



## PROSPECTUS

# CARMIGNAC PRIVATE S.A. SICAV- RAIF

Carmignac Private S.A. SICAV-RAIF is a reserved alternative investment fund (*fonds d'investissement alternatif réservé*) and, accordingly, is not subject to product supervision by any Luxembourg supervisory authority.

## IMPORTANT NOTICE

The Shares in Carmignac Private S.A. SICAV-RAIF (the "**Fund**") are offered solely on the basis of the information contained in this Prospectus (as defined hereinafter), in the relevant Sub-Fund Supplement (as defined hereinafter) and the information contained in the reports referred to therein.

In connection with the offer made in this Prospectus, no person is authorised to give any information or to make any representations other than those contained in this Prospectus and the documents referred to herein and any subscription or purchase of Shares made by any person on the basis of statements or representations not contained in or inconsistent with the information contained herein shall be solely at the risk of the subscriber or purchaser.

This Prospectus does not purport to be all-inclusive and does not necessarily contain all the information that a prospective investor may desire in deciding whether or not to subscribe to or purchase the Shares. No representation or warranty, express or implied, is or will be made in relation to, and no responsibility or liability is or will be accepted by the Fund, the Board of Directors, the AIFM or the Investment Manager as to or in relation to the accuracy or completeness of this Prospectus or any other written or verbal information made available to any recipient or his advisors in connection with any further investigation of the Fund.

The Board of Directors is responsible for the information contained in this Prospectus. To the best of its knowledge it has taken all reasonable care to ensure that such is the case, the information contained herein is accurate as at the date stated herein. The Fund, the Board of Directors, the AIFM and the Investment Manager expressly disclaim any and all liability based on such information, errors in such information, or omissions in such information. In particular, no representation or warranty is given as to the accuracy of any financial information contained in this Prospectus or as to the achievement or reasonableness of any forecasts, projections, management targets, prospects or returns. The recipient shall be entitled to rely solely on any representations and warranties made to them by the Fund in any definitive subscription agreement for Shares entered into with the Fund (a "**Subscription Agreement**").

**Any losses in the Fund will be borne solely by the Investors in the Fund. Investors should be able to bear the economic consequences of an investment in the Fund, including the possibility of the loss of their entire investment.**

Prospective investors should not construe the contents of this Prospectus as investment, legal, business, accounting, tax or other advice. In making an investment decision, prospective investors must rely on their own examination of the Fund and the terms of the offering, including the merits and risks involved. Each prospective investor should consult his/her/its own attorneys, business advisors and/or tax advisors as to legal, business, accounting, tax and related matters concerning an investment in the Fund. An investment in the Fund involves significant risks. Prospective investors should have the financial ability and willingness to accept the risk characteristics of the Fund.

Neither the distribution of this Prospectus nor any offering of the Shares shall under any circumstances imply that the information contained in the Prospectus is correct as of a date subsequent to the date of this Prospectus or create any implication or constitute a representation that there has been no change in the business or affairs of the Fund or any other information contained in the Prospectus since the date of this Prospectus.

The Fund has an umbrella structure consisting of one or more sub-funds (each a "**Sub-Fund**"). Prospective investors have the opportunity to invest in one or more Sub-Funds which may be created from time to time and the terms of which may differ significantly, including in relation to their investment strategy, fee structure, distribution policy, investor prerequisites, terms of payment or other specific attributes. The rights and obligations of the Investors are

limited to the assets of the Sub-Fund(s) in which they invest. The assets of each Sub-Fund shall only be liable to the extent that the Investors are invested in the respective Sub-Fund and in line with the extent of the claims of those creditors, whose claims arose upon the creation of the relevant Sub-Fund or in connection with the management or the liquidation of the Sub-Fund. In terms of the relationship between the Investors, each Sub-Fund is treated as an independent entity. Each Sub-Fund may be liquidated individually, without this resulting in the liquidation of another Sub-Fund. The characteristics of each Sub-Fund are described in greater detail in the relevant Sub-Fund Supplement.

To the extent that, in the European Economic Area ("EEA") or the United Kingdom, the Shares are made available to Well-Informed Investors, a PRIIPs KID or equivalent document as applicable, shall be provided to each prospective EEA or United Kingdom non-Professional Investor before he or she invests in the Fund within the meaning of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products and the relevant provisions applicable in the United Kingdom.

This Prospectus is qualified in its entirety by the terms of the articles of incorporation of the Fund (the "**Articles**").

### **Restrictions on offer of Shares**

This Prospectus does not constitute an offer to issue or sell to, or a solicitation of an offer to subscribe from, anyone in any country or jurisdiction (i) in which such an offer or solicitation is not authorised, (ii) in which any person making such offer or solicitation is not qualified to do so or (iii) in which any such offer or solicitation would otherwise be unlawful.

The offering of Shares does not constitute neither a direct nor an indirect offering of interests in any of the investments, and purchasers of Shares offered hereby will not have any direct interest in or have any voting rights in such investments. The investments, or institutions related to the investments, may have other business relationships with the Fund, the Board of Directors, the AIFM, the Investment Manager and its Affiliates, or any investment advisor, where applicable.

No action has been taken that would, or is intended to, permit a public offer of the Shares in any country or jurisdiction where any such action for that purpose is required. Accordingly, Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other information, form of application, advertisement or other document may be distributed or published in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes must inform themselves about and observe any legal restrictions affecting any subscription of Shares. None of the Fund, the Board of Directors, the AIFM nor the Investment Manager makes any representation or warranty to any prospective investor regarding the legality of an investment in the Fund by such person under appropriate securities or similar laws.

### **Notice to residents of the European Economic Area**

Pursuant to the EU Directive 2011/61/EU on the Alternative Investment Fund Managers Directive (the "**AIFMD**"), the Fund and each of its Sub-Funds will constitute an EU AIF whose AIFM is itself an EU AIFM. Each Member State of the European Economic Area has adopted legislation implementing the AIFMD into national law. Under the AIFMD, marketing of the Shares of the relevant Sub-Fund to any (prospective) Investor domiciled or with a registered office in the European Economic Area will be restricted by such laws and no such marketing shall take place except as permitted by such laws. Potential investors should ensure they are able to subscribe for Shares in the relevant Sub-Fund in accordance with the above laws.

When marketed under the AIFMD marketing passport provided for in article 32 of the AIFMD Shares in the Fund are only available for purchase by Professional Investors, being Investors that are considered to be a professional client or may, on request, be treated as a professional client, within the meaning of Annex II to Directive 2014/65/EU (“MiFID II”).

To the extent permitted under the local laws and regulations of the given member state of the European Economic Area, Shares of a Sub-Fund can also be offered pursuant to the so called national private placement regime.

### **Notice to residents outside the European Economic Area**

Switzerland: The offer and the marketing of the Fund in Switzerland will be exclusively made to, and directed at, qualified investors (the “Qualified Investors”), as defined in Article 10(3) and (3ter) of the Swiss Collective Investment Schemes Act (“CISA”) and its implementing ordinance, to the exclusion of qualified investors who have opted-out pursuant to Article 5(1) of the Swiss Federal Act on Financial Services and without any portfolio management or advisory relationship with a financial intermediary pursuant to Article 10(3ter) CISA (“Excluded Qualified Investors”). Accordingly, the Fund has not been and will not be registered with the Swiss Financial Market Supervisory Authority and no representative or paying agent has been or will be appointed in Switzerland. This Prospectus and/or any other offering or marketing materials relating to the Fund may be made available in Switzerland solely to Qualified Investors, to the exclusion of Excluded Qualified Investors. The legal documents of the Fund may be obtained free of charge from the Manager.

United Kingdom: The Prospectus and each Supplement are not available to the public in the United Kingdom (“UK”) because the Fund is an unregulated collective investment scheme whose promotion is restricted by sections 238 and 240 of the Financial Services and Markets Act 2000 (“FSMA”). The Fund has not been approved by and is not regulated by the UK Financial Conduct Authority. This Prospectus has not been approved by a person authorized under FSMA for the purposes of section 21 of FSMA.

The Prospectus and each Supplement is directed only at (i) persons having professional experience in matters relating to investments, being investment professionals within the meaning of Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended (the “FPO”), (ii) high net worth companies, unincorporated associations and other bodies within the meaning of Article 49 of the FPO and who meet the requirements thereunder and (iii) other persons to whom it may lawfully be made available (together the “Relevant Persons”).

The Prospectus and any Supplement is not to be acted on or relied on by persons who are not Relevant Persons.

Any potential investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Prior to accepting an application from any applicant who claims to fall within any of the above categories, verifiable evidence of the applicant’s status may be required.

Potential investors in the UK are advised that all, or most, of the protections afforded by the UK regulatory system will not apply to the possible investment opportunity to which this document relates and that compensation will not be available under the UK financial services compensation scheme.

United States: The Fund has not been and will not be registered under the 1933 Act or the securities laws of any of the states of the United States. The Fund may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any “US Person” except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state laws.

The Shares described herein have not been and will not be registered under the Securities Act. Unless otherwise specified in the relevant Sub-Fund Supplement, the Shares (i) are being offered in reliance on the exemption from registration provided by Regulation S promulgated under the Securities Act, (ii) will be sold only to an investor who represents before subscribing, among other things, that: (a) it is acquiring the Shares for its own account, for investment purposes only and not with a view to the resale or distribution thereof; (b) it is aware that the Shares have not been registered under the Securities Act, and that its right to transfer the Shares will be restricted, and it is aware of the absence of a market for the Shares; and (c) it is not a "U.S. person" within the meaning of Regulation S promulgated under the Securities Act, and (iii) may not be transferred or resold except in accordance with the provisions of Regulation S promulgated under the Securities Act.

Neither the Fund, nor the AIFM, will provide any information to any Investors that would enable such Investor subject to U.S. income tax to designate the Fund as a qualified electing fund in respect of U.S. income tax.

### **Eligibility of Investors**

The Shares in the Fund may only be subscribed by Eligible Investors. The Fund, the AIFM, or any of its delegates, where applicable, at its full discretion, may refuse the issue or transfer of Shares, if there is not sufficient evidence that the person to whom the Shares are sold or transferred is an Eligible Investor.

### **Interpretation**

All references in this Prospectus to time are to Luxembourg time, unless otherwise stated. In this Prospectus, "EUR" or "€" means the currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome in 1957) as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992). Unless the context requires otherwise, terms defined in the plural include the singular and vice versa. In the case of inconsistency between this Prospectus and the Articles, the documents will take precedence in the following order to the fullest extent permitted by law: (a) the Articles and (b) this Prospectus. This Prospectus should be read in conjunction with the Articles.

Capitalised words used in this Prospectus will have the meaning ascribed thereto in Chapter 1 "Definitions and Interpretation" hereof or elsewhere in this Prospectus.

### **Cautionary note regarding forward-looking statements**

This Prospectus contains forward-looking statements, which provide current expectations or forecasts of future events. Words such as "may", "believes", "expects", "plans", "future" and "intends", and similar expressions, may identify forward-looking statements, but the absence of these words does not mean that the statement is not forward-looking. Forward-looking statements include statements about the Fund's plans, objectives, expectations and intentions and other statements that are not historical facts. Forward-looking statements are subject to known and unknown risks and uncertainties and inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Prospective investors should not unduly rely on these forward-looking statements, which apply only as of the date of this Prospectus.

### **Data protection policy**

Prospective investors should note that by completing the Subscription Agreement, they are providing information that may constitute personal data within the meaning of European data protection legislation (including the EU General Data Protection Regulation (Regulation (EU) 2016/679) (the "GDPR") and any other EU or national legislation

which implements or supplements the foregoing). The use of the personal data investors provide to the Board of Directors in the Subscription Agreement is governed by the GDPR and the terms of a privacy notice. Investors will be provided with such privacy notice.

### **Anti-money laundering regulations**

In accordance with international regulations and Luxembourg laws and regulations (including, but not limited to, the amended Law of 12 November 2004 on the fight against money laundering and financing of terrorism (the “**2004 Law**”), the Grand Ducal Regulation dated 1 February 2010, the circulars and guidelines issued by the Luxembourg duties, estates and VAT authority (*Administration de l’Enregistrement, des Domaines et de la TVA*) taken in application thereof, and any respective amendments or replacements, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering purposes. The AIFM, the Fund, the Board of Directors and the other Service Providers of the Fund have policies and procedures in place to comply with applicable anti-money laundering laws and regulations in relation to Investors, prospective Investors or Investments.

Where the investment in the Fund is made through an intermediary, the AIFM will ensure that the Administrator has in place enhanced customer due diligence measures in accordance with article 3-2 of the Luxembourg law of November 12, 2004 on the fight against money laundering and terrorist financing, as amended. An enhanced due diligence process will be carried out by the Administrator specifically in the cases of investments through intermediaries.

As a result of such provisions, the register and transfer agent of a Luxembourg undertakings for collective investment (UCI) must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The AIFM, or any relevant Service Provider, must also apply due diligence measures on the assets of the Fund in accordance with a risk-based approach. The Administrator may require subscribers to provide any document it deems necessary to effect such identification.

From time to time, shareholders may be asked to supply additional or updated identification documents in accordance with clients' on-going due diligence obligations according to the relevant laws and regulations.

The Fund, the AIFM, or any delegate thereof, will further provide the Luxembourg beneficial owner register (the “**RBO**”) created pursuant to the Law of 13 January 2019 establishing a register of beneficial owners with relevant information about any shareholder or, as applicable, beneficial owner(s) thereof, qualifying as beneficial owner of the Fund within the meaning of the 2004 Law. Such information will be made available to the general public through access to the RBO, as required by, and under the conditions set forth in the Luxembourg anti-money laundering laws and regulations. In addition, the subscriber acknowledges that failure by a shareholder, or, as applicable, beneficial owner(s) thereof, to provide the Fund, the AIFM, or any delegate thereof, with any relevant information and supporting documentation necessary for the Fund to comply with its obligation to provide same information and documentation to the RBO is subject to criminal fines in Luxembourg.

### **Risk factors**

Prospective investors should read this Prospectus carefully before deciding whether to purchase Shares of the Fund and a Sub-Fund and should pay particular attention to the information under Chapter 20 “Risk Factors” and in the

relevant Sub-Fund Supplement. The Sub-Funds and their respective investments are long-term speculative investments and involve significant risks.

There can be no assurance that a Sub-Fund's investment objective will be achieved and investment results may vary substantially over time. Investment in the Fund is not intended to be a complete investment programme for any investor. Prospective investors should carefully consider whether an investment in Shares is suitable for them in light of their circumstances and financial resources.

