

**SALES PROSPECTUS  
INCLUDING  
MANAGEMENT REGULATIONS**

**GREIFF “special situations” Fund**

An investment fund  
(*Fonds commun de placement*)  
in accordance with Part I of the amended Luxembourg Law of 17 December 2010  
on undertakings for collective investment

The Sales Prospectus is only valid in combination with the Fund's most recent annual report, if this has already been prepared, and with a more recent semi-annual report if this annual report was published more than eight months ago.

The Sales Prospectus with the Management Regulations as amended, as well as annual and semi-annual reports, are available from the Management Company and all Paying Agents free of charge.

No entities are authorised to refer to information which is not included in the Sales Prospectus or in other publicly accessible documents to which the Sales Prospectus refers.



As at: 1 July 2018

### **Information for investors relating to the United States of America**

The sale of units in the United States of America (US) or to US citizens is excluded. By way of example, US citizens are natural persons who

- a) were born in the US or one of its territories,
- b) are naturalised citizens (or green card holders),
- c) were born outside of the US as the child of a US citizen,
- d) are not US citizens, but reside predominantly in the US,
- e) are married to a US citizen, or
- f) are subject to tax in the US.

The following are also regarded as US citizens:

- a) companies and stock corporations established under the law of one of the 50 US states or the District of Columbia,
- b) companies or partnerships established by an Act of Congress,
- c) a pension fund founded as a US trust, or
- d) a company subject to tax in the US.

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## **BOARD OF DIRECTORS**

## **MANAGEMENT COMPANY**

### **Hauck & Aufhäuser Fund Services S.A.**

**R.C.S. Luxembourg No. B28878**

1c, rue Gabriel Lippmann

L-5365 Munsbach

Equity capital as at 28 February 2018: EUR 11,039,000

Other funds managed by the Management Company:

An overview of investment funds managed by Hauck & Aufhäuser Fund Services S.A. is available from the Company's registered office.

Interested persons can also visit [www.hauck-aufhaeuser.com/fonds](http://www.hauck-aufhaeuser.com/fonds) for more information.

### **Executive Board of the Management Company:**

**Stefan Schneider**

**Achim Welschoff**

**Thomas Albert**

### **Supervisory Board of the Management Company:**

#### **Chairman:**

**Michael Bentlage**

Chairman of the Executive Board

Hauck & Aufhäuser Privatbankiers AG, Frankfurt am Main

#### **Members:**

**Andreas Neugebauer**

Independent Director

**Marie-Anne van den Berg**

Independent Director

Current information relating to the Management Company's equity capital and the composition of corporate bodies can be found in the most recent annual and semi-annual reports.

## **CUSTODIAN**

### **Hauck & Aufhäuser Privatbankiers AG, Luxembourg branch**

1c, rue Gabriel Lippmann

L-5365 Munsbach

## **REGISTRAR AND TRANSFER AGENT**

### **Hauck & Aufhäuser Fund Services S.A.**

1c, rue Gabriel Lippmann

L-5365 Munsbach

## **PAYING AGENT**

### **Hauck & Aufhäuser Privatbankiers AG, Luxembourg branch**

1c, rue Gabriel Lippmann

L-5365 Munsbach

**INVESTMENT ADVISER**

**GREIFF capital management AG**

Munzinger Straße 5a  
79111 Freiburg  
Germany

**FUND MANAGER**

**TBF Global Asset Management GmbH**

Maggistraße 5  
78224 Singen  
Germany

**AUDITOR**

**KPMG Luxembourg, Société coopérative**

39, Avenue John F. Kennedy  
L-1855 Luxembourg

## THE FUND

The investment fund described in this Sales Prospectus is an investment fund of securities and other assets established under Luxembourg law in the form of a monofund ("fonds commun de placement"). It was established under Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended ("Law of 2010") and meets the requirements of the Directive of the Council of the European Communities 2009/65/EC of 13 July 2009, last amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 ("Directive 2009/65/EC").

The following management regulations, which entered into force on 1 July 2018 and whose filing with the Luxembourg Trade and Companies Register ("Trade and Companies Register") was published in the Recueil électronique des Sociétés et Associations ("RESA"), are an integral part of the **GREIFF "special situations" Fund** ("Fund").

## MANAGEMENT OF THE FUND

The Fund is managed by Hauck & Aufhäuser Fund Services S.A.

The Management Company was established on 27 September 1988 as a stock corporation under Luxembourg law with an indefinite term. Its registered office is in Luxembourg. The Articles of Association of the Management Company were published in Mémorial C, Recueil des Sociétés et Associations in 1988, and are filed with the Trade and Companies Register. Interim changes have been published in Mémorial C, Recueil des Sociétés et Associations, or RESA.

The purpose of the Management Company is to establish and manage undertakings for collective investment ("UCI") under Luxembourg law and to execute all activities associated with the establishment and management of these UCI. In addition, the Management Company carries out tasks within the meaning of the Law of 12 July 2013 on alternative investment fund managers ("AIFM Law"). In particular, these include the activities listed in Appendix I, Point 1 of the above-mentioned law, as well as sub-activities pertaining to the additional administrative tasks listed in Appendix I, Point 2 a).

Inter alia, the Management Company is responsible for the general administrative tasks that fall under the scope of fund management and are prescribed by Luxembourg law. In particular, these include the calculation of the net asset value of the units and the Fund's accounting.

Under its responsibility and control, and at its own expense, the Management Company has transferred the calculation of the net asset value, the Fund's accounting and reporting to Hauck & Aufhäuser Privatbankiers AG, Luxembourg branch, based at 1c, rue Gabriel Lippmann, L-5365 Munsbach.

The IT administration of the Hauck & Aufhäuser Group is distributed across sites in Luxembourg and Germany.

The Management Company has appointed TBF Global Asset Management GmbH, a limited liability company under German law, as Fund Manager of the Fund.

The Management Company has appointed GREIFF capital management AG, a stock corporation under German law, as Investment Adviser of the Fund.

The main tasks of the Investment Adviser are to monitor the financial markets, to analyse the composition of the fund assets and to make investment recommendations to the Management Company pursuant to the principles of the Fund's investment policy and investment restrictions.

The Investment Adviser's activities are limited to consulting activities. The Management Company is not bound by the advice given by the Investment Adviser.

The Fund Manager holds a licence for asset management and is subject to corresponding supervision. The main tasks of the Fund Manager are to independently implement the Fund's investment policy on a daily basis, to conduct day-to-day activities relating to asset management under the supervision, responsibility and control of the Management Company and to provide other related services. These tasks are carried out in accordance with the principles of the Fund's investment policy and investment restrictions as described in this Sales Prospectus and in the Management Regulations and in compliance with the statutory investment restrictions. The Fund Manager is authorised to select agents and brokers to conduct transactions in the Fund's assets. The Fund Manager is responsible for making investment decisions and placing orders. The Fund Manager is entitled to seek professional advice from third parties at its own expense and under its own responsibility – in particular from different investment advisers. The Fund Manager is permitted to transfer its duties (in whole or in part) to third parties with the approval of the Management Company. It will be responsible for their remuneration in full. In the event of extensive delegation, the Sales Prospectus will be amended in advance.

The Fund Manager shall bear all expenses incurred in connection with the services that it carries out. Brokerage commissions, transaction fees and other business costs relating to the purchase and sale of assets shall be borne by the Fund.

Under its own responsibility and control, the Management Company may consult other investment advisers or fund managers in relation to the management of the Fund's assets.

In such cases, investment advisers have a purely consultative role, and make no independent investment decisions. They are authorised, under the general control and responsibility of the Management Company and within the framework of the day-to-day investment policy of the Management Company, to provide estimates, advice and recommendations for the Fund regarding the selection of investments and the selection of securities to be included in the Fund. The Management Company is to ensure the daily management of Fund assets; all investment decisions are made accordingly by the Management Company.

Only the Custodian or Paying Agent is entitled to accept client funds.

## THE CUSTODIAN

Hauck & Aufhäuser Privatbankiers AG, Luxembourg branch, based at 1c, rue Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg, entered in the Trade and Companies Register of Luxembourg under number B 175937, was appointed as the Fund's Custodian by written contract. The Custodian is a branch of Hauck & Aufhäuser Privatbankiers AG, Kaiserstr. 24, D-60311 Frankfurt am Main, a German financial institution with a full banking licence within the meaning of the German Banking Act (KWG) and within the meaning of the Luxembourg Law of 5 April 1993 on the financial sector (in its latest version). It is registered in the Commercial Register of Frankfurt am Main District Court under the number HRB 108617. Both Hauck & Aufhäuser Privatbankiers AG and its branch in Luxembourg are supervised by the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin). In addition, Hauck & Aufhäuser Privatbankiers AG, Luxembourg branch is regulated by the Commission de Surveillance du Secteur Financier (CSSF) in respect of money laundering, liquidity and market transparency.

All tasks and duties of the Custodian are exercised by the branch. Its function is based in particular on the Law of 2010, CSSF Circular 16/644, the Custodian Agreement and the Sales Prospectus. As a paying agent, it is obliged to pay out any distributions, the redemption price of redeemed units and other payments.

In accordance with Article 3 of the Management Regulations, the Custodian may transfer the custody of financial instruments and other assets to another company ("sub-custodian"). An overview of any appointed sub-custodians can be found on the Custodian's website ([https://www.hauck-aufhaeuser.com/fileadmin/Impressum/List\\_of\\_Sub-Custodians\\_Hauck\\_Aufhaeuser.pdf](https://www.hauck-aufhaeuser.com/fileadmin/Impressum/List_of_Sub-Custodians_Hauck_Aufhaeuser.pdf)).

The Custodian did not make the Management Company aware of any conflicts of interest in connection with the appointment of sub-custodians.

The Custodian performs its duties independently, honestly, in good faith, professionally, and in the interests of the Fund and its investors. This obligation is particularly reflected in the obligation, as Custodian, to carry out and organise tasks so that potential conflicts of interest are minimised to the greatest possible extent. The Custodian shall not carry out any tasks relating to the Fund or the Management Company acting on behalf of the Fund which may lead to conflicts of interest between the Fund, investors in the Fund, the Management Company and the Custodian itself, unless its tasks as Custodian are functionally and hierarchically separated from potentially conflicting tasks, and the potential conflicts of interest are properly determined, managed, monitored and disclosed to investors in the Fund.

The tasks of the Management Company and the Custodian may not be carried out by one and the same company.

Conflicts of interest may arise due to the fact that there is a corporate connection between the Management Company and the Custodian. If Hauck & Aufhäuser Privatbankiers AG, Luxembourg branch performs the role of Custodian, it is obliged to protect the interests of the Fund and the unit holders.

Potential conflicts of interest may arise if the Custodian delegates individual custodial tasks or sub-custody to another outsourcing company. If this other outsourcing company is an affiliate of the Management Company or the Custodian (e.g. a parent company), this may result in potential conflicts of interest between this outsourcing company and the Management Company or the Custodian (e.g. the Management Company or Custodian may be favoured by an affiliate in the assignment of custodial tasks, or given priority over other equivalent providers in the selection of a sub-custodian). If such a conflict of interest, or another relating to the appointment of sub-custodians, is identified in the future, the Custodian will disclose the circumstances and the measures taken to prevent or minimise the conflict of interest in a document accessible via the above-mentioned link.

Conflicts of interest may also arise if the Custodian carries out administrative tasks in accordance with Appendix II, second indent of the Law of 17 December 2010, e.g. the tasks of the Registrar and Transfer Agent, and fund accounting activities. To manage these potential conflicts of interest, the relevant area of responsibility is divisionally separated from the custodial function.

The Management Company and the Custodian have appropriate and effective measures (e.g. procedural instructions and organisational measures) to ensure that potential conflicts of interest are largely minimised. If conflicts of interest cannot be prevented, the Management Company and the Custodian shall identify these conflicts and manage, monitor

and report them to prevent damage to investors' interests. Compliance with these measures is monitored by an independent compliance function.

The Custodian provided the above information on conflicts of interest relating to sub-custody to the Management Company. The Management Company has checked the information in terms of its plausibility. However, it is dependent on the provision of information by the Custodian and cannot verify the accuracy and completeness thereof. The above list of sub-custodians may change at any time. Updated information concerning the Custodian, its sub-custodians and all conflicts of interest faced by the Custodian caused by the transfer of custodial tasks is available on request from the Management Company or the Custodian.

The assets of the Fund are held by the Custodian within its custodian network.

