

PRIVATE AND CONFIDENTIAL



OFFERING DOCUMENT

GLOBAL PURPOSE RAIF FCP

fonds commun de placement - fonds d'investissement alternatif réservé

December 2024

The Fund is not subject to supervision by a Luxembourg supervisory authority.

ISSUING DOCUMENT VERSION DATE: December 2024	
APPROVED BY THE MANAGEMENT COMPANY	
	
Name: Andrea Saura	Name: Henri Ninove
Date: 13.12.2024	Date: 13.12.2024

1. **DISCLAIMER**

In relation to any investment in any of the Sub-Funds described in this offering document (the **"Offering Document"**), **GLOBAL PURPOSE RAIF FCP** (the **"Fund"**), its Management Company, the Directors of the Management Company, the Depositary and the legal advisors cannot and will not guarantee a certain future performance in relation to the Investments of any Sub-Fund of the Fund and no certainty will exist that the Investment Objectives of any Sub-Fund of the Fund will be partly or fully achieved.

An investment in any Sub-Fund of the Fund involves certain risks which are more fully described in the risk section of this Offering Document. Any investment made by an Investor will be made under the presumption that the Investor's investment amount may be partly or totally lost due to the risk involved in the Investments made by the relevant Sub-Fund.

An Investment in any Sub-Fund of the Fund is only suitable for Well-Informed Investors within the meaning of article 2 of the 2016 Law who can afford the risks involved and meet the conditions mentioned below. Prospective investors should therefore have the financial ability and willingness to accept the risks of investing in the Fund (including, without limitation, the risk of loss of their entire investment) and accept that they will have recourse only to the assets of the Sub-Fund in which they invest as these will exist at any time. There can be no assurance or guarantee as to a positive return on any of the Fund's investments or that there will be any return on invested capital.

Investors are advised to consult their legal, financial and tax advisors before investing in any Sub-Fund of the Fund.

Subscriptions from potential investors should exclusively be undertaken on the basis of the content of this Offering Document and the Management Regulations. When making its investment decision, any investor is therefore recommended to rely only on the information given in the Management Regulations, this Offering Document and the existing financial documents in relation to the Fund and its Sub-Funds, if any.

The Fund and its Sub-Funds are not subject to supervision by a Luxembourg supervisory authority.

Ownership of Units in a Sub-Fund of the Fund is strictly reserved to Well-Informed Investors.

This Offering Document shall only be used and relied on pertaining to the investment in a Sub-Fund of the Fund by a Unitholder of any Sub-Fund of the Fund or a Person considering making an investment in any Sub-Fund of the Fund.

This Offering Document is private and confidential and not for distribution to third parties unless so authorised by the Management Company.

Any non-authorised distribution of this Offering Document may be pursued according to all applicable laws.

Distribution of this Offering Document is not authorized unless accompanied by the latest available annual report of the Fund. Such report forms part of this Offering Document. This requirement shall not be applicable for the first Financial Year of the Fund prior to the issuance of the first annual report.

This Offering Document does not constitute and may not be used for the purposes of an offer of Units or an invitation to apply to participate in the Fund and its Sub-Funds by any Person in any jurisdiction in which such offer or invitation is not qualified or to any Person to whom it is unlawful to make such an offer or invitation. It is the responsibility of prospective investors to satisfy themselves as to full compliance with the relevant laws and regulations of any territory in connection with an application to participate in the relevant Sub-Fund of the Fund including obtaining requisite governmental or other consents and adhering to any other formality prescribed in such territory.

This Offering Document is therefore only submitted by the Fund to a limited number of Well-Informed Investors having the experience, sophistication and ability to accept the high risks and lack of liquidity inherent in the investments as described herein. The attention of the investors is in particular drawn to the Section "**Risk Factors**" of this Offering Document.

Potential investors undertake to keep any information contained herein confidential as well as any other facts and circumstances that have otherwise come to their knowledge in connection with this Fund.

Upon request, the recipient must return any and all documents received from the Management Company and relating to the Fund without delay, including, but not limited to, this Offering Document and may not retain any copies thereof.

This Offering Document is subject to the laws of the Grand Duchy of Luxembourg and Luxembourg courts shall be competent in relation to any dispute arising in relation with this Offering Document and the related investment in the relevant Sub-Fund of the Fund.

2. PRELIMINARY

IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS OFFERING DOCUMENT OR THE FINANCIAL REPORTS YOU SHOULD CONTACT THE FUND, MANAGEMENT COMPANY, YOUR TAX ADVISOR, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISOR.

The Fund qualifies as a reserved alternative investment fund in the form of a common fund (*fonds commun de placement - FCP-RAIF*) in accordance with the 2016 Law.

The Fund has appointed Ersel Gestion Internationale S.A., a public limited company (*société*

anonyme) with its registered office at 35, Boulevard Joseph II , L-1840 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Register of Trade and Companies, *Registre de Commerce et des Sociétés Luxembourg* ("**RCSL**") under number B30350 and authorized by the CSSF as a management company under Chapter 15 of the 2010 Law (the "**Management Company**") and as an authorized alternative investment fund manager under the 2013 Law as the Fund's Management Company and alternative investment fund manager ("**AIFM**") for the purposes of the 2013 Law.

The term "Management Company" refers to Ersel Gestion Internationale S.A. acting in its capacity as Management Company of the Fund and in its capacity as alternative investment fund manager of the Fund, as the case may be and unless specifically stated otherwise in this Offering Document.

The Fund has been registered with a Luxembourg notary public in the RCSL in accordance with the 2016 Law. This registration however does not require any Luxembourg authority to approve or disapprove the adequacy or accuracy of this Offering Document or the assets held by each Sub-Fund of the Fund. Any statement as to the contrary is unauthorized and unlawful. The Fund is established under the form of a Luxembourg mutual fund (*fonds commun de placement* "**FCP**") in the form of an umbrella fund with currently one (1) Sub-Fund.

This Offering Document cannot be distributed for the purpose of making any offering or solicitation of sales in any country and in any circumstances where such offer or solicitation is not authorized.

Units can only be subscribed in accordance with the latest version of the Offering Document, the Management Regulations, the Subscription Form and the latest financial statements of the Fund, which are available to investors at the registered office of the Management Company.

The Units of each Sub-Fund of the Fund shall not be offered to the public.

Each Sub-Fund may present its own features in terms of:

- (a) the terms and conditions of the offering of Units in that Sub-Fund;
- (b) the Investment Policy and Investment Strategy (including, for the avoidance of doubt, the size and the stage of life of targeted assets), holding period, fee structure and distribution policy;
- (c) the specific features and the relative rules, regulations and mechanics which shall be set out in the Special Section.

The Management Company has taken all reasonable care to ensure that the facts stated herein are correctly and fairly presented with respect to all questions of importance and that no important fact, the omission of which would make any of the statements contained herein misleading, has been omitted.

The Management Company is responsible for the accuracy of the information contained in this Offering Document at the time of its publication and upon issue of updated versions.

Any information or statement not contained in this Offering Document or in the financial statements and reports of the Fund and its Sub-Funds and the documents referred to herein, which may be consulted by the public, is to be considered as unauthorized. Neither the delivery of this Offering Document nor the offer, the issue and the sale of Units constitute a statement that the information contained in this Offering Document is at any time accurate following the date of the Offering Document. In order to take into account important changes, this Offering Document shall be updated from time to time at the sole discretion of the Management Company, in accordance with article 40 of the 2016 Law. Consequently, it is recommended that prospective investors inquire at the registered office of the Management Company whether the Fund has published an updated Offering Document.

Information contained herein relating to the Fund and its Sub-Funds is in summary form only and for further information thereon prospective investors are referred to the Management Regulations and advised to contact the Board of the Management Company.

Data protection regulation

In accordance with the provisions of Luxembourg law dated 1st August 2018 on the organisation of the National Data Protection Commission and the general data protection framework and the provisions of the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (“**GDPR**”) and any law, circular or regulation in the context of GDPR, Unitholders are informed that the Management Company collects, stores and processes by electronic or other means the data supplied by the Investors at the time of their subscription, for the purpose of fulfilling the services required by the Unitholders and complying with their legal obligations and specifically in compliance with the provisions of GDPR.

The data processed includes personal data of Investors, ultimate beneficial owners, directors, authorised representatives or contact persons of Investors (including, but not limited to, the name, address, email address, passport or identification card details, tax identification details, bank account details source of wealth and invested amount of each Investor) (the “**Personal Data**”).

In the event an Investor fails to provide the Personal Data to the Management Company, the Management Company may reject such Investor’s subscription.

The Personal Data supplied by the Unitholders is processed for the following purposes: (i) maintaining the register of Unitholders, (ii) processing subscriptions and redemptions of Units and payments of distributions to Unitholders, (iii) maintaining controls in respect of late trading

and market timing practices, (iv) complying with applicable anti-money laundering rules and any regulatory requirements applicable to the Fund, the Management Company, or any of their Associates (v) permit the Fund, the Management Company, or any of their Associates to carry out their contractual obligations for the Fund, (vi) direct marketing, (vii) where it is necessary for the purpose of a legitimate interest of the Fund or a third party and such legitimate interests are not overridden by the data subject's interests, fundamental rights or freedoms, and (viii) more generally providing other services in relation to the investment in the Fund.

The Personal Data shall not be held for longer than necessary with regard to the purpose of the data processing. The Personal Data shall be stored during the time required by law.

Each of the Unitholders has a right to object to the use of its Personal Data for marketing purposes in accordance with article 21 of GDPR. This objection must be made in writing to the Management Company at the following email egi@ersel.lu.

Personal Data may be processed by the Fund, the Management Company, any Associates of the foregoing, the Central Administration, the Depositary, the employees of those entities, the appointed legal and professional advisers of those entities in connection with the operations of the Fund, its subsidiaries and investments, any banks and financial institutions that provide credit or other financing facilities to the Fund and that require such information for the purposes indicated above, and to the legal advisors, investment consultants and custodian banks of each of the Unitholders.

The Management Company may delegate the processing of the Personal Data to one or several entities (the “**Processors**”) located in the European Economic Area or in other countries including the U.S. but only if there is a current European Community finding of adequacy pursuant to Article 45 of GDPR or if there is not such finding of adequacy, only if there are appropriate safeguards in place in accordance with the provisions of GDPR.

In addition, the Management Company, any of its advisers and any other party may, subject to all applicable laws, disclose to any governmental, regulatory, taxation or court authority such information relating to Unitholders as the Management Company reasonably determines. For the avoidance of doubt, this includes, without limitation, information which in the reasonable determination of the discloser, may be required to be disclosed to such authority or may be necessary to be disclosed pursuant to the Common Reporting Standard approved by the OECD Council on 15 July 2015, as subsequently amended and implemented (the “**OECD Common Reporting Standard**”), and FATCA. Should any such authority require any further information, the Management Company may require each potential Unitholder to provide such information to the Management Company (to the extent such potential Unitholder is in possession of or entitled to receive such information or such information can be acquired without unreasonable effort or expense) and the Management Company and any of its advisers and any other party may, subject to all applicable laws, disclose such information to any such authority.

Data subjects should note that the Processors may also act as data controllers for their own purposes. In this case data subjects may consult the data privacy notices of the relevant Processor acting as independent data controller, when available.

Each of the Unitholders has a right to access its Personal Data and may ask for a rectification thereof in cases where such Personal Data is inaccurate and incomplete as well as a right of erasure under the conditions set out under Article 17 of GDPR, a right to restriction of processing as set out under Article 18 of GDPR, a right of portability as set out under Article 20 of GDPR. Where personal data are processed for direct marketing purposes, the Unitholders shall have the right to object at any time to processing of personal data concerning him or her for such marketing. For these purposes, the Unitholders may contact the Management Company.

Fight against the money laundering and financing of terrorism

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 for the last time by the law of 25 March 2020 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, as amended by CSSF Regulation No 20-05 of 14 August 2020, 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 Fund or with the financial institutions which collect their subscriptions (i.e. the Central Administration).

Investors must provide adequate proof of identity to the Central Administration or its agents (as the case may be) and meet such other requirements as the AIFM may deem necessary. The Central Administration is also required to verify the source of the money invested or transmitted by the prospective investors or their agents.

Where the Units are subscribed through an intermediary acting on behalf of his/her customers, 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, as amended by CSSF Regulation No 20-05 of 14

August 2020, or at least equivalent obligations are complied with.

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

When the remitting banks is not located in a FATF (Financial Action Task Force) member state, the Central Administration 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 Central Administration may require, at any time, additional documentation relating to an application for Units. If an investor is in any doubt with regard to this legislation, the Management Company will provide him with a money-laundering checklist. Failure to provide additional information may result in an application not being processed.

United States of America

The Units of the Fund have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws in the United States. Subject to certain exceptions, the Units may not be offered, sold or pledged, directly or indirectly, in or into the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the Securities Act). Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Units or passed upon the adequacy or accuracy of this Offering Document. Any representation to the contrary is a criminal offence in the United States.

The Fund has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "**Company Act**"), and Investors will not be entitled to the benefits of that Company Act. Furthermore, the Management Company is not currently registered under the U.S. Investment Advisers Act of 1940, as amended (the "**Advisers Act**") and, as a result, the Fund and its Investors will not be entitled to the benefits under the Advisers Act available if the Management Company were so registered.

PRIIPS

Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the "**PRIIPS**") entered into force in January 2018 (the "**PRIIPS Regulation**"). The PRIIPS Regulation introduces a new type of investor information document, the key information document (the "**KID**"). The Fund to the extent that its Units are sold to investors that do not

qualify as a professional investor (as defined in the Annex II of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU) will be required to provide a KID to such investors in good time before those investors subscribe to the Fund.

The KID will be distributed to all investors that do not classify as professional investors or do not opt to be treated as such contemplating an investment in the Fund. The KID will be published on the website of the Management Company and on the Fund's Website, if any, and should be available, upon request, in paper form.

3. DIRECTORY

GLOBAL PURPOSE RAIF FCP

35, Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg

Management Company:

Ersel Gestion Internationale S.A.
35, Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg

Board of Directors of the Management Company:

Chairman of the Board of Directors:

Umberto Giraudo
Deputy General Manager Ersel S.p.A.
Piazza Solferino, 11
I-10121 Torino
Italy

Members of the Board of Directors:

Antoine Gilson de Rouvrex
Independent Director
35, Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg

Max Meyer
Independent Director
35, Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg

Andrea Nascè
Deputy General Manager Ersel S.p.A.
Piazza Solferino, 11
I-10121 Torino
Italy

Henri Ninove
Director and Conducting Officer Ersel Gestion Internationale S.A.
35, Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg

Alberto Pettiti
Deputy General Manager Ersel S.p.A
Piazza Solferino, 11
I-10121 Torino
Italy

Edoardo Tubia
Independent Director
35, Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg

Conducting Officers:

Antoine Gilson de Rouvrex
Ersel Gestion Internationale S.A.
35, Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg

Henri Ninove
Ersel Gestion Internationale S.A.
35, Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg

Andrea Saura
Ersel Gestion Internationale S.A.
35, Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg

Depository:

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

Grand Duchy of Luxembourg

Administrator and Registrar and Transfer Agent:

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

Auditor:

ERNST & YOUNG
35E, Avenue John F.Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Luxembourg Legal Advisors:

CARAT & PARTNERS
16, Avenue Marie-Thérèse
L-2132 Luxembourg
Grand Duchy of Luxembourg

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4. DEFINITIONS

The following definitions shall apply throughout this Offering Document unless the context otherwise requires or except as otherwise specifically provided for in the Special Section(s):

"2010 Law"	The Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended or replaced from time to time.
"2013 Law"	The Luxembourg law of 12 July 2013 relating to alternative investment fund managers, as amended or replaced from time to time.
"2016 Law"	The Luxembourg law of 23 July 2016 relating to reserved alternative investment funds, as amended or replaced from time to time.
"Accounting Currency"	The Euro, unless otherwise specified for a specific Sub-Fund in the Special Section(s).
"AIFM"	Means the Management Company in its capacity as the alternative investment fund manager of the Fund.
"AIFM Directive"	The Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on alternative investment fund managers and amending directive 2003/41/EC and 2009/65/EC and regulations (EC) No 1060/2009 and (EU) No 1095/2010, as amended or supplemented from time to time.
"AIFM Regulation"	The Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision.
"AIFM Rules"	The corpus of rules formed by the AIFM Directive, the AIFM Regulation, the 2013 Law, as well as any implementing measures of the AIFM Directive, circulars or regulations issued by the CSSF or any European authority authorised to issue related regulations or technical standards which are (i) taken in relation to (or transposing either of) the foregoing and (ii) which

are applicable to the Depositary Agreement.

"Associate"

Means, in relation to the Person concerned:

- a) if that Person is a body corporate:
 - i. any body corporate that directly or indirectly controls, or is controlled by, that Person, or together with that person is under the common control of another body corporate; or
 - ii. any limited partnership whose general partner is a body corporate and an Associate within the preceding part of this definition and who together with such Associates are entitled to more than one half of the assets or more than one half of the income of the Fund; or
- b) if that Person is a limited partnership which does not qualify as a body corporate under the applicable legal regime, the general partner thereof and its Associates within the meaning of paragraph a) of this definition;
- c) if the Person concerned is a natural person, a spouse, civil partner or lineal ascendant or lineal descendant of such person, the trustees of any trust established principally for the benefit of any of the foregoing, or any body corporate, partnership or other unincorporated association directly or indirectly controlled by any of the foregoing,

For the above purposes a Person has "**control**" of another if that Person and that Person's Associates alone or together have the power to secure by means of the holding of units or other interests or the possession of voting power in, or by virtue of any power contained by the constitutional documents of, that or any other person, that the affairs of such other Person are conducted in accordance with the wishes of the first mentioned Person.

"Auditor"

ERNST & YOUNG, a public limited company (*société anonyme*) with registered office at 35E, Avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg registered with the RCSL under number B47771, or such other entity that may subsequently be appointed in such capacity.

"Board"	The board of directors of the Management Company.
"Business Day"	Each day (excluding Saturdays and Sundays) on which the banks are open for business in Luxembourg for the full day.
"Calculation Date"	Has the meaning specified in Section 18.1.
"Central Administration"	CACEIS Bank acting through its Luxembourg branch (CACEIS Bank, Luxembourg Branch) a public limited liability company (<i>société anonyme</i>) incorporated under the laws of France with a share capital of EUR 440,000,000 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, or such other entity that may subsequently be appointed in such capacity.
"Class"	Any class of Units that may be available in a Sub-Fund of the Fund, the assets of which shall be commonly invested according to the investment policy of the Sub-Fund, but which may carry different features in accordance with the Special Section(s) <i>inter alia</i> , with regard to their distribution policy, their fee structure, their minimum subscription amount, the denomination currency or their target investors.
"Correspondent(s)"	Any entity (including but not limited to the Depositary's subsidiaries and affiliates) to which the Depositary has delegated all or part of its safekeeping duties in relation to custodial assets (in due compliance with Article 21.11 of the AIFM Directive) or in relation to cash, it being understood that such delegates form an integral part of the Depositary's custody network.
"Counterparty"	Means the bodies corporate or other entities in which Investments have been or are proposed to be made by the Fund as determined from time to time.
"CSSF"	<i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg financial supervisory authority.
"Depositary"	CACEIS Bank acting through its Luxembourg branch (CACEIS Bank, Luxembourg Branch) a public limited liability company

(société anonyme) incorporated under the laws of France with a share capital of EUR 440,000,000 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, or such other entity that may subsequently be appointed in such capacity.

"Director"

A director of the Board.

"EUR"

Means the Euro, the lawful currency of the EU Member States that have adopted the single currency in accordance with the Treaty of Lisbon, as amended from time to time.

"FCP"

Means a mutual fund (*fonds commun de placement*) as further defined in Chapter 2 of the 2016 Law.

"Financial Year"

A financial period of the Fund, beginning on 1st January and ending on 31st December. The first financial year will start on the date of creation of the Fund and end on 31 December 2021.

"Fund"

Means **GLOBAL PURPOSE RAIF FCP**, a FCP-RAIF established in Luxembourg under the 2016 Law, as more particularly described in this Offering Document. For the purpose of the Offering Document, "Fund" shall also mean, where applicable, the Management Company acting on behalf of the Fund and/or the relevant Sub-Fund(s).

"Fund Documents"

Means the documents of the Fund available to the investors free of charge and including but not limited to:

- a. The up-to-date Offering Document;
- b. The up-to-date Management Regulations;
- c. The up-to-date Subscription Form;

The most recent annual report issued by the Fund.

"Gate"

Means the maximum percentage of Units that may be redeemed per quarter specified for a specific Sub-Fund in the Special Section.

"General Section"

Means the general section of this Offering Document, containing provisions applicable to all Sub-Funds, unless specifically provided for one or more Sub-Fund(s) in the Special

	Section(s).
"Indemnified Person"	Means the Management Company, its directors, managers, officers and employees to the extent involved in the management of the Fund and such other Persons as designated as Indemnified Persons in the Fund Documents.
"Investment"	Each investment made or proposed to be made, directly or indirectly, by the Fund, including but not limited to Underlying Funds, securities, liquid assets, shares, bonds, convertible loan stocks, options, warrants or other securities of, and loans (whether secured or unsecured) made to, any Person and interests.
"Investment Committee"	Has the meaning ascribed to it in the Section "Investment Committee".
"Investment Objectives"	The investment objectives as described under the relevant Sections of this Offering Document and for each Sub-Fund in the Special Section.
"Investor"	A Well-Informed Investor, whose Subscription Form has been accepted by the Management Company. For the avoidance of doubt, the term "Investor" shall include, where appropriate a Unitholder.
"Lock-up Period"	The period specified for a specific Sub-Fund in the Special Section.
"Lux GAAP"	The generally accepted accounting principles in the Grand-Duchy of Luxembourg, as the same may be amended from time to time.
"Management Company"	Ersel Gestion Internationale S.A., a public limited company (<i>société anonyme</i>) with its registered office at 35, Boulevard Joseph II , Grand Duchy of Luxembourg, registered with the RCSL under number B30350 and authorised as a management company pursuant to Chapter 15 of the 2010 Law or such other entity that may subsequently be appointed in such capacity.
"Management Fee"	The fee the Management Company is entitled to for undertaking its functions for the Fund as further laid down in Section 20.3.