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# 1. DIRECTORY

FUND	Carmignac Private S.A. SICAV-RAIF
BOARD OF DIRECTORS	Mr. Mirko DIETZ Mr. Edouard BOSCHER Mr. Jean-Philippe GOURVENEK
AIFM	<b>CARMIGNAC GESTION S.A.</b> A public limited company ( <i>société anonyme</i> ) 24 Place Vendôme 75001 Paris France RCS Paris B 349 501 676
INVESTMENT MANAGER	As indicated in the Sub-Fund Supplement
DEPOSITARY	<b>BNP PARIBAS, Luxembourg Branch</b> A public limited company ( <i>société anonyme</i> ) 60, avenue J.F. Kennedy L-1855 Luxembourg Grand-Duchy of Luxembourg RCS Luxembourg B23968
ADMINISTRATOR	<b>BNP PARIBAS, Luxembourg Branch</b> A public limited company ( <i>société anonyme</i> ) 60, avenue J.F. Kennedy L-1855 Luxembourg Grand-Duchy of Luxembourg RCS Luxembourg B23968
DOMICILIATION AGENT	<b>BNP PARIBAS, Luxembourg Branch</b> A public limited company ( <i>société anonyme</i> ) 60, avenue J.F. Kennedy L-1855 Luxembourg Grand-Duchy of Luxembourg RCS Luxembourg B23968
GLOBAL DISTRIBUTOR	<b>CARMIGNAC GESTION S.A.</b> A public limited company ( <i>société anonyme</i> ) 24 Place Vendôme 75001 Paris France RCS Paris B 349 501 676
INDEPENDENT AUDITOR	<b>PricewaterhouseCoopers, Société coopérative</b> 2, rue Gerhard Mercator L-2180 Luxembourg Grand Duchy of Luxembourg RCS Luxembourg B65477
LEGAL ADVISOR IN LUXEMBOURG	<b>Linklaters LLP</b> 35, Avenue John F. Kennedy L-1885 Luxembourg Grand Duchy of Luxembourg

## 2. DEFINITIONS AND INTERPRETATION

### Definition

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

<b>1915 Law</b>	the Luxembourg law dated 10 August 1915 on commercial companies, as amended from time to time.
<b>2004 Law</b>	the Law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended from time to time.
<b>2010 Law</b>	the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended from time to time.
<b>2013 Law</b>	the Luxembourg law dated 13 July 2013 on alternative investment fund managers transposing the AIFMD into Luxembourg law, as amended from time to time.
<b>2016 Law</b>	the Luxembourg law dated 23 July 2016 on reserved alternative investment funds
<b>Administration Agreement</b>	the administration agreement entered into by and between the Fund, the AIFM and the Administrator in relation to the Fund, as amended from time to time.
<b>Administrator</b>	BNP Paribas, acting through its Luxembourg branch
<b>Advisers Act</b>	the Investment Advisers Act of 1940, as amended.
<b>Affiliate(s)</b>	<p>(a) if the Person concerned is a body corporate:</p> <p>(i) the holding company of such Person or a subsidiary of such Person or a subsidiary of any such holding company or any company which controls, directly or indirectly through one or more intermediate companies, such Person;</p> <p>(ii) any other body corporate in which the Person holds directly or indirectly 50 per cent or more of any class of equity share capital;</p> <p>(b) if the Person concerned is a limited liability partnership:</p> <p>(i) any subsidiary of such Person;</p> <p>(ii) any other body corporate in which the Person holds directly or indirectly 50 per cent or more of any class of equity share capital;</p> <p>(c) if the Person concerned is a limited partnership:</p>

	<p>(i) the general partner of such Person; and</p> <p>(ii) if the general partner of such Person is a body corporate, any Person who is an Affiliate of the general partner within the meaning of (a) above; or</p> <p>(d) if the Person concerned is an individual, trust or other unincorporated body:</p> <p>(i) any body corporate in which the Person holds directly or indirectly 50 per cent or more of any class of equity share capital; or</p> <p>(ii) the spouse of such Person;</p> <p>provided that any Investment shall not be deemed to be an Affiliate of Fund or the Manager by reason only of the Fund owning such Investment.</p>
<b>AIF</b>	an alternative investment fund as defined in the AIFMD.
<b>AIFM</b>	Carmignac Gestion S.A.
<b>AIFM Agreement</b>	the alternative investment fund manager agreement entered by and between the Fund and the AIFM in relation to the Fund, as amended from time to time.
<b>AIFMD</b>	the Directive 2011/61/EU of the European Parliament and the Council of 8 June 2011 on alternative investment fund managers, as amended from time to time.
<b>AIFMR</b>	the Commission Delegated Regulation (EU) No. 231/2013 of 19 December 2012, supplementing AIFMD with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision, as amended from time to time.
<b>Articles</b>	the articles of incorporation of the Fund, as amended from time to time.
<b>ATAD I</b>	the rules against tax avoidance practices that directly affect the functioning of the internal market laid down in Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market, as amended from time to time.
<b>ATAD II</b>	Council Directive (EU) 2017/952 of 29 May 2017 amending ATAD I as regards hybrid mismatches with third countries, as amended from time to time.
<b>Auditor</b>	PricewaterhouseCoopers.
<b>Business Day</b>	a day on which banks are open for business in Luxembourg, except as otherwise defined in the relevant Sub-Fund Supplement.
<b>Capital Call</b>	has the meaning ascribed to it in Section 6 “Issue of Shares” of this Prospectus.
<b>Capital Call Notice</b>	has the meaning ascribed to it in Section 6 “Issue of Shares” of this Prospectus.

<b>Carmignac</b>	Carmignac Gestion S.A. and any Affiliate or subsidiary thereof.
<b>Carried Interest</b>	the share of the Sub-Fund's profits allocated to the relevant carried interest recipient, as further set out in the relevant Sub-Fund Supplement, where applicable.
<b>Class</b>	each class of Shares in issue or to be issued in each Sub-Fund of the Fund.
<b>Closing Date</b>	the closing date(s) which the Sub-Fund may have, if provided for in the Sub-Fund Supplement, once the Fund has been established.
<b>Commitment</b>	in relation to each Investor, the aggregate amount committed by it to the Sub-Fund and accepted by the Board of Directors or any person to whom such powers have been delegated (whether or not such amount has been contributed in whole or in part), as such amount may be amended from time to time in accordance with the Articles, this Prospectus and the relevant Sub-Fund Supplement.
<b>Contribution(s)</b>	with respect to any Investor, an amount contributed to a Sub-Fund pertaining to a Commitment by it in such Sub-Fund.
<b>Covid-19</b>	the novel coronavirus as set out in Section 93 "Risks resulting from communicable diseases, such as COVID-19" of Part C of Chapter 19 "Risk Factors".
<b>CRS</b>	Common Reporting Standard.
<b>CRS Law</b>	the Common Reporting Standard which OECD adopted on 29 October 2014.
<b>CSSF</b>	the <i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg supervisory authority of the financial sector.
<b>DAC</b>	Luxembourg's implementation of the provisions of the Council Directive 2014/107/EU amending Council Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation as notably amended by DAC 6.
<b>DAC 6</b>	The Council Directive 2018/822/EU of 25 May 2018 as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.
<b>Dealing Cut-Off</b>	has the meaning ascribed to it in Section 8 "Redemption and Withdrawal" of this Prospectus.
<b>Default</b>	has the meaning ascribed to it in Section 6 "Issue of Shares" of this Prospectus.
<b>Default Amount</b>	has the meaning ascribed to it in Section 6 "Issue of Shares" of this Prospectus.
<b>Defaulting Investor</b>	has the meaning ascribed to it in Section 6 "Issue of Shares" of this Prospectus.

<b>Depository</b>	BNP Paribas, acting through its Luxembourg branch.
<b>Depository Agreement</b>	the depository agreement entered into by and between the Fund, the Depository and the AIFM in relation to the Fund, as amended from time to time.
<b>Distribution Agreement</b>	the distribution agreement entered into by and between the Distributor and the AIFM in relation to the Fund, as amended from time to time.
<b>Distributor</b>	any distributor appointed by the Global Distributor.
<b>Domiciliation Agent</b>	BNP Paribas, acting through its Luxembourg branch.
<b>Due Date</b>	the date specified in a Capital Call Notice by which Investors are to advance the Contribution specified in the Capital Call Notice.
<b>EEA</b>	the European Economic Area.
<b>Eligible Investment Jurisdictions</b>	means any potential investment jurisdiction of Fund.
<b>Eligible Investor</b>	means any person qualifying as a Well-Informed Investor and who meets the additional eligibility requirements, if any, for the relevant Sub-Fund as set out in the relevant Sub-Fund Supplement.
<b>EMIR</b>	the Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, as amended from time to time.
<b>ESG</b>	Environmental, Social and Governance.
<b>ESMA</b>	the European Securities and Markets Authority.
<b>EU</b>	the European Union.
<b>EUR or €</b>	the Euro.
<b>FATCA</b>	the U.S. Foreign Account Tax Compliance Act.
<b>FATCA Law</b>	the Luxembourg law dated 24 July 2015 implementing the obligations resulting from the IGA into Luxembourg domestic law, as amended from time to time.
<b>Financial Intermediary</b>	an intermediary, such as a distributor, clearing system or correspondent bank which will act as a financial intermediary, and acquire Shares on behalf of an Eligible Investor.

<b>FINMA</b>	the Swiss Financial Market Supervisory Authority.
<b>Fiscal Year</b>	the first fiscal year of the Fund shall end on 31 December 2024 and on 31 December in each year thereafter (each, a “ <b>Fiscal Year</b> ”).
<b>Fund</b>	Carmignac Private S.A. SICAV-RAIF
<b>Fund Documents</b>	collectively: (a) this Prospectus and its Sub-Funds supplement; (b) the Articles; and (c) the PRIIPs KID (if applicable)
<b>GDPR</b>	the EU General Data Protection Regulation (Regulation (EU) 2016/679) of 27 April 2016, as amended from time to time.
<b>Global Distributor</b>	Carmignac Gestion
<b>Information Reporting Regime</b>	means CRS, DAC, FATCA and any: (i) legislation, treaty, agreement, regulations or guidance entered into or enacted or promulgated by any jurisdiction or international organization which seeks to implement the foregoing or similar reporting and/or withholding tax regimes; (ii) other intergovernmental agreement between any jurisdictions concerning the collection and sharing of information; and (iii) current or future legislation, regulations or guidance promulgated by or between any jurisdiction or jurisdictions or international organizations (including, without limitation, the OECD) relating to or giving rise to or effect to any item described in clause (i) or (ii) of this definition.
<b>Investment Advisor</b>	the entity/entities to whom the duties of investment advisor in respect of the Fund and/or specific Sub-Funds may be entrusted.
<b>Investment Advisor Agreement</b>	Where applicable, the investment advisory agreement entered by and between the AIFM and the Investment Advisor in relation to the Fund, with respect to a Sub-Fund, as amended from time to time.
<b>Investment Management Agreement</b>	Where applicable, the investment management agreement entered by and between the Fund with respect to a Sub-Fund, the AIFM and the Investment Manager in respect of the delegation of the portfolio management function by the AIFM in relation to the Fund, with respect to a Sub-Fund, as amended from time to time.
<b>Investment Manager</b>	as indicated in the relevant Sub-Fund Supplement, where applicable.
<b>Investor</b>	any person who enters into a Subscription Agreement accepted on behalf of the Fund to subscribe for Shares in a Sub-Fund in accordance with the terms of the Fund Documents.
<b>Luxembourg GAAP</b>	Luxembourg generally accepted accounting principles.

<b>Luxembourg RCS</b>	the Luxembourg Trade and Companies Register ( <i>Registre de commerce et des sociétés</i> ).
<b>MiFID II</b>	the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended from time to time.
<b>Net Asset Value or NAV</b>	the net asset value of the Fund, the net asset value of each Sub-Fund, the net asset value of each Class of Shares and the net asset value per Share (as the case may be), calculated as provided for in the Articles and in this Prospectus.
<b>OECD</b>	the Organisation for Economic Co-operation and Development.
<b>Part II of the 2010 Law</b>	Part II of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended from time to time.
<b>Performance Fee</b>	has the meaning ascribed to it in Section 13 “Costs and Expenses” of this Prospectus.
<b>PRIIPs KID</b>	means Packaged Retail Investment and Insurance-Based Products Key Information Document in accordance with Regulation (EU) 2021/2259 (including, where the context requires, such Regulation as it applies in the United Kingdom pursuant to the European Union (Withdrawal) Act 2018 as amended from time to time).
<b>Principal</b>	a Person, for whom a Defaulting Investor holds its interests as a Financial Intermediary.
<b>Professional Investor(s)</b>	Means a professional investor within the meaning of Annex II to MiFID II.
<b>Prohibited Person</b>	has the meaning ascribed to it in Section 6.3 “Subscription Process” of this Prospectus.
<b>Prospectus</b>	this Prospectus issued in respect of the Fund or a specific Sub-Fund, including the relevant Sub-Fund Supplement(s), as amended from time to time. For the avoidance of doubt, this Prospectus shall constitute an offering document within the meaning of the 2016 Law.
<b>Quarter</b>	a three (3) months period ending on a Quarter End.
<b>Quarter End</b>	each of 31 March, 30 June, 30 September and 31 December in each calendar year.
<b>RBO</b>	the Luxembourg beneficial owner register created pursuant to the Luxembourg Law of 13 January 2019 establishing a register of beneficial owners.
<b>Redeeming Investor</b>	has the meaning ascribed to it in Section 8 “Redemption and Withdrawal” of this Prospectus.
<b>Redemption Date</b>	has the meaning ascribed to it in Section 8 “Redemption and Withdrawal” of this Prospectus.

<b>Redemption Price</b>	means, in relation to the redemption of Shares held by a Shareholder, a price reflecting the Net Asset Value per Share of the relevant Class as at the relevant Redemption Date at which the redemption is satisfied.
<b>Redemption Request</b>	has the meaning ascribed to it in Section 8 “Redemption and Withdrawal” of this Prospectus.
<b>SEC</b>	means Securities and Exchange Commission.
<b>Securities Act</b>	the U.S. Securities Act of 1933, as amended from time to time.
<b>Service Providers</b>	the service providers appointed by or in relation to the Fund or any Sub-Fund, including the AIFM, the Investment Manager, any Investment Advisor, the Depositary, the Administrator, the Global Distributor, Distributor, any placement agents, the Auditor and any other entity contemplated by the Prospectus or the relevant Sub-Fund Supplement or otherwise appointed to provide services in relation to the Fund or any Sub-Fund.
<b>SFDR</b>	the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended from time to time.
<b>Share(s)</b>	registered share(s) in issue of any Class and in any Sub-Fund.
<b>Shareholder</b>	a holder of Shares recorded as such in the Fund's register of Shareholders.
<b>Sub-Fund Supplement</b>	the particular specifications pertaining to a given Sub-Fund, as amended from time to time, each time set forth in a particular supplement to this Prospectus.
<b>Sub-Fund(s)</b>	any existing or future sub-fund of the Fund, to which specific Shares and/or Class(es) relate.
<b>Subscription Agreement</b>	(i) in relation to an open-ended Sub-Fund, an application form to be executed by the Investor and submitted to the Administrator as part of a subscription request and (ii) in relation to a closed-ended Sub-Fund, a commitment agreement to be entered into between the Investor and the Fund at a Closing Date, each in the form approved by the Board of Directors from time to time.
<b>Substituted Shareholder</b>	has the meaning ascribed to it in Section 6 “Issue of Shares” of this Prospectus.
<b>Sustainable Investment</b>	an investment in an economic activity that (i) contributes to environmental or social objectives, which (ii) does not significantly harm any other sustainable objectives (i.e. both environmental and social objectives) and (iii) follows good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.