**Bank balances held at financial institutions other than the Custodian may not be protected by a deposit protection scheme.**

## **RISK CLASSIFICATION BY THE MANAGEMENT COMPANY**

The Management Company assigns a corresponding risk profile to the funds and sub-funds it manages. This is done based on the investment policy together with the investment objectives. The "GENERAL RISK INFORMATION" given in the Sales Prospectus is also applicable to the Fund.

The risk profiles are expressly not to be understood as an indication of possible income. If necessary, the classification may be amended by the Management Company. This will result in an amendment to sales documents.

### **Risk profile – "Defensive"**

The fund is particularly suitable for investors who only accept low risks and simultaneously want to achieve income in the short term. Based on the investment policy and the investment objectives, the investor is willing to accept capital losses depending on the extent of potential fluctuations in value. The investment horizon of the investor should be short term.

The Management Company aims to minimise risks by diversifying investment in the fund.

However, no assurance can be given that the investment policy's objectives will be achieved.

### **Risk profile – "Moderate"**

The fund is particularly suitable for investors who accept moderate risks and simultaneously want to receive moderate income in the short to medium term. Based on the investment policy and the investment objectives, the investor is willing to accept capital losses depending on the extent of potential fluctuations in value. The investment horizon of the investor should be short to medium term.

The Management Company aims to minimise risks by diversifying investment in the fund.

However, no assurance can be given that the investment policy's objectives will be achieved.

### **Risk profile – "Income-oriented"**

The fund is particularly suitable for investors who accept increased risks and simultaneously want to receive potentially higher income in the medium to long term. Based on the investment policy and the investment objectives, the investor is willing to accept increased capital losses in the short term depending on the extent of fluctuations in the value of fund investments. The investment horizon of the investor should be medium to long term.

The Management Company aims to minimise risks by diversifying investment in the fund.

However, no assurance can be given that the investment policy's objectives will be achieved.

### **Risk profile – "Opportunity-oriented"**

The fund is particularly suitable for investors who accept high risks and simultaneously want to receive potentially higher income in the long term. Based on the investment policy and the investment objectives, the investor is willing to accept high capital losses in the short term depending on the extent of fluctuations in the value of fund investments. The investment horizon of the investor should be long term.

The Management Company aims to minimise risks by diversifying investment in the fund.

However, no assurance can be given that the investment policy's objectives will be achieved.

### **Risk profile – "Speculative"**

The fund is particularly suitable for investors who accept very high risks and simultaneously want to receive potentially very high income. Based on the investment policy and the investment objectives, the investor is willing to accept very high capital losses in the short term depending on the extent of fluctuations in the value of fund investments. The investment horizon of the investor should be long term.

The Management Company aims to minimise risks by diversifying investment in the fund.

However, no assurance can be given that the investment policy's objectives will be achieved.



## THE LEGAL POSITION OF UNIT HOLDERS

The Management Company invests the Fund's assets in its own name and for the joint account of the unit holders in securities and other permitted assets according to the principle of risk diversification. The Fund's assets consist of the capital provided and the assets acquired therewith, and are kept separate from the assets of the Management Company.

Unit holders participate in the Fund's assets as co-owners in the amount of their units.

The Management Company would like to point out that each unit holder may assert their rights in their entirety directly against the UCITS only if the unit holder is registered by name in the UCITS register of unit holders. In cases where a unit holder has invested in a UCITS via an intermediary which made the investment in its name but on behalf of the unit holder, it may not necessarily be possible for the unit holder to directly assert all rights against the UCITS. Unit holders are advised to inform themselves about their rights.

## INVESTMENT OBJECTIVES AND INVESTMENT POLICY OF GREIFF "SPECIAL SITUATIONS"

The investment policy of the GREIFF "special situations" Fund aims to achieve attractive growth in value in euros in the long term. To achieve this investment objective, the Fund's assets are invested in accordance with the principle of risk diversification. An essential part of the investment objectives is also the identification of "special situations" where the acquisition of shares in a company can be expected to be a worthwhile investment. These are generally shares of companies that are authorised for sale to the public on international stock exchanges. Depending on the market assessment, the optimal weighting of the asset classes shall be decided upon daily.

However, no assurance can be given that the investment policy objectives specified above will be achieved.

The Fund's investment objectives provide for the acquisition of shares in companies in special situations with potentially lower market capitalisation. Due to the low market capitalisation, it may be that the shares of these companies are less liquid and therefore more difficult to sell under certain circumstances.

In addition to and in consideration of Article 4 of the Management Regulations and pursuant to the principle of risk diversification, shares, REITS, bonds, participation certificates, convertible and warrant-linked bonds as well as zero-coupon bonds denominated in the currencies of OECD Member States, units in investment funds (UCITS and UCI), certificates – with financial indices, shares, interest rates and currencies as the underlying securities – and certificates on other permitted underlyings (which reproduce the performance of an underlying 1:1 and are publicly listed or traded on stock exchanges or on other regulated markets which are recognised, open to the public and operate regularly – "regulated markets") may be acquired for the Fund worldwide – including in emerging markets.

Within the framework of its investment policy, the Fund shall invest at least 51% of the net fund assets in equity participations pursuant to Article 4 No. 1 i) of the Management Regulations.

Up to 10% of the net fund assets may be invested in investment fund units pursuant to Article 4 of the Management Regulations below. The Fund is therefore eligible as a target fund.

Beyond liquid assets, the Fund may not invest in other assets pursuant to Article 4 of the Management Regulations below.

In the context of the implementation of the investment policy, no securities lending or repurchasing agreements are used. Furthermore, no total return swaps or other assets with similar characteristics can be acquired for sub-funds. In the event of a change in the investment policy relating to the above instruments, the Sales Prospectus must be amended accordingly pursuant to Directive 2015/2635/EU of the European Parliament and of the Council of 25 November 2015.

For hedging purposes and efficient portfolio management, the Fund may use derivatives, certificates with embedded derivative components (discount, bonus, leverage, and knock-out certificates, etc.) as well as other techniques and instruments in accordance with Article 4 No. 6. of the Management Regulations. If these techniques and instruments relate to the use of derivatives within the meaning of Article 4 No. 1. g) of the Management Regulations, the relevant investment restrictions of Article 4 of the Management Regulations must be taken into account. Furthermore, the provisions of Article 4 No. 7 on risk management procedures for derivatives must be observed.

In the context of OTC transactions, the Management Company may accept collateral in the form of bank balances to reduce the counterparty risk. To this end, certain currencies are defined for each counterparty, and then exchanged. Non-cash collateral is not accepted. The collateral may be utilised at any time without reference to the counterparty or approval from the counterparty. The cash collateral received is valued without haircuts.

In consideration of the minimum transfer amount, the scope of collateralisation is 100%.

The cash collateral received from the counterparty in the context of OTC transactions is invested in only one of – or a combination of – the following assets:

- High-quality government bonds;
- Money market funds with a short maturity structure in accordance with the definition in the CESR Guidelines on a common definition of European money market funds (CESR 10-049);
- Demand deposits for entities in accordance with Article 50(1)(f) of Directive 2009/65/EC

When investing cash collateral, the issuer or counterparty limits in Article 4 No. 3 of the Management Regulations apply analogously. By investing cash collateral, the Fund may, inter alia, be exposed to counterparty, interest rate or market risk.

The counterparty to the OTC transactions has no influence on portfolio management, i.e. selection is solely the decision of the Management Company.

Explanation of the operating structure of certificates:

Certificates are normally listed bonds. The price of certificates is dependent on the performance of the underlying and the contractual arrangement. The price of the certificate may be stronger than, weaker than, equally as strong as or completely independent of the price of the underlying. Depending on the contractual arrangement, this can lead to a total loss of value.

Precise information on the investment restrictions can be found in Article 4 of the Management Regulations below.

The Fund is established for an indefinite term.

#### Particular risks in investing in securities of smaller companies

Investing in securities of smaller companies or companies in special situations involves certain risks that differ from investments in highly capitalised securities. In particular, the typical features of such companies are less capital, greater dependence on the market success of only a few products or services, and often higher economic sensitivity. In addition, the often lesser public availability of data, analyses and information on smaller companies and the limited trading volume in what are sometimes narrow market segments can lead to significant price volatility.

## RISK PROFILE OF THE GREIFF “special situations” Fund

### Risk profile – “Opportunity-oriented”:

The fund is particularly suitable for investors who accept high risks and simultaneously want to receive potentially higher income in the long term. Based on the investment policy and the investment objectives, the investor is willing to accept high capital losses in the short term depending on the extent of fluctuations in the value of fund investments. The investment horizon of the investor should be long term.

The Management Company aims to minimise risks by diversifying investment in the fund.

**However, no assurance can be given that the investment policy’s objectives will be achieved.**

### MONITORING OVERALL RISK

#### Global exposure:

To monitor the market risk, global exposure is calculated using a relative value-at-risk approach.

#### Benchmark:

The benchmark is a combination of two indices. These two indices are broken down as follows:

1.) An equity index with the following profile forms 80% of the benchmark:

- The index tracks the performance of 50 medium-sized German companies, or companies which operate primarily in Germany, that follow the DAX in terms of market capitalisation of their free float and stock exchange turnover.
- The equity index is broadly diversified in terms of sectors and market capitalisation of the securities.

2.) An equity index with the following profile forms 20% of the benchmark:

- The equity index is broadly diversified in terms of sectors and market capitalisation of the securities
- Leading German large caps are included
- The companies are weighted according to their market capitalisation
- The index is calculated in EUR

#### Leverage:

It is expected that the use of derivatives and other financial products with derivative components will result in leverage of up to 200% of the Fund’s volume. Depending on the market situation, the leverage value is, however, subject to fluctuations, so that the expected value can be exceeded in the short term. The leverage value is monitored on a daily basis by the Management Company.

#### Information on the leverage calculation:

The calculation is based on the sum of the nominal values as presented in boxes 24 and 25 of ESMA Guideline 10-788.

### GENERAL RISK INFORMATION

When investing in the GREIFF “special situations” Fund, it must be noted that experience has shown that it may be subject to strong price fluctuations with potential opportunities and risks for investors. Due to the various risk parameters and influencing factors, this may lead to corresponding price gains or price drops within the Fund for investors. Possible risk parameters and influencing factors for the Fund are:

#### Investments in smaller companies (“small caps”)

Investments in smaller companies may be associated with greater risks and may therefore be deemed speculative. An investment in a fund which invests in smaller companies should be regarded as long term and should not be used as a means for achieving short-term gains. The shares of many smaller companies are less prevalent and are traded in a lower volume. They can also have more abrupt or erratic price movements than shares of larger companies. The securities of smaller companies may also react to market changes more strongly than the securities of large companies. The Management Company advises that an investment in individual funds that invest in smaller companies should not comprise a significant portion of an investor’s portfolio and may not be suitable for all investors.

#### Market risk

The price or market performance of financial products is particularly dependent on the performance of the capital markets, which are affected by the state of the global economy and the general economic and political framework in individual countries. If price declines are recorded on the international stock exchanges, hardly any funds will be able to avoid this. The more specific the investment focus of the fund, the greater the market risk may be, as it is often associated with the avoidance of broad risk diversification.

#### Risks of interest-bearing products

The level of price changes depends on the maturities of the interest-bearing securities in a fund. Interest-bearing securities with shorter maturities generally have lower price risks than interest-bearing securities with longer maturities.

However, securities with shorter maturities generally have lower returns than securities with longer maturities. In comparison, securities with longer maturities generally have higher interest rates.

#### Risk of negative interest

For the investment of the Fund's liquid assets with the Custodian or other financial institutions, an interest rate is usually agreed which corresponds to international interest rates less a specific margin. If these interest rates fall below the agreed margin, this will result in negative interest in the corresponding account. Depending on the development of the interest rate policies of the respective central banks, short-, medium- and long-term bank balances at financial institutions may generate negative interest.

#### Company-specific risk

The price development of the securities held directly or indirectly by the Fund also depends on company-specific factors, for example the business situation of the issuer. If the company-specific factors deteriorate, the market value of the respective security may drop significantly and in the long term, irrespective of otherwise generally positive stock market trends.

#### Counterparty default risk, counterparty risk

Counterparty default risk (credit risk) generally includes the risk of the party to a mutual contract defaulting on its own receivable at maturity, although the consideration has already been paid. This applies to all reciprocal agreements which are entered into for the account of the Fund. As well as the general tendencies of capital markets, the particular developments of the respective issuers can have an effect on the value of securities. Even when securities are carefully selected, losses due to the financial collapse of issuers cannot be ruled out. The losses resulting from the financial collapse of an issuer have an effect to the extent that securities of this issuer have been acquired for the Fund.