"Management Regulations"	Means the management regulations issued by the Management Company, as amended from time to time.
"Net Asset Value" or "NAV"	The net asset value of either a Unit of the relevant Class for each Sub-Fund, or the net asset value of a Sub-Fund or the net asset value of the Fund, as the case may be and as determined in the Management Regulations.
"Net Distributable Cash"	Means with respect to any period, the amounts of cash receipts of the Fund arising during that period as determined by the Management Company in its discretion to be available for distribution to the Investors, which includes, without limitation cash receipts from Investments and other assets (including amounts released from reserves and all cash proceeds received by the Fund during that period from, e.g., (a) the sale, transfer, exchange or other disposal of all or any portion of any Investment; (b) the refinancing of any indebtedness of the Fund; (c) any income under the form of dividend distributions or interest payment from Investments and (d) any similar transaction), reduced by the portion thereof (i) used during that period to pay or establish reserves, service the requirements of any credit facility or other third party debt, and pay the Organisational Expenses or (ii) retained for reinvestment by the Management Company.
"Offering Document"	This confidential offering document of the Fund, as amended or supplemented from time to time. For the avoidance of doubt, this offering document shall constitute a <i>"document d'émission"</i> within the meaning of the 2016 Law.
"Organisational Expenses"	The organisational expenses pertaining to the incorporation of the Fund, as further detailed in Section "Organisational Expenses and Fees" . There may be separate Organisational Expenses at the level of each Sub-Fund as further indicated in the Special Section(s), if applicable.
"Person"	Any individual, corporation, limited liability company, trust, partnership, estate, limited liability partnership, unincorporated association or other legal entity.
"Prohibited Person"	Means any Person, if in the sole opinion of the Management Company, the holding of Units of the Fund by that Person, may

be detrimental to the interests of the existing Unitholders or of any Sub-Fund of the Fund, if it may result in a breach of any law or regulation, whether in Luxembourg or elsewhere, or if as a result thereof the Fund or any Sub-Fund may become exposed to tax or other regulatory disadvantages, fines or penalties that they would not have otherwise incurred. The term "Prohibited Person" includes any Person which does not meet the definition of Well-Informed Investor. Furthermore, the term "Prohibited Person" shall include any Person or entity that meets one or more of the following criteria:

- (i) the beneficial owner of the entity, as specified by applicable anti-money laundering laws, cannot be identified;
- (ii) it qualifies as a controlled foreign entity, as specified in the applicable laws on US corporate tax; and
- (iii) the owner of the entity that holds at least 25% direct or indirect ownership right, control or voting right in the entity meets the criteria set out under items (i)-(ii) above.

"RAIF"	A reserved alternative investment fund under the 2016 Law.
"Ramp-up Period "	The period specified for a specific Sub-Fund in the Special Section and used for the building-up of the Sub-Fund's portfolio during which risk spreading requirements are not yet fulfilled.
"RCSL"	The Luxembourg Register on Trade and Companies, <i>Registre de Commerce et des Sociétés de Luxembourg</i> .
"Relevant Loss/Claim"	A loss or claim in respect of which indemnification is sought under the Management Regulations.
"RESA"	The <i>Recueil électronique des sociétés et associations</i> .
"Section"	A section of this Offering Document.
"SFTR"	Means the EU Regulation 2015/2365 on transparency of securities financing transactions and of reuse of November 25, 2015
"SIF"	A Luxembourg specialized investment fund, within the meaning of the Luxembourg law of 13 February 2007 on specialised

investment funds, as amended.

"Special Consent"

Means:

- (i) the written consent of one or more Unitholders representing together more than 75% of the Units of the Fund; or
- (ii) the affirmative vote of Unitholder(s) representing together more than 75% of the Units of the Fund attributable to the Unitholder(s),

to do the act or thing for which the Special Consent is solicited. For the avoidance of doubt, for any decision which requires Special Consent at the level of a Sub-Fund, the above requirements shall be calculated solely on the basis of the Unitholder(s) and their Units at the level of such Sub-Fund.

"Special Section(s)"

Means the special section(s) of this Offering Document, containing specific information in relation to each Sub-Fund.

"Sub-Fund"

Means a compartment, corresponding to a distinct part of the assets and liabilities within the Fund.

"Sub-Fund Manager"

Means the investment manager appointed by the Management Company for a Sub-Fund, as further laid down in Section 7.2 and in the Special Section of the relevant Sub-Fund.

"Subscription Form"

A subscription form for Units in any Class of a Sub-Fund that each Investor will be required to execute and which may be accepted by the Management Company, in its sole discretion, and pursuant to which the Investor subscribes for Units in that Sub-Fund and Class, gives certain representations and warranties and adheres to the terms of the Fund and the Sub-Fund, including the Offering Document and the Management Regulations.

"Subsidiary"

Any company, partnership or entity,

- a) which is controlled by the Fund; or
- b) in which the Fund holds directly or indirectly more than a fifty percent (50%) ownership interest of the share capital; and

which in either case meets the following conditions:

- (i) it does not have any principal activity other than directly or indirectly the holding of Investments which qualify as such under the Investment Objectives of the Sub-Fund; and
- (ii) to the extent required under applicable accounting rules and regulations, such subsidiary is consolidated in the annual accounts of the Fund;

any of the above mentioned local or foreign companies, partnerships or entities shall be deemed to be "controlled" by the Fund if (i) the Fund holds in aggregate, directly or indirectly, more than 50% of the voting rights in such entity or controls more than 50% of the voting rights pursuant to an agreement with other shareholders or (ii) the majority managers or board members of such entity are members of the Board, except to the extent that this is not practicable for tax or regulatory reasons or (iii) the Fund has the right to appoint or remove a majority of the members of the managing body of that entity.

"Third Party"

Any entity referred to in points (a), (b) and (c) of Article 18(1) a), b) and c) of Directive 2006/73/EC, or another entity of the same nature, provided that such entity is subject to effective prudential regulation and supervision which have the same effect as European Union law and are effectively enforced and in accordance with the principles set out in Article 16 of Directive 2006/73/EC, to which the Depositary has delegated all or part of its safekeeping duties in relation to custodial assets further to a request of the AIFM, in due compliance with Article 21.11 of the AIFM Directive and which does not qualify as a correspondent pursuant to the Depositary Agreement. For the avoidance of doubt Third Party includes a broker, a prime broker, an EU credit institution and/or a non-EU Depositary which are not subsidiaries or affiliates of the Depositary and do not form an integral part of the Depositary's network.

"TRS"

A total return swap, i.e., a derivative contract as defined in point (7) of article 2 of the SFTR in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty.

"UCI"		An undertaking for collective investment.
"Underlying Funds"		UCITs authorized pursuant to Directive 2009/65/EEC and/or any other vehicle, listed or unlisted, regulated or non-regulated that has as its purpose the collective investment of funds, including but not limited to private equity, venture capital and other diversified market funds (for example real estate, infrastructure and other private markets strategies); and primary or secondary funds. For the avoidance of doubt, the term Underlying Fund will include, as the case may be, any sub-funds, compartments of such Underlying Fund.
"Underlying Manager"	Fund	The manager, general partner or any other duly authorized representative of a Underlying Fund.
"Unit"		Means a co-ownership participation in a Sub-Fund issued by the Management Company pursuant to the Management Regulations.
"Unitholder"		Means the registered holder of a Unit.
"Unitholder Consent"		Means the consent of Investors in the Fund and/or the relevant Sub-Fund (as applicable) in accordance with the Management Regulations, as far as permitted under Luxembourg law; and holding at least 51% of the Units, whether such consent is given in writing or at a general meeting.
"Valuation Day"		Has the meaning specified in Section 18.1.
"Well-Informed Investor"		Any investor who qualifies as a well-informed investor within the meaning of article 2 of the 2016 Law, unless further detailed for each respective Sub-Fund in the Special Section(s), <i>i.e.</i> an institutional investor, a professional investor or any other investor who has stated in writing that he adheres to the status of well-informed investor and either (i) invests a minimum of one hundred twenty five thousand Euro (EUR 125,000) in the Fund or (ii) has been subject of an assessment made by a credit institution, an investment firm, a management company or an authorised alternative investment fund manager certifying his expertise, experience and knowledge to adequately appraise an investment in the Fund.

5. THE FUND

5.1 Incorporation - Name

The Fund has been established as a Luxembourg mutual fund - reserved alternative investment fund (*fonds commun de placement - fonds d'investissement alternatif réservé*, or FCP-RAIF) and qualifies as a RAIF under the 2016 Law and fulfils all obligations and requirements under said law.

The Fund further qualifies as an externally managed alternative investment fund under the 2013 Law. The Fund does not have a legal personality on its own. The Management Company manages the Fund and acts in its own name for the account of the Fund in accordance with Luxembourg law and the Management Regulations. The Management Company and the Fund are fully compliant with the 2013 Law.

The Fund is structured as an umbrella fund with initially one Sub-Fund.

The assets of the Fund, which are held in custody by the Depositary, are segregated from those of the Management Company.

The Management Company may create one or several Sub-Funds which may have different features. The assets and liabilities of each Sub-Fund shall be segregated from the assets and liabilities of the other Sub-Funds, in accordance with the provisions of the 2016 Law.

The Management Company may further create and offer different classes of Units in the Sub-Fund which may carry different rights and obligations, inter alia, with regard to their distribution policy, their fee structure, their minimum subscription amount or their target investors. Classes of Units may be launched from time to time upon decision by the Management Company and in its discretion.

Unitholders of the same Class will be treated pro-rata to the number of Units issued by the Management Company and held by them.

Investors should note however that some Classes of Units may not be available to all Investors. The Management Company retains the right to offer only one or more classes of Units for subscription to a certain group of potential investors, for instance investors in any particular jurisdiction in order to conform to local law, customs or business practice or for fiscal or any other reason.

Specifics of the Sub-Funds and of their Classes of Units, if any, are laid down for each Sub-Fund in the Special Section pertaining to each Sub-Fund.

The right of Unitholders and creditors relating to a particular Sub-Fund or raised by the incorporation, the operation or the liquidation of a Sub-Fund are limited to the assets of such

Sub-Fund. The assets of a Sub-Fund will be answerable exclusively for the rights of the Unitholders relating to this Sub-Fund and for those of the creditors whose Claim arose in relation to the incorporation, the operation or the liquidation of this Sub-Fund. In terms of the relationship between Unitholders, each Sub-Fund will be deemed to be a separate entity.

Each Sub-Fund shall be designated by a specific name. The specific characteristics, Investment Objectives, investment policies and investment powers and restrictions, and specific risk factors (if any) of each Sub-Fund are defined in the Special Section(s). The Special Section(s) form an integral part of the Offering Document.

5.2 Management Regulations

The Fund is governed by the Management Regulations.

The Management Regulations are set out in a separate document but shall (together with any other appendix attached to the Offering Document), form an integral part of this Offering Document.

The Management Regulations have been deposited with the RCSL and will be published soon thereafter in the RESA.

The subscription by an Investor for Units in the Fund constitutes the Investor's acceptance of the Management Regulations. In the event of any inconsistency between the Management Regulations and this Offering Document, the Management Regulations shall prevail.

5.3 Duration

The Fund is created for an unlimited duration. The term of each Sub-Fund may vary and is laid down in the Special Section. Upon termination of the last Sub-Fund, the Fund will cease to exist.

5.4 Units and Classes of Units

The Fund will issue Units, in registered form only. The register of the Unitholders is conclusive evidence of ownership, and the Management Company will treat the registered Unitholders as the owner thereof.

Units may only be offered to Well-Informed Investors.

5.5 Capital

The minimum subscribed capital of the Fund shall be, as required by the 2016 Law, the equivalent in any currency of one million two hundred and fifty thousand Euro (EUR 1,250,000) and must be reached within twelve (12) months from the date of the incorporation of the Fund.

The capital of the Fund shall be variable and shall at all times be equal to the Net Asset Value as

defined in the Section “Calculation of the Net Asset Value”.

The Accounting Currency of the Fund is the Euro, however a Sub-Fund may be denominated in a different currency if provided for in the Special Section(s).

The Management Company may issue Units in any Class in a Sub-Fund, which may differ, *inter alia*, in their distribution policy, their fee structure, their minimum subscription amount or their target investors. Those Classes of Units will be issued in accordance with the requirements of the 2016 Law.

The Classes of Units issued in each Sub-Fund and their features are described in the Special Section.

6. INVESTMENT OBJECTIVES AND INVESTMENT RESTRICTIONS

6.1 Powers of the Management Company

The Fund shall be managed by Ersel Gestion Internationale S.A., in its capacity as management company (*société de gestion*) and alternative investment fund manager (*gestionnaire de fonds d'investissement alternatif*) of the Fund.

The powers of the Management Company are laid down in the Management Regulations.

6.2 Investment Objectives

The objective of the Fund is to manage its investments for the benefit of the Investors in accordance with the investment policy of each of the Sub-Funds. The Investment Objectives and strategy of each Sub-Fund are set out in the Special Section.

The Investments of each Sub-Fund are invested under the principle of risk spreading set out in CSSF Circular 07/309 and, as the case may be, by additional investment restrictions as determined in the Special Section.

There can be no assurance that the Investment Objectives for a relevant Sub-Fund will be achieved.

The Investment Objectives of the Fund are further stated in the Management Regulations.

6.3 Investment policy

Each Sub-Fund may pursue a distinct investment policy and the investment restrictions and fees may differ for each of them. The investment policy and specific investment powers and restrictions are disclosed for each Sub-Fund in the Special Section(s), if differing from the

General Section.

6.4 Investment restrictions

A Sub-Fund shall at latest after the Ramp-up Period not be invested for more than 30% of its assets in an investment from the same issuer. This restriction ceases to be applicable when a Sub-Fund is divesting with a view of being dissolved.

The restriction set out in this Section is not applicable to the acquisition of:

- Units, shares or interests of UCIs if the latter are subject to risk diversification requirements comparable to those set out in the CSSF circular 07/309; and
- Securities issued or guaranteed by a member state of the OECD or by its local authority or by supranational institutions and organisations with European, regional or worldwide scope.

If the Fund invests indirectly through one or more special purpose vehicles, compliance with the diversification rules imposed by CSSF Circular 07/309 will be ensured on a look-through basis where the Management Company controls the relevant special purpose vehicle.

Each compartment of a target UCI with multiple compartments is considered as a distinct target fund for the purpose of the investment restrictions and limits set out under this Section provided that the principle of segregation of the assets and liabilities of the different compartments is ensured.

When using financial derivative instruments, a Sub-Fund must ensure, via appropriate diversification of the underlying assets, a similar level of risk-spreading.

Further investment restrictions applicable to a Sub-Fund shall be specified in the relevant Specific Section.

A Sub-Fund may use financial derivative instruments in order to hedge all or part of its assets against interest rate and currency risk.

In leveraged buy-out transactions, pledges or other collateral on the target investments can be granted to make the investment possible.

Sub-Fund's liquidity can be invested temporarily in monetary financial instruments and or other financial instrument that can be easily disinvested. Without prejudice to what may be stipulated for one or more particular Sub-Fund, the Fund is authorised, for each Sub-Fund, to use securities financing transactions ("**SFT**") as described in section "Derivatives and SFTs – Short sales" hereunder and derivative instruments relating to transferable securities and money market instruments, according to the methods set forth below and provided that such techniques and instruments are used for the purpose of efficient portfolio management, in compliance with

SFTR.

6.5 Derivatives and SFTs – Short sales

At the time of issuing of this Offering Document and unless expressly contemplated in the Sub-Fund's schedule, the Sub-Funds do not use SFT or TRS with the exception of securities lending as further explained in the relevant Special Section.

Whenever this situation changes, the Offering Document will be updated accordingly.

"Securities lending" means a transaction by which a counterparty transfers securities subject to a commitment that the borrower will return equivalent securities on a future date or when requested to do so by the transferor, that transaction being considered as securities lending for the counterparty transferring the securities and being considered as securities borrowing for the counterparty to which they are transferred.

The assets that may be subject to SFT and 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.

The counterparties to the SFT and TRS will be selected on the basis of very specific criteria taking into account notably their legal status, country of origin, and provided that they have a minimum credit rating above investment grade. The Fund will therefore only enter into SFT and 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 Fund, 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 Fund will collateralize its SFT and TRS pursuant to the provisions set forth below.

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

The Fund may lend securities only in the framework of a standardised lending system organised by a recognised security clearing body or by a first-class financial institution specialising in this type of operation. When entering into such lending transactions, the Fund must in principle receive collateral which complies with the section "Management of collateral".

Lending transactions may not be entered into for more than fifty per cent (50%) of the total value of the securities held in the portfolio of a Sub-Fund. Such limitation shall not apply if the Sub-Fund has the right at any time to terminate the contract and recover immediately the securities lent. Lending transactions may not exceed a period of thirty (30) days.

Risks related to securities lending

In relation to securities lending transactions, investors must notably be aware that (A) if the borrower of securities lent by a Sub-Fund fail to return these there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Sub-Fund, or (iii) yield a sum less than the amount of collateral to be returned; and that (C) delays in the return of securities on loans may restrict the ability of a Sub-Fund to meet delivery obligations under security sales.

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.

Risks related to the use of SFT and TRS

Operational risk: A Sub-fund could suffer from losses through people, process and system failures.

Liquidity risk: Any type of security that is not publicly traded may be hard to value, and may be hard to sell at a desired time and price, especially in any volume. This also applies to securities that are publicly traded, but represent a small issue, trade infrequently, or trade on markets that are comparatively small or that have long settlement times. In addition to creating investment losses, liquidity problems could lead to a delay in the processing of Unitholders

requests to redeem Units.

Counterparty risk: The Sub-Fund could lose money if an entity with which it does business becomes unwilling or unable to meet its obligations to the Sub-Fund.

If a counterparty fails to meet its obligations, the Sub-Fund may have the right to try to recover any losses by using any collateral associated with the obligation. However, the value of collateral may be worth less than the cash or securities owed to the Sub-Fund, whether because of market action, inaccurate pricing, deteriorating issuer credit or market liquidity problems.

If a counterparty is late in honouring its obligations, it could affect the Sub-Fund's ability to meet its own obligations to other counterparties and could cause a delay in the processing of redemptions. Making a lending commitment involving a long term or large sum could lead to similar problems.

Custody / Sub-Custody Risk: Assets of the Fund are held in custody by the Depositary / sub-depositary and investors are exposed to the risk of these counterparties not being able to fully meet their obligation to reconstitute in a short timeframe all of the assets of the Fund. The Sub-Fund may incur losses resulting from the acts or omissions of the Depositary / sub-depositary bank when performing or settling transactions or when transferring money or securities.

Legal Risk: There is a risk that agreements and derivatives techniques are terminated due to, for example, bankruptcy, supervening illegality, change in tax or accounting laws. In such circumstances, a Sub-Fund may be required to cover any losses incurred. In addition, certain transactions are entered into on the basis of complex legal documents, such documents may be the subject of dispute due to interpretation in certain circumstances.

Collateral received must at all times meet with the following criteria:

- **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.
- **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 Fund will make use of daily variation margins within the key elements disciplined in each ISDA and CSA agreement in place with the various counterparties.
- **Issuer credit quality:** the Fund will ordinarily only accept very high quality collateral.
- **Correlation:** collateral received by the Fund should all be issued by an entity that is independent from the counterparty in order to avoid a high correlation with the performance of the counterparty.

- **Safe-keeping:** collateral must be transferred to the Depositary or its agent.
- **Enforceable:** collateral must be immediately available to the Fund without recourse to the counterparty, in the event of a default by that entity.
- **Maturity:** collateral must have a maturity sufficiently short in order to limit interest rate volatility.

Disclosure to Investors

In connection with the use of techniques and instruments the Fund 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 Fund to reduce counterparty exposure;
- the use of TRS and SFT 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.

Each Sub-Fund may utilise a variety of financial instruments for hedging or for investment purposes provided it maintains a diversification at the level of the derivatives' underlying assets equivalent to that applicable in case of direct investment (i.e., the exposure of a Sub-Fund to a single issuer that is not subject to risk diversification requirements comparable to those applicable to the relevant Sub-Fund through the use of derivative instruments may not exceed 30% of its net asset value).

The risk exposure of a Sub-Fund to a counterparty in OTC Derivative transactions may not exceed 30% of its net asset value. A Sub-Fund will only enter into OTC Derivative transactions with counterparties that are first class financial institutions specialised in this type of transactions.

Short sales may not result in a Sub-Fund incurring an exposure on any single issuer in excess of 30% of its net asset value.

6.6 Financing

The provision on Leverage and the rules regarding commitment liquidity facilities are laid down in the Management Regulations.

The maximum leverage per Sub-Fund is described for each Sub-Fund in the Special Section.

7. MANAGEMENT OF THE FUND

The Management Company shall manage the Fund in its own name but exclusively in the interests of and for the joint account of the Unitholders. The management powers shall extend to the exercise of all rights, which are directly or indirectly connected to the assets of the Fund.

7.1 The Management Company

The Management Company has been incorporated in the Grand Duchy of Luxembourg, for an unlimited duration, in the form of a Luxembourg public limited company (*société anonyme*).