<b>Sustainability Risks</b>	the environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investment.
<b>Target Fund</b>	Any of the collective investment scheme into which the Fund, including any of its Sub-Funds, may invest.
<b>Taxonomy Regulation</b>	the EU Regulation 2020/852 on the establishment of a framework to facilitate sustainable investment and amending EU Regulation 2019/2088, as amended from time to time.
<b>Term</b>	the duration of each Sub-Fund as set out in the relevant Sub-Fund Supplement.
<b>Total Commitment</b>	the aggregate of the Commitments.
<b>Transfer</b>	the transfer made in any manner by an Investor of all or any part of its Shares.
<b>Transferee</b>	the Person to whom a Transfer is to be made.
<b>Transferor</b>	the Investor that proposes to effect a Transfer.
<b>UCITS</b>	an undertaking for the collective investment in transferable securities as defined in the 2010 Law.
<b>U.S. or United States</b>	the United States of America, including its territories and possessions or areas subject to its jurisdiction.
<b>U.S. person(s)</b>	as defined under the Securities Act, and the rules and regulations of the U.S. Securities and Exchange Commission promulgated thereunder.
<b>UK</b>	the United Kingdom.
<b>Underlying Investors</b>	investors that invest indirectly in the Fund through a Financial Intermediary.
<b>Undrawn Commitment</b>	in respect of each Investor, the amount of its Commitment that at any given time is available to be drawn down including, for the avoidance of doubt, those amounts repaid and available for further drawdown.
<b>Valuation Day</b>	a day as of which the NAV per Share of any Class of any Sub-Fund is calculated, being at least once per year, unless otherwise set forth in the relevant Sub-Fund Supplement.
<b>VAT</b>	Value-Added Tax.
<b>Warehoused Investment</b>	means an arrangement where a Sub-Fund may purchase from a Warehousing Entity an asset which has been held by such Warehousing Entity through such means as the Warehousing Entity may have separately determined, including but not limited to the issuance of guarantees, letters

	of credit, or otherwise by means of direct acquisition or acquisition by the Sub-Fund, funded through additional investment to be repaid on transfer of the Warehoused Investment
<b>Warehousing Entity</b>	means any affiliates of the AIFM or the Investment Manager, including any collective investment schemes managed by the AIFM, the Investment Manager or any of their respective affiliates, acting as a warehousing facility vehicle as the Board, the AIFM, the Investment Manager may determine, and which hold a Warehoused Investment for the benefit of a Sub-Fund.
<b>Well-Informed Investors</b>	means a well-informed investor within the meaning of Article 2(1) of the Law of 2016.

### 3. THE FUND

The following provides a general overview of the structure and principal features of the Fund. It should be read in conjunction with and is qualified in its entirety by the articles of association of the Fund (the "Articles") and the relevant Sub-Fund Supplement. The Articles are available at the Fund's registered office upon request and are an integral part of this offering. In the event that the terms described herein are inconsistent with or contrary to the terms of the Articles, the terms of the Articles shall prevail. The Fund is an umbrella fund composed of one or more Sub-Funds, which may be created from time to time. This Chapter contains the general terms applicable to the Fund and all of its Sub-Funds and should be read together with each Sub-Fund Supplement.

The Fund qualifies as an umbrella investment company with variable share capital (*société d'investissement à capital variable* - SICAV) organised in the form of a public limited company (*société anonyme*) governed by the 1915 Law and established pursuant to 2016 Law.

The Fund and its Sub-Funds qualify as an AIF under the 2013 Law and has appointed the AIFM as its alternative investment fund manager. The subscription, sale and holding of Shares is restricted to Eligible Investors subscribing on their own behalf or to Eligible Investors subscribing on behalf of other Eligible Investors (subject to any discretion afforded to the Board of Directors or any person to whom such powers have been delegated by the Board of Directors as set out in this Prospectus and/or the relevant Sub-Fund Supplement).

The Fund has been incorporated in Luxembourg for an unlimited duration with an initial share capital of euros (EUR) 30,000 divided into thirty (30) Shares. The Articles have been filed with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*), where they will be available for inspection and where copies can be made. Copies may also be obtained at the registered office of the Fund.

The share capital of the Fund shall be variable and shall at all times be equal to the NAV of the Fund and its Sub-Funds and is expressed in euro (EUR). It is represented by Shares issued with no par value either partly or fully paid-up. Variations in the capital shall be effected ipso jure and there are no provisions requiring publications and filing of such variations with the *Registre de Commerce et des Sociétés*.

The minimum equity share capital shall be EUR 1,250,000 (one million two hundred and fifty thousand Euros) or its equivalent in another currency, such amount to be reached within twenty-four (24) months from the date on which the Fund has been incorporated as a reserved alternative investment fund pursuant to the 2016 Law.

The Fund is comprised of one or more Sub-Funds which the Board of Directors may, in its sole discretion, establish from time to time. The Board of Directors may establish both open and closed-ended Sub-Funds. Each Sub-Fund and, if applicable, each Class issued in each Sub-Fund may have its own investment, subscription and profit allocation and/or distribution policy. The introduction of a Sub-Fund is effected pursuant to a decision to that end by the Board of Directors setting the terms and conditions of the relevant Sub-Fund. Each Sub-Fund may have similar or different investment strategies and other specific features (including, but not limited to, specific investment advisor(s)/manager(s)/administrator(s), if any, specific fee structures, permitted investments, investment restrictions, distribution policies and permitted eligible investors) as the Board of Directors shall determine from time to time in respect of each Sub-Fund and as contained in the relevant Sub-Fund Supplement.

The assets and liabilities of each Sub-Fund shall be segregated from the assets and liabilities of the other Sub-Funds, with creditors having recourse only to the assets of the Sub-Fund concerned. As between the Shareholders, each Sub-Fund will be deemed to be a separate entity. The rights and obligations of the Investors are limited to the assets

of the Sub-Fund(s) in which they invest. The assets of each Sub-Fund shall only be liable to the extent that the Investors are invested in the respective Sub-Fund and in line with the extent of the claims of those creditors, whose claims arose upon the creation of the relevant Sub-Fund or in connection with the management or the liquidation of the Sub-Fund. In terms of the relationship between the Investors, each Sub-Fund is treated independently. Each Sub-Fund may be liquidated individually, without this resulting in the liquidation of another Sub-Fund.

The Shares to be issued in relation to each Sub-Fund may, as specified in the relevant Sub-Fund Supplement will be attributed to different Classes, which Classes may correspond to specific features, as further described in this Prospectus.

The different Classes in issue or to be issued in each Sub-Fund of the Fund (if any) may differ inter alia in their fee structure, distribution policy or any other criteria to be determined by the Board of Directors and as contained in the relevant Sub-Fund Supplement.

The proceeds of the issue of Shares in respect of each Sub-Fund will be invested for the exclusive benefit of the relevant Sub-Fund in accordance with the investment policy determined by the AIFM or the Investment Manager from time to time in respect of the relevant Sub-Fund and as set forth in the relevant Sub-Fund Supplement. All Shares of the same Class in a particular Sub-Fund shall have equal rights as to dividends declared (if any), income, realised and unrealised investment gains, redemption rights, redemption proceeds and liquidation proceeds, subject to any arrangements or side letters to the contrary as may be agreed from time to time with an Investor when permitted under the relevant laws and regulations.

## 4. MANAGEMENT AND ADMINISTRATION

### 4.1. THE BOARD OF DIRECTORS

The Board of Directors of the Fund has overall responsibility for the management, the administration as well as the investment policies and strategies of the Fund and each Sub-Fund.

The Board of Directors is vested with the broadest powers to perform all acts of disposition and administration within the Fund's purpose. All powers not expressly reserved by law or the Fund Documents to the general meeting of Shareholders fall within the competence of the Board of Directors. The Board of Directors retains full discretion in appointing new service providers or taking any other necessary measures which would be required under the 2016 Law and the 2013 Law. In particular, the Board of Directors retains full discretion in appointing a new authorized alternative investment fund manager in replacement of the AIFM or to take any other measures it deems to be in the best interest of the Fund in order to continue complying with applicable laws and regulations. In this respect, the Board of Directors has delegated certain functions in relation to the Fund or a specific Sub-Fund to certain third-party Service Providers notably, as described in this Prospectus.

The Board of Directors of the Fund is currently composed of the following members:

Mr. Mirko DIETZ

Mr. Edouard BOSCHER

Mr. Jean-Philippe GOURVENEK

The use of a corporate director provides the Fund access to a broader range of expertise than would otherwise be the case and provides an extra layer of support where required.

The members of the Board of Directors are appointed by the general meeting of Shareholders and are not required to be Shareholders themselves. The Shareholders may at a general meeting at any time and ad nutum (i.e., without naming a reason) recall or replace one or more members of the Board of Directors in accordance with the Articles.

### 4.2. THE AIFM

#### **Description of the Company**

Carmignac is an independent asset management firm established in 1989 on three core principles that still stand true today: entrepreneurial spirit, human-driven insight and active commitment.

Carmignac is as entrepreneurial today as it has always been; a team of fund managers keeping the freedom and courage to perform independent risk analysis, translate it into strong convictions and implement them.

Its collaborative culture of debate, on-the-ground work and in-house research means we will always enhance data analysis with human-driven insight to better manage complexity and evaluate hidden risks

Carminac is both active manager and active partner, committed to its clients, providing transparency on its investment decisions and always be accountable for them.

With a capital entirely held by the family and staff, Carmignac is now one of Europe's leading asset managers, operating from 7 different offices.

Today, as throughout our history, Carmignac is committed to try harder and better to actively manage our clients' savings over the long-term

### **General**

Pursuant to the AIFM Agreement, the Board of Directors has on behalf of the Fund, appointed the AIFM to act as an alternative investment fund manager within the meaning of the 2016 Law and the 2013 Law for the primary purposes of providing portfolio and risk management services to the Fund. The AIFM is authorised and regulated by the AMF with permission to manage alternative investment funds.

### **Description of duties**

Under the AIFM agreement, the AIFM has been entrusted with the following duties as per AIFMD and Annex I to the 2013 Law, namely:

- a) the portfolio management function on behalf of each Sub-Fund, which includes the selection and the making of investments on behalf of each Sub-Fund in accordance with its respective investment strategy of each Sub-Fund;
- b) the risk management function for each Sub-Fund, which functions include the risk management on a discretionary basis of the making, holding and realisation of investments, having regard to the investment objective and investment strategy of the Fund and each Sub-Fund;
- c) performing reporting obligations of the Fund under applicable laws and regulation as set out in the AIFM Agreement;
- d) certain marketing related activities on behalf of the Fund; and
- e) all such other functions as may be agreed between the Board of Directors on behalf of the Fund on the one hand and the AIFM on the other hand from time to time or as may be required in order for the AIFM to comply with its obligations as the "AIFM" (as defined in the AIFMD) of the Fund.

The duties of the AIFM are fully described in the AIFM Agreement.

While managing, administering and marketing the Fund, the AIFM shall act in accordance with the Board of Directors' recommendations and instructions as to the structure, promotion, administration, investment management and marketing of the Fund.

### **Professional liability**

In accordance with the requirements of Article 9.7 of the 2013 Law, in order to cover its professional liability risk resulting from the activities it may carry out, the AIFM holds sufficient additional own funds which are appropriate to cover potential liability risks arising from professional negligence.

### **Delegation**

The AIFM has been permitted by the Board of Directors to appoint delegates in relation to its functions in accordance with the terms of AIFMD and the 2013 Law. Information about conflicts of interests that may arise from these delegations is available at the registered office of the AIFM.

The AIFM will monitor on a continued basis the activities of the third parties to which it has delegated functions. The agreements entered into between the AIFM and the relevant third parties provide that the AIFM can give at any time

further instructions to such third parties, and that it can withdraw their mandates under certain circumstances and with notification to the Board of Directors without any undue delay.

All delegation shall be carried out in accordance with the terms of AIFMD, the AIFMR and the 2013 Law.

The AIFM may appoint an external valuer to perform the valuation function. However, the AIFM's liability towards the Fund and its investors shall not be affected by the fact that the AIFM has appointed an external valuer.

### **Valuation**

The AIFM will remain responsible for the valuation of the Fund's and the Sub-Funds' assets in compliance with the AIFMD. The AIFM will provide certain valuation services in relation to the assets of the Fund and its subsidiaries and will be responsible for establishing, maintaining, implementing and reviewing related valuation policies and procedures. The AIFM team responsible for the valuation of the assets of the Fund is functionally independent from the portfolio management and the remuneration policy of the Fund of the Fund.

The AIFM and the Fund may mutually agree to appoint a valuer entity in relation to the Sub-Funds but shall not be required to do so.

Neither the Depositary nor the Administrator will appraise investments for valuation. However, the Administrator will provide certain NAV calculation services as agreed between the AIFM and the Administrator under the Administration Agreement.

### **Management of Conflicts of Interest**

In the conduct of its business the AIFM's policy is to identify, manage and where necessary prohibit any action or transaction that may pose a conflict between the interests of the AIFM and the Fund or its Investors and between the interests of one or more Investors and the interests of one or more other Investors. The AIFM has implemented procedures designed to ensure that business activities involving a conflict which may harm the interests of Fund or its Investors are carried out with an appropriate level of independence and that conflicts are resolved fairly.

Notwithstanding its due care and best effort, there is a risk that the organizational or administrative arrangements made by the AIFM for the management of conflicts of interest are not sufficient to ensure that risks of damage to the interests of Fund or its Investors will be prevented. In such case, these non-neutralized conflicts of interest as well as the decisions taken will be reported to Investors.

### **Remuneration**

The AIFM has established a remuneration policy which shall be applicable to all identified staff members as specified in the AIFM Delegated Regulation and the ESMA Guidelines 2013/201. Any relevant disclosures shall be made in the financial statements, if applicable, in accordance with the 2013 Law.

### **Fees and Expenses**

The AIFM will be entitled to receive the Management Fee (as further defined below) out of the assets of the Fund, the terms and conditions of which shall be set forth in the AIFM Agreement. The AIFM will also be entitled to receive fees in respect of ancillary services as described and provided under the AIFM Agreement details of which are disclosed in the relevant Sub-Fund Supplement. In addition to receiving its Management Fee, the AIFM shall be entitled to reimbursement of its out-of-pocket expenses in accordance with the AIFM Agreement and AIFM Agreement.

### 4.3. THE INVESTMENT MANAGER

The AIFM may appoint for each Sub-Fund an Investment Manager to act as an investment manager for the primary purposes of providing the delegated portfolio management services to the Fund or relevant Sub-Fund and certain other services pursuant to the Investment Management Agreement (as further described in this Prospectus). For the avoidance of doubt, the risk management functions for the Fund shall remain with the AIFM. Information on any so appointed Investment Manager is provided in the relevant Sub-Fund Supplement.

In the absence of any Investment Manager appointed by the AIFM, the term “Investment Manager” shall refer to the AIFM.

### 4.4. THE INVESTMENT COMMITTEE

The Investment Manager may establish for each Sub-Fund an investment committee (the “**Investment Committee**” or “**IC**”) that will evaluate and either approve or reject investment opportunities for such Sub-Fund. Further details regarding composition and processes of the relevant Investment Committees are disclosed in the relevant Sub-Fund Supplements.

### 4.5. THE ADMINISTRATOR

#### **General**

The Fund has appointed the Administrator to act as a central administrator of the Fund pursuant to the Administration Agreement. The principal activity of the Administrator is to provide financial services based on fund administration.

#### **Description of duties**

Pursuant to the terms of the Administration Agreement, the Administrator is responsible for fund accounting, preparation and reporting of the Net Asset Value of the Fund for each Class, as required, preparation of financial statements and assistance in relation to the completion of tax filings to be made in relation to the Fund and each Sub-Fund and in association with the management of the audit process. As directed by the Fund, the Administrator will provide investor communications and reports, maintain a shares register and undertake know your customer and anti-money laundering checks as required by the Luxembourg regulatory authorities.