#### Custody risk

A risk of loss is associated with the custody of assets which can result from the insolvency, violation of due diligence or improper conduct on the part of the Custodian or any sub-custodian.

#### Concentration risk

Additional risks may arise from a concentration of investments in particular assets or markets.

#### Performance risk

In the absence of a guarantee from a third party, there can be no definite promise of positive performance. Furthermore, assets acquired for the Fund may perform differently from what could be expected at the time of purchase.

#### Settlement risk

In particular when acquiring unlisted securities or settling derivative instruments, there is a risk that settlement will not be carried out as expected because a counterparty may not pay or deliver on time or as contractually agreed.

#### Risks relating to bonds based on assets which are not included in the Fund's assets

The risks of bonds (certificates, structured products, etc.) which are acquired for the Fund and relate to assets not included in the Fund's assets as underlyings are closely associated with the specific risks of such underlyings or investment strategies pursued by these underlyings, such as commodities as underlyings (see for instance, "Risks in connection with units in target funds (UCITS/UCI)" in the following). The risks mentioned could, however, be reduced by diversifying investments within the Fund.

#### Special risks of investment in certificates

With investments in certificates there is a risk that, even if these are listed on a stock exchange or traded on a regulated market, no regulated market price is available for these certificates as there is a certain level of illiquidity. This particularly applies if the Fund holds a substantial proportion of certificates and in OTC transactions. In order to counteract the associated valuation risk, the Management Company may, at its discretion, delay valuation by an independent market maker. Furthermore, it cannot be ruled out that greater haircuts on the actual price will have to be accepted in the sale of certificates for the above reasons. In addition, there is a counterparty default risk for certificates (see "Counterparty default risk, counterparty risk").

#### Risks arising from the use of derivatives

The leverage effect of derivatives may have a greater influence – both positive and negative – on the value of the Fund's assets than is the case for the direct purchase of securities and other assets. To this extent, their use is associated with specific risks. Unlike conventional securities, the value of net fund assets may be influenced to a greater extent (both positively and negatively) due to the associated leverage effect. Financial futures contracts which are used for a purpose other than hedging are also associated with significant opportunities and risks because only a fraction of the respective contract value (margin) must be paid immediately. Price changes can therefore lead to substantial gains or losses within the Fund's assets. This may increase the risk and volatility of the Fund.

#### Risks in connection with OTC transactions

The Fund can in principle conclude transactions on the OTC market (in particular derivatives) (if this is mentioned in the investment policy). These transactions are individual OTC agreements. When OTC transactions are concluded, the Fund is exposed to the risk that the contractual partner will fail to fulfil their payment obligation entirely, partially or on

time (counterparty risk). This may have an effect on the development of the respective fund and under certain circumstances it could result in the partial or complete loss of an unrealised gain.

#### Risks in connection with target funds (UCITS/UCI)

The risks of investment units that are acquired for the Fund are closely related to the risks of the assets contained in these target funds or the investment strategies they pursue. These risks can, however, be reduced through the diversification of investments within the target funds whose units are acquired and by diversification within the Fund. However, since the managers of the individual target funds operate independently of one another, it is also possible that several target funds will be engaged in similar or mutually opposing investment strategies. As a result, existing risks may accumulate and any opportunities may cancel each other out.

It is generally not possible to control the management of target funds. Their investment decisions do not necessarily have to correspond to the assumptions or expectations of the Management Company or of the Fund Manager. The current composition of target funds is often not known at the time. If the composition does not match the Fund Manager's assumptions or expectations, it may not be able to react by redeeming target fund units without a considerable delay.

Target funds in which the Fund acquires units may also temporarily suspend the redemption of units. In such a case the Management Company will be prevented from selling the units in the target fund by redeeming them at the management company or the custodian of the target fund in return for payment of the redemption price.

In the case of investments in target funds, an entry charge and an exit charge may likewise be charged at the level of the target funds. In general when acquiring units in target funds, a management fee may be levied at the level of the target fund. This can result in double charges.

#### Risks in connection with currencies

The Fund may invest in securities denominated in local currencies and it may hold cash in such currencies. As a result, fluctuations in the value of such currencies against the euro can have a corresponding effect on the value of the Fund in euros. Exposure to currencies other than the euro can also give rise to currency losses and there is also a transfer risk with these investments. On account of economic or political instability in countries in which a fund may invest, there is a risk that a fund may not receive, in whole or in part, the monies owing to it despite the solvency of the issuer of the respective security or other asset, or that it may not receive the monies on time or that it may receive them only in another currency.

#### Risks relating to investments in emerging markets

Various risks are associated with potential investments in investment funds and/or securities from emerging markets. These are associated above all with the rapid economic development that some of these countries are undergoing, and in this connection no assurance can be given that this development will continue in the coming years. In addition, they are generally markets with lower market capitalisation that tend to be volatile and illiquid. Other factors (such as political changes, fluctuations in exchange rates, stock exchange controls, taxes, restrictions on foreign capital investments and capital return flows, etc.) may also impair the marketability of the securities and their resultant income.

Furthermore, these companies may be subject to a significantly lower level of state supervision and less sophisticated legislation. Their accounting and auditing do not always correspond to the standard in Luxembourg.

#### Country/regional and sector risk

The value of the Fund's assets may also be adversely affected by unforeseen events such as international political developments, changes in countries' politics, restrictions on foreign investments and currency repatriations and other developments and applicable laws and regulations. If a fund focuses its investments on specific countries, regions or sectors, this reduces risk diversification. Consequently, the Fund is particularly dependent on the development of individual or interdependent countries and regions or companies that are located and/or operate there, and also on the general development as well as the development of corporate profits in individual industries or industries that influence each other.

#### Changes to the investment strategy or the investment conditions

The Management Company may amend the Management Regulations with the approval of the CSSF. The Management Company may also change the investment strategy within the legally and contractually permitted investment spectrum and therefore without changing the Management Regulations and the approval thereof by the CSSF.

#### Suspension of the redemption of units

The Management Company may temporarily suspend the redemption of units under extraordinary circumstances if suspension is deemed necessary in consideration of unit holders' interests. Extraordinary circumstances as defined above may be, for example, economic and political crises, an extraordinary level of redemption orders, taking into account Article 9 No. 2 of the Management Regulations, and the closure of stock exchanges or markets, trading restrictions or other factors that adversely affect the calculation of the net asset value per unit. Furthermore, the CSSF may order the Management Company to suspend the redemption of units if this is required in the interests of investors or the public. The unit holder cannot redeem units during this period. The net asset value per unit value may fall even in the event of the suspension of the redemption of units, for example if the Management Company is forced to sell assets below market value during the suspension of unit redemption. The net asset value per unit after unit redemptions are resumed may be lower than before suspension of redemption.

A suspension may be followed directly by dissolution of the Fund without the redemption of units being resumed, for example if the Management Company terminates the management of the Fund in order to liquidate the Fund. Unit holders are therefore exposed to the risk that they will be unable to realise the intended holding period and that significant portions of the invested capital may be unavailable to them for an indefinite period.

#### Dissolution of the Fund

The Management Company is entitled to liquidate the Fund at its own discretion at any time. Unit holders are therefore exposed to the risk that they will be unable to realise the intended holding period. If the Fund's units are removed from the investor's security account after the liquidation process ends, the investor may be subject to income tax.

#### Inflation risk

All assets are subject to a risk of devaluation through inflation. This also applies to the assets held in the Fund. The inflation rate may be above the increase in the Fund's value.

#### Risks from the investment spectrum

In accordance with the investment principles and investment limits prescribed by Luxembourg law and the Management Regulations, which provide for a very wide scope for the Fund, the actual investment policy may be geared, for example, towards the acquisition of assets from only a small number of sectors, markets or regions/countries. This concentration on a few specialised investment sectors may entail risks (e.g. narrow markets, broad range of fluctuation within certain economic cycles). The annual report provides retrospective information regarding the content of the investment policy for the reporting year ended.

#### Risks associated with increased redemptions or subscriptions

The purchase and sale orders of unit holders result in inflows or outflows of liquidity to/from the Fund's assets. The inflows and outflows can lead to a net inflow or net outflow of the Fund's liquid assets. This net inflow or outflow may cause the Management Company/Fund Manager/Investment Adviser to buy or sell assets, resulting in transaction costs. This applies in particular if the inflows or outflows exceed or fall below a level of liquid assets set for the Fund by the Management Company. The resulting transaction costs are charged to the Fund and may adversely affect the performance of the Fund. With inflows, an increased Fund liquidity may adversely affect the Fund's performance if the Management Company is unable to invest the funds under appropriate conditions.

#### Risks associated with criminal acts, abuse or natural disasters

The Fund may be the victim of fraud or other criminal acts. It may suffer losses due to misunderstandings or errors by employees of the Management Company or external third parties or due to external events, such as natural disasters.

#### Legal and political risks

Investments may be made for the Fund in jurisdictions where Luxembourg law does not apply or, in the event of legal disputes, where the court of jurisdiction is outside Luxembourg. The resulting rights and duties of the Management Company for the account of the Fund may vary from those in Luxembourg to the detriment of the Fund or the unit holder. Political or legal developments, including changes to the legal framework in these jurisdictions, may not be recognised by the Management Company or they may be recognised too late or result in restrictions relating to assets that can be or have already been acquired. These consequences may also arise if the legal framework for the Management Company and/or the management of the Fund in Luxembourg changes.

#### Key individual risk

If the Fund's investments perform very well over a certain period of time, this success may be partly due to the aptitude of the traders and so to the correct decisions of the management. Fund management personnel may change, however. New decision-makers might not be as successful.

### **CONFLICTS OF INTEREST**

The Management Company and/or employees, representatives or affiliates may act as investment advisers, fund managers, central administration agents, registrar and transfer agents or in any other way as service providers for the Fund. The function of the custodian may also be carried out by an affiliate of the Management Company. The Management Company is aware that conflicts of interest may arise on account of the various functions undertaken in connection with management of the Fund. In accordance with the Law of 2010 and the applicable management regulations of the CSSF, the Management Company has sufficient and appropriate structures and control mechanisms, in particular it acts in the best interests of the Fund and ensures that conflicts of interest are avoided. The Management Company has established principles for dealing with conflicts of interest which can be viewed by potential investors at <https://www.hauck-aufhaeuser.com/rechtliche-hinweise/rechtliche-hinweise#rechtlichehinweiseinvestorprotection> in its current version. In the outsourcing of functions to third parties and the commissioning of third parties, conflicts of interests may arise both in cooperation with the third party and also within the external company.

### **PERFORMANCE (CAPITAL APPRECIATION)**

An overview of the performance of the Fund is provided in the key investor information (*Key Investor Information Document*).

## UNITS

Units in the GREIFF “special situations” Fund are units in the Fund.

## THE ISSUE OF UNITS

Units of the Fund are issued at the issue price which consists of the unit value and, if applicable, the sales commission shown in the overview. There shall be a corresponding increase in the issue price if stamp duties or any other levies are payable in a country where units are issued.

The Management Company is authorised to issue new units on an ongoing basis. However, the Management Company reserves the right to suspend the issue of units temporarily or permanently in accordance with the provisions of the Management Regulations stated below; in such cases, any payments already made shall be refunded without delay.

Units may be purchased from the Management Company, the Custodian and the Paying Agent named in this Sales Prospectus.

**The times stated in the provisions of the Management Regulations determine the acceptance times for subscription applications.**

## UNIT VALUE CALCULATION

In order to calculate the unit value, the value of the assets, minus the liabilities (“net fund assets”), is calculated on each valuation day in accordance with the Management Regulations and divided by the number of units in circulation.

Further details concerning calculation of the unit value are stated in the Management Regulations, in particular in Article 7.

## REDEMPTION OF UNITS

The unit holders have the right, at any time via one of the Paying Agents, the Custodian or the Management Company to request redemption of their units at the redemption price stated in the Management Regulations of the Fund.

**The times stated in the provisions of the Management Regulations determine the acceptance times for redemption applications.**

## USE OF INCOME AND OTHER PAYMENTS

The use of income is established for each unit class of the Fund.

If income of the relevant unit class is eligible for distribution in principle, the provisions of Article 11 of the Management Regulations shall apply.

Any distributions for Fund units are made via the Paying Agents, the Custodian or the Management Company. The same also applies to any other payments to the unit holders.

## PUBLICATIONS AND CONTACTS

The current issue and redemption price of the units and all other information provided for unit holders may be requested at any time at the registered office of the Management Company, the Custodian, the Paying Agents and distributors.

The Sales Prospectus with the Management Regulations as amended, as well as the annual and semi-annual reports are also available at these locations; the Articles of Association of the Management Company may also be viewed there.

