidation will be carried out in accordance with the provisions of the 2010 Law. The said 2010 Law specifies the steps to be taken to enable shareholders to participate in the distribution(s) of the liquidation proceeds and provides for a

deposit in escrow at the *Caisse des Consignations* at the time of the close of liquidation. Amounts not claimed from escrow within the statute of limitation period shall be liable to be forfeited in accordance with the provisions of the 2010 Law.

4. Liquidation and Merger of Sub-Funds

Unless otherwise provided in the particulars of each Sub-Fund, the following provisions apply to the dissolution and merger of Sub-Funds.

4.1 Liquidation of Sub-Funds

In the event that for any reason the value of the net assets in any Sub-Fund has decreased to an amount determined by the Board of Directors to be the minimum level for such Sub-Fund to be operated in an economically efficient manner, or if a change in the economical or political situation relating to the Sub-Fund concerned would have material adverse consequences on the investments of that Sub-Fund or in order to proceed to an economic rationalization, the Board of Directors may decide to compulsorily redeem all the Shares issued in such Sub-Fund at the Net Asset Value per Share (taking into account actual realization prices of investments and realization expenses), calculated on the Valuation Day at which such decision shall take effect. Unless it is otherwise decided in the interests of, or to keep equal treatment between the shareholders, the shareholders of the Sub-Fund concerned may continue to request redemption or conversion of their Shares free of charge (but taking into account actual realization prices of investments and realization 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 Sub-Fund may, upon proposal from the Board of Directors, redeem all the Shares of such Sub-Fund and refund to the shareholders the Net Asset Value of their Shares (taking into account actual realization prices of investments and realization 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 the shares present or represented.

Assets which may not be distributed to their beneficiaries upon the implementation of the redemption will be deposited with the Depositary for a period of six (6) months thereafter; after such period, the assets will be deposited with the *Caisse des Consignations* on behalf of the persons entitled thereto.

All redeemed Shares shall be cancelled.

4.2 Merger of Sub-Funds

a) Merger of Sub-Funds decided by the Board of Directors

The Board of Directors may decide, in the interest of the Shareholders and in accordance with the provisions of the 2010 Law, to transfer or merge the assets of one Sub-Fund or class of Shares to those of another Sub-Fund or class of Shares of such other Sub-Fund within the Company. Such mergers may be performed for reasons of various economic reasons justifying a merger of Sub-Funds or classes of Shares. The merger decision of Sub-Funds shall be sent to all registered Shareholders of the Sub-Fund before the effective date of the merger in accordance with the provisions of applicable laws and regulations including CSSF Regulation 10-05. The notice to shareholders shall indicate, in addition, the

characteristics of the new Sub-Fund, or the new class of Shares. Every Shareholder of the relevant Sub-Funds shall have the opportunity of requesting the redemption or the conversion of his own Shares without any cost (other than the cost of disinvestment) during a period of at least thirty (30) Calendar Days before the effective date of the merger, it being understood that the effective date of the merger takes place five (5) Business Days after the expiry of such notice period.

In the same circumstances as described in the previous paragraph and in the interest of the Shareholders, the transfer or merger of assets and liabilities attributable to a Sub-Fund or class of Shares to another UCITS or to a sub-fund or class of shares within such other UCITS (whether established in Luxembourg or another Member State and whether such UCITS is incorporated as a company or is a contractual type fund), may be decided by the Board of Directors, in accordance with the provisions of the 2010 Law. The Company shall send a notice to the Shareholders of the relevant Sub-Fund in accordance with the provisions of CSSF Regulation 10-05. Every Shareholder of the Sub-Fund or class of Shares concerned shall have the possibility to request the redemption or the conversion of its Shares without any cost (other than the cost of disinvestment) during a period of at least thirty (30) Calendar Days before the effective date of the merger, it being understood that the effective date of the merger takes place five (5) Business Days after the expiry of such notice period.

b) Other types of merger of Sub-Funds

Notwithstanding the powers conferred to the Board of Directors under the preceding section, the general meeting of Shareholders may decide to proceed with a merger (of one of the relevant Sub-Funds, either as receiving or absorbed Sub-Fund, with:

- any other UCITS; or
- a new Sub-Fund

by a resolution adopted with (a) a presence quorum requirement of at least 51% of the share capital of the Company; and (b) a majority requirement of at least two-third (2/3) of the shareholders present or represented.

During a minimum period of one (1) month as from the date of publication of the decision to merge, the Shareholders of the Sub-Fund(s) concerned may request the redemption of their Shares free of charge. At expiry of this period, the decision to merge is binding on all the Shareholders that have not taken advantage of the aforementioned possibility.

The relevant decisions of the Board of Directors are made public in the same way as the financial notices.

Assets which may not be distributed to the relevant beneficiaries upon the implementation of the redemption will be deposited with the Depositary for the period required by Luxembourg law; after such period, the assets will be deposited with the "Caisse de Consignation" on behalf of the persons entitled thereto.

In case of a merger of a sub-fund or class of shares where, as a result, the Company ceases to exist, the merger needs to be decided by a meeting of shareholders of the sub-fund or class of shares concerned, for which no quorum is required and decisions are taken by the simple majority of the votes cast.

5. ESMA Register of Benchmark Administrators

Investors should note that, in accordance with the requirements of Regulation (EU) 2016/1011 of the

European Parliament and Council of 6 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**"), the Management Company of the Company has adopted a benchmark contingency plan to set out the actions which the Company would take in the event that a benchmark used by a Sub-Fund materially changes or ceases to be provided (the "**Benchmark Contingency Plan**"). The Benchmark Contingency Plan is available for inspection at the registered office of the Management Company.

Below the Benchmark administrators registered on the date of this Prospectus on ESMA's register of Benchmark administrators.

	Sub-Fund Alicanto SICAV I:Equity Alpha	Sub-Fund Alicanto SICAV I:Bond Euro
Benchmark administrator registered on ESMA's register of Benchmark administrators	ICE for the NYSE Europe 600 Index. ICE Benchmark Administration Limited for Euro Government Bills Index.	ICE Benchmark Administration Limited for BofA 1-3 Year Euro Broad Market Index

PART B: SPECIFIC INFORMATION

I. Sub-Fund ALICANTO SICAV I: Bond Euro

1. Name

The name of the Sub-Fund is "ALICANTO SICAV I: Bond Euro" (hereinafter referred to as the "Sub-Fund").