For the purposes of calculating the NAV, the Administrator will rely on the valuations provided by (i) the AIFM or (ii) any entity appointed by the AIFM to prepare such valuations provided that such valuations have been approved by the AIFM and will follow the valuation policies and procedures adopted by the AIFM. Subject to performing any required compliance checks on pricing sources (i.e., independent providers), the Administrator shall have no responsibility or liability for the pricing/valuation of any asset supplied by the AIFM or the Fund that form the basis for the final net asset value calculation performed by the Administrator. The Administrator shall be indemnified out of the assets of the Fund for any loss incurred by, or legal action brought against the Administrator due to acceptance of, and acting in accordance with, the instructions and pricing/valuation supplied by the Fund, the Board of Directors or the AIFM and the finalisation of the net asset value calculation on the basis of, and in a manner consistent with, those instructions and pricing/valuation.

The Administrator is not involved, directly or indirectly, with the business affairs, organisation, sponsorship or management of the Fund and is not responsible for the preparation of this Prospectus and accepts no responsibility for any information contained in this Prospectus other than the above description.



Furthermore, the Administrator is not responsible for the monitoring of the compliance of the Fund's investments with any investment rules and restrictions contained in the Fund Documents and this Prospectus and/or in any other service agreement(s) concluded between the Fund and its Service Providers.

All the above duties are more fully described in the Administration Agreement, a copy of which is available at the registered office of the Fund.

#### 4.6. THE DEPOSITARY

##### **General**

The Fund has appointed the Depositary to act as a depositary of its assets in accordance with the 2013 Law, the 2016 Law (if applicable), and pursuant to the Depositary Agreement. The Depositary is appointed by the Fund with the consent of the AIFM.

The Depositary is responsible for (i) the custody of all financial instruments of the Fund and each Sub-Fund required to be held in custody in accordance with the AIFMR, (ii) verification of ownership of other assets of the Fund and each Sub-Fund, (iii) monitoring of the cash of the Fund and each Sub-Fund and (iv) such additional oversight functions as set out under Article 21(9) of AIFMD, namely:

- (a) ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with applicable laws, rules and regulations, this Prospectus and the Fund Documents;
- (b) ensuring that the value of the Shares is calculated in accordance with applicable rules and regulations, this Prospectus, the Fund Documents and the valuation procedures adopted in respect of the Fund in accordance with AIFMD;
- (c) carrying out authorised instructions provided such authorised instructions do not conflict with applicable rules, this Prospectus and the Fund Documents;
- (d) monitoring the Fund's compliance with the investment restrictions and leverage limits set out in this Prospectus;
- (e) ensuring that in respect of transactions involving the assets of the Fund, the consideration is remitted to the Fund within the usual time limits; and
- (f) ensuring that the income of the Fund is applied in accordance with applicable laws, rules and regulations, this Prospectus and the Fund Documents.

The Depositary's duty regarding monitoring of cash flows shall not apply to cash held by financial and/or (as the case may be) legal structures directly or indirectly controlled by the Fund. The Depositary must not reuse the assets of the Fund without the prior express and specific consent of the Fund.

The Depositary is not involved, directly or indirectly, with the business affairs, organisation, sponsorship or management of the Fund and is not responsible for the preparation of this Prospectus and accepts no responsibility for any information contained in this Prospectus other than the above description.

All the above duties are more fully described in the Depositary Agreement, a copy of which is available at the

registered office of the Fund.

Each of the Depositary and the Fund may terminate such Depositary Agreement subject to the terms described therein. The duties of the Depositary shall survive any termination of its appointment until it is replaced, which must happen within two months. The Depositary Agreement provides for the notice period after which the Depositary must be replaced. If a new Depositary has not been appointed by the of said notice period, the Fund shall be put into liquidation. The Depositary which last acted as depositary to the Fund will take all measures necessary to ensure that the interests of Shareholders are properly safeguarded, including the obligation to keep open or to open all accounts necessary for the safekeeping of the various assets of the Fund until the liquidation has been completed.

#### 4.7. THE ADMINISTRATOR'S AND DEPOSITARY'S FEE

For each Sub-Fund, the Depositary and the Administrator are entitled to a plus VAT (if any). In addition, the Fund will be charged with any reasonable expenses incurred by these parties in providing services to the Fund or any Sub-Fund.

#### 4.8. THE AUDITOR

The accounting data related in the annual report of the Fund shall be examined by an auditor (*réviseur d'entreprises agréé*) appointed by the shareholders of the Fund and remunerated by the Fund. The Fund has appointed the Auditor as its auditor. The Auditor shall fulfil the duties prescribed by the 2013 Law, the 2016 Law, the 1915 Law and any other instruments of law taken in application thereof.

The Fund shall be audited on an annual basis.

#### 4.9. THE GLOBAL DISTRIBUTOR

The Global Distributor will manage the global distribution of the Sub-Funds' offering and may appoint Distributors in accordance with the terms of the AIFM Agreement. Each Sub-Fund shall be responsible for all fees payable to the Global Distributor (or its delegates), in its capacity as Global Distributor in respect of such Sub-Fund and (for the avoidance of doubt) such fees shall fall within the scope of the Operating Expenses of such Sub-Fund.

#### 4.10. THE PLACEMENT AGENTS

Shares may be offered through distribution agents appointed by the Global Distributor from time to time.

#### 4.11. FINANCIAL INTERMEDIARIES

Investors will invest in the Fund either (i) directly or (ii) via an intermediary holding the Shares on behalf of or as trustee for such investor (such intermediaries being hereinafter referred to as "**Financial Intermediaries**"). Therefore, in respect of those investors that invest indirectly in the Fund through a Financial Intermediary (the "**Underlying Investors**"), any reference in this Prospectus to "investors" is to the relevant Financial Intermediary and/or where appropriate the Underlying Investors and any penalties, sanctions and requirements that can be imposed on an Investor will be, in respect of the relevant Financial Intermediary, applied to the relevant pro-rata portion of the relevant Financial Intermediary's Shares corresponding to the relevant Underlying Investor(s), in accordance with, and subject to the terms of, this Prospectus. Likewise, voting rights will be exercised by Financial Intermediaries through, depending on the terms of the relevant arrangement with each the Underlying Investors, either a split vote following voting instructions from the Underlying Investors or exercising voting rights further to a general power of attorney to vote on behalf of the relevant Underlying Investors. Unless the Financial Intermediary is not acting as a mere nominee but as a Professional Investor investing on behalf of the Underlying Investor, any

such Underlying Investor must qualify as an Eligible Investor which will be verified by the Financial Intermediary. In addition, each participation by a Financial Intermediary on account of any single Underlying Investor will be treated as a separate participation from that Financial Intermediary's other participations (e.g., for equalisation purposes and the treatment of subsequent and existing Investors, for distribution purposes and reinvestment, investor's clawback purposes, default provisions, etc.) in accordance with, and subject to the terms of, this Prospectus.

The Fund draws Investors' attention to the fact that each Investor can only assert each of their Investor rights (in particular the right to take part in Shareholders' meetings) in their entirety directly against the Fund if such Investor is enrolled in his/her own name in the Fund's register of Shareholders. In cases where an Underlying Investor makes his/her investment in the Fund via a Financial Intermediary, which makes the investment in its own name but for the Underlying Investor's account, not all investor's rights can necessarily be asserted by the Underlying Investor directly against the Fund. Indeed, except in certain circumstances related to the Default of the Financial Intermediary or an Underlying Investor, the Underlying Investor will not act as a Shareholder in the Fund and will have no direct rights of recourse against the Fund or the AIFM. Investors are advised to obtain information on their rights.

#### 4.12. INDEMNIFICATION

The Fund shall, subject to compliance with applicable laws and regulations, indemnify the members of the Board of Directors, the AIFM, the Investment Manager, the Distributor, any other Service Providers of the Fund, their affiliates as well as any officer and their heirs, executors and administrators (each an "**Indemnified Person**") against expenses reasonably incurred by them in connection with any action, suit or proceeding to which they may be made a party by reason of them being or having been the members of the Board of Directors, the AIFM, the Investment Manager, the Distributor, their affiliates and any other Service Providers of the Fund, their affiliates or officer or, at its request, being or having been a member of any other entity of which the Fund or a Sub-Fund is an Investor or creditor and from which they are not entitled to be indemnified, except in relation to matters in respect of which they may be finally determined by the non-appealable judgement of a court of competent jurisdiction to be liable for wilful misconduct, bad faith or gross negligence; in the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Fund is advised by counsel that the person to be indemnified did not commit such a wilful misconduct, bad faith or gross negligence. The indemnification shall be provided only where such person has acted pursuant to the receipt of proper instructions and within the terms and conditions of any contractual agreement in full force and in effect between the indemnified person and the Fund, provided *however* that such proper instruction was not manifestly erroneous. The foregoing right of indemnification shall not exclude other rights to which any Indemnified Person may be entitled.

Agents and Service Providers of the Fund and their directors, managers, officers and employees may also benefit from indemnification from the Fund, as may be further provided in the Prospectus and subject to the terms and provisions of the relevant service agreements.

An Indemnified Person seeking indemnification pursuant to this clause shall, upon reasonable request, be advanced by the Fund, expenses (including legal fees and costs) reasonably incurred by such Indemnified Person in defence of any proceeding against such Indemnified Person prior to the final disposition thereof; provided that such Indemnified Person has agreed in writing to repay such amount to the Fund within 3 (three) months of the date it is ultimately determined that such Indemnified Person is not entitled to be indemnified as authorised in this Section.

## 5. INVESTMENT OBJECTIVE AND STRATEGY

### 5.1. INVESTMENT OBJECTIVE AND STRATEGY

The Fund has a primary investment objective to provide Investors with access to private markets strategies, including through investments in both open and closed-ended funds, equity and debt or other instruments. The asset classes may include private equity, private credit, real estate, infrastructure and impact, as well as other forms of alternative investments, and may include secondary investments, direct investments and co-investments, as well as alternatives not in the private markets space such as hedge funds and liquid alternative strategies, all of which target a favourable rate of return, while controlling risk through the Sub-Funds. Each Sub-Fund will invest in accordance with the investment objective and the investment strategy as set out in the relevant Sub-Fund Supplement.

Certain Sub-Funds may invest into and/or alongside one or more underlying funds (each, a "**Target Fund**"). Any details on such investments in Target Funds will be included in the relevant Sub-Fund Supplement, as the case may be. In any such circumstance, the offering of Shares in the Fund does not constitute a direct or indirect offering of interests in any Target Fund, and purchasers of Shares offered hereby will not have any direct interest in or have any voting rights in a Target Fund. Each Target Fund, or service providers related to each Target Fund, may have other business relationships with the Fund, the Board of Directors, the AIFM, the Investment Manager and their Affiliates.

Furthermore, certain Sub-Funds, if so provided in the relevant Sub-Fund Supplement, may invest in asset-backed securities, mortgage-backed securities and/or collateralised loan obligations, including any securitisation covered by Regulation (EU) 2017/2405 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, all of the foregoing on the terms set out in such relevant Sub-Fund Supplement.

Each Sub-Fund's specific investment objective and investment strategy as well as its specific investment restrictions, if any, are referred to in the relevant Sub-Fund Supplement.

Any change of a Sub-Fund's investment objective, strategy or restrictions will be reflected in the relevant Sub-Fund Supplement.

The Fund is subject to and will conduct its investment operations in compliance with the following general investment restrictions:

Restrictions in accordance with the CSSF Circular 07/309 applicable to undertakings qualifying as Luxembourg specialized investment funds within the meaning of the Luxembourg law of 13 February 2007 on specialized investment funds, as amended:

- (i) Each Sub-Fund shall in principle not invest more than 30% of its net assets or aggregate Commitments in securities or other instruments of the same kind issued by the same issuer.

This restriction does not apply:

- a) to Investments in securities issued or guaranteed by a member state of the Organization for Economic Cooperation and Development (OECD), or by its local authorities or by supranational institutions and bodies of a European, regional or worldwide nature;

- b) to Investments in target investment funds which are subject to risk diversification requirements at least similar to those provided for in relation to investment funds ruled by the 2016 Law.
  - c) For the application of this restriction, each compartment of a target issuer with an umbrella structure is to be considered as a separate issuer, provided that the principle of segregation of commitments of the different compartments of such target issuer in relation to third parties is ensured.
- (ii) Each Sub-Fund shall in principle not hold short positions equivalent to more than 30% of its net assets or aggregate Commitments on securities of the same kind issued by the same issuer.
  - (iii) When using financial derivative instruments, a comparable level of risk spreading must be observed through an appropriate diversification of the underlying assets. To the same extent, the counterparty risk in an over-the-counter operation must, if necessary, be limited by taking into consideration the quality and the qualification of such counterparty.

Subject to the individual restrictions of the respective Sub-Fund Supplement, each Sub-Fund may, in the event of cash excess and for cash management purposes, hold cash, commercial paper (including short term papers issued by credit institutions), short term government bonds (including short term debt issued by governments), short term fixed income securities, exchange traded funds and other money market instruments, certificates of deposit, and money market funds including the ability to post such assets as collateral.

Subject to the individual restrictions of the respective Sub-Fund Supplement and subject to applicable law, each Sub-Fund may also enter into, for portfolio management purposes, financial derivatives transactions, complex derivatives or structured instruments.

Sub-Funds may use securities financing transactions where disclosed in the relevant Sub-Fund Supplement and within the limits set out therein in compliance with the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse, as amended from time to time.

Unless stated otherwise in the relevant Sub-Fund Supplement, the Fund does not intend to use indices covered by the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014. Notwithstanding the preceding, the Fund may use indices in its marketing materials or other documents in order to give Investors an overview over the Fund's performance compared to such indices. The Fund will not act as a benchmark administrator within the meaning of the aforementioned Regulation (EU) 2016/1011.

**THERE CAN BE NO ASSURANCE THAT THE SUB-FUNDS' INVESTMENT OBJECTIVES WILL BE ACHIEVED. INVESTMENT RESULTS MAY SUBSTANTIALLY VARY OVER TIME.**

## 5.2. BORROWING

The Fund may use financial leverage for direct and/or indirect investments and general working capital and fund expenses in accordance with the applicable provisions of law on a Sub-Fund by Sub-Fund basis only.

The maximum borrowing (if any) at Sub-Fund level shall not exceed the leverage limits provided for in the relevant Sub-Fund Supplement.

The Board of Directors or any person to whom such powers have been delegated by the Board of Directors may, acting on behalf of and for the account of a Sub-Fund, secure the borrowings of the relevant Sub-Fund by *inter alia* pledging the relevant Sub-Fund's assets and/or the Undrawn Commitments of Investors.

### 5.3. LIQUIDITY RISK MANAGEMENT

The AIFM has a liquidity management policy which is designed to enable it to monitor the liquidity risk of the Sub-Funds. The systems and procedures employed by the AIFM in this regard allow it to apply various tools and arrangements necessary to respond appropriately to redemption requests. If so provided in the relevant Sub-Fund Supplement and in accordance with the terms set out therein, a Sub-Fund may be authorised to create the so-called “side pockets” by segregating certain assets that are impacted by exceptional circumstances or factors rendering them illiquid. The foregoing shall not apply to un-leveraged closed-ended Sub-Funds in accordance with the AIFM Regulation and the ESMA Guidelines 2012/844.

### 5.4. RISK MANAGEMENT POLICIES

The AIFM risk management process has been prepared to reflect those regulations issued by the AMF in addition to applicable European directives and regulations as they may change from time to time. This is achieved through a permanent risk management function, supported by broader group oversight alongside a governance escalation route up to the supervisory board of the AIFM. This is underpinned with a governance framework established by the AIFM to manage risk and interdependencies between the major risk categories, e.g., market, counterparty, credit, valuation, operational and liquidity risk (including sustainability risks) as well as any further material risk type relevant for the AIFs being managed. The main objective of the risk governance is to ensure compliance of the AIFM with its fiduciary obligation to act in the best interests of clients in accordance with applicable contractual, regulatory and fiduciary standards as well as protecting the capital and reputation of the group. It covers both, (i) the UCITS as well as AIF product range, (ii) aspects of corporate risk management and risk appetite management and (iii) defines corporate level expectations with the activities performed on a product level.