The key investor information (*Key Investor Information Document*) may be downloaded from the following website of the Management Company: [www.hauck-aufhaeuser.com](http://www.hauck-aufhaeuser.com). A paper version is also available upon request from the Management Company or the distributors.

The current issue and redemption price is normally published on the website of the Management Company ([www.hauck-aufhaeuser.com](http://www.hauck-aufhaeuser.com)) and may also be published in a national daily newspaper or an online medium.

Other important information for unit holders is normally published on the website of the Management Company ([www.hauck-aufhaeuser.com](http://www.hauck-aufhaeuser.com)). Furthermore, in cases prescribed by law, there will also be a publication in a daily newspaper in Luxembourg.

Investor complaints may be addressed to the Management Company, the Custodian or to any Paying Agent or distributor. They will be duly processed there within 14 days.

## **COSTS**

The Management Company shall receive a fee from the net fund assets for managing the Fund; the amount, calculation and payment of this fee can be found below in the section "An overview of **GREIFF "special situations" Fund**".

The Custodian shall receive a fee from the net fund assets; the amount of this fee is likewise stated below in the section "An overview of **GREIFF "special situations" Fund**".

The aforementioned fees are determined and paid out in accordance with the provisions of the Fund.

In addition, the Management Company or the Custodian may be reimbursed for costs in connection with the purchase and sale of assets from the Fund's assets as well as further expenses which are stated in the Management Regulations of the Fund.

These above-mentioned costs are also stated in the annual reports.

Further costs may also be charged to the Fund's assets in accordance with Article 14 of the Management Regulations.



## REMUNERATION POLICY

In accordance with the Law of 2010, in particular in consideration of the principles stipulated in Article 111ter of the Law of 2010, the Management Company has established a remuneration policy which is compatible with and supports sound and effective risk management. This remuneration system is based on the sustainable and entrepreneurial business policy of the Hauck & Aufhäuser Group and does not therefore provide any incentives for the assumption of risks that are incompatible with the risk profiles and Management Regulations of the investment funds managed by the Management Company. The remuneration system must always be consistent with the business strategy, objectives, values and interests of the Management Company and of the funds it manages and of these funds' investors, and it also includes measures for avoiding conflicts of interest. The variable remuneration elements are in particular not coupled with the performance of the investment funds managed by the Management Company. The fixed and variable components of the total remuneration are proportionate with each other, whereby the fixed component of the total remuneration is sufficient to provide complete flexibility in relation to the variable remuneration components, including the option to dispense with payment of a variable component. The remuneration system is reviewed at least once a year and is modified, if necessary.

Details of the current remuneration policy, including a description of how the remuneration and other benefits are calculated, and the identity of the persons responsible for allocation of the remuneration and other benefits, including the composition of the remuneration committee, if such a committee exists, are shown on the website of the Management Company ([www.hauck-aufhaeuser.com/rechtliche-hinweise/rechtliche-hinweise#rechtlichehinweiseinvestorprotection](http://www.hauck-aufhaeuser.com/rechtliche-hinweise/rechtliche-hinweise#rechtlichehinweiseinvestorprotection)). A paper version is also available upon request free of charge from the Management Company.

## TAXATION OF THE FUND'S ASSETS AND INCOME

The income of the Fund is not taxed in the Grand Duchy of Luxembourg. It may, however, be subject to withholding tax or other taxes in countries in which the Fund's assets are invested. Neither the Management Company nor the Custodian will obtain receipts for such taxes for individual or all unit holders.

In the Grand Duchy of Luxembourg the Fund's assets are subject to a *taxe d'abonnement* of currently max. 0.05% p.a. This *taxe d'abonnement* is payable quarterly based on the relevant net assets reported at the end of the relevant quarter.

On 10 November 2015, the Council of the European Union adopted Directive (EU) 2015/2060 repealing the EU Savings Directive (Directive 2003/48/EC). As a result, there will be full tax transparency within the EU from 2018 at the latest, and EU withholding tax will become obsolete from this time. Luxembourg uses the automatic exchange of information on financial accounts in this connection. Before the repeal of the EU Savings Directive, all Member States of the European Union were required to provide the relevant authorities of the Member States with information about interest payments and equivalent payments made in the Member State issuing the information to a person resident in another Member State. Some countries were, however, permitted to levy a withholding tax instead for a transitional period.

Before subscribing for units, potential investors should obtain information on a regular basis about the taxes for acquisition, holding and sale of units and taxes on distributions in accordance with the laws of the country in which they have citizenship, normal abode or residency. Investors should consult their tax advisers in relation to the effects of their investments in the Fund under the tax law that applies to them, in particular the tax law of the country in which they are domiciled, or in which they have normal abode or residency.

## OECD COMMON REPORTING STANDARD (CRS)

The OECD has developed Common Reporting Standards (the CRS) to address the problem of tax evasion in offshore areas on a global scale. With the objective of maximising effectiveness and reducing costs for financial institutions, the CRS set common standards for due diligence, reporting and exchange of financial account information. According to the CRS, participating countries will receive financial information in relation to all accounts for which reporting is required as identified by financial institutions on the basis of the joint due diligence and reporting procedures and will exchange information automatically with exchange partners on an annual basis. This may also include information relating to the Fund. The first exchange of information is expected in 2017. The Grand Duchy of Luxembourg has implemented the CRS with the Law of 18 December 2015 on the automatic exchange of information in the field of taxation (the Law of 2015). Accordingly, the Management Company will be required to comply with the due diligence requirements and reporting procedures under the CRS as provided for in the Law of 2015. Investors may be required to provide the Management Company or a commissioned third party with additional information to enable the Management Company or a third party to meet its obligations under the CRS. In case of non-submission of the information requested, claims may be asserted against the investor for taxes, fines or other payments. The Management Company may bring about compulsory repurchase of the units of such an investor.

## FATCA – Foreign Account Tax Compliance Act

Sections 1471 to 1474 of the US Internal Revenue Code of 1986, as amended (FATCA), provide for reporting duties as well as a possible 30% withholding tax obligation ("FATCA withholding tax") on payments:

- to all financial institutions not based in the US (a foreign financial institution, or "FFI"), insofar as they do not count as "participating FFI", i.e. FFIs which
  - establish a contractual regulation with the US tax authority (Internal Revenue Service ("IRS")) to provide the latter with specific information relating to their account holders or investors; or
  - which are otherwise not exempted from the FATCA provisions; or
  - have the status of an FFI which is deemed FATCA-compliant; or
- to investors (recalcitrant holders) who are not otherwise exempted from the FATCA provisions and who do not provide adequate information to determine:
  - whether these investors are "US persons"; or
  - whether they should be treated in any other way as the holder of a corresponding "US account".

The FATCA withholding tax regulation applies to payments originating from sources within the United States and will come into effect at the earliest on 1 January 2019 for foreign forwarded payments (foreign passthru payments) (not yet defined).

The United States has concluded intergovernmental agreements ("IGA") with numerous other countries to simplify implementation of the FATCA requirements. In accordance with FATCA and the "Model 1" and "Model 2" IGAs, an FFI in an IGA signatory country may be treated as a "reporting FI" ("reporting financial institution" or, in the case of various exempted legal entities, a "non-reporting FI" – "non-reporting financial institution") and would therefore not be subject to any withholding tax on payments it makes or receives. Under both IGA models a reporting financial institution is always required to provide the authorities in the country in which it is based or the IRS with certain information relating to its account holders or investors.

The United States and the Grand Duchy of Luxembourg signed an intergovernmental agreement (the "Luxembourg IGA") on 28 March 2014 which is based largely on the "Model 1" IGA. The Management Company expects the Fund to be treated as a reporting financial institution in accordance with the provisions of Luxembourg IGA and that accordingly no FATCA withholding tax will be due on payments made by the Fund in connection with its units. However, the possibility of such an obligation cannot be fully excluded. A payment beyond the retained FATCA withholding tax can, however, be excluded.

The FATCA regulation is extremely complex and the application of it is currently unclear. The above description is based partly on the existing and proposed regulations, the official guidelines, the IGA models and the Luxembourg IGA. All these documents may undergo changes or be implemented in a substantially changed form. Potential investors should consult their own tax advisors concerning the extent to which these regulations are relevant to payments they may receive in connection with an investment in Fund units. In addition, under certain circumstances other tax rules of the United States or its local authorities that are not discussed in this section may apply.

## AN OVERVIEW OF GREIFF “special situations” Fund

<b>Established:</b>	3 November 2005
<b>Initial issue price (plus sales commission):</b>	
Unit class R	EUR 52.50
Unit class I	EUR 50.00
<b>Initial issue date:</b>	
Unit class R	3 November 2005
Unit class I	4 December 2015
<b>Sales commission:</b> (in % of the unit value for the benefit of the relevant agent or of the Fund)	
Unit class R	Up to 5%
Unit class I	Up to 5%
<b>Redemption fee:</b>	None
<b>Minimum investment<sup>1</sup>:</b>	
Unit class R	None
Unit class I	EUR 10,000,000
<b>Savings plans:</b>	None on the part of the Management Company Investors receive additional information from the Custodian.
<b>Withdrawal plans:</b>	None on the part of the Management Company Investors receive additional information from the Custodian.
<b>Management fee (in % of the net fund assets):</b>	
Unit class R	Up to 0.80% p.a.
Unit class I	Up to 0.15% p.a.
The management fee is calculated daily based on the net fund assets of the respective unit class on the previous valuation date, and is paid monthly in arrears. The management fee is subject to any applicable VAT.	
<b>Custody fee (in % of the net fund assets):</b>	
Unit class R	Up to 0.04% p.a.
Unit class I	Up to 0.04% p.a.
The custody fee is calculated daily based on the net fund assets of the respective unit class on the previous valuation date, and is paid monthly in arrears. The custody fee is subject to any applicable VAT.	
<b>Fund management fee (in % of the net fund assets):</b>	
Unit class R	Up to 0.60% p.a.
Unit class I	Up to 0.37% p.a.
The fund management fee is calculated daily based on the net fund assets of the respective unit class on the previous valuation date, and is paid monthly in arrears. The fund management fee is subject to any applicable VAT.	
<b>Investment advisory fee (in % of the net fund assets):</b>	
Unit class R	Up to 0.60% p.a.
Unit class I	Up to 0.37% p.a.
The investment advisory fee is calculated daily based on the net fund assets of the respective unit class on the previous valuation date, and is paid monthly in arrears. The investment advisory fee is subject to any applicable VAT.	
<b>The management, investment advisory and fund management fee together in unit class I will not exceed 0.80% p.a.</b>	

<sup>1</sup> In exceptional cases the Management Company may permit subscriptions that differ from the stated minimum investment without stating reasons.

<b>Performance fee (for the Fund Manager/Investment Advisor)<sup>2</sup>:</b>	Up to 15% <sup>3</sup>
<b>Effective total cost burden (in % of the net fund assets):</b>	Shown in the annual report of the Fund
<b>Performance:</b>	Shown in the Key Investor Information Document
<b>Fund currency:</b>	EUR
<b>Currency of the unit class:</b>	
Unit class R	EUR
Unit class I	EUR
<b>Banking day:</b>	Each day on which banks and stock exchanges are open for business in both Luxembourg and Frankfurt am Main
<b>Valuation date:</b>	Any banking day
<b>Financial year end:</b>	30 June
<b>Short financial year (one-off)</b>	30 June 2018
<b>Semi-annual report:</b>	31 December
<b>Annual report:</b>	30 June
<b>Closing date for subscriptions and redemptions:</b>	12 noon of the preceding day
<b>Payment of the issue and redemption price:</b>	Within 2 banking days
<b>Denomination of units:</b>	Book entry registered
<b>Use of income:</b>	
Unit class R	Distribution
Unit class I	Distribution
<b>Stock exchange listing:</b>	Not planned
<b>Securities identification number/ISIN:</b>	
Unit class R	A0F699 / LU0228348941
Unit class I	A14ZX7 / LU1287772450
<b>Price publication:</b>	Daily on the website of the Management Company ( <a href="http://www.hauck-aufhaeuser.com">www.hauck-aufhaeuser.com</a> ) or additionally in a national newspaper or an online medium

<sup>2</sup> The benchmark is the 3-month EURIBOR. The 3-month EURIBOR is administered by the European Money Markets Institute ("EMMI", formerly Euribor-EBF). EMMI may apply to the European Securities and Markets Authority (ESMA) for inclusion in a public register of benchmark and benchmark administrators by 1 January 2020. At the time of the last revisions of the prospectus, the administrator was not yet listed in ESMA's register. The Management Company ensures that appropriate measures will be taken in the event that the benchmark materially changes or ceases to be provided. The written action plan can be requested free of charge at the registered office of the management company.