2. Investment objectives

The investment objective of the Sub-Fund is to provide investors with an adequate exposure to the Euro bond market.

3. Specific Investment Policy and Restrictions

The Sub-Fund mainly invests in fixed and floating rate bonds issued by supranational, government, quasi-government bodies or private borrowers headquartered in any country.

The Sub-Fund should invest at least 60% of its net assets ('core portfolio') in bonds denominated in EUR with a minimum rating of BBB-(minus) by Standard & Poor's or equivalent for the relevant maturity. The Sub-Fund may invest the remaining part of its net assets ('satellite portfolio') in bonds or other fixed income instruments denominated in any other currency and/or without investment grade rating. Anyway, the net exposure to the currency risk must not be higher than 20%.

The 'core portfolio' will be managed, according to the principle of risk diversification, tracking the benchmark of the Sub-Fund. The 'core portfolio' may invest also in bank deposits issued by banks with a senior unsecured rating not lower than BBB-(minus) by Standard & Poor's or equivalent for the relevant maturity and in Exchange Traded Funds investing mainly in bonds denominated in EUR with the same rating limit.

The 'satellite portfolio' invests in a broad range of bonds and fixed income instruments with the objective of achieving a significant extra-return by means of an accurate credit selection and a balanced mix of investment strategies. The range of fixed income instruments may also comprise, ABS/MBS, CoCos', Distressed Securities and Convertible bonds (in aggregate up to 20% but limited to a maximum of 10% for Distressed Securities), Credit Default Swap, Credit Link Notes (each one up to 20%) and Bond Futures.

Bond Futures, Credit Default Swap and Credit Link Notes may be used both for investment and hedging purposes.

The Sub-Fund will not enter into SFTs such as repurchase and reverse repurchase agreements or engage in securities lending transactions or other transactions – including total return swaps - foreseen under SFTR.
Should the Board of Directors of the Fund decide to use such techniques and instruments for this Sub-Fund in the future, the Board of Directors of the Fund will update this Prospectus accordingly and will include related requirements of SFTR under this Sub-Fund.

Investors should refer to the *Risk Factors* section in the General Part of this Prospectus.

The Sub-Fund may invest no more than 10% of its NAV in other UCITS/UCI.

The Sub-Fund may also invest in accordance with the terms of the present Prospectus, and on an ancillary basis (less than 5%), in equities and equity derivatives traded either on a regulated market or OTC.

The Sub-Fund may also enter into interest rate swap transactions both for hedging and trading purposes. The Sub-Fund is actively managed with reference to the ICE BofA 1-3 Year Euro Broad Market Index from which it can deviate with a significant degree of freedom. The Sub-Fund's investments may not be components of, nor have similar weightings to, the ICE BofA 1-3 Year Euro Broad Market Index. The Management Company may use its full discretion to invest in companies and sectors not included in the said index in order to take advantage of specific investment opportunities.

4. Risk Measurement Approach

The global exposure of the sub-fund is calculated using the Commitment Approach.

5. Classes of Shares

The Sub-Fund will issue three Classes of Shares. The first is denominated "Classic", referred to as "C", the second is denominated "Institutional", referred to as "I", the third is denominated "Dedicated", referred to as "P", as described more specifically in Part A "Description of the Shares and Classes of Shares" of this Prospectus.

Share Classes will be activated upon subscription in accordance with the subscription procedure described in Part A "Procedure of Subscription, Conversion, Redemption".

The Sub-Fund issues Shares on a capitalization basis, as described in Part A of this Prospectus under section "THE SHARES".

Investors of this Sub-Fund are entitled to convert at no charge their issued Shares into Shares of another existing Class, where available (as described above). However, the right to convert Shares is subject to compliance with any conditions (including any minimum subscription amounts) applicable to the Class in which conversion is effected.

6. Minimum Initial and Subsequent Investment

The minimum initial and subsequent investment amounts are reported in the following table:

Classes of shares	***Minimum Initial Investment***	***Minimum Subsequent Investment***
C Class	None	None
I Class	None	None
P Class	None	None

The initial subscription period took place from November 1, 2016 until November 30, 2016 or such earlier or later dates determined by the Board.

The initial subscription price shall be of 100 EUR.

Subsequent subscriptions shall be done at the Net Asset Value calculated on the relevant Valuation Day. following the end of the initial subscription period. The first Valuation Day was December 1, 2016.

7. Fees

Management Company fee

The Management Company is entitled to receive a management fee of up to 0.09% per annum of the net assets of the Sub-Fund.

The fee will be calculated on the quarterly average of the total assets under management of the previous quarter. The fees will be payable quarterly in arrears.

Investment management fee

An investment management fee is payable to the Management Company in compensation for its investment management services. Such a fee is payable quarterly and calculated on the average of the net assets of the Sub-Fund for the relevant quarter. The Distributor, if and when appointed by the Management Company, is authorized to retain a sales charge calculated as a percentage of the Net Asset Value per Share as reported in the following table.

The investment management fee and sales charge applied to each Class of Shares based on the net assets of the Sub-Funds are reported in the following table:

Classes of Shares	***Investment Management Fee***	***Sales Charge***
C Class	0.90 % per annum	up to a maximum of 2.00%
I Class	0.60 % per annum	No charge
P Class	0.55 % per annum	No charge

Furthermore, for Classes "C", "I" and "P" of Shares, the Management Company is entitled to receive a fiscal yearly performance fee (equal to 10% for Class "C" and to 5% for Classes "I" and "P") of the difference between the yearly performance of the Sub-Fund and that of the index, i.e. ICE BofA 1-3 Year Euro Broad Market Index (the "Benchmark"), both calculated at the end of each fiscal year. The calculation of the performance fee will be adjusted based on subscriptions and redemptions. The performance fee is only applicable if the Sub-Fund performs higher than the Benchmark during the reference period.

The benchmark ICE BofA 1-3 Year Euro Broad Market Index used by the Sub-Fund for the purpose of performance fee calculation and to measure the performance of the Sub-Fund is, as at the date of the Prospectus, provided by a benchmarks administrator who is registered on the ESMA register of benchmark administrators in accordance with the EU Benchmark Regulation, please see the section "ESMA Register of Benchmark Administrators" of the Prospectus.

However, if Shares were redeemed or converted into other Shares of any Class of the same sub-fund or any Class of another existing Sub-Fund during the reference calendar year, and for those Shares a performance fee is accrued, it will be crystallised at the date of redemption or conversion and it will be

considered as payable to the Management Company.