The risk management process is updated at least annually or more frequently when required, which means each fund is assessed and the risk management process adjusted where applicable to ensure the risk management process is suitable. A key objective being to ensure that any remedial actions in the event of an actual or anticipated breach of a risk limit are timely, in the best interests of the Investors, and in consultation with the portfolio management function. The business unit of the AIFM responsible for the risk management function is functionally and hierarchically separated from the business units performing operating services.

In case any violations of pre-defined limits are being identified, these are escalated to both, the AIFM as well as the governance bodies as well as to the AMF when required by AIFMD.

### 5.5. SUSTAINABILITY-RELATED DISCLOSURES

On 27 November 2019, the SFDR was published. The SFDR seeks to provide greater transparency, in the disclosures made to investors, on (i) how sustainability risks are integrated within the management of the fund; and (ii) any environmental/social characteristics or sustainable investment objectives promoted by a fund.

Therefore, disclosures have been added in this Prospectus in order to reflect the disclosure requirements resulting from the SFDR.

#### Integration of sustainability risks in the investment decisions

The AIFM acknowledges, in reference to article 6 of SFDR, that the investments of the Fund are exposed to sustainability risks which represent a potential or actual material risk to maximizing the long-term risk-adjusted returns. The AIFM has consequently integrated identification and assessment of sustainability risks into its investment decisions and risk management processes through a 3-step process, as described below.

- (1) **EXCLUSION** – Investments in companies that the AIFM considers not meeting sustainability standards of the Sub-Funds are excluded. The AIFM has established an exclusion policy which provides, among other, for company exclusions and threshold tolerances for activities in areas such as controversial weapons, tobacco, adult entertainment, thermal coal producers and power generating companies. For further information, please refer to exclusion policy of the AIFM available at [www.carmignac.com](http://www.carmignac.com), under the section “Sustainable Investment” (sub-section “Policies & Reports”).
- (2) **ANALYSIS** – the AIFM integrates ESG related analysis alongside conventional financial analysis to identify sustainability risks of investee companies within the investment universe with a coverage of above 90% of corporate bond and equity holdings. The proprietary ESG research system of Carmignac, START, is used by AIFM to assess sustainability risks. For further information, please refer to ESG integration policy of the AIFM available at [www.carmignac.com](http://www.carmignac.com), under the section “Sustainable Investment” (sub-section “Policies & Reports”).
- (3) **ENGAGEMENT** – the AIFM engages with investee companies or issuers on ESG-related issues to raise awareness and understanding on sustainability risks within portfolios. These engagements may involve a specific environmental, social or governance thematic, a sustainable impact, controversial behaviours or during proxy voting decisions. For further information, please refer to engagement policy of the AIFM available at [www.carmignac.com](http://www.carmignac.com), under the section “Sustainable Investment” (sub-section “Policies & Reports”).

#### Potential impacts of sustainability risks on the returns of the Sub-Funds

Sustainability risks may cause adverse sustainability impacts in terms of an actual or a potential material negative impact on the value of the investments, the Net Asset Value of the Sub-Funds and ultimately, on the return on investors’ investment.

There are multiple manners in which the AIFM can monitor and gauge the financial materiality of sustainability risks on an investee company’s financial return.

**Environment:** The AIFM believes that if a company does not consider the environmental impact of its operations, and in the production of its goods and services, it could experience natural capital deterioration, environmental fines or declining client demand for its goods and services. Therefore, the carbon footprint, water and waste management, and sourcing and suppliers are monitored where relevant to the investee company.

**Social:** The AIFM considers social indicators are important to monitor a company’s long-term growth potential and financial stability. Such policies on human capital, product safety controls, and client data protection are some of the important practices that are monitored.

**Governance:** The AIFM considers that weak corporate governance can lead to financial risk therefore board independence, management committee composition and skills, minority shareholder treatment and remuneration are key factors investigated. Also, corporate behaviour of accounting practices, tax and anti-bribery are verified.



## 6. ISSUE OF SHARES

### 6.1. SUB-FUND SUPPLEMENT

Specific matters relating to the offering of Shares of each Sub-Fund are referred to in the relevant Sub-Fund Supplement.

### 6.2. SHARES

Unless otherwise provided for in the relevant Sub-Fund Supplement, the Board of Directors, or any person to whom such powers have been delegated by the Board of Directors, shall be authorised, without limitation, at any time and for any period, to issue an unlimited number of fully or partly paid-up Shares of any Class at a price in accordance with the conditions and procedures provided for in the relevant Sub-Fund Supplement, without granting to existing Shareholders a preferential right to subscribe for the Shares to be issued.

These Classes may be subject to different terms and conditions, including but not limited to potentially different currencies, hedging strategy, different dividend policy, different fee, dealing, transfer, information disclosure or liquidity arrangements. Such different terms and conditions may be preferential to the Shareholders of the relevant Classes. Such Classes may be made available to any type of Shareholder, whether or not such Shareholder has legal or economic links to the AIFM or the Fund. The Fund shall only issue registered Shares.

The Board of Directors may also at any time, as far as there are economic and legal grounds, elect to dissolve a Share or exchange Shares of a share class to Shares in another share class of the Sub-Fund Unless otherwise provided for in the relevant Sub-Fund Supplement, fractions of Shares may be issued up to five decimal places.

The issue of Shares is prohibited (i) during any period where there is no Depositary and (ii) where the Depositary is put into liquidation or declared bankrupt or seeks an arrangement with creditors, a suspension of payment or a controlled management or is the subject of similar proceedings.

A Sub-Fund may be characterised as being of an open-ended type or a closed-ended type. Although either type may share certain features with the other, they have certain principal differences. Fundamentally, an open-ended Sub-Fund allows Investors to request the redemption of their Shares under the conditions as set out in the relevant Sub-Fund Supplement. It typically has the inherent ability by its terms to increase or decrease its paid-in share capital over its lifetime in response to Investor-requested subscriptions and redemptions, respectively.

A closed-ended Sub-Fund will not grant Investors a right to redeem their Shares. In practice this fundamentally means that its maximum paid-in share capital is defined in one or more closings at the outset of the Sub-Fund and Investors do not thereafter have the ability to request the redemption of their Shares. Shares may be issued in one or more Classes in each Sub-Fund, each Class having features or being offered to different types of Eligible Investors as more fully described in the relevant Sub-Fund Supplement.

### 6.3. SUBSCRIPTION PROCESS

The subscription process applicable in respect of each Class of Shares in each Sub-Fund will generally be made by means of paid-in subscription, in the case of open-ended Sub-Funds, or capital calls, in the case of closed-ended Sub-Funds, subject to any further provisions as set forth in the relevant Sub-Fund Supplement.



The subscription, transfer or conversion for Shares and any future transactions shall not be processed until the applicant has provided in writing or by means of electronic communication accepted by the Board of Directors or any person to whom such powers have been delegated by the Board of Directors, at their entire discretion:

- (a) a duly completed and executed Subscription Agreement;
- (b) the information required by the Fund or agents acting on its behalf, including, but not limited, to the required know your customer and anti-money laundering documentation and any other required information, is received.

No prospective investor will be admitted as an Investor in the relevant Sub-Fund until the Board of Directors, or any person to whom such powers have been delegated by the Board of Directors, has explicitly accepted the Subscription Agreement.

By duly completing and signing a Subscription Agreement, each Investor fully adheres to and accepts the Fund Documents which determine the contractual relationship between the Investors, the Fund, the Board of Directors, the AIFM and any other agents of the Fund, as well as among the Investors themselves. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles, copies of which are available as described above. The provisions of the Articles are binding on the Fund, the Shareholders and all persons claiming through them. The Fund Documents are governed by Luxembourg law and the courts of the Grand Duchy of Luxembourg shall have exclusive jurisdiction in relation to them.

The Board of Directors shall have power to impose such restrictions as it may think necessary for the purpose of ensuring that no Shares are acquired or held by or on behalf of (a) any person in breach of the law or requirements of any country or governmental or regulatory authority or (b) any person in circumstances which in the opinion of the Board of Directors might result in the Fund or any Sub-Fund incurring any liability to taxation, or suffering any other pecuniary disadvantage which the Fund or the relevant Sub-Fund might not otherwise have incurred or suffered or (c) any US Person (together referred to as a “**Prohibited Person**”).

In the case of both open-ended and closed-ended Sub-Funds, no subscription in kind will be accepted unless otherwise stated in a Sub-Fund Supplement or if approved by the Board of Directors or any person to whom such powers have been delegated by the Board of Directors, if they consider it to be in the best interest of a Sub-Fund.

Subject to a separate agreement with the Distributor or sub-distributor, the Board of Directors or any person to whom such powers have been delegated by the Board of Directors may accept a new Investor in the Sub-Fund based on the information provided separately to the Subscription Agreement and in the form determined by the Board of Directors or a delegate as sufficient for that purpose.

**The subscription, transfer or conversion for Shares and any future transactions shall not be processed until the information required by the Fund or Service Providers, included but not limited to know your customer and anti-money laundering checks, is received.**

**A) Open-Ended Sub-Funds:**

In the case of open-ended Sub-Funds, each Investor whose subscription is accepted and that is admitted as an Investor will be required to make a cash payment up front or, in some cases, one or several cash payments from time to time (as described further below), to the relevant Sub-Fund in satisfaction of such Investor's subscription as further described in the relevant Sub-Fund Supplement. In the event the relevant Sub-Fund Supplement declares that a Sub-Fund is open-ended, such Sub-Fund will be established for an unlimited period of time.

In the case of an open-ended Sub-Fund, Investors will be admitted to such Sub-Fund and may subscribe to and redeem from such Sub-Fund at such times and on such basis as described in the relevant Sub-Fund Supplement. Typically, an Investor may request subscriptions of Shares at defined intervals (each a **"Subscription Date"**) and by serving at least a defined time of written notice in advance of the relevant Subscription Date on which the Investor wishes to subscribe for Shares or during an offering period. Subject to the terms of the relevant Sub-Fund, subscription requests on the relevant Subscription Date may be accepted, deferred, queued and/or or rejected, in whole or in part. The Board of Directors shall ensure that Investors are treated fairly.

The relevant Sub-Fund Supplement may require a minimum subscription amount, and may distinguish between a minimum initial subscription amount and a minimum subsequent subscription amount, and such subscription amount may also cover the fees described in the Sub-Fund Supplement, if any (including any applicable taxes thereon) and such Investor's pro rata share of all fees, costs and expenses of the Fund, including organisational, operational and offering expenses, as further described under "Costs and Expenses". To the extent possible under applicable laws, the Board of Directors or any person to whom such powers have been delegated by the Board of Directors may decide in its sole discretion to accept a lesser amount from any particular Investor.

In the event the Board of Directors or any person to whom such powers have been delegated by the Board of Directors determines that the total initial subscription amount in relation to a Sub-Fund is insufficient, the offering of Shares may be terminated at the sole discretion of the Board of Directors or any person to whom such powers have been delegated by the Board of Directors. In such event the relevant Investors shall be released from their obligation to pay their subscription amounts and any amounts already contributed to the Sub-Fund shall be returned to the Investors without penalty nor interest. The Board of Directors may however decide to reopen the offering and to establish the Sub-Fund at a later date.

Some open-ended Sub-Funds may operate in a similar manner to typical closed-ended Sub-Funds by holding multiple closings and/or by requiring Investors to make several cash payments to the relevant Sub-Fund from time to time in satisfaction of such Investor's Commitment.

**B) Closed-Ended Sub-Funds:**

In the case of closed-ended Sub-Funds, each Investor whose Subscription Agreement is accepted and that is admitted as an Investor will typically be required to make one or several cash payments to the relevant Sub-Fund from time to time (as required) in satisfaction of such Investor's Commitment as further described in the relevant Sub-Fund Supplement.

The relevant Sub-Fund Supplement may require a minimum Commitment, and such Commitment may also cover the fees described in the Sub-Fund Supplement, if any (including any applicable taxes thereon) and such Investor's pro rata share of all fees, costs and expenses of the Fund, including organisational, operational and offering expenses, as further described under "Costs and Expenses". To the extent possible under applicable laws, the Board of Directors may decide in its sole discretion to accept a lesser amount from any particular Investor.

Once the Fund has been established, each closed-ended Sub-Fund may have one or more closings (each, a "**Closing Date**"), as described in, and in accordance with, each Sub-Fund Supplement and as determined by the Board of Directors in its sole and absolute discretion, at which Investors will be admitted to the Fund in respect of the relevant Sub-Fund.

In the event a closed-ended Sub-Fund has more than one Closing Date and the Board of Directors or any person to whom such powers have been delegated by the Board of Directors determines that the Total Commitment in relation to a closed-ended Sub-Fund is insufficient, the offering of Shares in relation to such Sub-Fund may be terminated retroactively at the sole discretion of the Board of Directors. In such event the relevant Investors shall be released from their obligation to comply with a Capital Call Notice and any amounts already contributed to the Sub-Fund shall be returned to the Investors without interest. The closed-ended Sub-Fund may however be reopened by a decision of the Board of Directors.

#### 6.4. CONTRIBUTION AND DRAW DOWN

For Sub-Funds with a commitment structure (whether closed-ended or open-ended), the Commitment will be fully or partially drawn down from Investors over time or in a single payment, on an as-needed basis to make investments and to make payments in respect of fees, costs, other obligations, liabilities and expenses of the Fund. Each request made by the Board of Directors or any person to whom such powers have been delegated by the Board of Directors upon an Investor is referred to herein as a "**Capital Call**".

Unless specified in the relevant Sub-Fund Supplement, Investors will receive at least ten (10) Business Days' prior written notice for each drawdown (the "**Capital Call Notice**"). Each Capital Call Notice shall specify the amount required to be paid by such Investor to the Sub-Fund, whether such capital is called in satisfaction of such Investor's Commitment and the due date for such payment. Drawdowns will be made in the base currency of the relevant Class.

The AIFM in consultation with the Investment Manager shall not be permitted to call an aggregate amount from an Investor which is in excess of such Investor's Commitment, unless otherwise set forth in the relevant Sub-Fund Supplement. Commitments shall be drawn down from Investors in a given Class on a pro-rata basis to their Undrawn Commitments. Subject to the principle of equal treatment of Investors, Commitments may be drawn down by the AIFM on a different basis than pro rata as the AIFM deems necessary or advisable to meet tax, regulatory, or other requirements applicable to:

- (i) the Fund; or
- (ii) any Investor, provided that in case of this clause (ii), a deviation from the pro rata principle is only permissible upon the request of the relevant Investor and receipt of such Investor's written statement explaining the specific reason for the relevant Investor's inability to take part in the relevant draw down.

Upon payment by an Investor of the amount specified in the Capital Call Notice to the account specified in such Capital Call Notice, the Fund shall issue to such Investor such number of Shares as are calculated in accordance with the proportion between the amount contributed by the Investor and the subscription price per Share as set out in the relevant Sub-Fund Supplement.

Failure to dispatch any Capital Call Notice to any Investor or the non-receipt of any such notice by an Investor shall not mean, by itself, that such Investor is not required to meet such Capital Call. In relation to any such Investor, the notice period for payment shall commence on the date on which the call is actually made, and the notice thereof has been dispatched and received or deemed to be received by the Investor, no interest shall be charged to such Investor and such Investor shall not constitute a Default by the Investor if the call is met within such notice period.