<sup>3</sup> The Fund Manager and the Investment Advisor shall each receive for unit class R and I of the **GREIFF "special situations" Fund** 50% of the performance fee.

The performance fee shall constitute up to 15% of the difference between the performance of the respective unit class and the performance of the defined benchmark. The benchmark corresponds to the pro-rata return on a notional starting value with the current daily 3-month EURIBOR (Bloomberg ticker EUR003M) plus 2%. The payment of a performance fee, if owed, is made on 30 June of each year (= reporting date). The accounting period begins on 1 July and ends on 30 June of the following calendar year. **For the period 1 October 2017 to 30 June 2018, the accounting period for the performance fee shall be for a shorter period on a one-off basis.**

The calculation of the performance fee entitlement shall be carried out daily (observation date) and is taken into account accordingly in the calculated unit value.

The performance fee is calculated as follows:

On each observation date the difference between the percentage change of the unit value of the unit class compared to the previous day and the percentage change of the benchmark compared to the previous day is calculated. This difference is multiplied by the fund assets of the unit class and weighted with the performance fee rate. Negative and positive earnings contributions are netted.

A positive accumulated entitlement to the performance fee shall be paid at the reporting date, even if the unit value at the reporting date is below the unit value of the previous date or the initial issue price. Any negative balance of provisions on the reporting date will be taken into account accordingly in the subsequent examination. There shall be no entitlement to reimbursement of a performance fee already paid.

This fee is subject to any applicable VAT.

## **MANAGEMENT REGULATIONS**

### **GREIFF “special situations” Fund**

The Management Regulations define the general principles for the GREIFF “special situations” Fund (“Fund”) and became effective on 1 July 2018. The filing with the Trade and Companies Register in Luxembourg (“Trade and Companies Register”) was published in the Recueil électronique des Sociétés et Associations (“RESA”).

The Management Regulations are the contractual conditions for the Fund.

#### **Article 1 THE FUND**

1. The GREIFF “special situations” Fund is organised as a legally dependent fund (“fonds commun de placement”) consisting of securities and other permitted assets (“fund assets”) which are managed in compliance with the principle of risk diversification. The fund assets minus the liabilities attributable to the Fund (“net fund assets”) must achieve a minimum countervalue of EUR 1,250,000 within six months after the admission of the Fund. The Fund shall be managed by the Management Company. The assets in the Fund shall be held by the Custodian within its custodian network.
2. The contractual rights and obligations of the unit holders, the Management Company and the Custodian are regulated in the Management Regulations of the Fund which are prepared by the Management Company with the approval of the Custodian.

By purchasing a unit, every investor accepts the Management Regulations of the Fund as well as the approved amendments of the same.

#### **Article 2 THE MANAGEMENT COMPANY**

1. The Management Company is Hauck & Aufhäuser Fund Services S.A.
2. The Management Company manages the Fund in its own name, but solely in the interests and for the joint account of the unit holders. Its administrative powers cover the exercise of all rights which are directly or indirectly connected to the assets of the Fund.
3. The Management Company determines the investment policy of the Fund, taking into account statutory and contractual investment restrictions. The Executive Board of the Management Company may entrust one or more of its members with implementation of the day-to-day investment policy. It may, under its own responsibility and control and at the cost of the Fund, outsource the execution of the day-to-day investment policy to third parties insofar as they are licensed or registered for purposes of asset management and subject to a supervisory authority. If the execution of the day-to-day investment policy is outsourced to third parties, this shall be stated in the Sales Prospectus. Furthermore, the Management Company must ensure that the third parties have taken the necessary measures for compliance with all requirements for organisation and avoidance of conflicts of interest as prescribed in the applicable Luxembourg laws and regulations, and must monitor compliance with these requirements.
4. The Management Company may, under its own responsibility, enlist investment advisers or fund managers and in particular obtain professional advice from an investment committee. The costs for this in accordance with the provisions of these Management Regulations may be charged to the Fund and will be mentioned in the Sales Prospectus.
5. The Management Company shall prepare a Sales Prospectus and the key investor information for the Fund (*Key Investor Information Document*).

#### **Article 3 THE CUSTODIAN**

1. Hauck & Aufhäuser Privatbankiers AG, Luxembourg branch, based at 1c, rue Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg, entered in the Trade and Companies Register of Luxembourg under number B 175937, was appointed as the Fund's Custodian by written contract. The Custodian is a branch of Hauck & Aufhäuser Privatbankiers AG, Kaiserstr. 24, D-60311 Frankfurt am Main, a German financial institution with a full banking licence within the meaning of the German Banking Act (KWG) and within the meaning of the Luxembourg Law of 5 April 1993 on the financial sector (in its latest version). It is registered in the Commercial Register of Frankfurt am Main District Court under the number HRB 108617. Both Hauck & Aufhäuser Privatbankiers AG and its branch in Luxembourg are supervised by the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin). In addition, Hauck & Aufhäuser Privatbankiers AG, Luxembourg branch is regulated by the Commission de Surveillance du Secteur Financier (CSSF) in respect of money laundering, liquidity and market transparency.  
All tasks and duties of the Custodian are exercised by the branch. Its function is based in particular on the Law of 2010, CSSF Circular 16/644, the Custodian Agreement and the Sales Prospectus. As a paying agent, it is obliged to pay out any distributions, the redemption price of redeemed units and other payments.

2. In performing its tasks, the Custodian shall act honestly, professionally, independently and exclusively in the interests of the Fund and its unit holders.
3. The Custodian shall ensure that the cash flows of the Fund are subject to effective and proper monitoring. The Custodian shall ensure that all payments made by or in the name of unit holders for subscription of units of the investment fund are received and that all monies of the Fund are entered in cash accounts in the name of the Fund at the Custodian (or another financial institution).
4. The Custodian shall hold or monitor all assets of the Fund. The Law of 2010 differentiates in this respect between custodial financial instruments and other assets, although the allocation is not always clear in all cases.

For the safekeeping of custodial financial instruments (e.g. securities, money market instruments, units in undertakings for collective investment), other duties and stricter liability apply to the Custodian in some cases than for the safekeeping of other assets. The Custodian holds custodial financial instruments in segregated accounts. Apart from a few exceptional cases, the Custodian is liable for the loss of these financial instruments, including cases in which the loss was not caused by the Custodian itself but by a third party. Other assets (not eligible for custody) are not held in securities accounts. After ensuring that they are actually the property of the investment fund, records of these assets will be managed by the Custodian. The Custodian shall be liable to the Management Company for fulfilment of these duties in cases of gross negligence or intent.

The Custodian may appoint sub-custodians for custody of assets of any kind in order to comply with the requirements of the Law of 2010. The liability of the Custodian to the Management Company shall remain unaffected by the appointment of a sub-custodian. The names of sub-custodians can be seen on the website of the Custodian ([https://www.hauck-aufhaeuser.com/fileadmin/Impressum/List\\_of\\_Sub-Custodians\\_Hauck\\_Aufhaeuser.pdf](https://www.hauck-aufhaeuser.com/fileadmin/Impressum/List_of_Sub-Custodians_Hauck_Aufhaeuser.pdf)). As a matter of principle, no third party shall be appointed for custody or monitoring of other assets unless this is expressly provided for.

When a sub-custodian is appointed for custodial financial instruments, the Custodian is required in particular to examine whether the sub-custodian is subject to effective supervision (including minimum capital requirements) and a regular external audit which ensures that the assets are in its possession ("**depository due diligence**"). These duties of due diligence must also be complied with in relation to any legal entity which is located after the sub-custodian or third-party custodian in the custody chain (known as the "correspondent").

The Custodian must also ensure that any sub-custodian separates the assets of customers of the Custodian which are the subject of joint management from their own assets and other assets of the Custodian, in particular their own assets as well as the assets of the customers of the Custodian that are not part of joint management.

In addition, for custodial financial instruments, if the law of a third country requires that certain financial instruments must be deposited with a local entity that does not meet the aforementioned monitoring requirement ("**local depository**"), the Custodian may nevertheless appoint this local depository, but only provided the following statutory conditions are satisfied.

There must be no local depository that fulfils the above-mentioned monitoring requirements.

Furthermore, the transfer of the custody of financial instruments to a local depository can take place only at the express instruction of the Management Company.

In addition, the Management Company must inform the investors properly before appointing such a local depository.

5. The Custodian must comply with instructions from the Management Company insofar as they do not conflict with the law, the Management Regulations or the applicable Sales Prospectus of the Fund.
6. The Custodian is entitled at any time to terminate its custodial function in accordance with the contractual conditions. In this case the Management Company shall be required to liquidate the Fund in accordance with Article 12 of these Management Regulations or to appoint a new custodian within two months with approval from the relevant supervisory authority. Until a new custodian is appointed, the previous custodian must comply fully with its statutory duties and functions in accordance with the Management Regulations.

The Management Company is also entitled to cancel the Custodian's appointment at any time in accordance with the respective Custodian Agreement. Cancellation such as this necessarily results in the dissolution of the Fund in accordance with Article 12 of these Management Regulations, provided that the Management Company has not appointed another bank as custodian after the end of the written notice period with the approval of the relevant supervisory authority, which shall assume the legal functions of the previous custodian.

#### **Article 4 GENERAL GUIDELINES GOVERNING INVESTMENT POLICY**

The following general principles and restrictions of the investment policy shall apply to all the Fund's funds. The Fund may also provide for supplements or deviations. This is mentioned in the Sales Prospectus.

The following definitions apply:

- “Third country”: a third country within the meaning of these Management Regulations shall be any state that is not a Member State.
- “Money market instruments”:  
Instruments normally traded on the money market which are liquid and the value of which can be accurately determined at any time.
- “Regulated market”:  
A market as defined in Article 4 No. 14 of Directive 2004/39/EC of 21 April 2004 on markets in financial instruments (as last amended).
- “Law of 2010”:  
The Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended
- “Member State”:  
A Member State of the European Union. Contracting states to the Agreement on the European Economic Area are equivalent to the Member States of the European Union within the limits of this Agreement and related acts.
- “UCI”:  
Undertaking for collective investment. Each UCI that is subject to Part II of the Law of 2010 qualifies as an AIF within the meaning of the Law of 12 July 2013 on alternative investment fund managers.
- “UCITS”:  
Undertaking for collective investment in transferrable securities subject to Directive 2009/65/EC.
- “Directive 2009/65/EC”:  
Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (as last amended)
- “Securities”:  
  - Shares and other securities equivalent to shares (“shares”)
  - Bonds and other forms of securitised debt (“bonds”)
  - All other negotiable securities that grant entitlements to acquire securities by subscription or exchange, with the exception of the techniques and instruments set out in No. 5 of this Article below.

The Fund’s investment policy is subject to the following regulations and investment restrictions. The respective net fund assets are invested according to the principle of risk diversification. The Fund’s investment policy may comprise investments in securities, money market instruments, fund units, derivative financial instruments and all other permissible assets according to Article 4 of the Management Regulations. It may differ in particular according to the region in which the funds invest, according to the assets that are to be acquired, the currency in which they are denominated or by their maturity. A detailed description of the investment policy of each individual fund can be found in the Sales Prospectus.

1. The Fund’s investments may consist of the following assets:

Based on the Fund’s specific investment policy, several of the investment options stated below may not apply to the Fund. This is mentioned in the Sales Prospectus.