Performance fee from January 2022

As of 1.01.2022, for all Classes of Shares, the Management Company is entitled to receive a yearly performance fee equal to a percentage (10% for Class "C" and to 5% for Classes "I" and "P") of the difference, net of costs, between the yearly performance of the Sub-Fund and that of the ICE BofA 1-3 Year Euro Broad Market Index (the "Benchmark"), both calculated at the end of each accounting year.

The calculation of the performance fee will be adjusted based on subscriptions and redemptions.
The performance fee is only applicable at the end of each accounting year if:

(i) net of costs, the Sub-Fund's performance for the same period is higher than the performance of the Benchmark, and

(ii) any underperformance in the previous accounting years of the same performance reference period as defined below, if applicable, has been recovered before a performance fee becomes payable.

To this purpose, the length of the performance reference period is five (5) years calculated on a rolling basis (which means that only the five years preceding the reference year, and including the reference year, are considered for calculation purposes); if this is shorter than the whole life of the Sub-Fund, it should be set equal to at least five (5) years (the "Performance Reference Period").

By derogation to the above, a new Share Class launched during the course of an accounting year will crystallize any accrued performance fee for the first time at the end of the subsequent accounting year, in order to make sure that the first performance fee payment would occur after a minimum period of twelve (12) months.

The performance fee is also due in case the Sub-Fund has over-performed the reference benchmark but had a negative performance.

The basis for the performance measure is the last Valuation Day; the NAV and performance is calculated and accrued on a daily basis and crystallized once per year.

To calculate the performance of the Sub-Fund, the total Net Asset Value of the Sub-Fund on the relevant Valuation Day is compared to the reference asset value for each Sub-Fund (the "Reference Asset Value"). The Reference Asset Value for each Sub-Fund equals the Reference Asset Value of the preceding day of the relevant Sub-Fund as of the previous Valuation Day (and for the first performance period as of the first Valuation Day), plus additional subscriptions and minus redemptions multiplied by the performance of the Benchmark.

If (i) Shares were redeemed or converted into other Shares of any Class of the same Sub-Fund or any Class of another existing Sub-Fund during the reference accounting year, and a performance fee is accrued for those Shares, or (ii) the assets of one Sub-Fund, category or class of Shares are transferred to or merged with those of another Sub-Fund, category or class of Shares of such other Sub-Fund within the Company, and a performance fee is accrued for those Shares concerned by such merger, such performance fee will be crystallized respectively at the date of redemption or conversion or at the effective date of the merger and it will be considered as payable to the Management Company.

When calculating the performance fee payable to the Management Company, the Sub-Fund is using a benchmark within the meaning of the Benchmark Regulation. The Fund, in consultation with the Management Company, has adopted a Contingency Plan, setting out actions in the event that the benchmark used within the meaning of the Benchmark Regulation materially changes or ceases to be provided, as required by article 28(2) of the Benchmark Regulation. Shareholders may have access to the Contingency Plan free of charge upon request at the registered office of the Company and the Management Company.

Example of calculation and explanation of the performance fee:

	NAV before Perf fees	NAV Basis	NAV YoY (%)	Benchmark	Benchmark Basis	Benchmark YoY (%)	Over/under performance YoY (%)	Over/under performance 5y cumulated (%)	Over performance (%)	Over performance (amount)	Performance Fees (amount)	NAV after Perf fees
	(a)	*(b)*	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*(h)*	*(i)*	*(j)*	*(k)*	*(l)*
Year 0	100,00	=	0,00%	100,00	=	0,00%	0,00%	0,00%	=	=	=	100
Year 1	104,00	100,00	4,00%	103,40	100,00	3,40%	0,60%	0,60%	0,60%	0,60	0,06	103,94
Year 2	102,00	103,94	-1,87%	102,60	103,40	-0,77%	-1,09%	-1,09%	0,00%	0,00	0,00	102,00
Year 3	101,60	102,00	-0,39%	100,60	102,60	-1,95%	1,56%	0,46%	0,46%	0,47	0,05	101,55
Year 4	104,00	101,55	2,41%	103,80	100,60	3,18%	-0,77%	-0,77%	0,00%	0,00	0,00	104,00
Year 5	104,80	104,00	0,77%	103,40	103,80	-0,39%	1,15%	0,38%	0,38%	0,40	0,04	104,76
Year 6	102,00	104,76	-2,63%	103,40	103,40	0,00%	-2,63%	-2,63%	0,00%	0,00	0,00	102,00
Year 7	101,60	102,00	-0,39%	99,80	103,40	-3,48%	3,09%	0,45%	0,45%	0,46	0,05	101,55

(a) NAV at the end of the current accounting period before the calculation of performance fee.
(b) NAV basis to calculate yearly performance is the NAV (l) at the end of previous period
(c) Calculated as (a)/(b)-1
(d) ICE BofA Merrill Lynch 1-3 Year Euro Broad Market Index
(e) Index basis to determinate yearly performance is the Index of the previous accounting peri
(f) Calculated as (d)/(e)-1
(g) Calculated as (c) - (f)
(h) From year t-4 (or from latest perf fee payment) to year t (cumulated performance)
(i) Minimum [(g),(h)] if positive
*(j) Calculated as (b) * (i)*
*(k) Calculated as (j) * 10%*
(l) Calculated as (a) - (k)

Note on the calculation of performance fees.

A performance fee equal to 5% (10% for Class C) is applicable only if all the two conditions below are met:
I) The sub-fund's performance is higher than the performance of the benchmark ("(g)" greater than zero)
II) The cumulative performance over the performance reference period "(h)" is greater than zero;

Please find below the explanation of the different scenarios, included in the table above:

- At year 0, the Sub-Fund is launched at 100.0; at the same date the Benchmark is measured on a base 100.0.
- At the end of Year 1, the Sub-Fund has a yearly performance of 4.00% and the Benchmark of 3.40%, there is then an over performance of 0.60% which will be the base of the payment of the performance fees.
- At the end of Year 2, the Sub-Fund has a yearly performance of -1.87% and the Benchmark of -0.77%; the Sub-Fund is underperforming the Benchmark on a yearly basis, and there is no performance fees payment. Furthermore, the loss is then carried forward, meaning that the Sub-Fund needs first to recover its cumulated underperformance before accruing new performance fees.
- At the end of Year 3, the Sub-Fund has a yearly performance of -0.39% and the Benchmark of -1.95%; there is then a yearly over performance of 1.56% and a cumulative over performance of 0.46% (from the last payment of performance fees) which will be the base of a new payment of performance fees.
- At the end of Year 4, the sub-fund has a yearly performance of 2.41% and the Benchmark of 3.18%; the Sub-Fund is underperforming the Benchmark on a yearly basis, in this event no performance fee payment occurs and this even if the yearly performance of the sub-fund is positive.
- At the end of Year 5, the Sub-Fund has a yearly performance of 0.77%, the Benchmark a negative performance of -0.39%. In this instance, the Sub-Fund realized both a yearly over performance against the Benchmark of 1.15% and at the same time a cumulative overperformance of 0.38%, so that there can be a payment of the performance fees.