The failure to timely satisfy an obligation to make payments pursuant to a Capital Call will constitute a Default by the Investor and subject such Investor to the consequences described in more detail under the following Section and as set forth in the Fund Documents.

## 6.5. WAREHOUSING

Notwithstanding anything to the contrary in section “Investment Restrictions” and the terms and conditions set out under the relevant Sub-Fund Supplement, the Fund shall be authorised to acquire any Warehoused Investment from any Warehousing Entity at a purchase price equal to the sum of (i) the acquisition cost (or the relevant portion thereof) in the funding currency, including any and all fees, expenses and costs incurred by Warehousing Entity in connection with the purchase, holding and transfer of such Warehoused Investment (less any per annum calculated proceeds, income or capital gains, net of taxes, if any, received by the Warehousing Entity from such Warehoused Investment) plus (ii) an additional amount determined by the Fund as set forth in the relevant Sub-Fund Supplement.

Each Investor will be deemed to have consented to the transfer of any Warehoused Investments by such Investor’s subscription to the relevant Sub-Fund.

## 6.6. CO-INVESTMENTS

From time to time, the AIFM and the Investment Manager may offer a co-investment opportunity (a “**Co-Investment Opportunity**”) in order for a Sub-Fund to co-invest with one or more third parties, including other Sub-Funds and Target Funds, where relevant (such investment, a “**Co-Investment**”).

Co-Investment Opportunity will be made in the discretion of the AIFM and the Investment Manager on a case-by-case basis. Such Co-Investment Opportunities may be accepted where the AIFM or the Investment Manager, acting reasonably, determines that it is consistent with the terms and conditions as set forth in the Articles and described herein or in the relevant Sub-Fund Supplement.

The AIFM and the Investment Manager are not required to offer any Co-Investment Opportunity to a Sub-Fund or the Investors and may, in its discretion, offer all or any portion of a Co-Investment Opportunity to one or more third parties including to persons that are not Investors.

If the AIFM and the Investment Manager offer to Investors a Co-Investment Opportunity, and if sufficient demand exists, then they may establish one or more investment vehicles, including a Sub-Fund, for the purposes of making the Co-Investment that will track the performance of the specific Co-Investment. The AIFM and the Investment Manager may not assess the opportunity or conduct any due diligence with respect to any proposed Co-Investment.

Investors interested in an available Co-Investment Opportunity should consult with their own advisors and request and obtain any additional information they may need to consider the particular Co-Investment Opportunity.

Unless otherwise agreed in writing signed by the parties, neither the AIFM, the Investment Manager, the Fund nor the applicable Sub-Fund shall be deemed to be recommending or endorsing any Co-Investment Opportunity nor shall they be held liable in any respect for any loss or damage resulting from a Co-Investment. No Investor shall be obliged to participate in any Co-Investment.

Amounts contributed by an Investor in relation to a Co-Investment shall be in addition to such Investor’s Commitment in the relevant Sub-Fund and accordingly, such Investor’s Undrawn Commitment will not be reduced by the amount contributed with respect to any such Co-Investment.

## 6.7. CLAWBACK OBLIGATION

Unless otherwise provided in the relevant Sub-Fund Supplement, the Board of Directors or any person to whom such powers have been delegated by the Board of Directors may recall distributions previously made to the Investors pursuant to the terms set out in the relevant Sub-Fund Supplement.

## 6.8. DEFAULT

Unless provided otherwise in the relevant Sub-Fund Supplement that is of the closed-ended type, if at any time any Investor shall fail to timely pay in full any requested Contribution as specified in the Capital Call Notice (a "**Default**"), the amount of such Default (the "**Default Amount**") shall accrue interest equal to the amount set out in the relevant Sub-Fund Supplement.

Upon the occurrence of any Default, the Fund shall promptly notify the Investor who has committed such Default of the occurrence of such Default; provided that a failure by the Fund to deliver such notice shall not constitute a waiver of such Default and no notice shall be required for the accrual of interest as set forth in this paragraph.

Any Default that shall not have been:

- (i) cured by the Investor who committed such Default within five (5) Business Days (or such other time as may be specified in the relevant Sub-Fund Supplement) after the Fund has delivered notice of the occurrence of such Default to such Investor; or
- (ii) waived by the Fund on such terms as determined by the Fund in its discretion before such Default has otherwise become an Event of Default pursuant to (i) above shall be an "**Event of Default**" and the Investor having committed a Default that has become an Event of Default, a "**Defaulting Investor**".

Upon the occurrence of an Event of Default, subject to anything to the contrary contained herein (including in the relevant Sub-Fund Supplement), the Fund, in its discretion, may exercise any or all of the rights set forth in this paragraph:

- cause the Defaulting Investor to forfeit all or any portion of distributions from the Fund made or to be made after such Event of Default;
- apply an additional penalty interest rate against the Default Amount, as set out in the relevant Sub-Fund Supplement and cause distributions that would otherwise be made to the Defaulting Investor to be applied as satisfaction of such amount;
- apply to the Defaulting Investor's Share any additional costs incurred by the relevant Sub-Fund as a result of such Default;
- cause a forced sale of the Defaulting Investor's Share to any person (including, in the discretion of the Fund, one or more of the other Investors), equal to such price that the Fund reasonably determines is attainable in light of market conditions. Such person or persons shall, if applicable, after executing such instruments and delivering such opinions and other documents as are in form and substance satisfactory to the Board of Directors or any person to whom such powers have been delegated by the Board of Directors, be admitted to the Fund as a substituted Shareholder ("**Substituted Shareholder**") or Shareholder with respect to such Shares, and shown as such on the books and records of the Fund. After giving effect to any forced sale, the Defaulting Investor shall be treated as having no further interest in the Fund;
- cause the Defaulting Investor to forfeit its right to participate in any portion of a Sub-Funds direct or indirect investments funded after such Event of Default;
- cause the Defaulting Investor to indemnify the Fund as a result of a Default to cover costs and expenses the Fund had to incur for having to draw the Default Amount on a bridge facility, as the case may be;

- institute proceedings against the Defaulting Investor to recover the Default Amount;
- withhold from the Defaulting Investor any reports or other information with which the Defaulting Investor would otherwise be entitled to receive;
- suspend the right of the Defaulting Investor to participate in any vote, approval or consent of the Investors;
- exercise any other remedy available under Luxembourg law; or
- in completion or derogation from the above, each Sub-Fund Supplement may provide for specific mechanisms in relation to an Event of Default.

The rights and remedies referred to in this Section "Default" shall be in addition to, and not in limitation of, any other rights available to the Fund or the Board of Directors under this Prospectus or at law. An Event of Default by any Investor in respect of any Contribution shall not relieve any other Investor of its obligation to make Contributions under this Prospectus.

In addition, an Event of Default by such Defaulting Investor shall not relieve such Investor of its obligation to make Contributions subsequent to such Event of Default.

## 7. TRANSFER OF SHARES AND UNDRAWN COMMITMENTS

An investment in a closed-ended Sub-Fund is generally illiquid and Investors will not have a right to request the redemption of their Shares (or, if relevant, the cancellation of their Commitments), unless otherwise disclosed in the relevant Sub-Fund Supplement. Investors in an open-ended Sub-Fund will generally have a right to request the redemption of their Shares, provided that an Investor's ability to redeem its Shares may be subject to certain restrictions, as disclosed in the relevant Sub-Fund Supplement. Except as expressly permitted in the Articles or this Prospectus or the relevant Sub-Fund Supplement, no Investor may assign, sell, convey, pledge, mortgage, encumber, hypothecate or otherwise transfer in any manner whatsoever all or any part of its Shares or Undrawn Commitment in a Sub-Fund (a "**Transfer**"). Any purported Transfer by an Investor shall be subject to the satisfaction of the following conditions:

- (i) the Person to whom such Transfer is to be made (a "**Transferee**") qualifies as an Eligible Investor;
- (ii) the Transferee is not a Prohibited Person;
- (iii) the Investor that proposes to effect such Transfer (a "**Transferor**") or the Transferee shall undertake to pay all reasonable out-of-pocket expenses incurred by the relevant Sub-Fund, the Board of Directors or any person to whom such powers have been delegated by the Board of Directors on behalf of the relevant Sub-Fund in connection therewith;
- (iv) such Transfer shall be evidenced by a written agreement executed by the Transferor, the Transferee(s) and the Board of Directors, in form and substance satisfactory to the Board of Directors or any person to whom such powers have been delegated by the Board of Directors,
- (v) the Fund shall receive from the Transferee such documents as deemed useful or necessary by the Board of Directors or any person to whom such powers have been delegated to by the Board of Directors to approve the Transfer and accept a Transferee as a Shareholder of the relevant Sub-Fund; and
- (vi) the Board of Directors has given its prior written consent to such Transfer, such consent not to be unreasonably withheld.

No attempted Transfer or substitution shall be recognised by the Fund on behalf of the relevant Sub-Fund and any purported Transfer or substitution shall be void unless effected in accordance with and as permitted by the Articles and this Prospectus.

Subject to a separate arrangement with the Distributor or sub-distributor, the Board of Directors or any person to whom such powers have been delegated by the Board of Directors may accept a new Investor in the Sub-Fund based on the information provided separately to the Subscription Agreement and in the form determined by the Board of Directors or a delegate as sufficient for that purpose.

## 8. REDEMPTION AND WITHDRAWAL

### 8.1. SHAREHOLDER REDEMPTION IN OPEN-ENDED SUB-FUNDS

Unless otherwise provided in the relevant Sub-Fund Supplement, the Fund shall apply the redemption policy set out below for open-ended Sub-Funds. The precise terms and conditions on which an Investor in an open-ended Sub-Fund will be permitted to redeem its Shares from the Sub-Fund will be specified in the relevant Sub-Fund Supplement. In particular, the relevant Sub-Fund Supplement will describe the circumstances in which the Board of Directors may reject or defer Redemption Requests (as defined below).

In each open-ended Sub-Fund, the Investors may be subject to a certain lock-up period starting, for each Investor respectively, from the date on which the relevant Shares are issued to such Investor. During this period, Investors may be prohibited from requesting to redeem part or all of their Shares (a “hard” lock-up), or they may be permitted to request such a redemption subject to a penalty (a “soft” lock-up).

Subject to the terms of any lock-up period, an Investor (a “**Redeeming Investor**”) may generally request redemption of Shares (a “**Redemption Request**”) at defined intervals (each a “**Redemption Date**”) and by serving at least a defined time of written notice in advance of the relevant Redemption Date (the “**Dealing Cut-Off**”) on which the Investor wishes its Shares to be redeemed.

Shareholders must give instructions for the redemption of Shares to the Administrator through electronic means of communication before the Dealing Cut-Off for the desired Redemption Date (except when there is a suspension of the Net Asset Value per Share calculation of the relevant Sub-Fund). If the instructions are received after the Dealing Cut-Off, the redemption will be deferred until the following Redemption Date.

The Fund will satisfy Redemption Requests on the basis and terms specified in the relevant Sub-Fund Supplement. These may set limits on, for example, the amount of Redemption Requests by an individual or amongst the aggregate Redeeming Investors at the relevant Redemption Date up to maximum amount of the relevant Sub-Fund’s Net Asset Value at that point in time. Subject to the terms of the relevant Sub-Fund, Redemption Requests on the relevant Redemption Date may be accepted, deferred, queued and/or or rejected, in whole or in part. The Board of Directors shall ensure that Investors are treated fairly.

The Fund, in consultation with the AIFM, may further elect to suspend redemptions for such period as it considers reasonable if the calculation of the Sub-Fund NAV has been suspended in accordance with Section 11 “Suspension of the calculation of the net asset value” of this Prospectus.

Shares shall be redeemed at the Redemption Price.

Redemptions in kind out of a Sub-Fund shall be possible unless otherwise specifically set out in the relevant Sub-Fund Supplement.

Any redemption in kind will be valued independently in a special report issued by the Auditor or any other independent auditor agreed by the Fund and qualifying as “*réviseur d’entreprises agréé*” and any costs incurred in connection with a redemption in kind, including the costs of issuing a valuation report, shall be borne by the redeeming Shareholder or by such other third party as agreed by the Fund.



The redemption of Shares is prohibited (i) during any period where there is no Depositary and (ii) where the Depositary is put into liquidation or declared bankrupt or seeks an arrangement with creditors, a suspension of payment or a controlled management or is the subject of similar proceedings.

### 8.2. CLOSED-ENDED SUB-FUNDS: INVESTOR WITHDRAWAL

Unless otherwise specified for in the relevant Sub-Fund Supplement, an Investor may not in the case of closed-ended Sub Funds voluntarily withdraw any amount from the Sub-Fund or cause its Shares to be redeemed during the Term.

### 8.3. EARLY COMPULSORY REDEMPTION OR WITHDRAWAL

An Investor may be required by the Board of Directors to redeem or withdraw from a Sub-Fund where such Investor is in Default, when such Investor no longer meet the requirements to be an Eligible Investor in the relevant Sub-Fund or Class thereof, or when such Investor is or become a Prohibited Person, as further detailed in this Prospectus.

In addition, at the discretion of the Board of Directors, should any Sub-Fund's anticipated on-going fees and expenses be deemed to amount to a material portion of such Sub-Fund's remaining exposure to its investments, or continued holding of an interest, directly or indirectly, in the Sub-Fund's investments, in each case no longer be feasible, then the Board of Directors may elect a secondary market broker and seek to dispose of any such investments at the best terms presented to the Board of Directors by any such secondary market broker. Should the Sub-Fund succeed in disposing of all of its investments, the Sub-Fund will effect an early compulsory redemption or withdrawal, as the case may be, of all Investors.

## 9. CONVERSION OF SHARES

Unless otherwise provided for in the relevant Sub-Fund Supplement, Shareholders are not entitled to require the conversion of whole or part of their Shares of any Class of a Sub-Fund into Shares of the same Class in another Sub-Fund or into Shares of another existing Class of that or another Sub-Fund.

## 10. CALCULATION OF THE NET ASSET VALUE AND VALUATION

### 10.1. CALCULATION OF THE NET ASSET VALUE

The reference currency of the Fund is the Euro. Each Sub-Fund (and each Class) may have a different reference currency. The NAV of each Sub-Fund's Shares is expressed in the reference currency of the relevant Sub-Fund and within each Sub-Fund the NAV of each Class, if applicable, is expressed in the reference currency of the relevant Class, as further described in the relevant Sub-Fund Supplement. The NAV of the Fund and each Sub-Fund (and each Class) shall be calculated at a frequency set out in the relevant Sub-Fund Supplement (the “**Valuation Day**”).

The Net Asset Value per Share of a Class results from dividing the value of the total net assets of a Sub-Fund attributable to that Class on any Valuation Day by the aggregate number of Shares of the same Class then outstanding. The value of the total net assets of a Sub-Fund attributable to a Class is equal to the difference between the value of the Sub-Fund's assets attributable to a Class and the portion of liabilities of the Sub-Fund attributable to that Class.