- a) Securities and money market instruments that are listed or traded on a regulated market;
- b) Securities and money market instruments that are traded in a Member State on a market that is recognised, regulated, open to the public and operates in an orderly manner;
- c) Securities and money market instruments that are officially listed on the stock exchange of a third country or are traded on another regulated market in that country that is recognised, open to the public and that operates in an orderly manner;
- d) Securities and money market instruments from new issues, insofar as the terms of issue include the obligation that application is made for admission to official listing on a stock exchange or for trading on a regulated market within the meaning of the provisions stated above under No. 1 a) to c) and the admission takes place within one year from the date of issue at the latest;
- e) Units of UCITS and/or other UCI authorised according to Directive 2009/65/EC within the meaning of Article 1(2)(a) and (b) of Directive 2009/65/EC with their registered office in a Member State or a third country, provided that
  - these other UCIs are authorised under laws which stipulate that they are subject to official supervision considered by the CSSF to be equivalent to that laid down in Community law, and that there is sufficient

cooperation between the authorities. In accordance with this regulation, only units in target funds of the open-ended type which have their registered office and their executive management in a Member State, Norway, Liechtenstein, Switzerland, US, Canada, Hong Kong or Japan may be acquired;

- the level of protection for unit holders of the other UCI is equivalent to the level of protection provided for unit holders of a UCITS and, in particular, the rules on the segregation of fund assets, borrowing, lending, and short selling of securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;
  - the business activities of the other UCI are subject to annual and semi-annual reporting, and such reports make it possible to form a judgement of the assets and liabilities, income and the transactions during the reporting period;
  - the UCITS or these other UCI whose units are to be acquired may invest up to 10% in total of their assets in units of other UCITS or other UCI according to their management regulations or constitutional documents.
- f) Demand deposits or deposits subject to withdrawal which mature in no more than 12 months at financial institutions, provided the financial institution concerned has its registered office in a Member State or, if the registered office of the financial institution is in a third country, provided that it is subject to prudential rules considered by the CSSF to be equivalent to those laid down in Community law;
- g) Derivative financial instruments, i.e. options and futures in particular as well as swaps ("derivatives"), including equivalent cash-settled instruments traded on a regulated market referred to in subparagraphs a), b) and c) and/or derivative financial instruments traded over-the-counter ("OTC derivatives"), provided that
- the underlyings are instruments within the meaning of No. 1. a) to h), financial indices (including bond, equity and commodity indices which meet all the criteria of a financial index which must be recognised and sufficiently diversified), interest rates, exchange rates or currencies;
  - the OTC derivative transactions are entered into with counterparties that are institutions subject to official supervision of a category approved by the CSSF;
- and
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and at the respective fund's initiative can be sold at their fair value, liquidated or closed at any time by an offsetting transaction.
- h) Money market instruments that are not traded on a regulated market and which do not fall under the above-mentioned definition, insofar as the issuer or issuer of such instruments is itself subject to regulations for the purpose of protecting deposits and investors, and provided that they are
- issued or guaranteed by a central, regional or local authority or the central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a third country or, in the case of a federal state, by one of the member states making up the federation, or by a public international body to which one or more European Union Member States belong; or
  - issued by a company whose securities are traded on a regulated market referred to in a), b) or c), or
  - issued or guaranteed by an institution subject to official supervision in accordance with criteria defined under Community law, or by an institution that is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law; or
  - issued by other issuers belonging to one of the categories authorised by the CSSF, provided that investments in such instruments are subject to investor protection rules equivalent to those laid down in the first, second or third indent and provided that the issuer is either a company with equity capital of at least ten million euros (EUR 10,000,000) which prepares and publishes its annual financial statements in accordance with the rules of the fourth Council Directive 78/660/EEC, or a legal entity which, within a group of companies comprising one or several exchange-listed companies, is responsible for financing this group, or a legal entity which draws on a credit line granted by a bank for the purpose of financing the collateralisation of liabilities.
- i) Equity participations within the meaning of Section 2(8) of the German Investment Tax Act (InvStG). Equity participations in this sense are:
- shares in corporations admitted to official trading on a stock exchange or admitted to or included in another organised market;
  - shares in corporations based in a Member State of the European Union or another signatory state to the Agreement on the European Economic Area that are subject to corporate income tax there and are not exempt from it;



- shares in corporations based in a third country that are subject to corporate income tax there of at least 15% and are not exempt from it;
- units in other investment funds (target funds) in the amount of their value published on the valuation date at which they actually invest in the aforementioned shares in corporations; if no actual quota is published, in the amount of the minimum quota laid down in the investment conditions of the other investment fund.

2. The Fund may also:

- a) invest up to 10% of its net assets in investments other than the securities and money market instruments referred to under No. 1;
- b) hold liquid assets and similar assets amounting to up to 49% of its net assets;
- c) take up loans for a short period up to a countervalue of 10% of its net assets. These loans may be subject to pledging or a provision of collateral. Hedging transactions in connection with the sale of options or the purchase or sale of forward or futures contracts are not considered borrowing in terms of this investment restriction;
- d) acquire currencies within the framework of a back-to-back transaction.

3. In addition, the following investment limits apply to the Fund's investment of its assets:

- a) The Fund may invest up to a maximum of 10% of its net fund assets in securities or money market instruments of a single issuer, whereupon the securities held directly in the portfolio and the underlyings of structured products shall be jointly considered. It may invest up to a maximum of 20% of its net assets in deposits with any single institution. The counterparty default risk for OTC derivative transactions entered into by the Fund may not exceed 10% of its net assets when the counterparty is a financial institution within the meaning of No. 1 f). In other cases, the maximum limit is 5% of the Fund's net assets.

- b) The total value of the securities and money market instruments of issuers with which the Fund invests more than 5% respectively of its net assets may not exceed 40% of the value of its net fund assets. This limitation does not apply to deposits and OTC derivative transactions entered into with financial institutions that are subject to official supervision.

Notwithstanding the upper limits individually listed under No. 3. a), the Fund may invest up to a maximum of 20% of its net fund assets with any single institution, in a combination of

- Securities or money market instruments issued by this institution,
- Deposits with this institution or
- OTC derivatives acquired from this

institution.

- c) The upper limit laid down in No. 3 a) sentence 1 shall not exceed 35% if the securities or money market instruments are issued or guaranteed by a Member State or its regional authorities, a third country or by public international bodies to which one or more Member States belong.
- d) The upper limit laid down in No. 3 a) sentence 1 shall not exceed 25% for certain bonds when they have been issued by a financial institution which has its registered office in a Member State and is subject to specific supervision by the authorities in accordance with laws designed to protect bond holders. In particular, revenue deriving from the issue of these bonds must be invested in assets in accordance with the legal provisions such that sufficient funds are available to cover claims attached to the bonds for the entire term of the bonds and, in the event the issuer defaults, such funds would be used as a priority to reimburse capital and pay interest.

If the Fund invests more than 5% of its net assets in the bonds referred to in the subparagraph above, where the bonds are issued by a single issuer, the total value of these investments may not exceed 80% of the value of the net assets of the Fund.

- e) The securities and money market instruments mentioned in No. 3 c) and d) shall not be taken into account when applying the 40% investment limit provided for in No. 3 b).

The limits referred to in No. 3 a), b), c) and d) may not be accumulated; therefore, in accordance with No. 3 a), b), c) and d), investments in securities or money market instruments of any single issuer or in deposits with this issuer as well as in derivatives of the same may not exceed 35% of the net assets of the Fund.

Companies that belong to the same corporate group for the purposes of preparing consolidated accounts within the meaning of Directive 83/349/EEC or in accordance with recognised international accounting regulations are regarded as a single issuer when calculating the investment limits provided for in a) to e) in this section.

The Fund may invest cumulatively up to 20% of its net fund assets in securities and money market instruments of any single group of companies.

- f) Notwithstanding the investment limits set out in the following No. 3 k), l) and m), the upper limits for investments in shares and/or debt instruments of the same single issuer stated in No. 3 a) to e) are a maximum of 20% if it is the objective of the Fund's investment strategy to replicate a particular equity or bond index that has been recognised by the CSSF. For this, the preconditions are that:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it relates;
- the index is published in an appropriate manner.

- g) The limit set out under No. 3 f) amounts to 35% insofar as this is justified by exceptional market conditions, particularly on regulated markets where certain securities or money market instruments are highly dominant. An investment up to this upper limit is only permitted for a single issuer.

- h) Notwithstanding the provisions under No. 3 a) to e), the Fund may, according to the principle of risk diversification, invest up to 100% of its net assets in securities and money market instruments of various issues that are issued or guaranteed by a Member State or its regional authorities or by an OECD country or by public international bodies to which one or more Member States belong, provided that (i) such securities have been issued as part of at least six different issues and (ii) no more than 30% of the net fund assets are invested in securities from one and the same issue.**

- i) The Fund may acquire units in other UCITS and/or other UCI within the meaning of No. 1. e) provided it does not invest more than 20% of its net fund assets in any single UCITS or other UCI.

When applying this investment limit, the fund of an umbrella fund is to be treated as an independent issuer within the meaning of Article 181 of the Law of 2010, provided that the principle of individual liability shall apply for each fund with respect to third parties.

- j) Investments in units of other UCI as UCITS shall not exceed a total of 30% of the Fund's net fund assets.

If the Fund acquires units of a UCITS and/or other UCI, the investments of the relevant UCITS or other UCI are not considered with respect to the upper limits mentioned under No. 3 a) to e).

If the Fund acquires units of other UCITS and/or other UCI that are managed, directly or indirectly, by the same Management Company or by any other company to which the Management Company is linked by joint management or control, or by a substantial direct or indirect holding, the Management Company or the other company may not charge any fees for the subscription or the redemption of units of other UCITS and/or other UCI by the Fund.

If the Fund invests in units of target funds, however, that are issued and/or managed by other companies, it should be noted that any sales commissions and redemption fees will be charged for these target funds. The sales commissions and redemption fees paid by the Fund are specified in the annual reports.

If the Fund invests in target funds, the fund assets are charged fees for administering the fund and fund management of the target funds in addition to the fees for administering the fund and fund management of the investment fund. In this respect, double charging with respect to the fees for administering the fund and fund management are not ruled out.

In general when acquiring units in target funds, a management fee may be levied at the level of the target fund. The Fund will not therefore invest in target funds that are subject to a management fee of more than 3%. The Fund's annual report shall include information as to how high the maximum percentage of the management fee is which is borne by the Fund and the target funds.

- k) The Fund may not acquire sufficient voting shares to an extent that would enable it to exert a material influence on the management of the issuer.

- l) Furthermore, the Fund may not acquire more than:

- 10% of the non-voting shares of any single issuer;
- 10% of the bonds of any single issuer;

- 25% of the units of a single UCITS or other UCI within the meaning of Article 2(2) of the Law of 2010;
- 10% of the money-market instruments of any single issuer.

The limits laid down in the second, third and fourth indents may be disregarded in the acquisition if at the time of the acquisition the gross amount of the bonds or the money market instruments, or the net amount of the issued units, cannot be calculated.

m) The aforementioned provisions under No. 3 k) and l) are not applicable with respect to:

- aa) Securities and money market instruments issued or guaranteed by a Member State or its regional authorities;
  - bb) Securities and money market instruments issued or guaranteed by a third country;
  - cc) Securities and money market instruments issued by public international bodies to which one or more Member States belong;
  - dd) Shares of companies that have been established under the law of a third country, provided that (i) such a company mainly invests its assets in securities of issuers from that country, (ii) under the law of that country, an investment by the Fund in the capital of such a company is the only possible way to acquire securities issued by issuers in that country and (iii) within the framework of the investment of its assets, this company observes the investment restrictions under No. 3 a) to e) and No. 3 i) to l) above;
  - ee) Shares held in the capital of subsidiaries that carry out only and exclusively management, consulting or marketing activities for the Fund in the country where the subsidiary is located with regard to the redemption of units at the unit holders' request.
- n) The Fund may not acquire any goods or precious metals with the exception of certificates which qualify as securities and are recognised as assets in the context of administrative practice.
- o) The Fund may not invest in property, whereby investments in property-backed securities or interest thereon or investments in securities issued by companies that invest in property and interest thereon are permitted.
- p) At the expense of the Fund's assets, no loans or guarantees may be issued for third parties, whereby this investment restriction does not hinder the Fund from investing its net assets in securities, money market instruments or other financial instruments within the meaning of No. 1. e), g) and h) above that are not fully paid up, provided that the Fund has sufficient cash or other liquid assets to be able to meet the outstanding payments; such reserves may not be allocated for the sale of options.
- q) Short selling of securities, money market instruments or other financial instruments referred to in No. 1. e), g) and h) above is not permitted.

4. Notwithstanding any provision to the contrary contained herein:

- a) the Fund does not need to comply with the investment restrictions provided for in No. 1 to 3 above when exercising subscription rights linked to securities or money market instruments which it holds in its assets.
- b) the Fund may deviate from the provisions established in No. 3. a) to j) above for a period of six months after its admission.
- c) the Fund shall, if these provisions are exceeded for reasons that are beyond the control of the Fund or due to subscription rights, seek as a priority to rectify the situation as part of its sales transactions, taking into account the interests of its unit holders.
- d) in the event that an issuer forms a legal entity with multiple sub-funds where the assets of a sub-fund are liable solely for claims of the sub-fund's investors and for the creditors whose claim has arisen in connection with the formation, term, or liquidation of the sub-fund, each sub-fund shall be regarded as an independent issuer for the purpose of applying the rules on risk diversification in No. 3. a) to g) and No. 3. i) and j).