- At the end of the Year 6, as per Year 2, the Sub-Fund has a yearly under performance against the Benchmark; then there is no Performance fee payment. Once again, the loss is carried forward, meaning that the Sub-Fund needs first to recover its cumulated underperformance on a rolling five-year basis before accruing new performance fees.
- Finally in the above instance, in Year 7 both the Sub-fund and the Benchmark had a yearly negative performance (-0.39% and -3.48% respectively) but the former overperformed the latter achieving also a cumulative over performance on a rolling five-year basis (0.45%) so that there can be a new payment of the performance fees.

8. ESG and Sustainability risks

ESG factors and sustainability risks are not material factors in the investment making decision process of the Management Company or the Investment Manager in selecting investments in which the Sub-Fund invests.

As such, the consideration of sustainability risks does not play a role in the investment decision-making process in respect of the Company, and the impact of sustainability risks is not relevant to the returns of the Sub-Fund.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Please refer also to SUSTAINABILITY-RELATED DISCLOSURE in the General Part of this Prospectus.

9. Subscription price

The subscription price (the "Subscription Price") shall be equal to the Net Asset Value per each Class of Shares of the Sub-Fund on the relevant Valuation Day increased by the sales charge.

The subscription list will be closed at 4.00 p.m. at the latest on the Business Day preceding the relevant Valuation Day.

Payment for subscriptions must be made within five (5) Business Days after the relevant Net Asset Value is calculated.

10. Redemptions

The redemption price equals the Net Asset Value per each Class of Shares on the relevant Valuation Day. The redemption list will be closed at 4.00 p.m. on the Business Day preceding the relevant Valuation Day.

The redemption price shall be paid within five (5) Business Days after the relevant Net Asset Value is calculated.

11. Conversions

The Shares of the Sub-Fund may be converted into Shares of another Sub-Fund according to the procedure described in Part A of the Prospectus. No conversion fee shall be levied.

The conversion list will be closed at 4.00 p.m. on the Business Day preceding the relevant Valuation Day.

12. Reference Currency

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

13. Frequency of Calculation and Valuation Day

The Net Asset Value of the Sub-Fund will be determined, per each Class of Shares, under the full responsibility of the Board of Directors on each Business Day in Luxembourg ("Valuation Day").

14. Publication of the Net Asset Value

The Net Asset Value per each Class of Shares will be available at the registered office of the Company and will be published in the website of the Company.

15. Investor type profile

The Shares of the Sub-Fund can be subscribed in by institutional and retail investors who do not plan to withdraw their money in the short term (1-2 years) in accordance with the investment objective of the Sub-Fund.

II. Sub-Fund ALICANTO SICAV I: Equity Alpha

1. Name

The name of the Sub-Fund is “ALICANTO SICAV I: Equity Alpha" (hereinafter referred to as the “Sub-Fund”).

2. Investment Objectives

The investment objective of the Sub-Fund is to provide investors with an adequate exposure to the European equities market.

3. Specific Investment Policy and Restrictions

The Sub-Fund mainly invests in equities issued both by companies headquartered in European Countries and admitted to official listing on a stock exchange (a “Regulated Market”) legally based in Europe with a specific focus on Small and Mid Cap issuers.

Such investments in equities may be made directly or through listed (options and futures, both on indexes and single stocks) and OTC derivatives (mainly total return swap, equity swap and CFD). These equity derivatives instruments may also be used for hedging purposes.

The equity exposure of the Sub-Fund will never be lower than 70%. Consequently, instruments other than equities will never be more than 30%.

The objective of the Sub-Fund is to return a performance higher than its benchmark (‘to create alpha’) by means of an accurate equity selection and a balanced mix of investment strategies. The Sub-Fund will invest in a relatively small number (between 30 and 80) of equities selected through a fundamental analysis on the base of their long term value perspectives.

The Sub-Fund is expected to create extra performance mainly through its equity selection (both in term of single stock picking and in term of sector asset allocation) and then by means of effective yield enhancement strategies.

The Sub-Fund may also invest in accordance with the terms of the present Prospectus, in other transferable securities, bonds and money market instruments.

The exposure to the bond component will be mainly concentrated on liquid instruments and will be taken through the following securities:

- single bonds (Investment Grade and the more liquid High Yield issuers);
- ETF and UCIs.

The direct exposure to less liquid securities (Distressed, Defaulted, ABS/MBS, Cocos) will be limited to 5% for each type and to 10% on aggregate basis (as a sum of the four).

The Sub-Fund will not enter into SFTs such as repurchase and reverse repurchase agreements or engage in securities lending transactions or other transactions – including total return swaps – foreseen under SFTR.

Should the Board of Directors of the Fund decide to use such techniques and instruments in the future for this Sub-Fund, the Board of Directors of the Fund will update this Prospectus accordingly and will include related requirements of SFTR under this Sub-Fund.

Investors should refer to the *Risk Factors* section in the General Part of this Prospectus.
The Sub-Fund may invest no more than 10% of its NAV in other UCITS/UCI.

The Sub-Fund is actively managed with reference to the benchmark index (85% comprising the NYSE Europe 600 Index and the remaining 15% the ICE BofA Euro Government Bills Index) from which it can deviate with a significant degree of freedom. The Sub-Fund's investments may not be components of, nor have similar weightings to, the benchmark Index. The Management Company may use its full discretion to invest in companies and sectors not included in the said index in order to take advantage of specific investment opportunities.

4. Risk Measurement Approach

The global exposure of the sub-fund is calculated using the Commitment Approach.