The Management Company is authorised and supervised as a management company in accordance with chapter 15 of the 2010 Law and authorised as an alternative investment fund manager pursuant to the 2013 Law by the CSSF to be responsible for the portfolio management and risk management of each Sub-Fund of the Fund, as further set out in this Offering Document and in accordance with the 2013 Law. The Management Company is therefore under the ongoing supervision of the CSSF.

The Management Company has been designated as the external AIFM of the Fund.

The Management Company is vested with the broadest powers to administer and manage the Fund in accordance with the Management Regulations, its articles of incorporation and Luxembourg laws and regulations and in the exclusive interest of the Unitholders, subject as further set out hereafter, to exercise all of the rights attached directly or indirectly to the assets of the Fund.

The Management Company shall be responsible for the management, the distribution and the administration of the Fund. In addition, the Management Company shall be responsible for all communications to be made to the relevant authorities, unless otherwise provided for in the Management Regulations, or in Luxembourg laws and regulations.

Without prejudice to the possibility for the Management Company to delegate the portfolio management of Sub-Funds, the Management Company provides the portfolio management and risk management services to the Fund within the meaning of annex I of the 2013 Law.

The Management Company is also responsible for the valuation of the Sub-Fund's assets, as further specified in this Offering Document.

The Management Company ensures the fair treatment of investors, through its decision-making procedures and its organisational structure. Any preferential treatment accorded by the

Management Company shall not result in an overall material disadvantage to other Investors.

In compliance with article 8(7) of the 2013 Law, the Management Company holds professional indemnity insurance in order to cover potential professional liability risks arising from professional negligence within the frame of its activity as Management Company.

The functions of the Management Company with respect to the Fund are laid down in the Offering Document and the Management Regulations.

Other than as otherwise explicitly set out herein or where the context requires otherwise, where the Management Company or the Directors of the Management Company are referred to in this Offering Document as taking any action, it shall be understood that the Management Company will be taking action on behalf of the Fund and/or the relevant Sub-Fund(s).

In accordance with applicable laws (in particular the 2013 Law) and regulations and with the prior consent of the CSSF, the Management Company is empowered, subject to the applicable provisions of the 2013 Law, to delegate, under its responsibility, part of its duties and powers to any Person or entity, which it may consider appropriate and which disposes of the requisite expertise and resources, it being understood that in such case the Offering Document will be amended accordingly.

Any such delegation will be performed in compliance with the provisions of the 2013 Law. The Management Company does not intend to delegate the portfolio management function.

The Management Company has granted a mandate in order to effectively conduct its day-to-day business to the Conducting Officers.

The Conducting Officers shall ensure that, at all times, the tasks of the Management Company and of the different service providers are performed in compliance with the 2013 Law, the Management Regulations and this Offering Document. The Conducting Officers shall also ensure compliance of the Management Company with the investment policies and restrictions and oversee the implementation of the Sub-Fund's strategies and investment policy as defined in this Offering Document.

The Conducting Officers will also report to the Management Company on a regular basis and, if necessary, will advise the Management Company of any significant breaches or issues of non-compliance with the Fund's respectively its Sub-Fund's investment policy.

The fees and costs of the Management Company for the above functions are met by the Fund and paid out of its assets. The fees will be described in further detail in the Special Section(s).

7.2 The Sub-Fund Manager

The Management Company may, for each Sub-Fund, appoint a Sub-Fund Manager, as further

indicated in the relevant Special Section(s).

The Sub-Manager assists the Management Company in choosing its investment and placement policy for the Fund and sees to the daily management thereof.

As part of its duties, the Sub-Fund Manager may, assuming full responsibility therefore and at its expense, consult investment advisors of its choice. It also guarantees monitoring of performance, compliance with regulations regarding positions and control of subscriptions and redemptions, with the supervision and under the responsibility of the Management Company.]

7.3 The Central Administration

The Management Company has delegated the administration duties relating to the Fund to CACEIS Bank, Luxembourg Branch, established at 5, allée Scheffer, L-2520 Luxembourg and registered with the Luxembourg Register of Trade and Companies under number B 209.310 acting as a branch of CACEIS BANK, a public limited liability company (société anonyme) incorporated under the laws of France, and registered under company number R.C.S. 692 024 722 with the Paris trade and companies register, with its registered office at 1-3, place Valhubert, 75013 Paris, France, including administration services, transfer agency and registrar services pursuant to the central administration services agreement entered into between the Management Company and Caceis Bank, Luxembourg Branch, dated 10 August 2021.

In its capacity as registrar and transfer agent, the Administrator, Registrar and Transfer Agent, is responsible for handling the processing of subscriptions for Units, dealing with requests of redemption and conversion and accepting transfers of funds, for the safe keeping of the register of Unitholders of the Fund, the delivery of Unit subscription confirmations of the Fund, if any, for accepting replacement, redemption or conversion of Units and providing and supervising the mailing of statements, reports, notices and other documents to the Unitholders and for the anti-money laundering verification (including verifications concerning the status of Well-Informed Investors of the Unitholders).

The rights and obligations of the Administrator, Registrar and Transfer Agent, as registrar and transfer agent are governed by the central administration agreement entered into for an unlimited duration between the Management Company, acting on behalf of the Fund and the Administrator, Registrar and Transfer Agent, as registrar and transfer agent. Either party to the central administration agreement has full discretion to terminate the central administration agreement under the provisions set forth in this agreement.

The fees and costs of the Central Administration for the above functions are met by the Fund and paid out of its assets.

Such fees are detailed in the central administration agreement entered into between the Management Company and Caceis Bank, Luxembourg Branch.

8. DEPOSITARY

CACEIS Bank, Luxembourg Branch is acting as the Fund's depositary (the "**Depositary**") in accordance with a depositary agreement dated 10 August 2021 as amended from time to time (the "**Depositary Agreement**") and the relevant provisions of the 2013 Law, the 2016 Law and the AIFM Regulation.

CACEIS Bank acting through its Luxembourg branch (CACEIS Bank, Luxembourg Branch) is a public limited liability company (*société anonyme*) incorporated under the laws of France with a share capital of 440,000,000 Euros having its registered office located at 1-3, place Valhubert, 75013 Paris, France, registered with the French Register of Trade and Companies under number 692 024 722 RCS Paris. It is an authorised credit institution supervised by the European Central Bank and the *Autorité de contrôle prudentiel et de résolution*. It is further authorized to exercise through its Luxembourg branch banking and central administration activities in Luxembourg.

Investors are invited to consult upon request at the registered office of the Fund 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 of the Fund's assets, and it shall fulfil the obligations and duties provided for by the 2016 Law and the 2013 Law. In particular, the Depositary shall ensure an effective and proper monitoring of the Fund's cash flows.

In due compliance with the AIFM Rules (including but not limited to Article 21.9 of the AIFM Directive and Articles 92 to 97 of the AIFM Regulation), the Depositary shall:

- (i) ensure that the sale, issue, re-purchase, redemption and cancellation of Units are carried out in accordance with the 2013 Law and the Management Regulations;
- (ii) ensure that the value of the Units is calculated in accordance with the 2013 Law, the Management Regulations and the procedures laid down in Article 19 of the AIFM Directive;
- (iii) carry out the instructions of the Fund, unless they conflict with the 2013 Law or the Management Regulations;
- (iv) ensure that in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits;
- (v) ensure that the Fund's income is applied in accordance with the 2013 Law and the Management Regulations.

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 2013 Law, the Depositary may, under certain conditions, entrust part or all of the assets which are placed under its custody and/or

recordkeeping to Correspondent or Third Party 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 2013 Law. In particular, under the conditions laid down in article 19(14) of the 2013 Law, including the condition that the Investors have been duly informed of that discharge and of the circumstances justifying the discharge prior to their investment, the Depositary can discharge itself of liability in the case where the law of a third country requires that certain financial instruments are held in custody by a local entity and there are no local entities that satisfy the delegation requirements laid down in article 19(11) point (d)(ii) of the 2013 Law.

The Fund and the Depositary may terminate the Depositary agreement at any time by giving ninety (90) days' notice in writing. The Fund may, however, dismiss the Depositary only if a new depositary bank is appointed within two 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 Sub-Funds have been transferred to the new depositary bank.

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

The Depositary and the Management Company confirm that they are independent of each other and that they comply with the requirements of independence and conflicts of interests procedures laid down in Chapter 4 of the Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing Directive 2009/65/EC of the European Parliament and of the Council with regard to obligations of depositaries.

Investors must be aware that personal data may be disclosed to the Depositary and other parties that intervene in the process of the business relationship (e.g. external processing centres, dispatch or payment agents).

The fees and costs of the Depositary for the above functions are met by the Fund and paid out of its assets.

Such fees are detailed in the depositary agreement entered into between the Fund and Caceis Bank, Luxembourg Branch.

9. VALUATOR

The duties of valuator for the proper and independent valuation of the assets of the Fund in compliance with the provisions of the 2016 Law, the 2013 Law and the AIFM Regulation are performed by the Management Company.

The valuation task is functionally independent from the portfolio management. The remuneration policy and other measures ensure that conflicts of interest are mitigated and that undue influence upon the employees is prevented.

10. BORROWING

The Fund will in general finance the conduct of its investment and cash management policy with its own funds and, except if otherwise provided in the Special Section of this Offering Document in relation to each Sub-Fund.

However, each Sub-Fund may make use of borrowings if so provided in the Special Section of this Offering Document in relation to each Sub-Fund.

11. INVESTMENT COMMITTEE

The Management Company, in its sole discretion, may, for each Sub-Fund, establish an investment committee (the “**Investment Committee**”).

The Investment Committee, if any, shall be composed of at least three (3) members one of which representing the Management Company. The Investment Committee meetings shall be deemed to be validly constituted when the majority of members are present and shall take decisions and be entitled to formulate recommendations only if approved by absolute majority of those present. In the event of a tie, the chairman shall have a casting vote.

The Investment Committee shall have only a consultative role with non-binding powers, and it may provide opinions only on limited and specific topics.

The members of the Investment Committee will be chosen by the Management Company among people who have the skills and a background in line with the investment policy of each Sub-Fund.

12. CO-INVESTMENT

Unless otherwise provided for in the Special Section, the Fund, or any of its Sub-Fund will not enter into any co-investment and the Management Company may not offer co-investment possibilities to Unitholders.

13. UNITS AND CLASSES OF UNITS

The Management Company may issue different Classes of Units.

The Management Company shall determine the characteristics, features, eligible subscribers of each Class in accordance with the provisions of the Management Regulations and the Special Section.

14. ISSUE AND SUBSCRIPTION OF UNITS

Units are exclusively reserved to Well-Informed Investors. Investors wishing to subscribe for Units in any of the Sub-Fund must execute a Subscription Form setting forth:

- (a) The amount subscribed by that investor;
- (b) the rights and obligations of that investor in relation to its subscription for Units (which rights and obligations are subject to the terms of this Offering Document and the Management Regulations);
- (c) representations and warranties of the investor for the benefit of the Fund.

The Subscription Form should be addressed to the Management Company. The Fund will not issue any Units to any Person (especially Prohibited Persons) other than the Investors.

In its absolute discretion, the Management Company may accept or reject any request for admission to the Fund and may restrict or prevent the ownership of Units by any Person, if the Management Company determines that:

- (a) the ownership may be detrimental to the Fund;
- (b) the ownership may result (either individually or in conjunction with other Investors in the same circumstances) in:
 - i. the Fund incurring any liability for any taxation whenever created or imposed and whether in Luxembourg, or elsewhere or suffering pecuniary disadvantages which the same might not otherwise incur or suffer; or
 - ii. the Fund being required to register its Units under the laws of any jurisdiction other than Luxembourg; or
 - iii. a breach of any law or regulation applicable to that Person, the Management Company or the Fund, whether Luxembourg laws or other law (including anti-money laundering and terrorism financing laws and regulations);
- (c) the Person is a U.S. Person;
- (d) the Person is not a Well-Informed Investor;
- (e) any such Person being a Prohibited Person.

For such purposes the Management Company may:

- (a) decline to issue any Units and decline to register any transfer of Units, where such issue, registration or transfer or assignment would result in legal or beneficial ownership of such Units or interest by a Prohibited Person; and
- (b) at any time require any Person whose name is entered in the register of Unitholders or who seeks to register a transfer in the register of Unitholders to deliver to the Management Company any information, supported by affidavit, which it may consider necessary for the purpose of determining whether or not beneficial

ownership of such Unitholder's Units rests with a Prohibited Person, or whether such registration will result in beneficial ownership of such Units by a Prohibited Person.

If it appears that an Investor is a Prohibited Person, the Management Company will be entitled to, in its absolute discretion:

- (a) retain all dividends paid or to be paid or other sums distributed or to be distributed with regard to the Units held by the Prohibited Person; and/or
- (b) instruct the Prohibited Person to sell his/her/its Units and/or interests to any Well-Informed Investor approved by the Management Company and to demonstrate to the Management Company that this sale was made within forty-five (45) days of the sending of the relevant notice, subject each time to the applicable restrictions on transfer as set out in this Section and otherwise in this Offering Document;
- (c) compulsorily redeem all Units held by the Prohibited Person at a price equal to the lesser of (i) 50% of the latest calculated Net Asset Value of the Units (or for no consideration if the Net Asset Value per Unit is equal to, or less than, zero) and (ii) 50% of the aggregate contribution of the Prohibited Person; such price to be diminished by such costs incurred by the Fund, the Management Company, any service provider and any of their Associates as a result of the holding of Units by the Prohibited Person (including all costs linked to the compulsory redemption).

The Management Company may require any subscriber to provide the Management Company with any kind of information that it may consider necessary for the purpose of deciding whether or not it is a Well-Informed Investor.

The Management Company may delegate under its responsibility to third parties the right to accept the Subscription Form of a subscriber.

Well-Informed Investors willing to subscribe for Units in the Fund are entitled to do so only for single minimum amounts of one hundred and twenty five thousand Euro (EUR 125,000.-), or such lesser or greater amount as the Management Company may determine in any particular case or as may be specified in the Special Section(s). However, the single minimum subscription amount set forth above does not apply to subscriptions from directors, managers and other persons involved in the management of the Fund or of the Management Company.

Payment by Well-Informed Investors should be made in accordance with the instructions set out in the Subscription Form.

Subscription monies are normally payable in the currency of denomination of the relevant Class of Units, in principle the Accounting Currency. If, however, a Unitholder requests to pay in any other freely convertible currency, the necessary foreign exchange transaction may be arranged by the Depositary, upon instruction of the Management Company on behalf of and for the account risk and expense of the Unitholder.

The rules and provisions on the issuance and subscription of Units are further laid in the Management Regulations.

15. TRANSFER OF UNITS

Unless otherwise provided for in the Special Section of a Sub-Fund, the transfer of all or any part of any Investor's Units is subject to the provisions of this Section. No transfer of all or any portion of any Investor's Units, whether voluntary or involuntary:

a) will be valid or effective without the prior consent of the Management Company which consent may not be unreasonably withheld but which consent can be withheld, including (without limitation):

- i) if the Management Company considers that the effect of such transfer will result in:
 - a violation of any term or condition of any of the Fund documents;
 - a violation of the Securities Act or any applicable securities law of any of the States of the United States or of any law or regulation of Luxembourg, the US, the UK or any other jurisdiction (including, without limitation, the Securities Act, any securities laws of the individual states of the United States, or ERISA);
 - the Fund being required to register, or seek an exemption from registration, as an investment company under the Company Act;
 - an acceleration of the Fund's indebtedness, a default under any loan or other agreement to which the Fund is a party or causing any assets of the Fund to become subject to cash collateralization;
 - adverse effect on the Fund's participations in Underlying Funds or on such Underlying Funds themselves;
- ii) if the Management Company considers that any proposed transferee of the Units of an Investor intends to hold the Units otherwise than for itself beneficially; or
- iii) if the Management Company considers that the transfer would violate any applicable law or any term of the Offering Document or otherwise adversely affect the Fund (such as the Fund incurring any liability on taxation, in particular considering the application of FATCA rules),

and;

b) it will be a condition of any transfer (whether permitted or required) that:

- i) the transferee represents in a form acceptable to the Fund that such transferee is a Well-informed Investor and that the proposed transfer itself does not violate any laws or regulations (including, without limitation, any securities laws) applicable to it;
- ii) the transferee is a Well-Informed Investor;
- iii) the transferee is a Person who complies with any request for information

pursuant to FATCA in accordance with Section “TAX” of this Offering Document. The prior written consent of the Management Company shall be required as a condition of any transfer of all or a portion of a Unit, which consent may be withheld in the Management Company’s sole discretion; provided that such consent shall not be unreasonably withheld if the transfer is to (x) an Associate of the Unitholder, provided that such Associate is a Well-Informed Investor or (y) another Unitholder that is not a Unitholder in default pursuant to the terms of the Management Regulations and this Offering Document.

Units are transferable or assignable provided that the transferee fully and completely undertakes in writing to perform any and all remaining obligations of the transferor under this Offering Document, the Management Regulations and the Subscription Form entered into by the transferor.

Where relevant, and unless otherwise provided for in the Special Section, prior to a proposed transfer, the Management Company will be entitled to require a written opinion of responsible legal counsel (at the expense of the transferor), satisfactory in form and substance to the Management Company on any relevant regulatory or legal issue relating to the proposed transfer, as well as such other matters as the Management Company may reasonably request.

Where relevant, and unless otherwise provided for in the Special Section, the transferor will be responsible for and pay all costs and expenses (including any taxation) arising in connection with any such permitted transfer, including reasonable legal fees arising in relation thereto incurred by the Management Company or its Associates and stamp duty or stamp duty reserve tax (if any) payable. The transferor and the transferee will indemnify the Indemnified Persons, in a manner satisfactory to the Management Company against any claims and expenses to which the Indemnified Persons may become subject arising out of or based upon any false representation or warranty made by, or breach or failure to comply with any covenant or agreement of, such transferor or transferee in connection with such Transfer. In addition, each Investor agrees to indemnify the Fund and each Indemnified Person from any claims and expenses resulting from any Transfer or attempted Transfer of its Units in violation of any of the fund documents.

Unless otherwise provided in the Special Section, any transfer of Units made in breach of the provisions of this Section or the Offering Document shall be null and void, and of no force, or effect vis-à-vis the Fund and the Unitholders. Transfers of Unitholders’ Units in the Fund which are null and void, and of no force, or effect shall not be recorded in the register of Unitholders and, while no remedial action is taken, all the rights and obligations attached to the Units will be exercised, and enforced by the transferor holding the Unitholders’ Units in question, without prejudice to any liability it may incur vis-à-vis the Fund or the other Unitholders.

In addition to the above, each Special Section of a Sub-Fund may set forth additional provisions relating to the transfer of Units.

16. REDEMPTION OF UNITS

16.1 Redemption in general

Unless otherwise provided for in the Special Section of a Sub-Fund, and subject to such terms and conditions, including but not limited to the Lock-up Period and the Gate, if any, provided for in the relevant Special Section, Unitholders may at any time request the redemption of their Units. To perform the control of the Investors' holdings and of the Lock-up Period, Investors' holding shall be booked in segregated account for each Investor.

The redemption request should be addressed to the Management Company.

Unitholders may request the redemption against submission of the certificates relating thereto, if necessary, to the Management Company.

The redemption is carried out at the Net Asset Value calculated, pursuant to Article 11 of the Management Regulations, on the first Calculation Date after the redemption request has been accepted by the Management Company. The redemption lists are closed at the latest on the bank business day before the Calculation Date of the Net Asset Value, unless stipulated otherwise in the Special Section. The closing schedule of the redemption lists will be indicated in the Special Section for each Sub-Fund.

Any expenses, taxes, dues, stamp duty owing may be deducted from the amount redeemed.

Redemption proceeds will be paid following receipt of a valid redemption request in accordance with the terms described in the Special Section. Redemption proceeds will be settled within the deadline determined in the Special Section of the relevant Sub-Fund.

The Management Company has the ability to introduce additional measures to deal with extraordinary circumstances (for example, periods of extraordinary market and economic circumstances) or circumstances which in the reasonable opinion of the Management Company warrant deferral of redemptions in the interest of existing Unitholders. In addition, the Management Company may, in its discretion, limit or suspend redemptions when such redemption would result in a violation by the Fund of any applicable laws or regulations or if an event has occurred that would result in the dissolution of the Fund. Such measures shall be of temporary nature only and expected to be lifted once these circumstances have normalized.

17. CONVERSION OF UNITS

In case of plurality of Classes of Units, conversions from one Class of Units into another Class of Units may be allowed in accordance with the conditions specified in the Special Section(s) for each relevant Sub-Fund.

Conversions of Units between different Sub-Funds will not be allowed, unless otherwise provided for in the Special Section. In addition, if the Investor's minimum investment amount falls below the requested minimum investment amount for the Class they have subscribed for, Investors will automatically switch down to the Class corresponding to their investment amount. The Class in which Units are initially held is the "**Original Unit Class**". Switching will be effected by way of a redemption of Units of the Original Unit Class and a simultaneous subscription for Units of the new class (the "**New Unit Class**"), where the general provisions and

procedures relating to redemption and subscription of Units will apply; provided that no fees (such as subscription fees, distribution fees, redemptions fees, where applicable) will be payable with respect to such switching.

The price per Unit of the New Unit Class will be calculated on the basis of the NAV per Unit of the applicable Classes as of the Valuation Day on which the Conversion is effected.

The number of Units to be issued in the New Unit Class will, subject to any other specification set forth in the Special Section, be calculated in accordance with the following formula:

$$A = \frac{B \times C \times D}{E}$$

Where:

A = Number of Units of the New Unit Class to be allocated;

B = Number of Units of the Original Unit Class converted;

C = Net Asset Value per Unit on the relevant Valuation Day for the Original Unit Class;

D = The currency conversion factor or, where the Unit of the New Unit Class are denominated in the same currency of the Original Unit Class, D = 1;

E = NAV per Unit on the relevant Valuation Day for the New Unit Class or, where applicable, the issuance price.