The Fund's Management Company is entitled to establish additional investment restrictions provided this is necessary to comply with the legal and administrative provisions in those countries in which the Fund's units are offered or sold.

5. Techniques and instruments

The Fund may use derivatives and other techniques and instruments for hedging and efficient portfolio management, for the portfolio's maturities and risk management and for earning income, i.e. for speculative purposes.

If these transactions concern the use of derivative instruments, the conditions and limits must comply with the provisions laid down under Nos. 1 to 4 above of this Article. Furthermore, with respect to the risk management procedures for derivatives, the provisions in No. 7 below of this Article must be taken into account.

#### 6. Risk management procedures for derivatives

If transactions involve derivatives, the Fund shall ensure that the derivative-related total risk does not exceed the net fund assets of its portfolio.

In calculating the risk exposure, the market value of the underlyings, the counterparty risk, future market fluctuations and the time available to liquidate the positions are taken into account. This also applies to the following paragraphs.

- As part of its investment strategy, the Fund may invest in derivatives within the limits laid down in No. 3 e) above of this Article, provided that the total risk of the underlyings does not exceed the investment limits laid down in No. 3 a) to e) of this Article. If the Fund invests in index-based derivatives, these investments must not be taken into account in the investment limits of No. 3 a) to e) above of this Article.
- When a derivative is embedded in a security or money market instrument, it must be taken into account with respect to the investment limits in No. 3 e) above.

The Management Company shall inform the CSSF on a regular basis of the types of derivatives in the portfolio, the risks associated with the respective underlyings, the investment limits and the methods used to measure the risks associated with the derivatives transactions in respect of the Fund.

The investment restrictions listed in this Article 4 generally relate to the time of acquisition of the respective assets. If the stated limits are exceeded after acquisition due to increases in value, the Management Company will restore the investment limits, taking into account the interests of investors.

### Article 5 UNITS

1. Units of the Fund are certified by bearer unit certificates, which may have associated coupons, provided that no other provision has been made in the Sales Prospectus.
2. All units of the Fund generally have the same rights and are freely transferable.
3. Units are issued in the Fund and are bearer units. They are issued in each denomination to be determined by the Management Company. If they are vested in global certificates, there is no entitlement to physical delivery of the certificates. This is stated in the Sales Prospectus. If the units are issued in book form by transfer to securities accounts, the Management Company may issue fractions of units up to 0.001 units.
4. The Management Company may introduce multiple unit classes per fund for the Fund. If different unit classes are introduced, this will also be stated in the Sales Prospectus.

The unit classes may differ as follows:

- a) in terms of cost structure with regard to the sales commission, the redemption fee and, if applicable, the distributors' commission;
- b) in terms of cost structure with regard to the fee for the Management Company, Custodian and Investment Adviser or Fund Manager;
- c) in terms of the rules on the sale and the minimum subscription amount or the minimum investment;
- d) in terms of the utilisation of income;
- e) in terms of the currency in which the unit classes are denominated;
- f) in terms of the potential group of investors;
- g) in terms of in any other criteria defined by the Management Company.

All units are equally entitled from the date they are issued to income, price gains and liquidation proceeds of their unit class.

5. The issue and redemption of units as well as payments for units or coupons are executed at the Management Company, the Custodian and via any Paying Agent.
6. The Management Company may split and/or consolidate the units within a unit class.
7. Existing unit classes may be liquidated in accordance with the provisions of Article 12 and 13 of the Management Company's Management Regulations or merged within the Fund or merged with another UCITS or sub-fund/unit class of the same which is managed by the same Management Company or by another management company, where this other UCITS or sub-fund/unit class may be established both in Luxembourg and in another Member State.

## **Article 6 ISSUE OF UNITS**

1. Units are issued on each valuation date at the unit value plus a sales commission. The amount of the sales commission for the Fund is defined in the Sales Prospectus. The sales commission is charged to the relevant agent. The issue price may be increased by fees or other charges incurred in the respective distribution countries.
2. The Management Company may at any time reject a subscription application for the Fund at its own discretion or temporarily restrict, suspend or permanently discontinue the issuing of units if this appears necessary in the interests of the unit holders overall, to protect the Management Company, to protect the Fund, in the interests of the investment policy or in the event that the Fund's specific investment objectives are at risk. To protect investors, the Management Company will in particular not allow any practices associated with market timing and reserves the right to reject subscription applications from any investor whom the Management Company suspects of using such practices and, if applicable, will take the necessary measures.
3. The Management Company may, in accordance with the statutory provisions of the Grand Duchy of Luxembourg, issue units in return for delivery of securities provided that a subscriber requests this procedure and provided that these securities fit in with the conditions of the investment policy and investment restrictions of the Fund. In connection with the issue of units against delivery of securities, the auditor of the Fund must issue an expert opinion on the valuation of the securities to be introduced. The costs of units issued in the manner described above are borne by the subscriber in question.
4. As a rule, units are purchased at the issue price on the valuation day in accordance with Article 7 No. 1 of the Management Regulations. Subscription requests which the Management Company receives by midday (Luxembourg time) on a valuation day are settled on the basis of the unit value on the next valuation day. Subscription applications received by the Management Company after midday (Luxembourg time) on a valuation day are settled at the unit value on the next valuation day but one.

The issue price is payable within two banking days after the corresponding valuation day.

5. The units are immediately allocated by the Custodian on receipt of the issue price at the Custodian on behalf of the Management Company.
6. The Custodian will refund payments immediately free of interest for subscription applications that have not been executed.
7. Savings plans may be offered for the Fund. If savings plans are offered, this is mentioned in the Sales Prospectus. If the issue is executed in the context of the savings plans offered, a maximum of one third of all payments agreed for the first year is used to cover costs, and the remaining costs are evenly distributed across all subsequent payments.

## **Article 7 UNIT VALUE CALCULATION**

1. The value of a unit ("unit value") is denominated in the currency of the unit class defined in the overview of the Fund presented in the Sales Prospectus ("unit class currency"). It is calculated under the supervision of the Custodian by the Management Company or a third party acting under its instructions on any day ("valuation day") set out in the Fund's Sales Prospectus. The Fund and its unit classes are calculated by dividing the net fund assets of the respective unit class by the number of units in this unit class in circulation on the valuation day. If information on the situation of the Fund's assets has to be given in annual and semi-annual reports and other financial statistics based on statutory provisions or pursuant to the provisions of the Management Regulations, this information shall be given in euros ("reference currency") and the Fund's assets will be converted into the reference currency.
2. The net fund assets are calculated according to the following principles:
  - a) The target fund units included in the Fund are valued at their last calculated and available unit value and/or redemption price.
  - b) The value of cash holdings or bank balances, deposit certificates and outstanding receivables, prepaid expenses, cash dividends and declared or accrued interest not yet received is equal to the respective full amount, unless this is not likely to be fully paid or received, in which case the value is calculated to include an appropriate discount in order to obtain the actual value.

- c) The value of assets listed or traded on a stock exchange or on another regulated market is determined based on the last available price, unless otherwise regulated below.
- d) Provided an asset is not quoted or traded on a stock exchange or another regulated market or provided the prices pursuant to the provisions in c) of assets listed or traded on a stock exchange or another regulated market, as mentioned above, do not appropriately reflect the actual market value of the corresponding assets, the value of such assets will be determined on the basis of the reasonably foreseeable sales price according to a careful assessment.
- e) The liquidation value of futures, forward transactions or options not traded on stock exchanges or other organised markets corresponds to the respective net liquidation value as set out in the Executive Board's guidelines in a manner consistent for all types of contracts. The liquidation value of futures, forward transactions or options traded on stock exchanges or other organised markets shall be calculated based on the last available settlement prices of such contracts on the stock exchanges or organised markets on which these futures, forward transactions or options are traded by the Fund. If a future, forward transaction or option cannot be liquidated on the day on which the net asset value is calculated, the basis for valuing the contract shall be determined in an appropriate and reasonable manner by the Executive Board.
- f) Swaps are valued at their market value.  
Care must be taken to ensure that swap contracts are concluded on normal market terms in the sole interest of the Fund.
- g) Money market instruments may be valued at their respective market value as defined by the Management Company in good faith using generally accepted valuation rules verifiable by auditors.
- h) All other securities or other assets are valued at their reasonable market value to be determined in good faith and in accordance with the procedure to be established by the Management Company.
- i) The pro rata interest on securities shall be included if this has not been taken into account in the market value (dirty pricing).

The value of all assets and liabilities not expressed in the Fund's currency is converted into this currency at the last available exchange rate. If these rates are not available, the exchange rate shall be determined in good faith using the procedure established by the Executive Board.

The Management Company may, at its own discretion, permit the use of other methods of valuation if it considers them to be in the interest of the appropriate valuation of the Fund's asset.

If the Management Company believes that the unit value calculated on a given valuation day does not reflect the actual value of the Fund units, or if there have been significant movements on the relevant stock exchanges and/or markets since the calculation of the value, the Management Company may decide that the value of the units should be restated on that same day. In this event, all applications received for subscriptions and redemptions for that valuation day shall be based on the unit value that was restated in good faith.

- 3. If two or more unit classes have been set up for the Fund in accordance with Article 5 No. 3 of the Management Regulations, the unit value is calculated in consideration of the following:
  - a) The unit value is calculated separately for each unit class according to the criteria listed under No. 2 of this Article.
  - b) The inflow of funds resulting from the issue of units increases the percentage share of the respective unit class in the total value of the net fund assets. The outflow of funds resulting from the redemption of units reduces the percentage share of the respective unit class in the total value of the net fund assets.
  - c) In the event of a distribution, the unit value of the units of the distributing unit class is reduced by the amount of the distribution. This reduces the percentage share of this unit class in the total value of the net fund assets at the same time, while the percentage share of one or more non-distributing unit classes in the total net fund assets is increased.
- 4. An income equalisation procedure may be carried out for the Fund.
- 5. The Management Company may determine the unit value in the event of substantial redemption applications which cannot be settled using liquid assets and the Fund's permitted borrowing based on the prices on the valuation day on which it carries out the necessary sales of securities for the Fund; this also applies to subscription orders for the Fund submitted at the same time.

## **Article 8      SUSPENSION OF THE UNIT VALUE CALCULATION**

1. The Management Company is entitled to suspend the calculation of the unit value for the Fund temporarily if this is in the best interests of the unit holders and for as long as circumstances persist that require this suspension, in particular:
  - a) during the period in which a stock exchange or regulated market on which a substantial portion of the assets of the Fund are officially listed or traded is closed (other than on normal weekends or holidays) or trading on this stock exchange or market has been suspended or restricted;
  - b) in emergencies when the Management Company does not have the Fund's investments at its disposal, or if it is impossible for the Management Company to transfer freely the countervalue of the investments bought or sold or to calculate the value of units in a proper manner.
2. The Management Company shall have the suspension or resumption of the unit value calculation published in at least one daily newspaper in those countries in which the Fund's units are admitted for public sale and shall notify all unit holders that have offered units for redemption.

## **Article 9      REDEMPTION OF UNITS**

1. The Fund's unit holders are entitled to request the redemption of their units at any time at the redemption price established in accordance with Article 7 of the Fund's Management Regulations and on the terms and conditions determined therein. Redemption is carried out on valuation days only. The redemption price is paid on redemption of the units. If a redemption fee is charged, this will be stated in the Sales Prospectus.
2. As a rule, redemption takes place at the redemption price on the respective valuation day. Redemption requests which the Management Company receives by midday (Luxembourg time) on a valuation day are settled at the redemption price on the next valuation day. Redemption requests received by the Management Company after midday (Luxembourg time) on a valuation day are settled at the unit value on the next valuation day but one. The redemption price is paid within two banking days after the corresponding valuation day.
3. With the prior consent of the Custodian, the Management Company is entitled to make large-scale redemptions that cannot be settled using the liquid assets and permitted borrowing of the Fund only after the Fund's corresponding assets have been sold without delay. Investors who have offered to redeem their units will be informed immediately and in an appropriate manner of any failure to service (suspension) the redemption and of the service (resumption) of the redemption.
4. The Management Company may decide to suspend the redemption of units temporarily for the Fund. The suspension may only be carried out in exceptional cases, if the circumstances require such a suspension, and if the suspension is justified in the interests of unit holders.
5. The Custodian is only obliged to make payment if no statutory provisions, e.g. foreign exchange regulations or any other circumstances that cannot be influenced by the Custodian, prohibit the transfer of the redemption price to the applicant's country.
6. The Management Company may unilaterally repurchase units for the Fund on payment of the redemption price where this appears necessary in the interests of all unit holders or for the protection of the Management Company or the Fund.