5. Classes of Shares

The Sub-Fund will issue three Classes of Shares. The first is denominated "Classic", referred to as "C", the second is denominated "Institutional", referred to as "I", the third is denominated "Dedicated", referred to as "P", as described more specifically in Part A "Description of the Shares and Classes of Shares" of this Prospectus.

Share Classes will be activated upon subscription in accordance with the subscription procedure described in Part A "Procedure of Subscription, Conversion, Redemption".

The Sub-Fund issues Shares on a capitalization basis, as described in Part A of this Prospectus under section "THE SHARES".

Investors of this Sub-Fund are entitled to convert at no charge their issued Shares into Shares of another existing Class, where available (as described above). However, the right to convert Shares is subject to compliance with any conditions (including any minimum subscription amounts) applicable to the Class in which conversion is effected.

6. Minimum Initial and Subsequent Investment

The minimum initial and subsequent investment amounts are reported in the following table:

Classes of shares	***Minimum Initial Investment***	***Minimum Subsequent Investment***
C Class	None	None
I Class	None	None
P Class	None	None

The initial subscription period took place from January 26, 2018 to February 7, 2018.

The initial subscription price was of 100 EUR.

Subsequent subscriptions shall be done at the Net Asset Value calculated on the relevant Valuation Day. following the end of the initial subscription period. The first Valuation Day is expected to be February 12, 2018.

7. Fees

Management Company fee

The Management Company is entitled to receive a management fee of up to 0.09% per annum of the net assets of the Sub-Fund.

The fee will be calculated on the quarterly average of the total assets under management of the previous quarter. The fees will be payable quarterly in arrears.

Investment management fee

An investment management fee is payable to the Management Company in compensation for its investment management services. Such a fee is payable quarterly and calculated on the average of the net assets of the Sub-Fund for the relevant quarter.

The Distributor, if and when appointed by the Management Company, is authorized to retain a sales charge calculated as a percentage of the Net Asset Value per Share as reported in the following table.

The investment management fee and the sales charge applied to each Class of Shares based on the net assets of the Sub-Funds are reported in the following table:

Classes of Shares	***Investment Management Fee***	***Sales Charge***
C Class	1.75 % per annum	up to a maximum of 4.00%
I Class	1.00 % per annum	No charge
P Class	0.65 % per annum	No charge

Furthermore, for Classes "C", "I" and "P" of Shares, the Management Company is entitled to receive a fiscal yearly performance fee (equal to 20% for Class "C" and to 10% for Classes "I" and "P") of the difference between the yearly performance of the Sub-Fund and that of the index, 85% comprising the NYSE Europe 600 Index and the remaining 15% the ICE BofA Euro Government Bills index (the "Benchmark"), both calculated at the end of each fiscal year. The performance fee is only applicable if the Sub-Fund performs higher than the Benchmark during the reference period.

The benchmarks ICE BofA Euro Government Bills index and NYSE Europe 600 Index used by the Sub-Fund for the purpose of performance fee calculation and to measure the performance of the Sub-Fund are, as at the date of the Prospectus, provided by benchmarks administrators who are registered on the ESMA register of benchmark administrators in accordance with the EU Benchmark Regulation, please

see the section "ESMA Register of Benchmark Administrators" of the Prospectus.

The calculation of the performance fee will be adjusted based on subscriptions and redemptions.

However, if Shares were redeemed or converted into other Shares of any Class of the same sub-fund or any Class of another existing Sub-Fund during the reference calendar year, and for those Shares a performance fee is accrued, it will be crystallized at the date of redemption or conversion and it will be considered as payable to the Management Company.

Performance fee from January 2022

As of 1.01.2022, for all Classes of Shares, the Management Company is entitled to receive a yearly performance fee equal to a percentage (20% for Class "C" and to 10% for Classes "I" and "P") of the difference, net of costs, between the yearly performance of the Sub-Fund and that of the index comprising 85% NYSE Europe 600 Index and the remaining 15% the ICE BofA Euro Government Bills Index (the "Benchmark"), both calculated at the end of each accounting year.

The calculation of the performance fee will be adjusted based on subscriptions and redemptions.

The performance fee is only applicable at the end of each accounting year if:

(i) net of costs, the Sub-Fund's performance for the same period is higher than the performance of the Benchmark, and

(ii) any underperformance in the previous accounting years of the same performance reference period as defined below, if applicable, has been recovered before a performance fee becomes payable.

To this purpose, the length of the performance reference period is five (5) years calculated on a rolling basis (which means that only the five years preceding the reference year, and including the reference year, are considered for calculation purposes); if this is shorter than the whole life of the Sub-Fund, it should be set equal to at least five (5) years (the "Performance Reference Period").

By derogation to the above, a new Share Class launched during the course of an accounting year will crystallize any accrued performance fee for the first time at the end of the subsequent accounting year, in order to make sure that the first performance fee payment would occur after a minimum period of twelve (12) months.

The performance fee is also due in case the Sub-Fund has over-performed the reference benchmark but had a negative performance.

The basis for the performance measure is the last Valuation Day; the NAV and performance is calculated and accrued on a daily basis and crystallized once per year.

To calculate the performance of the Sub-Fund, the total Net Asset Value of the Sub-Fund on the relevant Valuation Day is compared to the reference asset value for each Sub-Fund (the "Reference Asset Value"). The Reference Asset Value for each Sub-Fund equals the Reference Asset Value of the

preceding day of the relevant Sub-Fund as of the previous Valuation Day (and for the first performance period as of the first Valuation Day), plus additional subscriptions and minus redemptions multiplied by the performance of the Benchmark.

If (i) Shares were redeemed or converted into other Shares of any Class of the same Sub-Fund or any Class of another existing Sub-Fund during the reference accounting year, and a performance fee is accrued for those Shares, or (ii) the assets of one Sub-Fund, category or class of Shares are transferred to or merged with those of another Sub-Fund, category or class of Shares of such other Sub-Fund within the Company, and a performance fee is accrued for those Shares concerned by such merger, such performance fee will be crystallized respectively at the date of redemption or conversion or at the effective date of the merger and it will be considered as payable to the Management Company.

When calculating the performance fee payable to the Management Company, the Sub-Fund is using a benchmark within the meaning of the Benchmark Regulation. The Fund, in consultation with the Management Company, has adopted a Contingency Plan, setting out actions in the event that the benchmark used within the meaning of the Benchmark Regulation materially changes or ceases to be provided, as required by article 28(2) of the Benchmark Regulation. Shareholders may have access to the Contingency Plan free of charge upon request at the registered office of the Company and the Management Company.