18. CALCULATION OF THE NET ASSET VALUE

18.1 Calculation method in general

The Fund and each Class of Units have a Net Asset Value determined in accordance with Luxembourg law and in accordance with the Management Regulations. The reference currency of the Fund is the Euro.

Unless otherwise provided for in the relevant Special Section, the Net Asset Value is calculated on a quarterly basis. The Net Asset Value of the Fund and Class of Units of each last calendar day of the quarter (the "**Valuation Day**") is calculated no later than the last business day of the following quarter (the "**Calculation Date**").

The Net Asset Value of the Fund and Class of Units will be calculated in the reference currency of the Fund in good faith in Luxembourg.

The Central Administration will, under the supervision of the Management Company, compute the NAV per Class of Units as follows: each Unit's Class participates in the Fund according to the portfolio and distribution entitlements attributable to each such Class. The value of the total portfolio and distribution entitlements attributed to a particular Class on a given Valuation Day adjusted with the liabilities relating to that Class on that Valuation Day represents the total Net Asset Value attributable to that Class on that Valuation Day. The assets of each Class will be commonly invested but subject to different fee structures, distribution, marketing targets, currency or other specific features as it is stipulated in this Offering Document. A separate Net Asset Value per Unit, which may differ as a consequence of these variable factors, will be

calculated for each Class as follows: the Net Asset Value of that Class on that Valuation Day divided by the total number of Units of that Class then outstanding on that Valuation Day.

The total net assets of the Fund will result from the difference between the gross assets (including the market value of Investments owned by the Fund) and the liabilities of the Fund based on a consolidated view, provided that the Organisational Expenses will be amortised over a period of five (5) years rather than expensed in full when they are incurred.

The value of the assets of the Fund will be determined as follows:

- i. the interests in unlisted Underlying Funds will be valued at their last official and available net asset value, as reported or provided by such Underlying Funds or their agents, or at their last unofficial net asset values (i.e., estimates of net asset values) if more recent than their last official net asset values (which such net asset values can be derived from the relevant Underlying Funds unaudited quarterly or other reports). The official or unofficial net asset value of a Underlying Fund may be adjusted for subsequent capital calls and distributions and applicable redemption charges where appropriate. The Management Company will adjust the net asset value or other valuation so provided where the Management Company considers such net asset valuation or other valuation information does not accurately reflect the Fund's interests in such Underlying Fund, whether because such information has been generated after a delay from the target Fund's own valuation point, change in markets or otherwise. The NAV is final and binding notwithstanding that it may have been based on unofficial or estimated net asset values;
- ii. the interests of Underlying Funds or other securities and Investments which are listed on a stock exchange or dealt in another regulated market will be valued on the basis of the last available published stock exchange or market value;
- iii. 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 will be deemed to be the full amount thereof, unless it is unlikely to be received in which case the value thereof will be arrived at after making such discount as the Management Company may consider appropriate in such case to reflect the true value thereof;
- iv. all other securities and other permissible assets as well as any of the above mentioned assets for which the valuation in accordance with the above subparagraphs would not be possible or practicable, or would not be representative of their fair value, will be valued at fair market value, as determined in good faith pursuant to procedures established by the Management Company.

Where possible, income from investments, interest payable, expenses and other charges are valued as of each Valuation Day. They will be added up to the end of the banking day prior to the related Valuation Day. Any commitment of the Fund according to the valuation made, in

good faith, by the Management Company are taken into account.

The value of all assets and liabilities not expressed in the currency of denomination of the relevant Units will be converted into such currency on the relevant Valuation Day. If such quotations are not available, the rate of exchange will be determined with prudence and in good faith by or under procedures established by the Management Company.

Unless otherwise stated in the Sub-Funds' schedule, the NAV as of any Valuation Day will be made available to Investors at the registered office of the Management Company within 90 days after each Valuation Day.

For the purpose of determining the value of the Fund's assets, the Management Company and the Central Administration, having due regards to the standard of care and due diligence in this respect, may, when calculating the Net Asset Value, exclusively rely, unless there is manifest error or negligence on its part, upon the valuations provided (i) by various pricing sources available on the market such as pricing agencies or fund administrators/managers, (ii) by prime brokers and brokers, or (iii) by (a) specialist(s) (including any service provider to which such function would have been delegated under the relevant service agreement) duly authorised to that effect by the Management Company.

The Net Asset Value of the Units shall be rounded up or down to two decimal places.

18.2 Temporary suspension of the calculation of the Net Asset Value

The calculation of the Net Asset Value and subsequently the subscription, conversion and redemption of Units of one or several Sub-Funds may further be suspended by the Management Company in one or several of the following circumstances:

- a) when, as a result of political, economic, military or monetary events or any circumstances outside the responsibility and the control of the Management Company, disposal of the assets of the Fund is not reasonably or normally practicable without being seriously detrimental to the interests of the Unitholders;
- b) in the case of a breakdown in the normal means of communication used for the valuation of any Investment of the Fund or if, when for any reason the prices of any Investments owned by the Fund cannot promptly or accurately be ascertained;
- c) if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Fund are rendered impracticable or if purchases and sales of the Fund's assets cannot be executed at normal rates of exchange;
- d) when the Net Asset Value calculation of, and/or the redemption right of investors in, one or more Underlying Funds representing a substantial portion of the assets of the Fund is suspended;

- e) when there exists in the opinion of the Management Company a state of affairs where disposal of the Fund's assets, or the determination of the Net Asset Value of the Units, would not be reasonably practicable or would be seriously prejudicial to the non-redeeming Unitholders;
- f) when the suspension is required by law or legal process;
- g) when for any reason and in its absolute discretion the Management Company determines that such suspension is in the best interests of Unitholders; or
- h) upon decision of the Management Company to liquidate the Fund.

Any such suspension may be notified by the Management Company in such manner as it may deem appropriate to the Persons likely to be affected thereby.

19. DISTRIBUTIONS

The Management Company may proceed with distributions as further specified in the Special Section of this Offering Document in relation to each Sub-Fund.

19.1 Limitation on distributions

Without prejudice to the Section "Redemption of Units", the Fund will not be required to make any distribution:

- a) unless there is sufficient cash available; or
- b) which would render the Fund insolvent; or
- c) which, in the opinion of the Management Company, would or might leave the Fund with insufficient funds or profits to meet any present or future contemplated obligations, liabilities or contingencies (including the Management Fee, any other fees and costs and the Organisation Expenses).

Distributions may only be made if the net assets of the Fund do not fall below the minimum set forth by law (i.e. EUR 1,250,000).

All distributions will be made net of any income, having deducted any withholding and similar taxes payable by the Fund, including, for example, any withholding taxes on interest or dividends received by the Fund and capital gains taxes or withholding taxes.

20. FEES AND EXPENSES

20.1 Charges and Expenses

- 20.1.1 Unless otherwise specifically stated in the Special Section(s), the Fund and/or the relevant Sub-Fund, in case such fees and expenses can be clearly allocated to the relevant Sub-Fund, as determined in the reasonable discretion of the Management Company, will bear the following charges and expenses in respect of:

- (a) Organisational Expenses including all taxes, duties, stamp duties, governmental and similar charges, commissions, foreign exchange costs, bank charges, registration fees relating to Investments, insurance and security costs, expenses of the issue and redemption of Units;
- (b) costs of travel, marketing and offering of Units to Investors, legal fees related to the Investors' subscription and other expenses that are incurred in furtherance of the investment strategy;
- (c) usual brokerage and other transaction fees and expenses (including, without limitation, legal, accounting, due diligence, surveyor's and other professional fees) incurred on transactions with respect to the acquisition or disposal or proposed acquisition or disposal of the portfolio and related expenses in connection with the acquisition or disposal of the assets, irrespective whether the transactions have materialised or not, including, for the avoidance of doubt, broken deal expenses;
- (d) accounting, due diligence, legal, and other service providers in relation to the portfolio, the Fund and/or the Sub-Funds and all other fees and expenses incurred by the Management Company acting in respect of the Fund, for the avoidance of doubt the Organisational Expenses of the Fund and the Sub-Funds are treated separately;
- (e) reporting and publishing expenses, including the cost of preparing and/or filing of the Management Regulations and all other documents concerning the Fund, including the Offering Document and explanatory memoranda and registration statements with all authorities having jurisdiction over the Fund or the offering of Units of the Fund; the cost of preparing, in such languages as are required for the benefit of the Unitholders, including the beneficial holders of the Units, and distributing annual and all other periodic reports and such other reports or documents as may be required under the applicable laws or regulations of the above-cited authorities and the costs and expenses of local representatives appointed in compliance with the requirements of such authorities;
- (f) the cost of convening general meetings or of consulting the Unitholders in writing;
- (g) expenses incurred in determining the NAV and valuing the assets;
- (h) the costs of preparing, printing and distributing all valuations, statements, accounts and performance and investment reports;
- (i) the Auditors' fees and expenses in relation to the Fund and the Sub-Funds;
- (j) the costs of amending and supplementing the Management Regulations, the Offering Document, the agreements and documents relating to the Fund and the

Sub-Funds and all similar administrative charges;

- (k) costs incurred to enable the Fund and its Sub-Funds to comply with legislation and official requirements (including the fees and expenses of the Depositary) provided that such costs are incurred substantially for the benefit of the Unitholders and any fees and expenses involved in registering and maintaining the registration of the Fund and its Sub-Funds; and
- (l) all other taxes and all fees or other charges levied by any governmental agency against the Fund and its Sub-Funds in connection with its Investments or otherwise;
- (m) any irrecoverable VAT (or similar levy or duty) relating to any such costs and expenses;
- (n) all other costs and expenses in connection with the operations or administration of the Fund and the Sub-Funds and the portfolio incurred to procure the achievement of the Investment Objectives of the Fund and its Sub-Funds, including, but not limited to, the costs of due diligence on and monitoring of Investments.

20.1.2 The service provider fees and related expenses will be borne by the Fund respectively by each Sub-Funds, out of the assets of the Fund. The Management Company will be responsible for the routine expenses associated with its own functioning and operations, including but not limited to overhead, rent, salaries and associated employee benefits.

20.2 Organisational Expenses and Fees

The Fund and the Sub-Funds shall bear the organisational and start-up expenses of the Fund.

All costs associated with the formation of the Fund and the initial Sub-Fund(s), including establishment, legal costs of the Fund, professional and consulting fees, research costs, printing costs and travel expenses, accounting, marketing and other expenses incurred in connection with the organisation of the Fund and the initial Sub-Fund(s) and the offering of Units in the initial Sub-Fund(s), shall be borne by the initial Sub-Fund(s) and the initial Sub-Fund(s) shall reimburse pro rata the Management Company thereof for any expenses incurred by them.

The Organisational Expenses borne by the initial Sub-Fund(s) will be capitalised and subsequently written off over a period of five (5) years upon formation of the initial Sub-Fund(s).

Sub-Fund(s) launched after the initial Sub-Fund(s) shall bear a pro rata portion of the costs and expenses incurred in connection with the formation of the Fund which have not already been written off at the time of the creation of the new Sub-Fund.

For the avoidance of doubt, any organisational expenses of the Fund may be amortized over a maximum period of five (5) years in accordance with the provisions under Lux GAAP.

20.3 Management Fee

The Management Company will receive a management fee in relation to its services to each Sub-Fund as further described in the Special Section(s) (the "**Management Fee**"). In principle, each Sub-Fund will bear its own costs in relation to the services it has received by the Management Company.

20.4 Performance Fee

The Management Company will receive a performance fee as further provided in the Special Section(s).

21. TAX

The present Section is a short summary of certain important Luxembourg tax principles in relation to the Fund. The summary is based on laws, regulations and practice in force and applied in Luxembourg at the date of the Offering Document. Provisions may change at short-term notice, possibly with retroactive effect.

The Section does not purport to be a complete summary of tax law and practice currently applicable in Luxembourg and does not contain any statement with respect to the tax treatment of an investment in the Sub-Funds in any other jurisdiction. Furthermore, this Section does not address the taxation of the Fund in any other jurisdiction or the taxation of any subsidiaries, partnerships or intermediate companies of the Sub-Fund or of any investment structure in which the Sub-Funds hold an interest in any jurisdiction.

Prospective investors are advised to consult their own professional tax advisers in respect of the possible tax consequences of subscribing for, buying, holding, redeeming, converting or selling Units in the Sub-Funds under the laws of their country of citizenship, residence, domicile or incorporation.

Tax Treatment of the Fund

Under present Luxembourg law¹ and administrative practice, a Luxembourg FCP-RAIF is considered as a "look through" or "transparent" entity for Luxembourg tax purposes. Accordingly, the Fund is in principle fully disregarded and not subject to any Luxembourg corporate income tax, municipal business tax, and net wealth tax. A Luxembourg FCP-RAIF subject to the 2016 Law is however subject to a subscription tax ("*taxe d'abonnement*") at the rate of zero point zero one per cent (0.01 %). This subscription tax is payable quarterly on the basis of total net assets of such FCP-RAIF at the end of the relevant calendar quarter (i.e. as at

¹ Parliamentary documents N°2379 p.3, N°3431 p.97 and N°5504 p.8

31 March, 30 June, 30 September and 31 December).

An exemption from subscription tax may be available for certain money market funds, microfinance funds, funds dedicated to pension funds investors and FCP-RAIFs investing in other funds already subject to subscription tax.

No other stamp duty or other tax is payable in Luxembourg on the issue of Units by a Luxembourg FCP-RAIF subject to the 2016 Law.

Payments received by a Luxembourg FCP-RAIF subject to the 2016 Law from investments may be subject to taxes and/or withholding taxes in the countries concerned at varying rates, such (withholding) taxes usually not being recoverable. A Luxembourg FCP-RAIF subject to the 2016 Law may be liable to certain other foreign taxes.

Tax Treatment of the Unitholders of a Luxembourg FCP-RAIF subject to the 2016 Law

Unitholders are in general not subject to any capital gains, income or withholding tax in Luxembourg (except for those domiciled, resident or having a permanent establishment in Luxembourg).

Please note that capital gains realized by non-Luxembourg tax resident shareholders, within six (6) months from acquisition, upon disposal of a substantial shareholding (i.e. more than 10%, directly, or indirectly held via a tax transparent entity) in companies with either their registered office or their principal establishment in Luxembourg, could be taxable in Luxembourg if a relevant double taxation treaty does not allocate the right to tax to the state of residence of the shareholder. Furthermore, capital gains realized by non-Luxembourg tax resident shareholders upon the sale of a substantial shareholding (i.e. more than 10%, directly, or indirectly held via a tax transparent entity) in companies with either their registered office or their principal establishment in Luxembourg, could be taxable in Luxembourg if the shareholder was resident in Luxembourg for more than 15 years and ceased to be resident less than 5 years before the realisation of the gain and if a relevant double taxation treaty does not allocate the right to tax to the state of residence of the shareholder.

As a consequence of the tax transparency of the Fund, dividends paid by Luxembourg companies to the Fund are in principle deemed to be paid directly to Unitholders. Such dividends are subject to withholding tax at the domestic rate of 15% unless (a) the conditions to benefit from the participation exemption as provided for by article 147 of the Luxembourg income tax law are met, (b) a reduced withholding tax rate provided for by a double tax treaty concluded with Luxembourg is applicable or (c) the dividends are paid by Luxembourg companies benefitting from a specific tax regime (e.g. Luxembourg securitisation companies).

Investors should inform themselves of, and when appropriate consult their professional advisers on, the possible tax consequences of subscribing for, buying, holding, or otherwise disposing of Units under the laws of their country of citizenship, residence, domicile or

incorporation.

Common Reporting Standard

The Organisation for Economic Co-operation and Development has developed a new global standard for the annual automatic exchange of financial information between tax authorities (the "**CRS**"). The CRS has been implemented into Luxembourg domestic law via the law dated 18th December 2015 concerning the automatic exchange of information on financial accounts and tax matters and implementing the EU Directive 2014/107/EU (the "**CRS Law**"). The regulation may impose obligations on the Fund and its Investor, if the Fund is actually regarded as a "reporting financial institution" under the CRS. Under this perspective, the Fund could be required to conduct due diligence and obtain (among other things) confirmation of the tax residency (through the issuance of self-certifications forms by the Investor), tax identification number and CRS classification of the Investor in order to fulfill its own legal obligations pursuant to the CRS Law.

Each Investor shall furnish (including by way of updates) to the Fund, or any third party designated by the Fund (a "**Designated Third Party**"), in such form and at such time as is reasonably requested by the Fund (including by way of electronic certification) any information, representations, waivers and forms relating to the Investor (or the Investor's controlling person, if relevant) as shall reasonably be requested by the Fund or the Designated Third Party to assist it in complying with the relevant CRS requirements.

In case of subscription for Units, the Fund, or any Designated Third Party, may request a self-certification form issued by the Investor in order to accept the said subscription.

FATCA

The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act (commonly known as "**FATCA**") generally impose a new reporting regime and potentially a 30% withholding tax with respect to (i) certain US source income (including dividends and interest) and, beginning 1st January 2019, gross proceeds from the sale or other disposal of property that can produce US source interest or dividends ("**Withholdable Payments**") and (ii) beginning no earlier than 1st January 2019, a portion of certain non-US source payments from non-US entities that have entered into FFI Agreements (as defined below) to the extent attributable to Withholdable Payments ("**Passthru Payments**"). As a general matter, the new rules are designed to require US persons' direct and indirect ownership of non-US accounts and non-US entities to be reported to the Internal Revenue Service (the "**IRS**"). The 30% withholding tax regime applies if there is a failure to provide required information regarding US ownership.

Generally, the new rules will subject all Withholdable Payments and Passthru Payments received by a foreign financial institution (an "**FFI**") to 30% withholding tax (including the share that is allocable to non-US investors) unless the FFI enters into an agreement with the IRS (a

"**FFI Agreement**") or complies with the terms of an applicable intergovernmental agreement (an "**IGA**"). Under an FFI Agreement or an applicable IGA, an FFI generally will be required to provide information, representations and waivers of non-US law as may be required to comply with the provisions of the new rules, including, information regarding its direct and indirect US accountholders.

The governments of Luxembourg and the United States have entered into an IGA regarding FATCA (the "**Luxembourg IGA**"), which has been implemented into Luxembourg law by the Law of 24th July 2015 relating to FATCA. Provided the Fund adheres to any applicable terms of the Luxembourg IGA and Luxembourg law implementing FATCA, the Fund would not be subject to withholding or generally required to withhold amounts on payments it makes under FATCA. Additionally, the Fund will not have to enter into an FFI Agreement with the IRS and instead would be required to obtain information regarding accountholders and report such information to the Luxembourg government, which, in turn, would report such information to the IRS.

In certain circumstances, the Fund may redeem the Units of a non-compliant Investor in a Sub-Fund or form and operate an investment vehicle organized in the United States that is treated as a "domestic partnership" for purposes of section 7701 of the Internal Revenue Code of 1986, as amended, and transfer such Units of a Sub-Fund to such investment vehicle. Any tax caused by an investor's failure to comply with FATCA will be borne by such Unitholder.

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

22. AIFMD DISCLOSURE

22.1 Confidentiality

The Management Company has adopted internal procedures designed to protect confidential personal information of investors in the Fund from inappropriate disclosure to third parties.

Each Unitholder shall be prohibited from using for such Unitholder's own private or commercial purposes any confidential, price-sensitive or proprietary information of the Fund, the Sub-Funds or the Management Company, to which such Unitholder may have access by reason of an investment in the Fund, and from disclosing any such confidential, price-sensitive or proprietary information to any third parties, except those employees, principals or agents or professional advisors of the Unitholder whose access to such information is reasonably necessary for such Unitholder's operations and who are bound by similar non-disclosure obligations and except for disclosure to public authorities or other institutions or any competent court upon its specific request, as required by law or regulation, but strictly only to the extent absolutely compulsory under applicable law. Every potential Investor is obliged to inform the Management Company before its subscription about the existence and the content of such disclosure obligations.

22.2 Documents Available for Inspection

Copies of the Management Regulations, the Offering Document and the latest financial statements, including the information required under articles 21(4) and (5) of the 2013 Law, and the latest Net Asset Value of the Fund are available for Unitholders and Investors, free of charge, during business hours on each Business Day at the registered office of the Management Company. For the avoidance of doubt, the Management Company may, in its discretion, limit the access of any Investor in relation to the Offering Document and the latest financial statements to the specific Sub-Fund(s) in which such Investor does not hold Units.

Information on the disclosure to Investors of the Fund pursuant to article 21 of the 2013 Law which is not included in this Offering Document is available at the registered office of the Management Company.

22.3 Risk Management

The Management Company has established and maintains a permanent risk management function that implements effective risk management policies and procedures in order to identify, measure, manage, monitor and report on an ongoing basis all risks relevant to the Fund's and each Sub-Fund's Investment Objectives including in particular market, credit, liquidity, counterparty and operational risks. Furthermore, the risk management process ensures an independent review of the valuation policies and procedures as per article 70 (3) of the AIFM Regulation.

The risk profile of the Fund and each Sub-Fund shall correspond to the size, portfolio structure and their Investment Objectives.

The risk management personnel within the Management Company supervises the compliance of these provisions in accordance with the requirements of applicable circulars or regulation issued by the CSSF or any European authority authorised to issue related regulation or technical standards which are applicable to each Sub-Fund.

22.4 Liquidity Management

Each Sub-Fund will have a liquidity management strategy suited to its investment strategy. The Management Company employs appropriate liquidity management methods and adopts procedures which enable it to monitor the liquidity risk of each Sub-Fund, which includes among other tools the use of stress tests under both normal and exceptional liquidity conditions. The Management Company ensures that the investment and financing strategy, the liquidity profile and the distribution policy are consistent with liquidity needs.