## **Article 10    FINANCIAL YEAR AND AUDITING**

1. The Fund's financial year begins on 1 July and ends on 30 June of the following year. Before 1 July 2018, the financial year ended on 30 September of each year.
2. The Fund's annual financial statements are audited by an auditor appointed by the Management Company.

## **Article 11    DISTRIBUTIONS**

1. The Management Company decides on behalf of the Fund whether or not distributions will be made to the unit holders from the Fund's assets. This is stated in the Sales Prospectus.
2. Notwithstanding the above provision, the Management Company may from time to time decide to make a distribution.

3. For distribution purposes, the ordinary income may come from interest and/or dividends less costs ("ordinary net income") and net realised price gains.

Furthermore, unrealised price gains and other assets may be distributed provided the net fund assets do not fall below the minimum limit specified in Article 1 No. 1 of the Management Regulations as a result of the distribution.

4. Distributions are paid on the units issued on the distribution date. Income not claimed five years after the publication of a notice of distribution is forfeited in favour of the Fund.
5. In the event that two or more unit classes are formed in accordance with Article 5 No. 3 of these Management Regulations, the specific use of income of the respective unit class is set out in the Fund's Sales Prospectus.

## **Article 12 DURATION AND LIQUIDATION OF THE FUND**

1. The Fund is set up for an unlimited period.
2. Notwithstanding the provision pursuant to No. 1 of this Article, the Management Company may liquidate existing sub-funds at any time provided that a fund's relevant net fund assets fall below an amount that the Management Company regards as a minimum amount to guarantee efficient management of this fund – set at 5 million euros – and in the event of a change to the economic and/or political framework conditions. The liquidation of existing funds is published beforehand.
3. After a sub-fund has been dissolved, the Management Company will liquidate this fund. In so doing, the assets to be assigned to this fund are sold and the liabilities to be assigned to this sub-fund are settled. The liquidation proceeds shall be paid to the unit holders in accordance with the units they hold. Liquidation proceeds not claimed after the liquidation of a sub-fund will be deposited in accordance with the provisions of Article 12 No. 5 of the Management Regulations for all remaining and unclaimed amounts.
4. The Fund shall be liquidated in the following cases:
  - a) if the period defined in the Fund's Management Regulations has expired;
  - b) if the Custodian's appointment is terminated and a new custodian is not appointed within the statutory or contractual periods;
  - c) if insolvency proceedings are opened with respect to the Management Company or the Management Company is dissolved for any reason;
  - d) if the Fund's assets remain below one quarter of the minimum limit pursuant to Article 1 No. 1 of the Management Regulations for more than six months;
  - e) in other cases provided for in the Law of 2010 or in the Fund's Management Regulations.
5. If a situation arises which leads to the dissolution of the Fund, the issue of units shall be discontinued. It will still be possible to redeem the Fund's units as long as the equal treatment of investors is guaranteed. The Custodian shall distribute the liquidation proceeds, less liquidation costs and fees, ("net liquidation proceeds") as instructed by the Management Company or, if applicable, by liquidators appointed by the same or by the Custodian among the Fund's unit holders according to their entitlement. The net liquidation proceeds that have not been collected by unit holders at the end of the liquidation process shall, if required by law, be converted into euros and deposited by the Custodian on conclusion of the liquidation proceedings for the account of the unit holders at the Caisse de Consignations in Luxembourg, where this amount shall be forfeited if it is not claimed within the statutory period.
6. The unit holders, their heirs or legal successors or creditors cannot request the dissolution of division of the Fund.

## **Article 13 MERGER OF THE FUND**

The Management Company may decide, by resolution of the Executive Board and pursuant to the conditions and procedures laid down in the Law of 2010, to merge the Fund with another undertaking for collective investment in transferable securities ("UCITS") or sub-fund thereof which is managed by the same Management Company or by another management company, where this other UCITS or sub-fund may be established in both Luxembourg and in another Member State.

If the merging UCITS or a sub-fund of a UCITS is an investment fund (FCP) that is dissolved in the course of a merger, the management company of this UCITS shall decide on the effective date of the merger unless the Management Regulations stipulate otherwise. For each merging investment fund (FCP), the decision on the effective date is to be filed



in the Trade and Companies Register and a notice on the filing of the decision in the Trade and Companies Register published in the RESA according to the provisions of the Law of 2010.

The notice to investors concerning the merger of the fund or a sub-fund will be published in an appropriate manner by the Management Company in Luxembourg and those countries in which the units of the Fund or sub-fund are distributed.

The unit holders of the absorbing fund or sub-fund as well as of the merging fund or sub-fund are entitled for 30 days to request redemption of their units free of charge at the relevant unit value or to convert their units into units of another fund with a similar investment policy which is managed by the same Management Company or another company with which the Management Company is associated by joint management or control or through a significant direct or indirect participation. This right is effective as from the date on which the unit holders of the merging fund or sub-fund and the unit holders of the absorbing fund or sub-fund are informed about the planned merger and shall lapse five banking days before the date on which the conversion ratio is calculated.

The units of unit holders who have not requested the redemption or conversion of their units will be replaced on the basis of the unit values on the effective date of the merger with units of the absorbing UCITS or sub-fund thereof. Where applicable, the unit holders will receive a settlement of fractional units.

In the case of a merger between funds or sub-funds, the funds or sub-funds concerned may temporarily suspend the subscription or redemption of units if this appears justified based on the interests of investors.

Legal, consulting or management fees associated with the preparation and execution of a merger shall not be charged to the fund or sub-fund or its unit holders.

#### **Article 14 COSTS**

The following costs may be charged to the Fund:

1. The Management Company receives a fee from the respective net sub-fund assets that is calculated daily on the basis of the net sub-fund assets of the respective unit class on the previous valuation date and paid monthly in arrears. The amount of the fee, including any minimum fee with regard to the individual sub-fund, is stated in the Sales Prospectus. This fee is subject to any applicable VAT.
2. The Investment Adviser and Fund Manager may receive a fee from the respective net fund assets that is calculated daily on the basis of the net fund assets of the respective unit class on the previous valuation date and paid monthly in arrears. The amount of the fee, including any minimum fee with regard to the individual fund, is stated in the Sales Prospectus. This fee is subject to any applicable VAT.
3. In addition to the aforementioned fees, a performance fee may be paid from the fund assets. The applicable amount for the Fund, the method of calculating and paying the performance fee and the recipient of the performance fee are stated in the Sales Prospectus. This fee is subject to any applicable VAT.
4. The Custodian receives a fee from the respective net fund assets that is calculated daily on the basis of the net fund assets of the respective unit class on the previous valuation date and paid monthly in arrears. The amount of the fee, including any minimum fee with regard to the individual fund, is stated in the Sales Prospectus. This fee is subject to any applicable VAT.
5. Any distributor may receive a fee from the respective net fund assets that is calculated daily on the basis of the net fund assets of the respective unit class on the previous valuation date and paid monthly in arrears. The amount of the fee, including any minimum fee with regard to the individual fund, is stated in the Sales Prospectus. This fee is subject to any applicable VAT.
6. Individual assets may be disregarded in the calculation of the aforementioned fees where this is necessary and in the interests of investors.
7. In addition to the aforementioned fees, the Fund may be charged the following costs in particular:
  - a) All costs in connection with the acquisition, sale and ongoing management of assets;
  - b) A standard market fee for the provision of the Custodian or Management Company's direct and indirect operational expenses resulting in particular from the use of OTC transactions, including the costs of collateral management incurred in the context of OTC transactions, for securities lending transactions and securities repurchase agreements as well as other costs incurred in the context of OTC derivatives trading;
  - c) Taxes and similar charges levied on the Fund's assets, income or expenses charged to the Fund;
  - d) Costs for legal advice incurred by the Management Company or the Custodian if they act in the interests of the Fund's unit holders;

- e) Fees and costs for the Fund's auditors;
- f) Costs of preparing unit certificates and coupons;
- g) Costs of redeeming coupons and renewing coupon forms;
- h) Costs of creating as well as filing and publishing the Management Regulations and other documents such as sales prospectuses relating to the Fund, including costs of applying for registration or the written declarations for all registration authorities, stock exchanges (including local securities dealers' associations) and other institutions which have to be made in connection with the Fund or the offering of its units;
- i) Costs of preparing the key information for investors (*Key Investor Information Document*);
- j) Printing and distribution costs of the annual and semi-annual reports for unit holders in all the languages required, as well as printing and distribution costs of all other reports and documents required in accordance with the applicable laws and regulations of the specified authorities;
- k) Costs of publications intended for unit holders, including the costs for providing information to unit holders of the respective fund on a durable medium;
- l) A reasonable share of the costs for advertising, marketing support, implementation of the marketing strategy and other marketing measures and of such costs as are incurred in connection with the offering and sale of units;
- m) Costs of risk controlling and risk management;
- n) All costs and fees in connection with the settlement of the unit certificate business and sales services;
- o) Costs for the assessment of the Fund's creditworthiness by nationally and internationally recognised rating agencies;
- p) Costs relating to any stock listing;
- q) Fees, expenses and other costs of the Paying Agents, any distributors and other offices which have to be set up abroad;
- r) Expenses of any investment committee or ethics body;
- s) Expenses of a supervisory board or board of directors;
- t) Costs of establishing the Fund and the initial issue of units;
- u) Other administrative costs, including costs for interest groups;
- v) Costs for performance attribution;
- w) Insurance costs;
- x) Interest incurred on loans that are taken out in accordance with Article 4 of the Management Regulations and
- y) Costs associated with the implementation of regulatory requirements/reforms.

All the aforementioned costs, charges, fees and expenses exclude any applicable VAT.

- 8. All costs will be charged first to current income, then to capital gains and lastly to the fund assets.
- 9. The Fund's costs are charged separately.
- 10. The Management Company, the Custodian, the Fund Manager and the Investment Adviser may support intermediaries' sales and marketing measures using their proceeds and pay recurring sales commissions and follow-up sales commissions. The amount of these commissions is usually based on the brokered fund volume.
- 11. The formation costs can be written off in equal instalments in the fund assets of the funds existing at the time of formation within the first financial year.
- 12. The total cost burden with regard to the Fund or its unit classes is stated in the Sales Prospectus.

**Article 15 STATUTE OF LIMITATIONS**

Claims made by unit holders against the Management Company or the Custodian may no longer be asserted five years after the claim arises. This is without prejudice to the regulation contained in Article 12 No. 5 of the Management Regulations.

**Article 16 AMENDMENTS**

The Management Company may, with the approval of the Custodian, amend the Management Regulations in whole or in part at any time.

**Article 17 PUBLICATIONS**

1. Initial versions of the Management Regulations and amendments to the Management Regulations are filed with the Trade and Companies Register. Their publication in the RESA is effected by the publication of a reference to the filing of the respective document with the Trade and Companies Register in accordance with the provisions of the Law of 2010.
2. Issue and redemption prices can be requested from the Management Company, the Custodian and each Paying Agent.
3. The Management Company shall prepare a sales prospectus, key investor information (*Key Investor Information Document*), an audited annual report and a semi-annual report for the Fund in accordance with the statutory provisions of the Grand Duchy of Luxembourg.
4. Unit holders can obtain the Fund's documents listed under No. 3 of this Article from the registered office of the Management Company, the Custodian and from any Paying Agent and distributor.
5. The dissolution of the Fund in accordance with Article 12 of the Management Regulations will be published by the Management Company in the Trade and Companies Register and in the RESA in accordance with statutory provisions, as well as in at least two national daily newspapers, one of which will be a Luxembourg newspaper.

**Article 18 APPLICABLE LAW, PLACE OF JURISDICTION AND CONTRACTUAL LANGUAGE**

1. The Fund's Management Regulations are subject to Luxembourg law. In particular, the provisions of the Law of 2010 apply in addition to the provisions of the Fund's Management Regulations. The same applies to the legal relationships between unit holders, the Management Company and the Custodian.
2. Any legal disputes arising between unit holders, the Management Company and the Custodian will be subject to the jurisdiction of the competent court in the Grand Duchy of Luxembourg. The Management Company and the Custodian are entitled to submit themselves and the Fund, with regard to matters that relate to the Fund, to the jurisdiction and law of each country in which the Fund's units are distributed publicly, insofar as the claims of investors resident in the country concerned are involved.
3. The German wording of the Management Regulations shall prevail, unless expressly stated otherwise in the Management Regulations.

**Article 19 EFFECTIVE DATE**

These Management Regulations shall take effect on the date of signature, unless otherwise agreed. Amendments to the Management Regulations also take effect on the date of signature, unless otherwise agreed.