Example of calculation and explanation of the performance fee:

	NAV before Perf fees	NAV Basis	NAV YoY (%)	Benchmark	Benchmark Basis	Benchmark YoY (%)	Over/under performance YoY (%)	Over/under performance 5y cumulated (%)	Over performance (%)	Over performance (amount)	Performance Fees (amount)	NAV after Perf fees
	(a)	*(b)*	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*(h)*	*(i)*	*(j)*	*(k)*	*(l)*
Year 0	100,00	=	0,00%	100,00	=	0,00%	0,00%	0,00%	=	=	=	100
Year 1	112,00	100,00	12,00%	110,20	100,00	10,20%	1,80%	1,80%	1,80%	1,80	0,36	111,64
Year 2	106,00	111,64	-5,05%	107,80	110,20	-2,18%	-2,87%	-2,87%	0,00%	0,00	0,00	106,00
Year 3	104,80	106,00	-1,13%	101,80	107,80	-5,57%	4,43%	1,56%	1,56%	1,65	0,33	104,47
Year 4	112,00	104,47	7,21%	111,40	101,80	9,43%	-2,22%	-2,22%	0,00%	0,00	0,00	112,00
Year 5	114,40	112,00	2,14%	110,20	111,40	-1,08%	3,22%	1,00%	1,00%	1,12	0,22	114,18
Year 6	106,00	114,18	-7,16%	110,20	110,20	0,00%	-7,16%	-7,16%	0,00%	0,00	0,00	106,00
Year 7	104,80	106,00	-1,13%	99,40	110,20	-9,80%	8,67%	1,51%	1,51%	1,60	0,32	104,48

(a) NAV at the end of the current accounting period before the calculation of performance fee
(b) NAV basis to calculate yearly performance is the NAV (l) at the end of previous period
(c) Calculated as (a)/(b)-1
(d) 85% STOXX Europe 600 Index, 15% ICE BofA ML 1-3 Year Euro Government Bills Index
(e) Index basis to determinate yearly performance is the Index of the previous accounting peri
(f) Calculated as (d)/(e)-1
(g) Calculated as (c) - (f)
(h) From year t-4 (or from latest perf fee payment) to year t (cumulated performance)
(i) Minimum [(g),(h)] if positive
*(j) Calculated as (b) * (i)*
*(k) Calculated as (j) * 10%*
(l) Calculated as (a) - (k)

Note on the calculation of performance fees.

A performance fee equal to 10% (20% for Class C) is applicable only if all the two conditions below are met:
I) The sub-fund's performance is higher than the performance of the benchmark ("(g)" greater than zero)
II) The cumulative performance over the performance reference period "(h)" is greater than zero;

Please find below the explanation of the different scenarios, included in the table above:

- At Year 0, the Sub-Fund is launched at 100.0; at the same date the Benchmark is measured on a base 100.0.
- At the end of Year 1, the Sub-Fund has a yearly performance of 12.00% and the Benchmark 10.20%, there is then an over performance of 1.80% which will be the base of the payment of the performance fees.
- At the end of Year 2, the Sub-Fund has a yearly performance of -5.05% and the Benchmark of -2.18%; the Sub-Fund is underperforming the Benchmark on a yearly basis, so there is no performance fees payment. Furthermore, the loss is carried forward, meaning that the Sub-Fund needs first to recover its cumulated underperformance before accruing new performance fees.

- At the end of Year 3, the Sub-Fund has a yearly performance of -1.13% and the Benchmark -5.57%; there is then a yearly over performance of 4.43% and a cumulative over performance of 1.56 (from the latest payment of performance fees)% which will be the base of the payment of the performance fees.
- At the end of Year 4, the Sub-Fund has a yearly performance of 7.21% and the Benchmark of 9.43%; the Sub-Fund is underperforming the Benchmark on a yearly basis, so no performance fee payment occurs and this even if the yearly performance of the sub-fund is positive.
- At the end of Year 5, the Sub-Fund has a yearly performance of 2.14% the Benchmark a negative performance of -1.08%. In this instance, the Sub-Fund realized both a yearly over performance against the Benchmark of 3.22% and, at the same time a cumulative over performance of 1.00%, so that there can be a payment of the performance fees.
- At the end of Year 6, like in Year 2, the Sub-Fund has a yearly under performance against the Benchmark; then there is no Performance fee payment. Once again, the loss is carried forward, meaning that the Sub-Fund needs first to recover its cumulated underperformance on a rolling five-year basis before accruing new performance fees.
- Finally in the above instance, in Year 7 both the Sub-fund and the Benchmark had a yearly negative performance (-1.13% and -9.80% respectively) but the former overperformed the latter achieving also a cumulative over performance on a rolling five-year basis (1.51%) so that there can be a new payment of the performance fees.

8. ESG and Sustainability risks

ESG factors and sustainability risks are not material factors in the investment making decision process of the Management Company or the Investment Manager in selecting investments in which the Sub-Fund invests.

As such, the consideration of sustainability risks does not play a role in the investment decision-making process in respect of the Company, and the impact of sustainability risks is not relevant to the returns of the Sub-Fund.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Please refer also to SUSTAINABILITY-RELATED DISCLOSURE in the General Part of this Prospectus.

9. Subscription price

The subscription price (the "Subscription Price") shall be equal to the Net Asset Value per each Class of Shares of the Sub-Fund on the relevant Valuation Day increased by the sales charge.

The subscription list will be closed at 4.00 p.m. at the latest on the Business Day preceding the relevant Valuation Day.

Payment for subscriptions must be made within five (5) Business Days after the relevant Net Asset Value is calculated.

10. Redemptions

The redemption price equals the Net Asset Value per each Class of Shares on the relevant Valuation Day. The redemption list will be closed at 4.00 p.m. on the Business Day preceding the relevant Valuation Day.

The redemption price shall be paid within five (5) Business Days after the relevant Net Asset Value is calculated.

11. Conversions

The Shares of the Sub-Fund may be converted into Shares of another Sub-Fund according to the procedure described in Part A of the Prospectus. No conversion fee shall be levied.

The conversion list will be closed at 4.00 p.m. on the Business Day preceding the relevant Valuation Day.

12. Reference Currency

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

13. Frequency of Calculation and Valuation Day

The Net Asset Value of the Sub-Fund will be determined, per each Class of Shares, under the full responsibility of the Board of Directors on each Business Day in Luxembourg ("Valuation Day").