The assets of a Sub-Fund shall include:

1. all cash in hand, receivable or on deposit, including any interest accrued thereon;
2. all bills of exchange and promissory notes payable on demand and any account due (including the proceeds of securities sold but not delivered);
3. all securities, shares, bonds, time notes, debentures, debenture stocks, contribution rights, warrants and other securities, money market instruments and similar assets owned or contracted for by the Sub-Fund;
4. all interest accrued on any interest-bearing assets, except to the extent that the same is included or reflected in the principal amount of such assets;
5. all stock dividends, cash dividends and cash distributions receivable by the Sub-Fund to the extent information thereon is reasonably available to the Sub-Fund;
6. the preliminary expenses of the relevant Sub-Fund, to the extent that such expenses have not already been written-off, including the cost of issuing and distributing shares of the relevant Sub-Fund, insofar as the same have not been written off and insofar the Sub-Fund shall be reimbursed for the same;
7. the marketing and distribution costs of the relevant Sub-Fund, which may be amortised (in respect of the accounting of the relevant Sub-Fund only) equally over a period of up to 5 (five) years;
8. the liquidating value of all forward contracts and all call or put options the Sub-Fund has an open position in; and
9. all other assets of any kind and nature.

The liabilities of a Sub-Fund shall include:

1. all loans, bills and accounts payable;
2. all accrued interest on loans (including accrued fees for commitment for such loans);
3. all accrued or payable expenses (including administrative expenses, advisory and management fees, including incentive fees, depositary fees, and corporate agents' fees);
4. all known liabilities, present or future, including all matured contractual obligations for payment of money, including the amount of any unpaid distributions declared by the Sub-Fund;
5. an appropriate provision for future taxes based on capital and income up to the calculation day, as determined from time to time by the Sub-Fund, and other reserves (if any) authorised and approved by the Board of Directors, as well as such amount (if any) as the Board of Directors may consider to be an appropriate allowance in respect of any contingent liabilities of the Sub-Fund;
6. all other liabilities of whatsoever kind and nature reflected in accordance with generally accepted accounting principles; and
7. the costs and disbursements of any committees incurred in relation to the furtherance of the business of the Sub-Fund (if applicable) and Shareholders' meetings.

The Fund may calculate administrative and other expenses of a regular or recurring nature on an estimated basis yearly or for other periods in advance and may accrue the same in equal proportions over any such period.

## 10.2. VALUATION OF THE FUND'S AND SUB-FUNDS' ASSETS

The value of the assets of the Fund will be their fair value determined by the AIFM in accordance with AIFMD and the valuation policy of the AIFM as applied to the Fund. Valuations will be determined based on the provisions of the Articles, this Prospectus and the relevant Sub-Fund Supplement, where applicable.

The valuation of the assets of the Fund will be determined under the responsibility of the AIFM.

The valuation of the assets of each Sub-Fund shall be made in compliance with AIFMD and shall be determined as follows:

1. the value of any cash in hand or on deposit, discount notes, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received, shall be equal to the entire amount thereof, unless the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the AIFM (as defined below) may consider appropriate in such case to reflect the true value thereof;
2. the value of all portfolio securities, financial instruments (including, without limitation, loans and other debt instruments), money market instruments or derivatives that are listed on an official stock exchange or traded on any other regulated market will be based on the last available price on the principal market on which such securities, financial instrument, money market instruments or derivatives are traded, as supplied by a recognised pricing service approved by the AIFM. If such prices are not representative of the fair value, such securities, financial instrument money market instruments or derivatives as well as other permitted assets may be appraised at a fair value at which it is expected that they may be resold, as determined in good faith under the direction of the AIFM;
3. the value of portfolio securities, financial instruments (including, without limitation, loans and other debt instruments) and money market instruments which are not quoted or traded on a regulated market will be appraised at a fair value at which they are expected to be resold, as determined in good faith under the direction of the AIFM. In respect of loans and other debt instruments, this may include, where determined to be appropriate, a valuation at cost plus accrued interest and/or accreted original issue discount less impairments;
4. investments in private equity securities will be valued at a fair value under the direction of the AIFM in accordance with appropriate professional standards, such as, without limitation, the International Private Equity and Venture Capital Valuation (the “IPEV”) Guidelines as endorsed by Invest Europe, as further specified in a Sub-Fund’s Supplement;
5. investments in real estate assets shall be valued with the assistance of one or several independent valuer(s) designated by the AIFM for the purpose of appraising, where relevant, the fair value of a property investment in accordance with AIFMD and its/their applicable standards, such as, for example, the Appraisal and Valuations Standards published by the Royal Institution of Chartered Surveyors (the “RICS”), as further specified in a Sub-Fund’s Supplement;
6. the amortised cost method of valuation for short-term transferable debt securities in certain Sub-Funds of the Fund may be used. This method involves valuing a security at its cost and thereafter assuming a constant amortisation to maturity of any discount or premium regardless of the impact of fluctuating interest rates on the market value of the security. While this method provides certainty in valuation, it may result during certain periods in values which are higher or lower than the price which the Sub-Fund would receive if it sold the securities prior to maturity. For certain short term transferable debt securities, the yield to a Shareholder may differ somewhat from that which could be obtained from a similar sub-fund which marks its portfolio securities to market on a daily basis;
7. the value of the participations in investment funds shall be based on the last available valuation. Generally, participations in investment funds will be valued in accordance with the methods provided by the instruments governing such investment funds. These valuations shall normally be provided by the fund administrator or valuation agent of an investment fund. To ensure consistency within the valuation

of each Sub-Fund, if the time at which the valuation of an investment fund was calculated does not coincide with the valuation time of any Sub-Fund, and/or if such valuation is determined to have changed materially since it was calculated, then the NAV may be adjusted to reflect the change as determined in good faith under the direction of the AIFM. Moreover, if the valuation reported for an investment fund is not appraised at fair value, it may be adjusted to reflect fair value in accordance with appropriate professional standards as also determined in good faith under the direction of the AIFM;

8. the valuation of OTC derivatives, such as futures, forward, swaps or option contracts not traded on exchanges or on other recognised markets, will be based on their net liquidating value determined pursuant to the policies established under the direction of the AIFM on the basis of recognised financial models in the market and in a consistent manner for each category of contracts. The net liquidating value of a derivative position is to be understood as being equal to the net unrealised profit/loss with respect to the relevant position;
9. the value of other assets will be determined prudently and in good faith under the direction of the AIFM in accordance with the relevant valuation principles and procedures.

The AIFM, at its discretion, may authorise the use of other methods of valuation if it considers that such methods would enable the fair value of any asset of the Fund to be determined more accurately. Where necessary, the fair value of an asset is determined by the AIFM, or by a committee appointed by the AIFM, or by a designee of the AIFM. All valuation regulations and determinations shall be interpreted and made in accordance with the valuation/accounting principles specified in a Sub-Fund's Supplement.

For each Sub-Fund, adequate provisions will be made for expenses incurred and due account will be taken of any off-balance sheet liabilities in accordance with fair and prudent criteria.

For each Sub-Fund and for each Share Class, the NAV per Share shall be calculated in the relevant reference currency with respect to each Valuation Day by dividing the net assets attributable to such Sub-Fund or Class (which shall be equal to the assets minus the liabilities attributable to such Sub-Fund or Class) by the number of Shares issued and in circulation in such Sub-Fund or Class; assets and liabilities expressed in foreign currencies shall be converted into the relevant reference currency, based on the relevant exchange rates.

The Fund's net assets shall be equal to the sum of the net assets of all its Sub-Funds.

For the purpose of allocating the assets and liabilities between the Sub-Funds, the Board of Directors shall establish a portfolio of assets for each Sub-Fund in the following manner:

1. the proceeds from the issue of each share of each Sub-Fund are to be applied in the books of the Fund to the portfolio of assets established for that Sub-Fund and the assets and liabilities and income and expenditure attributable thereto are applied to such portfolio subject to the following provisions;
2. where any asset is derived from another asset, such derivative asset is applied in the books of the Fund to the same portfolio as the asset from which it was derived and on each revaluation of an asset, the increase or decrease in value is applied to the relevant portfolio;
3. where the Fund incurs a liability which relates to any asset of a particular portfolio or to any action taken in connection with an asset of a particular portfolio, such liability is allocated to the relevant portfolio;
4. in the case where any asset or liability of the Fund cannot be considered as being attributable to a particular portfolio, such asset or liability is as a rule allocated to all the Sub-Funds pro rata to their NAV;

notwithstanding the foregoing, if and when specific circumstances so justify, such asset or liability may be allocated to all Sub-Funds in equal parts;

5. upon the payment of dividends to the holders of shares in any Sub-Fund, the NAV of such Sub-Fund shall be reduced by the amount of such dividends.

Towards third parties, the assets of a given Sub-Fund will be liable only for the debts, liabilities and obligations concerning that Sub-Fund. In relations between Shareholders, each Sub-Fund is treated as a separate entity.

## 11. SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE

The Board of Directors may suspend the determination of the net asset value and/or, where applicable, the subscription, redemption and/or conversion of Shares, for one or more Sub-Funds, in the following cases:

- (i) when any exchange or regulated market that supplies the price of the assets of a Sub-Fund is closed, or in the event that transactions on such exchange or market are suspended, subject to restrictions, or impossible to execute in volumes allowing the determination of fair prices;
- (ii) when the information or calculation sources normally used to determine the value of the assets of a Sub-Fund are unavailable;
- (iii) during any period when any breakdown or malfunction occurs in the means of communication network or IT media normally employed in determining the price or value of the assets of a Sub-Fund, or which is required to calculate the Net Asset Value per Share;
- (iv) when exchange, capital transfer or other restrictions prevent the execution of transactions of a Sub-Fund or prevent the execution of transactions at normal rates of exchange and conditions for such transactions;
- (v) when exchange, capital transfer or other restrictions prevent the repatriation of assets of a Sub-Fund for the purpose of making payments on the redemption of Shares or prevent the execution of such repatriation at normal rates of exchange and conditions for such repatriation;
- (vi) when the legal, political, economic, military or monetary environment, or an event of force majeure, prevent the Fund from being able to manage the assets of a Sub-Fund in a normal manner and/or prevent the determination of their value in a reasonable manner;
- (vii) when there is a suspension of the net asset value calculation or of the issue, redemption or conversion rights by the investment fund(s) in which a Sub-Fund is invested;
- (viii) following the suspension of the net asset value calculation and/or the issue, redemption and conversion at the level of a master fund in which a Sub-Fund invests as a feeder fund;
- (ix) when, for any other reason, the prices or values of the assets of a Sub-Fund cannot be promptly or accurately ascertained or when it is otherwise impossible to dispose of the assets of the Sub-Fund in the usual way and/or without materially prejudicing the interests of investors;
- (x) in the event of a notice to shareholders of the Fund convening an extraordinary general meeting of shareholders for the purpose of dissolving and liquidating the Fund or informing them about the termination and liquidation of a Sub-Fund or Class, and more generally, during the process of liquidation of the Fund, a Sub-Fund or Class;

- (xi) during the process of establishing exchange ratios in the context of a merger, a contribution of assets, an asset or share split or any other restructuring transaction;
- (xii) during any period when the dealing of the shares of a Sub-Fund or Class on any relevant stock exchange where such Shares are listed is suspended or restricted or closed; and
- (xiii) in exceptional circumstances, whenever the Board of Directors considers it necessary in order to avoid irreversible negative effects on the Fund, a Sub-Fund or class of shares, in compliance with the principle of fair treatment of Investors in their best interests. The suspension of the calculation of the net asset value and/or, where applicable, of the subscription, redemption and/or conversion of Shares, shall be notified to the relevant persons through all means reasonably available to the Fund, unless the Board of Directors is of the opinion that a publication is not necessary considering the short period of the suspension.

Such a suspension decision shall be notified to any shareholders requesting redemption or conversion of their Shares, if applicable.

The suspension measures provided for in this Section may be limited to one or more Sub-Funds.

## 12. DIVIDEND POLICY

Any distributions of a given Sub-Fund's cash proceeds or the cash proceeds allocable to a given Class in a given Sub-Fund, either during the life of such Sub-Fund or Class, or prior to or upon its liquidation, will be made at the sole discretion of the Board of Directors, or any person to whom such powers have been delegated by the Board of Directors, or as otherwise set out in the relevant Sub-Fund Supplement.

The AIFM may make recommendations to the Board of Directors or any person to whom such powers have been delegated by the Board of Directors with respect to distributions. The Board of Directors will determine, based on such recommendation but finally in its sole discretion, the timing and amounts of any distributions from each Sub-Fund to the Investors. Any proceeds from investments and all other items of income of the relevant Sub-Fund will be distributed to Investors in accordance with their respective overall ownership stake in such Sub-Fund (calculated by reference to the invested capital of the Sub-Fund attributable to each such Investor). In the case of a Sub-Fund which invests in one or more Target Fund(s), distributions are subject to the relevant Sub-Fund having received distributions from the Target Fund(s) and having met or made provisions to meet all of the Sub-Fund's liabilities.

The Board of Directors or any person to whom such powers have been delegated by the Board of Directors may choose to make distributions or declare dividends with regard to all of the Investors. Notwithstanding the foregoing, the Board of Directors or any person to whom such powers have been delegated by the Board of Directors, in its reasonable discretion, may withhold from any distribution of cash or property in kind to any Investor amounts due from such Investor to the Fund, the Board of Directors, a Financial Intermediary, or attributable to such Investor, including, without limitation, such Investor's share of Fund expenses.

Distributions may also be made by way of a redemption of Shares, which must be made pro rata to all Investors of the respective Sub-Fund or Class.

## 13. COSTS AND EXPENSES

Unless otherwise provided for in the relevant Sub-Fund Supplement, any costs and expenses incurred during the launch, operation or liquidation of the Fund and any of its Sub-Funds shall be allocated as follows (it being understood that any costs and expenses which are referred to below shall also include any applicable taxes):

### COSTS BORNE BY THE FUND AND ITS SUB-FUNDS

#### **Establishment costs**

Unless otherwise stated in the relevant Sub-Fund Supplement, each Sub-Fund shall pay all costs and expenses attributable to the establishment, organisation and authorisation of the Sub-Fund and the offer of Shares in the Sub-Fund to the Investors, including without limitation, legal, consulting, travel, accounting, filing, diligence reports on the underlying fund(s) and capital raising as well as (i) costs, fees and expenses involved in filing a notification, registering and maintaining the registration of one or more of the Sub-Funds or any entity involved in the management of these Sub-Funds, including any filings to be made in this respect with any regulatory or governmental agencies in any country, (ii) costs, fees and expenses of any paying agent and/or representative; and (iii) other organisational expenses. The Board of Directors or any person to whom such powers have been delegated by the Board of Directors may further decide to allocate the costs relating to the establishment of the Fund to one or several Sub-Funds, as deemed appropriate.

Collectively, such organisational expenses payable by each Sub-Fund shall be referred to as the “**Establishment Costs**”.

#### **Management Fee**

The AIFM will be entitled to receive, out of a Sub-Fund's assets, a management fee (the “**Management Fee**”), the terms and conditions as well as the maximum amount of which shall be set forth in respect of each Sub-Fund in the relevant Sub-Fund Supplement.

#### **Performance Payments**

The AIFM (or any other entity as may be designated by the Board of Directors from time to time for such purpose) may be entitled to receive, directly or indirectly, out of the Sub-Fund's assets, a performance fee (the “**Performance Fee**”), the terms and conditions as well as the maximum amount of which shall be set forth in respect of each Sub-Fund in the relevant Sub-Fund Supplement. Alternatively, or in addition to the Performance Fee, the AIFM (or any other entity as may be designated by the Board of Directors from time to time for such purpose) may be entitled to receive Carried Interest, directly or indirectly, out of the Sub-Fund's assets, the terms and conditions as well as the maximum amount of which shall be set forth in respect of each Sub-Fund in the relevant Sub-Fund Supplement.