- 22.5 Where appropriate, the Sub-Fund may maintain a liquidity reserve which will be suited to the investment strategy of each Sub-Fund. Details of such a reserve will be specified in the Special Section(s). Any income arising from such liquidity reserve investments is likely to be classified

as "cash and cash equivalents" under Luxembourg law and accordingly would be considered interest income under Luxembourg GAAP.

Voting Rights

The Management Company has developed adequate and effective strategies for determining when and how any voting rights held in each Sub-Fund's portfolios are to be exercised to the exclusive benefit of the relevant Sub-Fund and its Investors.

The strategy for the exercise of voting shall include but will not be limited to the following measures and procedures for:

- monitoring relevant corporate actions;
- ensuring that the exercise of voting rights is made in accordance with the Investment Objectives of the relevant Sub-Fund; and preventing or managing any conflicts of interest arising from the exercise of voting rights.

22.6 Execution Policy

The Management Company acts in the best interests of the Fund, the Sub-Funds and the Investors when executing investment decisions. For that purpose it takes all reasonable steps to obtain the best possible result for the Fund, the Sub-Funds and the Investors, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution of the order (best execution) except in cases where taking into account the type of assets, the best execution is not relevant.

The Management Company shall execute orders in accordance with an execution policy available for investors at the registered office of the Fund and/or upon request.

22.7 Remuneration Policy

The Management Company has established a remuneration policy which shall be applicable to all identified staff members as specified in the AIFM Regulation and the ESMA Guidelines 2013/232. Any relevant disclosures shall be made in the financial statements, if applicable, in accordance with the 2013 Law.

22.8 Jurisdiction, applicable law and enforcement

All matters not governed by this Offering Document or the Management Regulations shall be determined in accordance with the laws and regulations of the Grand Duchy of Luxembourg, including but not limited to the 2016 Law and the 2013 Law.

The relationship between the Unitholders and the Fund and/or the Sub-Funds shall be governed and construed in all respects in accordance with the laws of the Grand Duchy of Luxembourg. Any dispute or controversy between an investor and the Fund and/or the Sub-Funds shall be

submitted to the exclusive jurisdiction of the Courts of Luxembourg City.

The courts of Luxembourg will recognise as valid, and will enforce, any final, conclusive and enforceable civil judgment obtained in a court of an EU Member State in respect of any contracts relating to the Fund where the parties to such contract have submitted to the jurisdiction of the courts of such EU Member State in accordance with applicable enforcement proceedings as provided for in the Regulation (EU) No 1215/2012 of the European Parliament and of the Council of December 12, 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast) (the “**Brussels Regulation**”). The Court of Appeal of Luxembourg may reject the enforceability of a foreign judgment given on the basis of the Brussels Regulation by the district courts of Luxembourg, but only on grounds specified in articles 34 and 35 of the said Brussels Regulation.

In addition Luxembourg is party to the Convention of September 27, 1968 on the jurisdiction and enforcement of judgments in civil and commercial matters (the “**Brussels Convention**”). Therefore judgements obtained from the courts of territories excluded from the Brussels Regulation pursuant to article 355 of the Treaty on the Functioning of the European Union, would be recognised and enforceable by the Luxembourg courts in accordance with the applicable enforcement proceedings provided for in the Brussels Convention.

Luxembourg is also party to the Convention of September 16, 1988 on jurisdiction and the enforcement of judgments in civil and commercial matters (the “**Lugano Convention**”). Judgements obtained in the courts of Iceland, Norway or Switzerland would therefore be recognised and enforceable by the Luxembourg courts in accordance with the applicable enforcement proceedings provided for in the Lugano Convention.

In the absence of any regulation or convention the courts of Luxembourg will recognise as valid, and will enforce, any final, conclusive and enforceable civil judgment obtained against the Fund in the courts of another jurisdiction, subject to and in accordance with applicable exequatur provisions and general Luxembourg rules applicable to the recognition and enforcement of foreign court decisions. Luxembourg courts may reject the enforceability of such a judgment if one or several of the following requirements are not met:

- the foreign court order must be enforceable in the country of origin. The court of origin must have had jurisdiction both according to its own laws and to the Luxembourg conflict of jurisdictions rules;
- the foreign procedure must have been regular in light of the laws of the country of origin;;
- the foreign decision may not violate the rights of defence;
- the foreign court must have applied the law which is designated by the Luxembourg conflict of laws rules, or, at least, the order must not contravene the principles underlying these rules;
- the considerations of the foreign order as well as the judgment as such may not contravene Luxembourg international public order;

- the foreign order may not have been rendered subsequent to an evasion of Luxembourg law (*"fraude à la loi"*).

23. RISK FACTORS

INVESTMENT IN THE FUND IS A HIGH-LEVEL RISK INVESTMENT, SUBJECT TO A NUMBER OF RISKS.

INVESTORS IN THE FUND MUST BE AWARE OF THE FACT THAT SUCH A HIGH-LEVEL RISK INVESTMENT MAY RESULT IN A SITUATION WHERE THE INVESTED AMOUNTS WILL BE PARTLY OR TOTALLY LOST AND THAT INVESTORS MAY NOT BE REFUNDED PART OR ALL OF THEIR INVESTMENT. ANY PAST PERFORMANCE OF THE FUND IS NO ASSURANCE OR INDICATION AS TO THE PERFORMANCE IN THE FUTURE.

An investment in the Fund involves a significant degree of risk. Investment in the Fund is only suitable for those persons who are able to bear the economic risk of the investment, understand the high degree of risk involved, believe that the investment is suitable based upon their investment objectives and financial needs, and have no need for liquidity of investment. There can be no assurance that the Fund's objectives will be achieved or that there will be any return of capital.

Before making an investment decision with respect to Units, prospective investors should carefully consider all of the information set out in this Offering Document, as well as their own personal circumstances. Prospective investors should have particular regard to, among other matters, the considerations set out in this Section. The risk factors referred to in this document, alone or collectively, may reduce the return on the Units and could result in the loss of all or a proportion of an Investor's investment in the Units. The price of the Units can go down as well as up and their value is not guaranteed. Investors may not receive, at redemption or liquidation, the amount that they originally invested or any amount at all.

The risks may include or relate to equity markets, foreign exchange rates, interest rates, credit risk, Counterparty risk, market volatility and political risks. The risk factors set out in this Section are not exhaustive. There may be other risks that a prospective investor should consider that are relevant to its own particular circumstances or generally.

An investment in the Units is only suitable for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

Before making any investment decision with respect to the Units, prospective investors should consult their own stockbroker, bank manager, lawyer, solicitor, accountant and/or financial

adviser and carefully review and consider such an investment decision in the light of the foregoing and the prospective investor's personal circumstances.

Risks related to investment in the Fund Nature of Investment in the Fund

Investment in the Fund requires a long-term commitment, with no certainty of return. Many of the Investments will be highly illiquid, and there can be no assurance that the Fund will be able to dispose of such Investments in a timely manner. Although Investments by the Fund may generate some current income, the return of capital and the realisation of gains, if any, from an Investment will generally occur only upon the partial or complete disposition or refinancing of such Investment. While an Investment may be sold at any time, it is not generally expected that this will occur before a number of years after the Investment is made.

Net Distributable Cash may be retained for reinvestment and be subject to recall by the Fund.

Restrictions on Transfer and redemptions

An Investor may not transfer its Units except with the prior written consent of the Management Company which may be given or withheld at its discretion, and under such conditions as set out in this Offering Document.

Each Investor must be prepared to bear the economic risk of an investment in the Fund.

The Management Company may decline to register any Transfer in accordance with the terms of this Offering Document and, in particular, will so decline (i) if it is not provided with evidence in respect of the proposed transferee which satisfies the anti-money laundering and fight against terrorism financing requirements; or (ii) if the holding of Units by a proposed transferee may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Fund or its Investors as a whole, including without limitation transfer to any Investor that is not a Well-Informed Investor.

Investor giveback

Under certain circumstances, Net Distributable Cash attributable to Investors may be retained and reinvested by the Management Company or used by the Management Company for any purpose permitted under the Offering Document.

Forward Looking Statements

Investors should be aware that the forecasts and projections included in this Offering Document have been based on the analysis of the Management Company. Whilst the Management Company considers the forward-looking statements to be reasonable and

prepared in good faith, the statements do contain an element of subjectivity and there can be no guarantee that they will be correct.

Uncertainty of Actual Returns

The Fund will make Investments based on estimates or projections of internal rates of return and current returns, which in turn will be based on, among other considerations, assumptions regarding the performance of the portfolio, the amount and terms of available financing and the manner and timing of dispositions, including possible asset recovery and remediation strategies, all of which are subject to significant uncertainty. In addition, events or conditions which have not been anticipated may occur and may have a significant effect on the actual rate of return received on the relevant Investments. The assumptions made by the Management Company may not prove to be valid, and may be based in part upon projections of future events which are difficult to predict and beyond the Management Company's control. Investors have no assurance that actual internal rates of return and current returns will equal or exceed the targeted return or that any capital will be returned to them. Past or projected performance is not an indication of future results and no representation or warranty is made as to the returns which may be experienced by Investors. A target return is not equivalent to the rate of return that may be projected to be experienced by an Investor. Investors should conduct their own analysis utilising such factors as they determine to be appropriate in evaluating the risks of an investment in the Fund.

Distributions

There can be no assurance that the operations of the Fund will be profitable, that the Fund will be able to avoid losses or that cash from its operations will be available for distribution to the Investors. The Fund will have no other source of funds from which to pay distributions to the Investors than income and gains received from Investments in the Fund.

Lack of operating history

The Fund will be a newly formed entity, with no significant operating history upon which to evaluate the Fund's likely performance.

General economic and market conditions

The success of the Fund's activities may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws and national and international political circumstances. These factors may affect the level and volatility of security prices and liquidity of the securities and assets held by the Fund.

Unexpected volatility or liquidity could impair the Fund's profitability or result in its suffering losses.

Temporary Investments

Monies paid as contribution may be invested in liquid Investments. Where the Fund has cash subsequent to the disposal or refinancing of an Investment or in connection with the receipt of operating cash-flow from an Investment, the Management Company may invest in liquid Investments all such cash amounts not used to satisfy the Organisational Expenses, pay down debt to other Underlying Funds.

These temporary Investments may produce lower returns for Investors than returns earned by the Investments for the same period.

No Rights to Control the Fund's operation and management

Investors will have no opportunity to control the day-to-day operation and management of the Fund, any Investment, including investment and disposition decisions of the Fund. The Management Company will generally have sole and absolute discretion in structuring, negotiating and purchasing, financing and eventually divesting of Investments. Consequently, the Investors will generally not be able to evaluate for themselves the merits of particular Investments prior to the Fund making such Investments.

Risks related to the Structure and Management of the Fund

Reliance on the Management Company

Decisions with respect to the management of the Fund will be made respectively to their relevant functions by the Management Company. The success of the Fund will depend on the ability of the Management Company to identify reputable Underlying Fund Managers. The loss of the services of employees of the Management Company could have an adverse impact on the Fund's ability to realise its Investment Objective. There can be no assurance that any employees of the Management Company will continue to be affiliated with the Management Company or to provide services to the Fund throughout the Fund's Term.

Without prejudice to Section "Indemnification" of this Offering Document, Indemnified Persons will not be liable to the Fund or its Investors for any act or omission performed by them within the scope of the authority granted to them under this Offering Document or the relevant service agreement, if any, unless such act or omission constitutes fraud, willful misconduct, or gross negligence. Therefore, Investors may have a more limited right of action than they would have without the terms and conditions of this Offering Document. Additionally, the Fund will indemnify Indemnified Persons for any Claims and expenses sustained by such Persons in connection with the Fund in accordance with Section "Indemnification" of this Offering Document.

Investors should note that neither this Offering Document nor the Management Regulations do grant any specific right to vote the removal of the Management Company.

Conflicts of interest

The Management Company is engaged in other business activities in addition to managing and providing advice to the Fund. It is possible that companies with whom they are associated invest by way of co-investment or otherwise in the same issues, placements and investments as the Fund, and under the same or similar conditions. It is also possible that such associated companies may have already invested in these assets or may invest into such assets at a later stage. However, the Management Company will be obliged to act and to give advice in the best interest of the Fund and its Investors.

Potential conflicts of interest should be carefully evaluated before making a subscription for Units in the Fund. By acquiring the Units, each Investor will be deemed to have acknowledged the existence of such actual or potential conflict of interest. Since the potential situations could cause damage to the Investors, the Management Company will ensure that systems, controls and procedures aiming at avoiding damage to Investors are put in place, and that these are adequate to identify, manage and disclose conflicts of interest. Such systems, controls and procedures will be periodically reviewed and amended when necessary. Specific conflicts will be considered by the Management Company as they arise but it is possible that certain conflicts may not be entirely eliminated.

Where conflicts arise, these will be addressed in a fair and reasonable manner. In the event of any affiliated transaction the involved parties will ensure that it is undertaken on an arm's length basis.

Certain Investors may, directly or indirectly through an Associate, may hold Units in the Management Company, as the case may be.

Risk related to Investment

Investment in Underlying Funds – General

The Fund will invest in Underlying Funds. The Investment by the Fund in Underlying Funds may result in a duplication of costs and expenses that will be charged to the Fund, i.e. establishment costs, filing and domiciliation costs, subscription, redemption and conversion fees, Management Fees, performance fees, custodian fees, auditing and other related costs. For Investors, the accumulation of these costs and expenses may result in the Investors incurring higher costs and expenses than would have been incurred in case of direct Investment.

The returns achieved by the Fund will depend in large part on the efforts and performance of the Underlying Fund Managers, although the Management Company will attempt to evaluate

each Underlying Fund based on criteria such as the performance history of such Underlying Fund, and its Underlying Fund Manager, as well as such Underlying Fund investment strategies and its past performance. However, these parameters may not be a reliable indicator of future results, and the Underlying Fund Manager, its key personnel on the investment strategies of PM Target Funds may change at any time without the consent of the Management Company.

(a) Terms of Underlying Funds

The Fund will be required to comply with the terms of the Underlying Funds' offering memoranda and constitutive documents, which may place limits on subscriptions and redemptions, and additionally the liquidation of a Underlying Fund may lead to the compulsory redemption of any shares or interest held by the Fund. Accordingly, the performance of the Fund may not absolutely reflect the performance of the Underlying Funds. In addition, the Fund may not be able to make full or partial withdrawals from a Underlying Fund pursuant to the terms of the limited partnership agreement or other organisational document of such Underlying Fund.

(b) Restricted valuation of investments

Underlying Funds in which the Fund invests may be valued by administrators resulting in valuations which are not verified by an independent third party on a regular or timely basis nor are checked by the Central Administration. Accordingly, there is a risk that (i) the valuations of the Fund may not reflect the true value of Underlying Fund's holdings held by the Fund at a specific time which could result in losses or inaccurate pricing for the Fund and/or (ii) the valuations may not be available on the Valuation Day so that some of the assets of the Fund may be valued on an estimated basis.

(c) Reliance on third party fund management

Neither the Fund nor the Management Company will have an active role in the day-to-day management of the Underlying Funds in which the Fund invests. Moreover, the Fund will generally not have the opportunity to evaluate the specific investments made by any Underlying Funds before they are made. Accordingly, the returns of the Fund primarily will depend on the performance of these unrelated Underlying Fund Managers and could be substantially adversely affected by the unfavorable performance of such Underlying Fund Managers. In addition, the Fund will rely on the calculation and publication of the net asset value of the Underlying Fund in the calculation of the Net Asset Value of the Fund. Accordingly, any delay, suspension or inaccuracy in the calculation of the net asset value of the Underlying Fund will directly impact on the calculation of the Net Asset Value of the Fund.

(d) Operational risk

The Underlying Funds are subject to the usual operational risks associated with the operation of investment funds of that kind. These include the risk of financial loss arising from

transactions, settlement and resource management processes associated with reserves and debt management, including risks such as fraud risk, settlement risk, IT risks, legal risk, accounting risk, personnel risk and reputational risk.

Illiquidity of Investments

The Fund (and the Underlying Funds in which it invests) are likely to invest in companies, the securities of which may never be publicly traded. These Investments may be difficult to value and to sell or otherwise liquidate, and the risk of investing in such companies is generally much greater than the risk of investing in publicly traded companies. Companies whose securities are not publicly traded are not subject to the same disclosure and other investor protection requirements that are generally applicable to companies with publicly traded securities. In addition, there can be no assurance that companies in which the Fund (or the relevant Underlying Fund) invests eventually will list their securities on a securities exchange. To the extent that there is no liquid trading market for these Investments, the Fund (or the relevant Underlying Fund) may be unable to liquidate these Investments or may be unable to do so at a profit. Furthermore, there can be no assurances that private purchasers for the Fund's (or the relevant Underlying Fund's) Investments will be found. In addition, in certain circumstances governmental or regulatory approvals may be required for the Fund (or the relevant Underlying Fund) to dispose of an Investment or the Fund (or the relevant target Fund) may be prohibited by contract or for legal or regulatory reasons from selling an Investment for a period of time.

Non-controlling Investments

The Underlying Funds will hold non-controlling interests in investee companies and, therefore, will have a limited ability to protect their investment in, or control the investment policies of, such investee companies.

Venture Capital

The Underlying Funds may invest in venture capital. Investments with venture capital characteristics typically involve uncertainties that cannot be compared to those arising in the case of other types of investments. In many cases, venture capital investments involve companies that have been in existence for only a short time and which intend to establish themselves in an existing market or occupy new business areas. The business concept behind these companies is usually based on new, innovative products or processes. Consequently, the process of forecasting the performance of such companies, their business concepts and potential sales, is often fraught with uncertainty. The market risks for venture capital are partly dependent on the IPO market. The IPO market constitutes a key instrument for exiting from/selling a venture capital investment. A reduced level of activity on the IPO market may have an adverse, overall influence on the implementation of exit strategies. In view of the different timing of the information provided to a Underlying Fund on the part of individual

venture capital vehicles/companies, it may be the case that from time to time the net asset value of a Underlying Fund does not correspond with the actual overall value of the investments. Consequently, there may be a degree of delay in terms of incorporating information that affects the valuation of a venture capital investment within the valuation of the Fund's assets (and the relevant Underlying Fund's assets).

Contingent liabilities on disposition of Investments

In connection with the disposition of an Investment, the Fund may be required to make representations about such Investment. The Fund also may be required to indemnify the purchasers of such Investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the Management Company may establish reserves.

Foreign currencies and exchange rates

To the extent that the Fund directly or indirectly holds assets in local currencies, the Fund will be exposed to a degree of currency risk which may adversely affect performance. Changes in foreign currency exchange rates may affect the value of securities in the Fund. In addition, the Fund will incur costs in connection with conversions between various currencies. The Fund may hedge its foreign currency in anticipation of foreign investment subscriptions, but will not attempt to hedge other currency risks.

Leverage risk

The Fund may operate with a substantial degree of leverage and certain investment structures in which the Fund invests are not limited in the extent to which they either may borrow or engage in margin transactions. The positions maintained by such investment structure may in aggregate value be in excess of the Net Asset Value of the Fund. This leverage presents the potential for a higher rate of total return but also increases the volatility of the Fund, including the risk of a total loss of the amount invested.

Regulatory risks – General

The operation of the Fund and the tax consequences of an investment in the Fund are substantially affected by a wide range of legal requirements and regulations, and the performance of one or a small number of investments or by the laws, including tax laws of any jurisdiction in which a portfolio company may be organized, formed or incorporated. To ensure compliance with regulations and laws which affect one group of investors, the Management Company, acting reasonably and in good faith, takes actions or omits to take actions which ensure compliance with such regulations and laws. Such actions or omissions may have an adverse effect on certain Investors.

The establishment and operation of the Fund by the Management Company may require certain regulatory approvals. Whilst the Management Company expects such approvals to be forthcoming, there is no certainty that this would in fact be the case. Failure by the Management Company to obtain such approvals, whether in whole or in part, may require the Management Company to utilise other entities and/or individuals than those referred to in this Offering Document for the purposes of carrying out roles in connection with the Fund.

Money laundering

The Management Company or the Central Administration or Depositary may be required by law, regulation or government authority to suspend the account of an Investor or take other anti- money laundering steps. Where the Management Company or the Central Administration or Depositary is required to take such action, the relevant Investor must indemnify the Fund against any loss suffered.

Disclosure of identity

The Management Company or the Central Administration or Depositary may be required by law, regulation or government authority or where it is in the best interests of the Fund to disclose information in respect of the identity of Investors.

Nominee arrangements

The Management Company draws the Investors' attention to the fact that any Investor will only be able to fully exercise his/her/its investor rights directly against the Fund, if the Investor is registered himself/herself/itself and in his/her/its own name in the register of Unitholders. In cases where an Investor invests in the Fund through a nominee, it may not always be possible for the Investor to exercise certain Unitholder rights directly against the Fund. Investors are advised to take advice on their rights.

Tax risks in general

An investment in the Fund involves complex tax considerations in Luxembourg, in the countries in which Investment assets are located, in countries in which Investors are located and possibly in other countries. Some of these tax considerations will differ for particular Investors. Among other things, Investors may be subject to tax on Fund income even if the Fund does not make distributions.

Depending on individual circumstances, the taxation treatment for direct or indirect Investors may differ from the guidance of Section "Tax" of this Offering Document and Investors should obtain advice from their own tax advisers regarding the tax implications for them of holding and disposing of Units and receiving distributions in respect of the Units.

Impact of Further Regulation in the Financial Markets

The recent instability in the financial markets has led to a number of unprecedented actions being taken by governments or their regulatory agencies to support certain financial institutions and segments of the financial markets, which may affect the regulation of the assets in which the Fund invests.