14. Publication of the Net Asset Value

The Net Asset Value per each Class of Shares will be available at the registered office of the Company and will be published in the website of the Company.

15. Investor type profile

The Shares of the Sub-Fund can be subscribed in by institutional and retail investors who do not plan to withdraw their money in the medium term (4-5 years) in accordance with the investment objective of the Sub-Fund.

III. Sub-Fund ALICANTO SICAV I: Absolute Return

1. Name

The Sub-Fund is known as the "ALICANTO SICAV I: Absolute Return" (hereinafter the "Sub-Fund").

2. Investment Objectives

The investment objective of the Sub-Fund is to capture the highest percentage of equity market positive performances and to provide the highest protection in case of equity market negative performances in a context of moderate (average 15/20%) equity long bias. To reach this objective the Sub-Fund actively changes its net equity exposure and implements derivative strategies (such as, for example, call spread, put spread, straddle and strangle) that can improve its risk/ return profile.

The Sub-Fund aims to typically deliver absolute (more than zero) returns in each year, although an absolute return performance is not guaranteed and over the short-term it may experience periods of negative return and consequently the Sub-Fund may not achieve this objective.

3. Specific Investment Policy and Restrictions

The Sub-Fund will have primarily flexible net exposure to equity and bond markets by taking long and short exposures on:

- equities listed mainly in OECD countries through the use of transferable securities, linear financial derivatives "delta one" (i.e. contracts for difference (CFD) and swaps, including Total Return Swaps) and index futures.

- bonds issued mainly in OECD countries through the use of transferable securities, financial derivatives (i.e. Credit Default Swaps (CDS) and Credit Linked Notes (CLN)) and futures (i.e. Bond Futures and CDS Indexes).

The equity portfolio will contain a long exposure to a limited selection of securities considered as offering the greatest potential. Selection will comprise a mixture of "growth" and "value" stocks believed to have the potential to provide enhanced returns relative to the market. Growth stocks are those whose earnings are expected to grow faster than the average for the market, whereas value stocks, on the other hand, are inexpensive compared with the earnings or assets of the companies that issue them, often because they are in a mature or depressed industry, or because the company has suffered a setback.

Short equity exposure to single stocks may be gained if and when the manager believes they have a stretched valuation for which an imminent negative news flow is likely (e.g. sales or margins under unexpected pressure, likely to miss market forecasts, EPS revisions turning negative, unforeseen, acute risks on the balance sheet, cash flows disconnecting from P&L).

The equity component of the Sub-Fund will be managed on a bottom-up basis, whereby overweight and underweight positions in securities of a given country, sector and stock will be determined through the application of analytical techniques to such countries, sectors and stocks; furthermore, the Sub-Fund will endeavor to benefit from the regular movements of stock exchanges by investing according to geographical, sectorial and thematic trends.

Both the long and the short exposure can be achieved through investment techniques based on specific listed derivatives pay-offs (e.g. call spread, put spread, straddle and strangle) that enables the Sub-Fund to take an exposure also to equity volatility.

For hedging and for efficient management purposes the Sub-Fund may use all types of financial derivative instruments traded on a regulated market and/or over the counter (OTC) provided they are contracted with leading financial institutions specialized in this type of transactions.
When using financial derivative instruments, the Sub-Fund will primarily take exposure through listed derivatives (call, put and futures), CFD and portfolio swaps.

The bond portfolio will contain a long exposure to a limited selection of securities considered as offering the greatest potential. Selection will comprise a mixture of government and corporate bonds (mainly investment grade) believed to have the potential to provide enhanced returns relative to the market.

The bond portfolio will be managed, according to the principle of risk diversification and it will invest in a broad range of bonds and fixed income instruments with the objective of achieving a positive return by means of an accurate credit selection and a balanced mix of investment strategies.

The range of fixed income instruments may also comprise, but is not limited to, ABS/MBS, CoCos', Distressed Securities (in aggregate up to 20% but limited to a maximum of 10% for Distressed Securities), Credit Default Swap (CDS), Credit Link Notes (CLN) and Convertible bonds (each one up to 20%).

On an ancillary basis, the Sub-Fund may also take exposure through any other financial derivative instruments such as but not limited to futures, options, swaps and forwards on any underlying in line with the 2010 Law as well as the investment policy of the Sub-Fund, including but not limited to, currencies (including non-delivery forwards), interest rates, transferable securities, basket of transferable securities, indices (including but not limited to commodities, precious metals or volatility indices).

The Sub-Fund will not enter into SFTs such as repurchase and reverse repurchase agreements or engage in securities lending transactions foreseen under SFTR. Should the Board of Directors of the Fund decide to use such techniques and instruments in the future for this Sub-Fund, the Board of Directors of the Fund will update this Prospectus accordingly.

Investors should refer to the *Risk Factors* section in the General Part of this Prospectus.

The Sub-Fund may invest no more than 10% of its NAV in other UCITS/UCI.

The Sub-Fund may also hold ancillary liquid assets, i.e. bank deposit at sight.

The Sub-Fund has a structural equity and bond long bias but could be net short in specific market circumstances.

The maximum overall net short position of the Sub-Fund would be about 20-25%.

4. Risk Measurement Approach

Global Exposure Determination Methodology: Absolute VaR approach.

The Sub-Fund will regularly monitor its leverage and the average level of leverage is expected to be

approximately 200% with a maximum expected level of leverage of 300%. The leverage figure is calculated as the sum of the notional of the derivatives used as required by the Regulations. The methodology used to calculate the leverage is the sum of the absolute value of the notional.

5. Classes of Shares

The Sub-Fund will issue three Classes of Shares. The first is denominated "Classic", referred to as "C", the second is denominated "Institutional", referred to as "I", the third is denominated "Dedicated", referred to as "P", as described more specifically in Part A "Description of the Shares and Classes of Shares" of this Prospectus.

Share Classes will be activated upon subscription in accordance with the subscription procedure described in Part A "Procedure of Subscription, Conversion, Redemption".

The Sub-Fund issues Shares on a capitalization basis, as described in Part A of the Prospectus under section "THE SHARES".

Investors of this Sub-Fund are entitled to convert at no charge their issued Shares into Shares of another existing Class, where available (as described above). However, the right to convert Shares is subject to compliance with any conditions (including any minimum subscription amounts) applicable to the Class in which conversion is effected.