Legislation and regulation may also change the way in which the Fund itself is regulated. If legislation or government regulations impose any additional requirements or restrictions on the ability of financial institutions to make loans, the ability of the Fund to make loans may be adversely affected.

There has been some commentary amongst regulators and intergovernmental institutions on "shadow banking" which is a term taken to refer to credit intermediation involving entities and activities outside the regulated banking system. Since the Fund is an entity outside the regulated banking system and certain of its activities could arguably fall within this definition, it may be subject to regulatory developments. This could increase costs, limit operations and hinder the Fund's ability to achieve its Investment Objectives.

Risk Relating to Solvency II

Directive 2009/138/EC of the European Parliament and the European Council (the "**Solvency II Directive**") came into force on 1st January 2016.

The European Commission under the Solvency II Directive has implemented measures setting out the requirements that need to be met by originators of certain securities in order for an insurance or reinsurance undertaking to be allowed to invest in such securities and that require such insurance and reinsurance undertakings established in the European Union to ensure that certain risk retention requirements are met. Prospective Investors are advised to seek their own professional advice in relation to the Solvency II Directive and its potential impact on their dealings in the Units before investing.

EMIR

The European Market Infrastructure Regulation EU 648/2012 ("**EMIR**") entered into force on 16th August 2012. EMIR and the regulations made under it impose certain obligations on parties to OTC derivative contracts according to whether they are "financial counterparties" such as European investment firms, alternative investment funds, credit institutions and insurance companies, or other entities which are "non-financial counterparties".

Financial counterparties and non-financial counterparties whose gross outstanding notional value of derivative contracts and that of other non-financial counterparties within its "group" excluding eligible hedging transactions within the meaning of EMIR, exceeds certain thresholds

(a "NFC+") will be subject to an obligation (the "**clearing obligation**") to clear through duly authorised or recognised central counterparties all OTC derivative contracts of a designated Class entered into with other counterparties subject to the clearing obligation. The clearing obligation for certain classes of interest rate derivatives in G4 currencies came into effect on 21st June 2016 for the most significant market participants and is subject to certain phase-in periods with respect to other entities. The clearing obligation for certain main European index credit default swaps and interest rate derivatives in certain other currencies has come into effect on 9th February 2017 for the most significant market participants and is subject to certain phase-in periods with respect to other entities.

Financial counterparties and NFC+s will also be required by EMIR to collect initial and variation margin from their counterparties in respect of their non-cleared OTC derivative contracts (the "**margining requirement**") unless they can rely on certain exemptions. The margining requirement is also subject to specific phase-in periods).

Non-financial counterparties whose gross outstanding notional value of derivative contracts and that of other non-financial counterparties within its "group", excluding eligible hedging transactions, is less than certain thresholds (a "NFC-") will not be subject to the clearing obligation and will be exempt from the margining requirement provided their counterparties' risk management procedures so permit.

The Fund is a financial counterparty under EMIR and may therefore be subject to both the clearing obligation and the margining requirement once any applicable phase-in periods have expired except to the extent that an exemption may apply.

Prospective Investors should be aware that the regulatory changes arising from EMIR may in due course significantly increase the cost of entering into derivative contracts and may adversely affect any subsidiary asset-holding vehicle's ability to enter into in scope transactions and therefore the Management Company's ability to implement hedging arrangements with respect to investments.

Alternative Investment Fund Managers Directive

The implementation in jurisdictions within the AIFMD may impose restrictions on the marketing and operation of the Fund and the compliance by the Management Company and the Fund with the requirements of the AIFMD may increase the costs incurred by the Fund.

24. FAIR ALLOCATION POLICIES AND CONFLICTS OF INTEREST

24.1 Fair allocation policies

In exercising its investment management duties, the Management Company treats customers fairly by ensuring fair allocation of investments in accordance with this Section and by setting

up an appropriate conflicts of interest policy.

No client trades are aggregated unless advantageous for all participating clients.

In compliance with article 8(7) of the 2013 Law, the Management Company holds professional indemnity insurance in order to cover potential professional liability risks arising from professional negligence within the frame of its activity as Management Company.

24.2 Potential conflicts of interest

The Management Company, the Sub-Funds or any other existing fund or other entity (or their successors) managed or advised by the Management Company may have conflicts of interest in relation to an investment opportunity allocated between such Sub-Funds or any other existing fund or other entity (or their successors) managed or advised by the Management Company.

The Management Company ensure to have appropriate conflicts of interest procedures in place to manage effectively the application of appropriate governance/controls, to maintain a conflict of interest register and to review it on a regular basis to ensure effective ongoing management of any conflicts.

Where any conflict cannot be resolved in accordance with such procedures, the Management Company shall not proceed in connection with the matter giving rise to the conflict without the approval of the Investors accounting for more than 50% of Units of the relevant Sub-Fund.

Neither the Management Company nor any funds or entities managed or advised by any of it, may engage in other transactions with the Fund and its Sub-Funds except for transactions which are expressly contemplated or approved by the Management Regulations or this Offering Document. Each Investor waives any Claim that they might otherwise have against the Management Company and the Fund in relation to any conflicts resolved, managed or consented to in accordance with the provisions of this Offering Document or the Management Regulations.

On any issue involving actual conflicts of interest, the Management Company will be guided by its good faith judgment as to the Sub-Funds' best interests. Under all circumstances, no Investor shall be favoured over any other Investor for any reason.

Prospective Investors should note that this summary is not and does not purport to be an exhaustive listing or explanation of all actual and/or potential conflicts relating to the Fund and its Sub-Funds. Investors will be deemed to acknowledge the existence of those actual and/or potential conflicts of interest summarised below and that the summary below is not an exhaustive listing or explanation of such conflicts.

The matters considered in this Section should be considered along with other matters discussed elsewhere in this Offering Document, including the matters set forth in the Section "Risk

Factors”.

Transactions involving other clients of the Management Company

The activities or strategies used for other clients of the Management Company could conflict with the transactions and strategies employed by the Management Company in managing the Fund and affect the prices and availability of the Investments in which the Sub-Funds will invest. Such transactions will be executed independently of the Sub-Funds' transactions, and thus at prices that may be more or less favourable. Issuers in whose assets, securities, or instruments a Sub-Fund has an interest may have publicly or privately traded instruments in which the Management Company's clients is an investor. The Management Company's other activities will be carried out generally without reference to positions held by a Sub-Fund and may have an effect on the value of the positions so held, or may result in the Management Company's clients having an interest in the issuer adverse to that of the respective Sub-Fund. In addition, such activities may limit investment opportunities in certain markets and regulated industries in which limitations are imposed upon the aggregate amount of investment by associated investors. The results of the Sub-Funds' investment activities may differ significantly from the results achieved by the Management Company for other clients.

Other Management Company's clients and allocation of investment opportunities

A Sub-Fund may make Investments in companies or other entities in which the Management Company and/or any other of its clients (i) have an investment when the subsequent investment opportunity becomes available to the Sub-Fund, or (ii) are contemporaneously making an Investment. Likewise, the Management Company and/or any other clients may make investments in companies or other entities in which a Sub-Fund (i) has an investment when the subsequent investment opportunity becomes available to the Management Company and/or such other clients, or (ii) is contemporaneously making an investment. Other present and future activities of the Management Company may give rise to additional conflicts of interests.

In relation to the allocation of investment opportunities, the Management Company has procedures in place to seek to ensure appropriate allocations between the Fund, the Sub-Fund's and other of its clients in accordance with its allocation policy from time to time as described above.

Transactions with and Provision of Services the Management Company

In each case to the extent permitted under applicable laws, the Management Company may engage in principal transactions with the Fund.

Notwithstanding the fact that the Management Company will use commercially reasonable efforts to achieve terms for the relevant transaction or additional services that are no less favourable to the Fund than would be obtained on an arm's length basis, it is possible that the resulting terms may, nevertheless, be less favourable from the Fund's perspective than if the

Counterparty had been an independent third party.

The Management Company may receive certain fees for transactions with, or additional services performed for or on behalf of, the Fund, a Sub-Fund or any other Person in which a Sub-Fund holds (directly or indirectly) Investments, provided that any such fees will be on terms no less favourable to the Fund than would be obtained on an arm's length basis, as determined in good faith. The opportunities to receive such fees for transactions or additional services may create a conflict of interest.

Limitations on Investments

As an internal policy matter, the Management Company may from time to time maintain certain overall investment limitations on the securities positions the Management Company will take on behalf of its various clients due to, among other things, liquidity concerns and regulatory restrictions. From time to time, the Management Company may subscribe to or otherwise elect to become subject to investment policies on a firm-wide basis. Investors should recognise that such policies may preclude the Sub-Funds from purchasing particular Investments (including certain securities), even if the same would otherwise meet the Sub-Funds' Investment Objectives, or impose certain requirements with respect to Investments already owned by the Sub-Funds. The foregoing may limit the investment opportunities of a Sub-Fund or require it to divest certain Investments or assets.

Information Barriers

The Management Company will be under no duty or obligation to disclose to, or use for the benefit of, the Fund any information in relation to any transaction in which it, or any Person to whom it owes a duty, has an interest.

In addition, the Management Company may, from time to time receive confidential information relating to an Investment or an investment opportunity that it will not be able to disclose to Investors or use for the benefit of the Fund.

The Management Company and the Fund have appropriate information barriers in place to ensure the protection of confidential information.

Allocation of personnel, other activities and investment team

The Directors, officers and employees of the Management Company will devote such time as they each respectively in good faith deem necessary to effectively carry out the operations of the Fund. Directors, officers and employees of the Management Company may manage or advise other clients, and will also work on projects for, and be employed by other clients and may spend a significant portion of their time on matters unrelated to the Fund and the Investments of the Sub-Funds. Conflicts of interest may arise in allocating management time, services or functions among the Management Company. Nothing herein will prevent the

Management Company from allocating the time of such Directors, officers or employees, or from dismissing them, as it thinks fit.

Conflicts associated with Investments

Members, partners, officers or employees of the Management Company may serve as directors of companies engaged in the same type of transaction as the Fund and, in that capacity, will be required to make decisions that consider the best interests of the relevant company and its shareholders. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a company, actions that may be in the best interests of such company may not be in the best interests of the Fund, and vice versa. Accordingly, in these situations, there will be conflicts of interests between such an individual's duties as a director, officer or employee of the Management Company and their duties as a director of such company.

Interests of different Investors

Different Investors may have conflicting investment, tax and other interests with respect to their interests. The conflicting interests may relate to or arise from the nature and structuring of the Investments, the method or timing of their disposal etc. Consequently, in selecting Investments appropriate for a Sub-Fund, the Management Company may make decisions which may be more beneficial for one Investor than for another Investor. In this regard, the Management Company will consider the Investment Objectives, tax and other objectives of the Sub-Fund as a whole, not the investment, tax or other objectives of any Investor individually.

Investors' interests in the Investments

An Investor or its Associate and any of their respective directors, officers or employees (each an "**Investor Connected Party**") may seek to invest in a Sub-Fund's Investments directly or via a separate investment mandate with a third party adviser. In other circumstances, a Sub-Fund may be offered an opportunity to invest in an Investment in which Investors or Investor Connected Parties hold pre-existing interests or occupy positions on the board of directors, or key management positions.

Where a Sub-Fund invests in an Investment in which any Investor or Investor Connected Party holds a prior interest (as outlined in the paragraph above), they may have conflicting interests and investment objectives. The Investor or Investor Connected Party may also be able to access more confidential information with respect to the Investment than would otherwise be made available to or enjoyed by Investors as a whole.

Where an Investor or an Investor Connected Party is a director or a key management executive of an Investment, they may have an even greater access to sensitive commercial information relating to the operation and investment strategies of an Investment as compared to other Investors or even the Fund itself.

Investment in Underlying Funds managed by entities linked to the Management Company

The Fund may invest in Underlying Funds that are managed by entities in which the Management Company may have a direct or indirect shareholding.

Relationship between the Fund and the Depositary

The Depositary and its Associates engage in a broad spectrum of activities which are not exclusive to the Fund. Instances may arise where the interests of the Depositary conflict with the interests of a delegate or with the Management Company or the Fund. If a conflict of interest does arise, the Management Company will endeavour to ensure that it is resolved fairly, taking into account the respective interests of the entities involved.

Legal Representation

NautaDutilh Avocats Luxembourg S.à r.l. and any other legal counsel retained in connection with the organisation and operation of the Fund may represent the Fund (including the Management Company) in a variety of matters. In connection with the organisation or operation of the Fund, the Fund has not previously engaged counsel. This law firm is not representing the Investors.

25. DISSOLUTION AND LIQUIDATION

Without prejudice to the legal grounds of dissolution and liquidation as foreseen under Luxembourg laws (especially but not exclusively the 2016 Law), the Management Company is authorised, taking into account the interests of Unitholders, to take the decision to liquidate a Sub-Fund in the event that for any reason the value of the assets in any Sub-Fund has decreased to an amount determined by the Management Company from time to time to be the minimum level for such Sub-Fund to be operated in an economically efficient manner or in the event of change in the economic or political situation.

The Fund may, in awaiting the implementation of the decision to liquidate, continue to repurchase Units of the Sub-Fund concerned at the price of the Net Asset Value which is established so as to take account of the costs of liquidation, but without deduction of a repurchase commission or of any other deduction whatsoever. The activated establishment costs are to be fully amortized once the decision to liquidate is taken.

Assets which have not been distributed to eligible parties on the date of completion of the liquidation of the Sub-Fund must be deposited with the *Caisse de Consignation*.

Each Sub-Fund of the Fund may be separately liquidated without such separate liquidation resulting in the liquidation of another Sub-Fund. Only the liquidation of the last remaining Sub-Fund shall result in the final liquidation of the Fund.

26. MERGER AND REORGANISATION

Merger of the Fund, Sub-Funds or Classes

The Management Company may decide to merge, in accordance with applicable laws and regulations, the Fund, a Sub-Fund or Class of Units (the **"Merging Entity"**) with (i) another Sub-Fund or Class of Units of the Fund, or (ii) another Luxembourg specialized investment fund, within the meaning of the Luxembourg law of 13 February 2007 on specialised investment funds, as amended (**"SIF"**) or sub-fund or share class thereof, or (iii) another Luxembourg undertaking for collective investment (**"UCI"**) organised under the 2010 Law or sub-fund or share class thereof, or (iv) another Luxembourg reserved alternative investment fund or sub-fund or share class thereof, or (v) another foreign UCI or sub-fund or share class thereof (the **"Receiving Entity"**) in the event that, for any reason, the Management Company determines that:

- i. the Net Asset Value of the Merging Entity has decreased to, or has not reached, the minimum level for that Merging Entity to be managed and/or administered in an efficient manner,
- ii. changes in the legal, economic or political environment would justify such merger, or
- iii. a product rationalisation would justify such merger,

by transferring the assets and liabilities from the Merging Entity to the Receiving Entity, or by allocating the assets of the Merging Entity to the assets of the Receiving Entity, or by any other method of merger, amalgamation or reorganisation, as may be applicable, and, following a split or consolidation, if necessary, and the payment to investors of the amount corresponding to any fractional entitlement, by re-designating the shares of the Merging Entity as shares of the Receiving Entity, or by any other method of reorganisation or exchange of shares, as may be applicable.

Investors of the Merging Entity will be informed of the merger by way of a notice sent prior to the merger in accordance with applicable laws and regulations.

Absorption of another fund or Sub-Fund or Class

The Management Company may decide to proceed, in accordance with applicable laws and regulations, with the absorption, including by way of merger or by acceptance of a contribution in kind, by the Fund or one or several Sub-Funds or Classes of (i) another Luxembourg SIF or sub-fund or share class thereof, or (ii) another Luxembourg UCI organised under the 2010 Law or sub-fund or share class thereof, or (iii) another Luxembourg reserved alternative investment fund or sub-fund or share class thereof, or (iv) another foreign UCI or sub-fund or share class thereof (the **"Absorbed Entity"**).

Division of Sub-Funds or Classes

Under the same conditions and procedure as for a merger of Sub-Funds or Classes into another Sub-Fund or Class of the Fund, the Management Company may decide to reorganise a Sub-Fund

or Class by means of a division into two or more Sub-Funds or Classes.

27. AMENDMENTS TO THE OFFERING DOCUMENT AND MANAGEMENT REGULATIONS

Unless otherwise provided for in the Special Section of a Sub-Fund or in this Offering Memorandum where a Special Consent is required, the Management Company may amend the provisions of this Offering Document as follows:

- a) where the change is determined by the Management Company not to be material, upon decision of the Management Company;
- b) where the change relates to a Specific Section relating to a Sub-Fund and such change is determined to be material (which for the avoidance of doubt, includes any change to the fee structure which could adversely affect Unitholders of such Sub-Fund) only following Unitholder Consent;
- c) where the change relates to the Fund's General Section of this Offering Document and is determined by the Management Company to be material, only following Unitholder Consent.

Unitholders will be notified by the Management Company of all amendments that are adopted without their consent in accordance with the foregoing paragraph.

Notwithstanding the above and anything to the contrary in this Offering Document, in any Sub-Fund where there is one single Unitholder, any change to a Specific Section relating to a Sub-Fund or the terms of the Fund's General Section having an impact on the relevant Sub-Fund will be subject to Unitholder Consent.

28. FINANCIAL YEAR AND ANNUAL REPORTS

The Fund's Financial Year begins on 1st January and closes on 31st December of each year.

The first Financial Year of the Fund began on the date of its incorporation and ended on 31st December 2021. The Fund's first annual report will be published for this first Financial Year.

The Fund's annual reports are prepared in accordance with the principles of Lux GAAP and Luxembourg law. The first annual report shall be published in respect of the first Financial Year.

The accounting information provided in the annual reports of the Fund shall be examined by one or several authorised independent auditors (*réviseur d'entreprises agréé*) appointed by the Management Company which shall be remunerated by the Fund.

The Fund's annual reports will be distributed to the Unitholders within six (6) months after the end of the financial year and include all information owed under the AIFM Directive.

Further information on any reporting will be provided in the Special Section(s).

29. ESG CRITERIA AND SUSTAINABILITY RISKS

General approach to ESG criteria and sustainability risks

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**”).

Article 6 of the SFDR requires that the Management Company discloses the manner in which sustainability risks are integrated into investment decisions with respect to the Fund and the results of the assessment of the likely impacts of sustainability risks on the returns of the Fund, and where the Management Company deems sustainability risks not to be relevant, the description shall include a clear and concise explanation for this.

Except when a specific Sub-Fund investment strategy states that ESG criteria and sustainability risks are not relevant, ESG criteria and sustainability risks are generally taken into account and Sub-Funds use certain ESG (environmental, social, governance) criteria in their investment process.

Except if stated otherwise in the Sub-Funds’ respective investment policies, the 3 ESG factors (environmental, social, governance) are given equal weight and none of the 3 factors is favoured.

Environmental criteria are criteria such as those related to climate change (production processes that do not generate detrimental effects on climate, reduction in fossile energy consumption / production), sustainable use and protection of water and marine resources, pollution prevention and control, protection and restoration of biodiversity and ecosystems.

Social criteria may be, in a non-exhaustive way, criteria related to labour conditions (labour management, relations, equal promotion, equal / fair salaries, health and safety at work) or to product liability, to products contradicting ESG criteria (weapons, drugs) or to the society to which a company / entity belongs (gender equality, social cohesion and integration, attention to socially disadvantaged communities, nutrition, health and education).

Governance criteria are criteria at the level of a company / entity (competence and availability of directors, presence on the Board of independent directors, transparency and reasonableness of compensation of directors, managers, decision makers, business ethics, transparent accounting, anti-competitive practices, tax transparency)

A positive ESG screening is normally performed on companies / entities at the time of their acquisition. Such screening may be qualitative or also quantitative, in such case, usually based on an ESG scoring.

ESG data providers may be used. Different ESG Sub-Funds may use different ESG data providers and may apply ESG criteria in different ways.

The manner in which Sustainability Risks are integrated into the investment decisions

Sustainability risks are also taken into account unless mentioned otherwise. Sustainability risks are identified and assessed at the level of the specific companies / entities.

"**Sustainability Risks**" are environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment. Risks that may be considered are, in a non-exhaustive way: environmental events, floods, storms, water or energy disruption, reputational risk, labour movements generated by unfair labour treatment or bad health conditions in the Fund, corporate malpractice and poor governance.

The assessment of sustainability risks at company / entity level may be qualitative or a quantitative, in such case, usually based on a scoring.

It should be noted however that, although sustainability risks are assessed for single companies, investments in such companies is nevertheless possible, based on other considerations.

The likely impacts of Sustainability Risks on the returns of the Sub-Funds

The Management Company believes that Sustainability Risks may have an impact on the performance of the strategy. Whilst it is recognized that investing in companies with Sustainability Risks may be potentially detrimental to the performance of a Sub-Fund, the Management Company also sees improvements in managing sustainability issues by companies as an opportunity to enhance corporate value and to realise the upside potentials.

The Management Company therefore believes that the Fund can achieve their long-term risk adjusted returns by encouraging investee companies to address material sustainability issues through constructive engagement, while taking into consideration both the Sustainability Risks and the opportunities.

Adverse sustainability impacts

The Management Company continues to review and consider 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.

At the date of the Prospectus and following the entry into force from January 1st, 2023 of the Commission Delegated Regulation (EU) 2022/1288 (the "RTS") the Management Company considers that, in the context of the investment strategies of the Fund, it is not possible to conduct detailed diligence on the principal adverse impacts of the Sub-Fund Manager's investment decisions on sustainability factors.

Promotion of certain environmental and social characteristics

Where indicated in a specific Sub-Fund investment policy, such Sub-Fund may choose to promote certain environmental and social characteristics and good governance practices.