6. Initial minimum subscription and subsequent subscriptions

The minimum initial and subsequent subscription amounts are reported in the following table:

Classes of shares	***Minimum Initial Investment***	***Minimum Subsequent Investment***
C Class	None	None
I Class	None	None
P Class	None	None

The initial subscription period took place from January 19, 2018 to January 29, 2018.

The initial subscription price was of 100 EUR.

Subsequent subscriptions shall be done at the Net Asset Value calculated on the relevant Valuation Day following the end of the initial subscription period. The first Valuation Day is expected to be February 1, 2018.

7. Fees

Management Company fee

The Management Company is entitled to receive a management fee of up to 0.09% per annum of the net assets of the Sub-Fund.

The fee will be calculated on the quarterly average of the total assets under management of the previous quarter. The fees will be payable quarterly in arrears.

Investment management fee

An investment management fee is payable to the Management Company in compensation of its investment management services. Such fee is payable quarterly and calculated on the average of the net assets of the Sub-Fund for the relevant quarter.

The Distributor, if and when appointed by the Management Company, is authorized to retain a sales charge calculated as a percentage of the Net Asset Value per Share as reported in the following table.

The investment management fee and sales charge applied to each Class of Shares based on the net assets of the Sub-Funds are reported in the following table:

Classes of Shares	***Investment Management Fee***	***Sales Charge***
C Class	1.50 % per annum	up to a maximum of 4.00%
I Class	1.00 % per annum	No charge
P Class	0.65 % per annum	No charge

Furthermore, for Classes "C", "I" and "P" of Shares, the Management Company is entitled to receive a fiscal yearly performance fee (equal to 20% for Class "C" and to 10% for Classes "I" and "P") of the difference between the unit price of the Share of the last day of the fiscal year and the unit price of the Share of the last day of the preceding fiscal year (yearly "Reference Period") above the High Water Mark (the "High Water Mark"). The High-Water Mark is the highest historical Net Asset Value per Share at which a performance fee was payable. The initial High-Water Mark is the first Net Asset Value per Share of the Sub-Fund.

The calculation of the performance fee will be adjusted based on subscriptions and redemptions. The performance fee, if accrued, will be crystallized and paid to the Management Company at the end of each Reference Period.

However, if Shares were redeemed or converted into other Shares of any Class of the same sub-fund or any Class of another existing Sub-Fund during the reference calendar year, and for those Shares a performance fee is accrued, it will be crystallized at the date of redemption or conversion and it will be considered as payable to the Management Company.

Example of calculation and explanation of the performance fee:

	Asset Value	**HWM**	**Accrued Performance (amount)**	**Accrued Performance Fee (amount)**	**NAV**
	(a)	*(b)*	*(c)*	*(d)*	*(e)*
Year 0	100.00	=	=	=	100.00
Year 1	110.00	100.00	10.00	2.00	108.00

Year 2	106.00	108.00	0.00	0.00	106.00
Year 3	107.50	108.00	0.00	0.00	107.50
Year 4	109.00	108.00	1.00	0.20	108.80
Year 5	112.00	108.80	3.20	0.64	111.36

(a) Asset Valueat the end of the period after any cost and before performance fees
(b) Max NAV at the end of all the previous accounting periods
(c) Performance above the HWM, calculated as max[(b) - (a);0]
*(d) Calculated as (c) * 20%*
(e) Calculated as (a) - (d)

Please find below the explanation of the different scenarios, included in the table above:

- At Year 0, the Sub-Fund is launched at 100.0; at the same date the High-Water Mark is set at 100.0.
- At the end of Year 1, the Sub-Fund has a positive absolute performance of 10.0 above the High-Water Mark which will be the base of the payment of the performance fees of 2.0. The NAV at the end of Year 1, 108.0, becomes the new High-Water Mark.
- At the end of Year 2, the Sub-Fund has a negative performance so there is no performance fees payment.
- At the end of Year 3, the Sub-Fund has a yearly positive performance increasing from 106 to 107.5 but still below its High-Water Mark of 108 so there is no payment of performance fees.
- At the end of Year 4, the Sub-Fund has a yearly positive performance increasing from 107.5 to 109.0, 1,0 above the current High-Water Mark 0f 108 so a new payment of performance fees can be made. The new High-Water Mark is set at 108.8.
- At the end of Year 5, just like in Year 4, the Sub-Fund has a positive performance above its High-Water Mark and a new payment of performance fees can be made.

8. ESG and Sustainability risks

ESG factors and sustainability risks are not material factors in the investment making decision process of the Management Company or the Investment Manager in selecting investments in which the Sub-Fund invests.
As such, the consideration of sustainability risks does not play a role in the investment decision-making process in respect of the Company, and the impact of sustainability risks is not relevant to the returns of the Sub-Fund.
The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Please refer also to SUSTAINABILITY-RELATED DISCLOSURE in the General Part of this Prospectus.

9. Subscription price

The subscription price shall be equal to the Net Asset Value per each class of Shares of the Sub-Fund on the relevant Valuation Day increased by the sales charge.

The subscription list will be closed at 4.00 p.m. on the Business Day preceding the relevant Valuation Day.

Payment for subsequent subscriptions must be made within five (5) Business Days after the relevant Net Asset Value is calculated.

10. Redemptions

The redemption price equals the Net Asset Value per each Class of Shares on the relevant Valuation Day. The redemption list will be closed at 4.00 p.m. on the Business Day preceding the relevant Valuation Day.

The redemption price shall be paid within five (5) Business Days after the relevant Net Asset Value is calculated.

11. Conversions

The Shares of the Sub-Fund may be converted into Shares of another Sub-Fund according to the procedure described in Part A of the Prospectus. No conversion fee shall be levied.
The conversion list will be closed at 4.00 p.m. on the Business Day preceding the relevant Valuation Day.

12. Reference currency

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

13. Frequency of calculation and Valuation Day

The Net Asset Value of the Sub-Fund will be determined, per each Class of Shares, under the full responsibility of the Board of Directors on each Business Day in Luxembourg ("Valuation Day").

14. Publication of the Net Asset Value

The Net Asset Value per each Class of Shares will be available at the registered office of the Company and will be published in the website of the Company.

15. Investor type profile

The Shares of the Sub-Fund can be subscribed in by institutional and retail investors who do not plan to withdraw their money in the short-medium term (2-3 years) in accordance with the investment objective of the Sub-Fund.