In such case, the Sub-Fund must detail the following points:

- specification what environmental and/or social characteristics are promoted by the Sub-Fund;
- specification whether the Sub-Fund invests (partially or not) in “sustainable investments”, as defined by the SFDR / Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment ("**Taxonomy Regulation**");
- indication of what sustainability indicators are used to measure how the environmental or social characteristics promoted by the Sub-Fund are attained;
- specification whether the Article 8 investment procedure is binding on the Management Company and the Sub-Fund Manager;
- explanation with regard to “good governance” practices (mandatory to qualify as Article 8 under the SFDR);
- explanation whether or not an index/benchmark is followed.

SPECIAL SECTION — THE SUB-FUNDS

The information contained in these Special Section(s) is supplemental to that provided in the General Section above and should always be read together with the General Section. These Special Section(s) provide(s) for additional material terms governing each Class in each Sub-Fund, including without limitation and as applicable the target size, Class(es) in issue, issue price, minimum subscription amount and charges to the Sub-Fund.

At the date of this Offering Document, the following Sub-Fund exists:

LONG TERM INCOME FUND

VALUE FLEXIBLE STRATEGY

STRATEGIC GLOBAL OPPORTUNITIES

LONG TERM INCOME FUND

INVESTMENT OBJECTIVES

The investment objective of the Sub-Fund over time is to preserve and increase the real value of its capital with a moderate level of risk.

The Sub-Fund also has the objective to produce an annual income to be distributed to its Unitholders in the minimum proportion of two point five per cent (2.5%) of the NAV per Unit of the Sub-Fund.

The Sub-Fund promotes environmental, social and governance (ESG) characteristics. Further details in paragraph "SUSTAINABILITY RISK AND ESG CRITERIA PROMOTED" below, and it qualifies as art. 8 SFDR.

INVESTMENT POLICY

In pursuing this objective, the Sub-Fund Manager will allocate capital to a diversified set of asset classes, ranging from liquidity, to fixed income, to equity and to alternative investments.

The geographical scope of the Sub-Fund is global, and the related currency exposure will be accepted or hedged according to the appropriate risk balancing of the overall asset allocation. The main geographical focus, i.e. more than fifty percent (50%) of the Sub-Fund's assets, is on developed market, but the Sub-Fund can also invest in emerging markets.

Following a disciplined investment process and according to efficiency criteria, each asset will be represented either by a selection of direct financial securities (both listed and unlisted) or by exchange traded funds or by actively managed UCITS and UCIs.

The use of derivative instruments will be functional to protect performance, to improve the efficiency of capital allocation and to achieve a more convex return profile.

The Fund shall not purchase more than twenty-five per cent (25%) of units of the same UCITS and/or other UCI.

For the equity component of the Sub-Fund:

- The overall equity exposure of the Sub-Fund will not exceed fifty-five per cent (55%), considering not only direct securities, but also exchange traded funds ("ETFs"), Underlying Funds and derivatives;
- Most of the exposure will be achieved through direct equity investments, mainly focused on large and medium capitalization companies, listed in both developed and emerging countries;
- Depending on the market environment, the direct equity exposure may have a focus on high dividend stocks or on growth stocks;

- The Sub-Fund's equity portfolio will be built to achieve, to the extent possible, an appropriate diversification by geography and sector. The total amount of equity investment held by the Sub-Fund in any issuers will be less than seven per cent (7%) of the total assets of the Sub-Fund.

For the bond component of the Sub-Fund:

- The Sub-Fund will not invest more than fifty per cent (50%) of its net assets in fixed income instruments or other transferable securities of the same nature also including ETFs, Underlying Funds and derivatives.
- Bonds will be issued by governments, states, local authorities, international authorities, financial institutions or corporations, both high yield and investment grade;
- Countries of issue will be mainly in developed markets, with the possibility to invest also in emerging and frontier markets (maximum fifteen per cent (15%) of the total assets of the Sub-Fund);
- The Sub-Fund will have a maximum net exposure to High Yield rated bonds equal to twenty-five per cent (25%) of the total assets of the Sub-Fund.
- The Sub-Fund will have a maximum net exposure to High Yield ABS, MBS, CoCo Bonds, securitization and Distressed Debts, equal to twenty per cent (20%) in aggregate.

For the alternative component of the Sub-Fund:

- The exposure to alternative investments will be achieved through actively managed Underlying Funds. These will be selected both from the liquid UCITs universe and from a series of alternative Underlying Funds dedicated to private markets;
- Exposure to private markets instruments will not represent more than thirty-five per cent (35%) of total assets at the time of investment. It will be achieved through Underlying Funds both listed and unlisted, regulated and non-regulated, that have as their purpose the collective investment in:
 - o Private Debt: financial instruments issued by companies including bonds, bills of exchange, other types of debt financial instruments, as well as loans, in the form of private negotiations.
 - o Private equity: investments in companies that are not listed on regulated markets.
 - o Real assets: infrastructure, real estate and natural resources (farmland, timber, etc...)
- Any investment in real estate or private equity will only be made through Underlying Funds.
- Within the more liquid group of alternative investment, the Sub-Fund will not invest more than thirty per cent (30%) of its net assets in a diversified portfolio of Underlying Funds that will mainly pursue absolute return strategies including, but not limited to:

- Event driven strategies
- Long-short strategies
- Relative value strategies

The Sub-Fund shall limit its allocations to a single asset or Underlying Fund of an illiquid nature to 15% of its NAV.

The Sub-Fund shall limit to a maximum of thirty-five (35%) of the NAV investments with a longer liquidity horizon than the maturity of the relevant Lock-Up Period, as defined below.

SUSTAINABILITY RISK AND ESG CRITERIA PROMOTED

According to Section "*ESG CRITERIA AND SUSTAINABILITY RISKS*" of the General Section, including its section on "*Promotion of certain environmental and social characteristics*", this Sub-Fund promotes social and environmental characteristics as detailed below.

The investments underlying this Sub-Fund do not take into consideration the environmental objectives as defined by Regulation 2020/852 (EU Taxonomy) for environmentally sustainable economic activities.

Environmental and/or social characteristics

This Sub Fund promotes environmental or social characteristics but does not have as its objective a sustainable investment. The promotion of environmental and social characteristics is general and not focused on specific characteristics.

Sustainable Investments

The Sub-Fund Manager considers environmental, social and governance (ESG) criteria when assessing investment risks and opportunities and invests partially in sustainable investments as defined in the SFDR.

Sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by the Sub-Fund

The Sub-Fund's environmental and social objectives are measured by:

- the acquisition of ESG data from external recognized providers which ensure a large coverage and access to the very latest ESG information rating,
- an internal ESG valuation.

ESG Investment Strategy

With reference to investments in **direct equity securities**, the Sub-Fund's ESG investment strategy is based on the following approach:

- **EXCLUSIONARY SCREENING:** through this screening the Sub-Fund investment process excludes certain companies, sectors and activities that conflict with group's ESG values and are fundamentally, financially and ESG unsustainable. As an example, companies belonging to the categories, listed hereinafter, are excluded from the investible universe of the Sub Fund:
 - companies that operate in controversial sectors.
 - companies that do not comply with the 10 Principles of the United Nations Global Compact,
 - companies involved in business with governments of countries where serious violations of human rights are verified, or a collapse of the governance structure takes place.

The Sub-Fund's ESG Policy (available at www.ersel.it) describes more in detail the "Exclusionary Screening" methodology.

- **POSITIVE SCREENING:** within the investible universe, the Sub-Fund Manager selects companies, among the ones with an equal financial profile, that:
 - have an ESG rating higher than a certain threshold or a better rating in each category /sector, relative to the other comparable issuers.
 - have a good momentum in terms of improving the ESG rate, according to the methodology described in the Sub-Fund's ESG Policy.

With reference to investments in **direct debt securities**, the Sub-fund's ESG investment strategy is based on the following approach:

- **POSITIVE SCREENING:**
 - a) Independent of the ESG rating of the issuer company, all debt securities originally issued with a recognized specific objective, such as:
 - green bond;
 - social bond;
 - sustainability bond

In the absence of formally recognized criteria, the [Management Company and the Sub-Fund Manager] generally refers to the definitions of these instruments provided by the International Capital Market Association (ICMA)

- b) In case the issuer of a debt security is rated by the ESG provider utilized for equity securities, the same process described for equity securities will be applied in order to decide for inclusion in the portfolio

With reference to investments in **Underlying Funds**, only funds and ETFs classified as "Article 8 and 9 funds" under the Sustainable Finance Disclosure Regulation" (SFDR) pass the positive screening.

- **NEGATIVE SCREENING**

Some companies may meet the eligibility for portfolio inclusion from a financial analysis perspective, however, their ESG rating may be non-existent because it is not covered by ESG data and analysis providers or is missing in many of its key components. In these cases, if the management team believes the fundamentals are attractive and the ESG profile, based on the due diligence conducted, is coherent with the ESG policy of EGI, they may consider allocating them to the portfolio.

The maximum overall exposure to both financial instruments of issuers without an ESG rating and to Funds and ETFs not classified as "Articles 8 or 9" under the SFDR may not exceed twenty five percent (25%) of the total assets of the Sub-Fund.

- SUSTAINABILITY

In addition, Long Term Income Fund pays explicit attention to sustainable Impact Metrics. In fact, Long Term Income Fund aims to have at least a minimum threshold of revenue of the underlying issuers exposed to sustainable impact solution. The threshold and the methodology are specified in the Sub-Fund ESG Policy.

Binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product

The binding elements of the investment strategy are directly linked to the screening criteria described above, which are defined and further detailed in Sub-Fund's ESG Policy (available at: www.ersel.it).

Good Governance Policy

Information on good governance is collected during the due diligence process in order to select companies with best governance practices. Analysis of the ESG profile of an investment is also monitored on an ongoing basis during the life cycle of the investment in order to identify potential negative factors that could threaten the value of an investment.

The Engagement Policy, published on the website www.ersel.it, describes more in details the process that ensures the respect of good governance practice.

Principal Adverse Impact (PAI)

The Sub-Fund does not take into consideration the principal adverse impact on sustainability factors of its investment decisions.

For further information about the reasons the PAI are not taken into consideration, please refer to the Section "ESG CRITERIA AND SUSTAINABILITY RISKS" of the General Section.

Reference Benchmark

Taking into account the objective set out above in investment objective section, The Sub-Fund does not have a specific index designated as a reference benchmark.

The integration of ESG is systematically embedded into the Sub-Fund investment process, and, as part of the Sub-Fund Manager's due diligence and research process, investment professionals are required to report their ESG analysis in an investment memorandum for each investment. Investment professionals have access to a combination of external and internal ESG data in order to complete their investment ESG analysis. All engagement activities are monitored and documented internally. In addition, each investment is discussed and reviewed during the Investment Committee providing an opportunity to discuss, inter alia, ESG aspects, and ensure insights are strategically identified.

Further details on the investment strategy can be found on the Sub-Fund's ESG Policy (available at: www.ersel.it).

PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is addressed to institutional investors with a particular focus on non-profit foundations. Investors should have a long-term investment horizon, at least equal to an entire economic cycle (between 5 and 10 years).

REFERENCE CURRENCY

The reference currency of the Sub-Fund is the Euro. The Sub-Fund will have, in aggregate, a maximum exposure of forty per cent (40%) to any other currency. The Sub-Fund may use derivatives to comply with the aforementioned limits.

LEVERAGE

The Sub-Fund may use financial techniques and derivative instruments in order to promote an efficient portfolio management and for hedging risks, in accordance with the restrictions set forth in the "Financial techniques and instruments" chapter of the Offering Document.

The maximum expected level of leverage when using the commitment approach method shall not exceed two hundred percent (200%) of the NAV of the Sub-Fund.

The maximum expected level of leverage when using the gross method shall not exceed three hundred percent (300%) of the NAV of the Sub-Fund.

OVERALL RISK ASSESSMENT METHOD

The Sub-Fund will use both the commitment and the gross approach to calculate its overall risk.

BORROWING

The Sub-fund may in addition borrow up to thirty per cent (30%) of the NAV to face redemptions or to finance investments pending receipt of Unitholders' subscriptions.

USE OF SECURITIES LENDING

The maximum proportion of assets under management of the Sub-Fund that can be subject to securities lending is one hundred per cent (100%) of the NAV of the Sub-Fund.

The current expected proportion of assets under management of the Sub-Fund that will be subject to securities lending is no more than fifty-five per cent (55%) of the NAV of the Sub-Fund.

UNITS AND FEES

There are three (3) Classes of Units:

Unit Class	Units	Currency	Minimum initial subscription	Minimum subsequent subscription	Management Fees (at a max. annual rate)
Class A:	Distribution	EUR	10,000,000	1,000,000	0.70%
Class B:	Distribution	EUR	1,000,000	100,000	0.90%
Class C:	Distribution	EUR	125,000	50,000	1.20%

No fee will be applied to subscriptions, redemptions or conversions into units of this Sub-Fund.

The fee will be accrued on the NAV of the Sub-Fund and will be paid quarterly in arrears.

SUBSCRIPTION, REDEMPTION, LOCK-UP PERIOD AND GATE

Subscriptions:

Applications for subscription to the Sub-Fund's Units are quarterly subject to a fifteen (15) calendar days' notice and in accordance with the rules described in the General Section;

Redemptions

- Redemption requests shall be submitted ninety (90) calendar days prior to the Valuation Day.

The redemption proceeds will be settled as soon as reasonably practicable and normally within seven (7) business days after the Calculation Date of the Net Asset Value applicable to the redemption.

Lock-Up Period

Each new subscription in the Sub-Fund is divided into two parts:

- "liquid part" (65%) of the number of subscribed Units, which follows the redemption rules defined in the previous paragraph
- "illiquid part" (35%) of the number of subscribed Units, which is subject to a Lock-up Period of five (5) years, from the date of the subscription of the Units, which prevents Unitholders from selling, redeeming, offering, transferring, pledging Units or otherwise dispose of Units. At the end of the Lock-Up Period, the Units may be redeemed, provided that the redemption request is submitted twelve (12) months before the end of the Lock-up Period. If no redemption request has been submitted in accordance with the rules described in this paragraph, the Lock-Up Period will be automatically renewed for a period of three (3) years. At the end of this second Lock-Up Period, the Units may be redeemed, provided that the

redemption request is submitted twelve (12) months before the end of this second Lock-up Period. If no redemption request has been submitted in accordance with the rules described in this paragraph, the Lock-Up Period will be automatically renewed for a period of three (3) years with the right for the Unitholders to request the redemption of their Units submitted twelve (12) months before the end of the relevant Lock-up Period .

Gate

In the event that the Sub-Fund receives, on each Valuation Day, aggregate redemption requests (valid according to lock up provisions) that exceed 10% of the Sub-Fund's NAV, the Management Company may decide to defer (on a pro rata basis) the part exceeding the 10% to subsequent or future Valuation Days until the request is processed in full. Taking this situation into account, there is no guarantee, for a Unitholder, that the requested redemption can be (fully) effected at the requested date.

SUSPENSION OF REDEMPTIONS

In accordance with section 18.2 "Temporary suspension of the calculation of the Net Asset Value" of the General Section, the Management Company may at any time suspend the redemption of Units where it considers that it is in the interests of all Unitholders to suspend redemptions temporarily in order to permit an orderly realisation of the assets of the Sub-Fund necessary to effect redemptions.

HISTORICAL PERFORMANCE

There is insufficient data to provide a useful indication of past performance to Investors as the Sub-Fund has been recently launched.

STRATEGIC GLOBAL OPPORTUNITIES

INVESTMENT OBJECTIVES

The investment objectives of the Sub-Fund is to offer investors the opportunity to participate in the returns of a diversified portfolio composed mainly by transferable securities and collective undertakings for investment in transferable securities (UCITSs) and/or other Alternative Investment Funds (AIFs).

INVESTMENT POLICIES

The aim of the Sub-Fund is to make its capital grow by investing mainly in different classes of international transferable securities, including but not limited to equities and bonds, and in money market instruments with duration of less than twelve months, mainly through Undertakings for Collective Investments in Transferable Securities (UCITS) and/or other Alternative Investment Funds (AIFs).

The investment policy pursued under the management of the Sub-Fund is flexible and balanced. The exposure to the various asset classes as equities or bonds will therefore vary depending from the market conditions. It is expected, however, that the Sub-Fund will have a relevant exposure to equities, and that in normal market conditions more than 20% of the net assets of the Sub-Fund will be exposed to equities. The Sub-Fund may make all of its equity or its bonds investments via UCITS and/or AIF.

The Sub-Fund may also have a relevant concentration in a single transferable security, with a maximum of 20% of its net assets directly in a single transferable security.

The Sub-Fund may hold liquid assets and may use financial techniques and instruments in order to promote an efficient portfolio management in accordance with the restrictions set forth in the Company's Prospectus.

It will be possible that the Sub-Fund will invest in funds which are themselves aimed at investing their assets in open-end undertakings for collective investment, insofar as such an investment contributes to the realisation of capital gains pursued by the Sub-Fund, taking into account the specific costs relating to this type of investment. Investment in UCIs which are themselves geared to investing their assets in other UCI units must not exceed 70%.

The Sub-Fund may also invest in Alternative Investment Funds and, generally speaking, in assets with valuation timing longer than weekly, up to 30% of its Net Asset Value in order to capture any potential market opportunity that will arise.

However, the Sub-Fund may invest directly in funds, shares, bonds, money market instruments and derivatives of any kind and nature to complete its portfolio by adapting to the situations on the market.

The Sub-Fund may also use a leverage effect. The maximum expected level of leverage is 200% of the net assets according to the commitment methodology.

Investors are advised that the investment in funds which are themselves geared to investing their assets in open-end undertakings for collective investment may entail double or triple the costs.

Investors should also bear in mind that resorting to options entails a sizeable risk, as they are subject to a high degree of volatility.

Investors should also bear in mind that the Sub-Fund could invest a portion of the portfolio in assets with a liquidity profile not coherent with the liquidity offered to the Investors and so this could create issues in situations with sensible change in the AUM of the Sub-Fund and in particularly stressed markets.

There can be no assurance that the Sub-Fund's investment objectives and policies will be achieved

SUSTAINABILITY RISK AND ESG CRITERIA TAKEN INTO ACCOUNT

The Sub-Fund takes into account the sustainability risks in its investment decisions and the ESG criteria as defined and described in the section headed "*ESG CRITERIA AND SUSTAINABILITY RISKS*".

The investments underlying this Sub-Fund do not take into consideration the environmental objectives as defined by Regulation 2020/852 (EU Taxonomy) for environmentally sustainable economic activities.

PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is addressed to well informed and institutional investors. Investors should have a medium-term investment horizon (between 2 and 5 years).

REFERENCE CURRENCY

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

LEVERAGE

The maximum expected level of leverage when using the Commitment Approach Method shall not exceed two hundred per cent (200%) of the Net Asset Value of the Sub-Fund.

The maximum expected level of leverage when using the Gross Method shall not exceed three hundred per cent (300%) of the Net Asset Value of the Sub-Fund.

OVERALL RISK ASSESSMENT METHOD

The Sub-Fund will use both the commitment and the gross approach to calculate its overall risk.

USE OF SFT AND TRS

There are currently no assets under management that will be subject to SFT and TRS, as the Sub-Fund does not contemplate to make use of SFT and TRS within its structural investment strategy. However, in exceptional circumstances the maximum proportion of assets under management of the Sub-Fund that can be subject to SFT and TRS will be as follows:

Securities lending	10%
Securities borrowing	10%
Repurchase agreements	10%
Reverse repurchase	10%
TRS	30%
Liquidity swaps	10%

DEALING DAY

The NAV per Unit of the Sub-Fund is calculated weekly every Monday (Calculation Date) based on the asset value of the previous Friday (Valuation Day).

The Dealing Day is the Business Day prior to the Calculation Date. The subscription and redemption lists are closed at 4 p.m. CET on the dealing day.

CHARGES

No sales charge and no redemption fee will be applied in respect of the Sub-Fund.

SUBSCRIPTIONS

The minimum holding amount is EUR 125,000. Subsequent subscriptions are not subject to a minimum amount.

REDEMPTIONS

Redemptions are not subject to a minimum amount. Shares can be redeemed at each dealing day.

FEES AND EXPENSES OF SUB-FUND

The Sub-Fund will pay a quarterly management fee in arrear to the AIFM equivalent to a maximum of 0.35% p.a. calculated on the average of the net assets of the Sub-Fund during the quarter considered ("**Management Fee**"). The maximum level of Management Fee that the Sub-Fund will pay to the AIFM will be in any case equal to 60.000 per annum. Subscribers are advised that the funds in which all or part of the assets of this Sub-Fund will be invested are often themselves liable for a consultancy or management fee to their advisor and/or manager, whence the risk of double or triple management costs.

HISTORICAL PERFORMANCE

There is insufficient data to provide a useful indication of past performance to Investors as the Sub-Fund has been recently launched.

VALUE FLEXIBLE STRATEGY

INVESTMENT OBJECTIVES

The investment objective of the Sub-Fund is to offer investors the opportunity to participate in the returns mostly of transferable securities quoted on the most important stock exchanges directly or through investments in collective undertakings for investment in transferable securities (UCITSs) authorised pursuant to UCITS Directive 2009/65/EC and/or other UCIs within the meaning of Article 1, paragraph 2, first and second indent of said Directive.

INVESTMENT POLICY

The aim of the Sub-Fund is to seek capital and revenue gains by investing in money market instruments and in quoted transferable securities, whether equities, bonds or commodities directly or through investments in undertakings for collective investments in transferable securities (UCITS), or UCIs or AIFs. A large part of the assets of this Sub-Fund may be invested in funds of the same promoter. The Sub-Fund is actively managed, and the policy pursued under the management of this Sub-Fund is flexible and asset allocation will be made according to the situation on the different markets in which it operates.

The investment policy is mainly implemented investing in equity, bond and money markets funds, as well as in funds and funds of funds, insofar as such an investment contributes to the realisation of capital gains pursued by the Sub-Fund, taking into account the specific costs relating to this type of investment.

Investment in UCIs which are themselves geared to investing their assets in other UCI units must not exceed 70%.

The Sub-Fund may also invest in hedge funds and private market funds and, generally may invest directly or indirectly in assets with valuation timing longer than weekly, up to 30% of its Net Asset Value in order to capture any potential market opportunity that will arise, including, but not limited to, Real Estate Investment Trust (REIT) and Delta One Securities.

The Sub-Fund may do co-investments directly or through SPV.

The Sub-Fund may invest directly or indirectly, in shares, bonds, money market instruments and derivatives of any kind and nature to complete its portfolio by adapting to the market situation.

The Sub-Fund may also achieve its investment objective by investing a maximum amount of 30% of its Net Asset Value in unlisted securities.

The Sub-Fund may also use a leverage effect.

Investors are advised that the investment in funds which are themselves geared to investing their assets in open-end undertakings for collective investment may entail a duplication of costs.

Investors are also advised that a portion of the portfolio could be invested in assets with a liquidity cycle longer than that of the Sub-Fund.

SUSTAINABILITY RISK AND ESG CRITERIA PROMOTED

The Sub-Fund takes into account the sustainability risks in its investment decisions and the ESG criteria as defined and described in the section headed “*ESG CRITERIA AND SUSTAINABILITY RISKS*”.

The investments underlying this Sub-Fund do not take into consideration the environmental objectives as defined by Regulation 2020/852 (EU Taxonomy) for environmentally sustainable economic activities.

PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is addressed to well informed and institutional investors. Investors should have a medium-term investment horizon (between 2 and 5 years).

REFERENCE CURRENCY

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

LEVERAGE

The maximum expected level of leverage when using the Commitment Approach Method shall not exceed two hundred percent (200%) of the Net Asset Value of the Sub-Fund.

The maximum expected level of leverage when using the Gross Method shall not exceed three hundred percent (300%) of the Net Asset Value of the Sub-Fund.

OVERALL RISK ASSESSMENT METHOD

The Sub-Fund will use both the commitment and the gross approach to calculate its overall risk.

USE OF SFT AND TRS

There are currently no assets under management that will be subject to SFT and TRS, as the Sub-Fund does not contemplate to make use of SFT and TRS within its structural investment strategy.

However, in exceptional circumstances the maximum proportion of assets under management of the Sub-Fund that can be subject to SFT and TRS will be as follows:

Securities lending	10%
Securities borrowing	10%
Repurchase agreements	10%
Reverse repurchase	10%
TRS	30%
Liquidity swaps	10%

UNITS

Currently there is one (1) Class of Units:

Unit Class	Units	Currency	Minimum initial subscription	Minimum subsequent subscription
Class A:	Capitalisation	EUR	125,000	No minimum required

DEALING DAY

The NAV per Unit of the Sub-Fund is calculated weekly every Monday (Calculation Date) based on the asset value of the previous Friday (Valuation Day).

The Dealing Day is the Business Day prior to the Calculation Date. The subscription and redemption lists are closed at 4 p.m. CET on the dealing day.

CHARGES

No sales charge and no redemption fee will be applied in respect of the Sub-Fund.

SUBSCRIPTION

The minimum holding amount is EUR 125,000. Subsequent subscriptions are not subject to a minimum amount.

REDEMPTIONS

Redemptions are not subject to a minimum amount. Shares can be redeemed at each dealing day.

FEES AND EXPENSES OF THE SUB-FUND

The Sub-Fund will pay a quarterly management fee in arrear to the Management Company equivalent to 0.15 quarterly p.a. calculated on the average of the net assets of the Sub-Fund during the quarter of reference (Management Fee).

HISTORICAL PERFORMANCE

There is insufficient data to provide a useful indication of past performance to Investors as the Sub-Fund has been recently launched.

SUSTAINABILITY-RELATED DISCLOSURE APPENDIX

Pre-contractual disclosure information in relation to sustainability indicators and adverse sustainability impacts, promotion of environmental or social characteristics and sustainable investment objectives of the following Sub-Funds:

Long Term Income

This Sub Fund promotes environmental or social characteristics and has a minimum percentage of investment with sustainable objectives. The Sub-Fund Manager considers environmental, social and governance (ESG) criteria when assessing investment risks and opportunities and invests partially in sustainable investments as defined in the SFDR.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Long Term Income Fund
Legal entity identifier: 21380085UQ93P1L78V23

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

<input checked="" type="radio"/> Yes	<input checked="" type="radio"/> No
<p>It will make a minimum of sustainable investments with an environmental objective: ____%</p> <p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p>It will make a minimum of sustainable investments with a social objective: ____%</p>	<p><input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments</p> <p><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input checked="" type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</p>

What environmental and/or social characteristics are promoted by this financial product?



Long Term Income Fund promotes a range of environmental and social characteristics by integrating environmental, social and governance ('ESG') criteria into the investment process and allocating its resources in issuers contributing to environmental challenges such as energy consumption, waste, pollution, reduction of greenhouse gas emissions, protection of biodiversity and climate change. The Sub-Fund promotes also social criteria by investing in company aiming at developing their human capital by referring to fundamental principles universally in scope, such as human resources management, equal opportunities, health and safety.

The Sub-Fund undertakes to promote, through the implementation of specific screening criteria and the application of exclusion lists, investments aimed at reducing the negative impacts on society and the environment, promoting the allocation of its resources in production processes that do not generate negative effects on the climate, and excluding from its investment universe certain issuers operating in sectors or countries considered controversial, identified in the context of the sub-fund's responsible investment policy, to which we invite you to refer for further details at the following link:

<https://www.ersel.it/en/ersel-group/sustainability>

No benchmark index has been designated to meet the environmental or social characteristics of the Sub-Fund.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

To achieve the environmental or social characteristics promoted by the Sub-Fund the portfolio combines negative criteria of exclusions and positive criteria of selection aimed at excluding issuers characterised by poor ESG performance and, at the same time, promoting investments in best-in-class issuers (for further details please consult the Sub-fund's Responsible Investment Policy available at the following link: <https://www.ersel.it/en/ersel-group/sustainability>).

Sustainability data are mainly provided by MSCI ESG Research ("MSCI")

Sectors, companies and activities that conflict with the ESG values promoted by the Ersel Group and specific to the Sub-Fund are excluded from the investable universe: for example, issuers that are involved in violations of the United Nations Global Compact (UNGC) principles or do not comply with international treaties such as those on controversial weapons or whose revenues come from tobacco production.

The composition of the Sub-Fund's portfolio is made of companies that have an ESG rating higher than a certain threshold or that qualify as best in class in their sector (i.e. that have a better ESG rating on equivalent financial indicators). Only issuers that have a minimum ESG scoring equal to "average" according to the MSCI methodology, are considered. Up to 5% of the investment portfolio can be allocated to issuers rated as "laggards", according to MSCI ESG, if they show a positive momentum in terms of improving their ESG scoring, to incentivise and support their efforts to improve their ESG practices. The ESG performance of each company is assessed through ESG scoring that rates the companies' ability to manage environmental, social and governance risks and opportunities; seven different scoring grades are used, ranging from "leaders" (rating AAA and AA), "average" (rating from A, BBB, BB) and "laggards" (rating B and CCC). The weighted average rating of the investment portfolio cannot be lower than 'average' of the MSCI scoring.

With regard to the target funds, the environmental or social characteristics promoted by the Sub-fund is coherent only if target funds and ETFs are classified as "Article 8 and 9 funds" under the Sustainable Finance Disclosure Regulation" (SFDR). The Sub-Fund pays attention to MSCI Sustainable Impact Metrics aiming at

measuring revenue exposure to sustainable impact solutions and support actionable thematic allocations in line with the U.N. Sustainable Development Goals (SDGs), and other sustainability-related

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Long Term Income Fund aims to have at least 10% of revenue of the underlying issuers exposed to sustainable impact solution. Sustainable Impact measures revenue exposure to Sustainable Impact Solutions which reflects the extent to which company revenue is exposed to products and services that help solve the world's major social and environmental challenges.



● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

EGI Responsible Investment ESG Policy excludes certain categories of sectors, countries or issuers, that operate in sectors that are considered “non ESG” or that behave in a way that contradicts ESG values. The sustainable investments of the Sub-Fund respect the “do no significant harm principle” by abiding to the following negative screening criteria:

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- Exclusion from the investible universe of the Sub-Fund of all investments in companies that do not comply with international treaties such as those on controversial weapons (as for example the 2008 Convention on Cluster Munitions, or the 1997 Ottawa Treaty on anti-personnel mines) or the rules on the use of depleted uranium.
- Exclusion from the investible universe of the Sub-Fund of issuers whose revenues come from tobacco production or that earn more than:
 - 50% of their revenues from tobacco distribution,
 - 25% of their revenues from coal mining,
 - 25% of their revenues from coal-based electricity generation,
 - 25% of their revenues from extraction of hydrocarbons from tar sand or fracking,
 - 10% of their revenues from extraction of hydrocarbons in the Arctic are also excluded.
- Exclusion from the investible universe of the Sub-Fund of countries subject to international sanctions or which violate the UN Global Compact principles.
- Exclusion from the investible universe of the Sub-Fund of companies involved in either violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises, or are subject to investment restrictions by the UN, EU, USA.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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How have the indicators for adverse impacts on sustainability factors been taken into account?

The Fund takes into account some of the indicators for adverse impacts on sustainability, such as the collection and monitoring of indicators relating to greenhouse gas emissions of investments (Carbon Footprint and GHG Intensity of beneficiary companies) and indicators relating to social issues for companies, (violations of UNGC principles and OECD guidelines for multinational companies, lack of adequate procedures and mechanisms to monitor compliance to the previous point and exposure to controversial weapons) and sovereign (Investee countries subject to social violations). Regarding the monitoring of the environmental indicators, the fund aims to have a trend of declining emission intensity (over a 3-year rolling period) while for the social ones, the fund aims to have no exposure to companies/countries flagged by the selected adverse impact indicators.

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How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The MSCI Sustainable Impact Metrics framework is used to assess the extent companies' products and services address at least one of the major social and environmental challenges, as defined by the UN Sustainable Development Goals (UN SDGs). For the companies, funds and ETFs in portfolio, MSCI ESG supply the aggregate percentage calculated with the look-through of the underlying issuers.

Green, Social and Sustainability Bonds are any type of bond instrument where the proceeds will be exclusively applied to finance eligible Social/Environmental Projects. Social/Environmental Projects directly aim to address or mitigate a specific social/environmental issue and/or seek to achieve positive social/environmental outcomes.



Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes

What investment strategy does this financial product follow?

The Sub-Fund allocates capital to a diversified set of asset classes, ranging from liquidity, to fixed income, to equity and to alternative investments. The main geographical focus, i.e. more than fifty percent (50%) of the Sub-Fund's assets, is on developed market, but the Sub-Fund can also invest in emerging markets. Each asset will be represented either by a selection of direct financial securities (both listed and unlisted) or by UCITS or UCI (of open and closed form).

In selecting investments and throughout the investment process, the management team uses a proprietary investment assessment model that systematically integrates, among other things, ESG risks and opportunities in its various stages:

- Idea generations: EGI responsible investment ESG Policy excludes certain categories of sectors, countries or issuers, that operate in sectors that are considered "non ESG" or that behave in a way that contradicts ESG values
- Portfolio allocation: Once the negative exclusion screens and the positive selection criteria have been performed, the results are integrated with the fundamental analysis of financial and market risks and the selected companies are allocated to the portfolio.

Portfolio management: The analysis of the ESG profile of an investment does not end once capital has been allocated. The process is ongoing, and this is critical to ensure we identify factors before they turn into events that can threaten the value of an investment, as well as to allow us to capitalise on new investment opportunities.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The investment strategy ensures compliance with the environmental/social characteristics promoted by the Sub-Fund through:

- Exclusion screening: EGI responsible investment ESG Policy excludes certain categories of sectors, countries or issuers, that operate in sectors that are considered "non ESG" or that behave in a way that contradicts ESG values. More details can be found in the Sub-fund ESG Policy at the following link: <https://www.ersel.it/en/ersel-group/sustainability>.
- Positive screening for Issuers: the ESG ratings assigned by MSCI are mainly considered, favouring issuers with a rating higher than a certain threshold or a better rating in each sector, relative to the other comparable issuers; for this purpose only issuers rated as "leader" and "average" are considered. The Investment Manager may also integrate internal ESG research into its analysis where available.
- Up to 5% of the investment portfolio can be allocated to issuers rated as "laggards", according to MSCI ESG, if they show a positive momentum in terms of improving their ESG scoring
- Positive screening for target funds: Only funds and ETFs classified as "Article 8 and 9 funds" under the Sustainable Finance Disclosure Regulation" (SFDR) pass the positive screening;
- Negative screening: The maximum overall exposure to both financial instruments of issuers without an ESG rating and to Funds and ETFs not classified as "Articles 8 or 9" under the SFDR may not exceed twenty five percent (25%) of the total assets of the Sub-Fund.

- The weighted average rating of the portfolio of rated securities, calculated using the rating of the issuer as the rating of the provider selected for the exclusion and monitoring activity, may not be less than “average” as per the MSCI methodology. For this purpose, using mainly the ESG ratings assigned by MSCI, the portfolio average rating must be at least BBB. In the event of a lack of information on issuers by MSCI, the Investment Manager may use data from other ESG providers and/or internal ESG research.

- At least 10% of revenue of the underlying issuers should be exposed to sustainable impact solution following the MSCI Sustainable Impact Metrics aiming at measuring revenue exposure to sustainable impact solutions and support actionable thematic allocations in line with the U.N. Sustainable Development Goals (SDGs), EU Taxonomy of Sustainable Activities, and other sustainability-related frameworks. This aggregate percentage is calculated as a weighted average, using portfolio weights and each issuer's percent of revenue generated from Sustainable Impact Solutions. For the funds and ETFs in portfolio, MSCI ESG supply the aggregate percentage calculated with the look-through of the underlying issuers. Only issuers and funds/ ETFs with the revenue data are included in the analysis.

These categories of bonds are not subject to negative and positive screening.

Any investment in green bonds is deemed to account for 100% exposure to sustainable impact solutions as the European regulation explicitly recognizes their alignment with the EU taxonomy. For social, sustainability and sustainability-linked bonds, as they are not yet covered by dedicated European regulations, any investment in those instruments is deemed to account for 100% exposure to sustainable impact solution as long as the following conditions are satisfied: 1) the issuers have publicly disclosed their external review reports, in accordance with the recommendations of the International Capital Market Association (ICMA); and 2) the external review shows a positive alignment of the issue with the ICMA principles and the UN Sustainable Development Goals.

In compliance with the EGI Responsible Investment ESG Policy, the bond component of the portfolio can be invested in the following categories of issues, even if the issuers of such instruments fall within the exclusion criteria, because their stated purpose is to incentivise and finance initiatives in favour of the environment and the society: green bonds, social bonds and sustainability bonds

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

There is no committed minimum rate of reduction of investments that do not comply with the ESG strategy at present.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● ***What is the policy to assess good governance practices of the investee companies?***

To assess good governance practices of the investee companies, the Management Company has adopted an approach based on the use of specific indicators provided by MSCI, i.e., the MSCI ESG Controversies and the MSCI ESG Rating indexes relating to the Social and Governance pillars. This approach envisages excluding from the investment portfolio of the Sub-Fund all issuers for which red flags have been identified. The Management Company's 'Good Governance Assessment Practices' policy can be found at the following link:

<https://www.ersel.it/en/ersel-group/sustainability>



Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

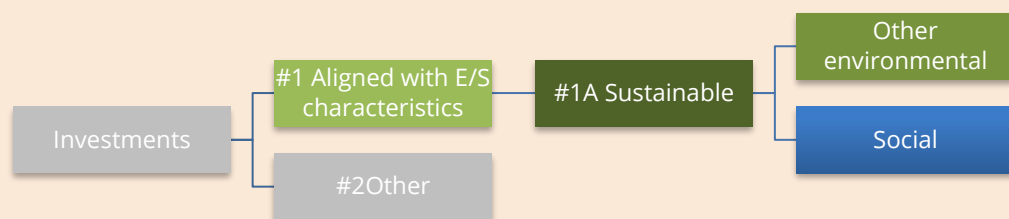
The Sub-Fund will allocate capital to a diversified set of asset classes, ranging from liquidity, to fixed income, to equity and to alternative investments. It is foreseen a percentage of investments aligned with the promoted environmental and social characteristics that do not qualify as sustainable investments equal to at least 75% of the investment portfolio, net of cash and money market instruments. The percentage is set by applying the sustainable investment strategy to the portfolio.

The category “#2 Other” includes investments of the financial product that are neither aligned with environmental or social characteristics nor qualify as sustainable investments, mainly equity, bonds, and funds and index derivatives, which may represent up to 25% of the investment portfolio, net of cash and money market instruments.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

For securities included in “#2 Other”, minimum environmental or social safeguards apply. Issuing companies must not be involved in violations of UNCG principles and must not be involved in very serious litigation concerning environmental, social or governance issues or socially controversial activities. The investments in “#2 Other” allow an efficient portfolio management by reducing concentration and market risk.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Enabling activities

directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities

are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Index derivatives are excluded from positive screening, while for individual stocks and sector derivatives, look-through of the underlying index is applied.

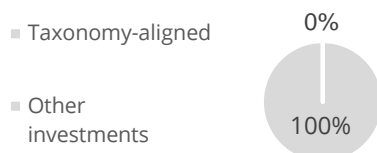


To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

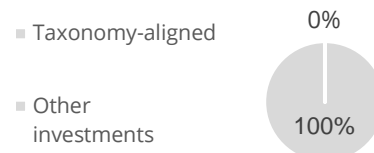
N/A

two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What is the minimum share of investments in transitional and enabling activities?**

N/A



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Long Term Income Fund aims to have at least 10% of revenue of the underlying issuers exposed to sustainable impact solution (as per MSCI Sustainable Impact Metrics of which at least 6% exposed to environmental sustainable impact solutions, as this is the primary sustainable objective the fund is promoting. This percentage is calculated as a weighted average, using portfolio weights and each issuer's percent of revenue generated from Environmental Impact Solutions. For the funds and ETFs in portfolio, MSCI ESG supply the aggregate percentage calculated with the look-through of the underlying issuers. Only issuers and funds/ ETFs with the revenue data are included in the analysis. Green, Social and Sustainability Bonds are any type of bond instrument where the proceeds will be exclusively applied to finance eligible Environmental Projects. For green bonds specifically, any investment in those instruments is deemed to account for 100% exposure to Environmental Impact solution as the European regulation explicitly recognizes their alignment with the EU taxonomy. For sustainability and sustainability-linked bonds, any investment in those instruments is deemed to account to Environmental Impact solution as long as the following conditions are satisfied: 1) the issuers have publicly disclosed their external review reports, in accordance with the recommendations of the International Capital Market Association (ICMA); and 2) the external review shows a positive alignment of the issue with the ICMA principles and the UN Environmental Development Goals.



What is the minimum share of socially sustainable investments?

Long Term Income Fund aims to have at least 10% of revenue of the underlying issuers exposed to sustainable impact solution (as per MSCI Sustainable Impact Metrics). As the primary sustainable objective is environmental, the social category is a residual category and the fund do not explicitly target a minimum threshold. This percentage is calculated as a weighted average, using portfolio weights and each issuer's percent of revenue generated from Social Impact Solutions. For the funds and ETFs in portfolio, MSCI ESG supply the aggregate percentage calculated with the look-through of the underlying issuers. Only issuers and funds/ ETFs with the revenue data are included in the analysis. For social, sustainability and sustainability-linked bonds, any investment in those instruments is deemed to account to social Impact solution as long as the following conditions are satisfied: 1) the issuers have publicly disclosed their external review reports, in accordance with the recommendations of the International Capital Market Association (ICMA); and 2) the external review shows a positive alignment of the issue with the ICMA principles and the UN Social Development Goals



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The category “#2 Other” refers to the remaining investments of the Sub-Fund that are neither aligned with environmental or social characteristics nor qualify as sustainable investments. Some investments may meet the eligibility for portfolio inclusion from a financial analysis perspective, however, their ESG rating may be non-existent because it is not covered by ESG data and analysis providers or is missing in many of its key components.

The maximum overall exposure to both financial instruments of issuers without an ESG rating and to Funds and ETFs not classified as "Articles 8 or 9" under the SFDR may not exceed twenty five percent (25%) of the total assets of the Sub-Fund, net of cash and money market instruments.

For securities included in "#2 Other", minimum environmental or social safeguards apply. Issuers of such securities must not be involved in violations of the UNGC principles and must not be involved in very serious litigation concerning environmental, social or governance issues or socially controversial activities. For Underlying Funds that are included in "#2 Other", a negative screening is carried in order to identify compatibility with reference to the Sub-Fund's ESG Policy, including only funds that manage the sustainability risk as defined in the SFDR. The investments in "#2 Other" allow an efficient portfolio management by reducing concentration and market risk.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No benchmark index has been defined to measure the attainment of the environmental and social characteristics promoted by the Fund.

● ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

● ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

● ***How does the designated index differ from a relevant broad market index?***

N/A

● ***Where can the methodology used for the calculation of the designated index be found?***

N/A



More product-specific information can be found on the website:
<https://www.ersel.it>

Further information on the product can be found at the following link:
<https://www.ersel.it/en/ersel-group/sustainability>