#### **Distribution Fee**

The Distributor may be entitled to receive a distribution fee (the “**Distribution Fee**”), the terms and conditions as well as the maximum amount of which shall be set forth in respect of each Sub-Fund in the relevant Sub-Fund Supplement.

#### **Transaction fees**

To the extent provided in the relevant Sub-Fund Supplement, transaction fees such as acquisition, disposition, financing or other similar fees (the “**Transaction Fees**”), if any, received in connection with the operation of a Sub-Fund or Class, if applicable may be paid to the relevant Sub-Fund or Class, if applicable after reimbursement of any related operating expenses incurred by any of the Sub-Fund's agents.



**Other Fees**

Unless otherwise provided in the relevant Sub-Fund Supplement and to the extent not already covered, each Sub-Fund and Class, if applicable, shall pay all internal and external operational costs, expenses and fees incurred for its own account and in relation to its operations, including:

- (i) the fees of the AIFM, the Investment Manager, the Investment Advisor (if any), the Depositary, the Administrator, and other agents of the Fund as set out in the relevant service agreements.
- (ii) the cost of reasonable fees related to the members of the Board of Directors per person per year; as well as the costs of reasonable travel, accommodation and out of pocket expenses incurred by the members of the Board of Directors;
- (iii) the costs of reasonable directors' and officers' liability insurance on behalf of the members of the Board of Directors, of the AIFM, of the Investment Manager, of the Investment Advisor (if any), of any other agents of the Fund and their key officers and employees;
- (iv) the costs of meetings of any committees and reimbursements of reasonable costs incurred by the members of these committees, as well as the costs relating to the convening and holding of Shareholders' meetings (including reasonable travel, accommodation and out of pocket expenses);
- (v) expenses, costs and fees (including, without limitation, allocable compensation and other overhead) attributable or allocable to the provision of in-house administrative, accounting, legal and compliance services to the Sub-Fund and/or portfolio companies; provided that any such expenses, costs and fees, as determined by the AIFM, will be no greater than expenses, costs and fees charged by an unaffiliated third-party service providers.
- (vi) fees, charges and expenses charged to the Fund and a given Sub-Fund or Class, if applicable by lawyers, tax advisors, auditors, accountants, credit institutions, financial institutions, brokers, finders, administrators, appraisers, distributors, distribution and listing platform service fees, placement agents, representative, other professional advisers, and any industry executives, advisors, consultants (including operating consultants and sourcing consultants), any platform advisor, any ESG consultants, operating executives, subject matter experts or other persons acting in a similar capacity) who provide services to or in respect of the Fund and/or a Sub-Fund or its operating entities, or other subsidiaries or related investments (including all costs, incentive compensation and expenses on account of compensation and benefits of its employees);
- (vii) the fees, costs and expenses relating to investments and potential investments (irrespective of whether any such potential Investment is ultimately consummated), including the discovery, sourcing, development, evaluation, (due) diligence, negotiation, acquisition, holding, administration, monitoring, valuing and disposition thereof, as well as travel and other out-of-pocket costs and any abort costs incurred by the AIFM, the Investment Manager (where applicable) and Investment Advisor or any personnel thereof in investigating, evaluating or monitoring Investments or investment opportunities;
- (viii) all fees and costs related with, finance, portfolio management, asset and risk management, asset servicing, cash management, the maintenance of entities established to facilitate the Fund and/or Sub-Fund's investments and other services, as determined by the Board of Directors in its discretion, or by the AIFM, the Investment Manager or the Investment Advisor (if any) within the limits of their respective functions;



- (ix) all interest, fees, expenses and other amounts payable in respect of or in connection with borrowings, financings or derivative transactions (including third-party expenses relating to hedging strategies of the Sub-Fund);
- (x) each Sub-Fund or Class, if applicable, will also bear the managerial fees and operational expenses attributable to its own investments;
- (xi) costs and expenses incurred in connection with obtaining market data, research and other information for the benefit of the Sub-Fund (including through the use of expert networks and information service subscriptions), including, but not limited to, cost of licensing the reference indicator, the cost of data used for republication to third parties and, more generally, for investor information in addition to periodic reports, the cost of access to investor data providers, costs resulting from specific client requests, and the cost of specific data, as well as the operation and maintenance of information systems and software used to obtain such data or research and other related information;
- (xii) costs and fees payable in relation to the developing, implementing, operating or maintaining of computer software or systems (including, but not limited to, licenses, development and hosting), for the benefit of a Sub-Fund or Class, the Investors or a Sub-Fund's/Class's investments;
- (xiii) costs, fees and expenses involved in filing a notification, registering and maintaining the registration of one or more of the Fund and/or Sub-Funds or any entity involved in the management of these Sub-Funds, including any filings to be made in this respect with any regulatory or governmental agencies in any country, as well as costs, fees and expenses of any paying agent, representative agent and/or any other agent interfacing with distribution, and the costs of publication of the Net Asset Value,;
- (xiv) the costs of any listing application, if any, as well as the costs incurred with the ongoing listing of any of the Shares of the Fund or any Sub-Fund or Class thereof;
- (xv) the costs related to the preparation of all reports or information requests for one or more Investors, as well as shareholder notices or other information (including all fees, costs and expenses incurred to audit such reports, provide access to a database or other internet forum and for any other operational, legal or secretarial expenses relating thereto or arising in connection with the distribution of same), and any other financial, tax, accounting, legal or fund administration reporting functions for the benefit of the Fund and/or the Sub-Funds or Class or any Sub-Fund's subsidiary and/or special purpose vehicles;
- (xvi) fees and expenses associated with preparing and maintaining the books and records of the Fund and/or Sub-Fund, including internal costs that the AIFM, the Investment Manager (if applicable) and the Investment Advisor (if any) or any personnel thereof may incur to produce the Fund and/or the Sub-Funds' official books and records;
- (xvii) Fees, costs and expenses associated with know-your-customer (KYC) and due diligence procedures (whether initial or ongoing) in relation to Investors and potential investors, as well as for monitoring fundraisings and the investor base of the Sub-Fund.
- (xviii) preparation of financial statements, tax returns, all fees and costs due to legal or regulatory development directly applicable to the Fund or its Investors or any of the Service Providers to the extent such legal or regulatory development requires actions from the Fund (notably FATCA, CRS and EMIR);
- (xix) Expenses and costs of implementing regulatory reporting to the regulator (e.g., reporting relating to ratio breaches and compensation, AIFM report,...), expenses relating to compliance

with regulatory obligations (e.g., monitoring of the fund's pricing strategy, subscriptions to mandatory professional associations, operating costs for monitoring limit overruns, monitoring of delegated or outsourced activities,...), operating costs relating to the maintenance and implementation of the policy on voting rights at meetings of the securities making up the Sub-Fund's assets;

- (xx) taxes payable by the Fund, if any;
- (xxi) costs of winding up and liquidating the Sub-Fund;
- (xxii) costs incurred in connection with any litigation, arbitration or other proceedings in relation to the Fund or the Sub-Funds;
- (xxiii) costs and expenses incurred in connection with any audit, examination, investigation or other proceeding by any taxing authority or incurred in connection with any governmental inquiry, investigation or proceeding, in each case, involving or otherwise applicable to the Fund and/or the Sub-Funds, including the amount of any judgments, settlements, remediation or fines paid in connection therewith;
- (xxiv) indemnification obligations (including any fees, costs and expenses incurred in connection with indemnifying Indemnified Persons and advancing fees, costs and expenses incurred by any such Indemnified Persons in defence or settlement of any claim that may be subject to a right of indemnification);
- (xxv) all other non-recurring or extraordinary costs or expenses attributable to the activities of the Sub-Fund, such as one-off costs for recovering a debt or exercising a right (e.g. class action); and
- (xxvi) similar expenses of any investment vehicle or any other subsidiary, special purpose vehicle, blocker or holding vehicle of the Sub-Fund;

For the avoidance of doubt, the fees, costs and expenses listed above include, where applicable, (a) the salaries of the employees involved in these operations and service, (b) the real estate, insurance and general costs of the AIFM, and where applicable of the Investment Manager and/or Investment Advisor, and (c) the information technology (IT) costs and tools required for the services provided and the operation of the Fund /Sub-Fund (including, but not limited to, cybersecurity tools and measures).

Each Sub-Fund and Class, if applicable shall thus pay for the costs and expenses directly attributable to it including any value added taxes and any other applicable taxes, if any. Costs and expenses which cannot be allotted to one specific Sub-Fund will be charged to the different Sub-Funds in equal parts or, as far as it is justified by the amounts concerned, proportional to their respective net assets (also including any value added taxes and any other applicable taxes, if any).

To the extent any services, fees or costs are provided to the Fund or a Sub-Fund on one side and any other vehicle on the other side, the Fund or the Sub-Fund, as applicable, will be responsible for its allocable portion of the fees and expenses associated with all these services, which portion will be determined by the Board of Directors, the AIFM, the Investment Manager or the Investment Advisor (if any), as applicable, in good faith, based on, among other things, the compensation and benefits of the personnel providing the services as well as an allocation of overhead expenses

## 14. CERTAIN TAX MATTERS

### 14.1. PROVISION AND DISCLOSURE OF SPECIFIC INFORMATION

Each Investor shall use all reasonable endeavours promptly to supply to the Fund such information, affidavits or certificates as the Fund reasonably requests in order for:

- the Fund to comply with applicable legal, tax or regulatory requirements, whether in connection with investments or proposed investments or otherwise (insofar as permitted by law) or to comply with any actual or anticipated requests by any regulatory authority or tax authority in any jurisdiction;
- the Fund, the Investment Manager or any of their respective Affiliates to comply with all applicable legal and/or tax obligations (including the filing of tax returns), Information Reporting Regimes, collection and sharing of information, regulatory requirements, anti-money laundering, anti-terrorist financing laws or other laws, regulations, orders or administrative guidelines of a governmental authority, whether in connection with Investments or proposed Investments or otherwise (insofar as permitted by law);
- the Fund to determine (at the level of the Fund or any intermediate vehicle) the extent of, and in fulfilling, any taxation, non-tax deduction or withholding tax obligations within the structure under any applicable law; and
- the Fund or its Affiliates to obtain any exemption, reduction or refund of any withholding or other taxes imposed by any tax authority or other governmental agency upon the Fund or any intermediate vehicle or amounts paid to the Fund or any intermediate vehicle,

Each Investor shall inform the Fund in writing of any change in such information within 30 days of such change and provide the Fund with an updated form, affidavit or certificate to the extent that such form, affidavit or certificate currently in use has expired or the information provided has changed.

The Fund shall be entitled to disclose to any governmental (including tax) authorities in connection with the Fund such information about the identity of the Investors and their respective Shares as any such authorities may require it to disclose provided that the Fund shall (insofar as permitted by law) give notice of such disclosure to the relevant Investors.

If any Investor fails to provide any information requested by the Fund pursuant to this Section within a reasonable period of time or if the Fund determines in good faith that there is a material likelihood that such failure, the subsequent making of any distribution to such Investor or such Investor's continued participation in the Fund will result in:

- a material tax liability being imposed on the Fund, the Investment Manager or any of their respective Affiliates; or
- any such person(s) above being in violation of, or otherwise failing to comply with, any Information Reporting Regime or any anti-money laundering or anti-terrorist laws, conditions, guidelines, rules, regulations, directives, opinions, orders, statute or special measures of any governmental entity to which such person is subject,

then the Fund will provide such Investor with written notice of its failure to comply, the material tax liability triggered, or the violation established.

If such Investor fails to comply with the Fund's request within 20 Business Days of receiving such written notice or if the personal situation of an Investor would result in a tax liability being imposed on the Fund, the Investment Manager or any of their respective Affiliates, then the Fund will be entitled to:

- require the redemption of the Shares in accordance with Section 0 “Redemption and Withdrawal”;
- treat such Investor as if it were a Defaulting Investor; and/or
- withhold any taxes (and other costs and expenses) required to be withheld pursuant to any applicable legislation, regulations, rules or agreements so as to ensure that the burden of any such taxes is borne by the Investor whose failure to provide the information has caused the tax liability.

If requested by the Fund, the Investor will execute any and all documents, opinions, instruments, certificates, and waivers as the Fund reasonably requests or that are otherwise required to effect the provisions in this Section.

## 14.2. LIABILITY FOR TAXATION

The Fund is under no obligation to consider the separate interests of individual Investors (including, without limitation, the tax consequences to individual Investors or assignees) in deciding whether to take (or decline to take) any actions which the Fund has undertaken (or not undertaken) in good faith, and, without prejudice to the remainder of this Prospectus, the Fund shall not be liable for monetary damages for losses sustained, liabilities incurred, or benefits not derived by Investors of the Fund in connection with such decisions, provided that the Fund has acted in good faith.

The Fund may require each Investor to and, if so required, each Investor severally undertakes to pay (and consents to such payment by the withholding of distributions which would otherwise be due to it, the cancellation of Shares issued to the Investor, or such other method of payment as determined to be appropriate by the Fund in its sole discretion) to the Fund or any intermediate vehicle, as the case may be, any amount which the Fund or the intermediate vehicle is required to pay or withhold by law in respect of taxes imposed directly or indirectly upon the Fund or the intermediate vehicle in respect of income or profits allocated, or distributions made, to such Investor (as determined by the Fund), whether before or after any redemption or transfer of such Shares. An Investor transferring its Shares shall remain liable for any taxes on income and gains allocated to it prior to such Transfer.

Amounts withheld (directly or indirectly) pursuant to applicable tax law with respect to any payment or distribution to the Fund, any intermediate vehicle or the Investors, or any taxes paid by the Fund or an intermediate vehicle (directly or indirectly) with respect to Investors may, in the Fund’s sole discretion, in each case, be treated as amounts distributed to the Investor for all purposes under this Prospectus.

The Fund shall be entitled to withhold or cause to be withheld from each Investor’s distributions from the Fund such amounts on account of taxes or similar charges as are required by applicable law.

The Investors are solely responsible for reclaiming any withheld amounts by the Fund, the intermediate vehicles, or any of their subsidiaries from the relevant tax authorities and each Investor hereby waives any claim or right of action against the Fund, the intermediate vehicles, or any of their subsidiaries on account of such withholding.

The obligations under this Section will survive the dissolution, liquidation and termination of the Fund and will survive the partial or complete transfer or redemption of an Investor’s Shares.

## 15. TAX STATUS

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

This Chapter does not purport to be a complete summary of tax law and practice currently applicable in Luxembourg. Furthermore, this Chapter does not address the taxation of the Fund in any other jurisdiction or the taxation of any subsidiaries or intermediary companies of the Fund or of any investment structure in which the Fund holds an interest in any jurisdiction.

The considerations set forth below do not constitute tax advice, should not be relied upon and are no substitute for tax advice. Depending on individual circumstances, the taxation treatment for Shareholders may differ from the guidance below and prospective investors are advised to consult their own professional tax advisers in respect of their investment in the Fund under the laws of their country of citizenship, residence, domicile, presence or incorporation.

Moreover, Shareholders have the sole responsibility for being aware of, and complying with, all laws and regulations which apply to them, whether imposed by their country of tax residence or any other jurisdiction. This includes understanding the potential legal and tax consequences, resolving any fines, claims or other penalties that arise from failure to comply and filing any reports to which Shareholders are subject. Neither the Fund nor the AIFM, the Investment Manager (where applicable) and any of their respective Affiliates has the obligation to assist Shareholders in complying, remediating and/or filing any such tax reports to which such Shareholders.

The Fund reserves the right to disclose the name of the Shareholders on the Shareholders' register, or any other relevant information relating to Shareholders, to any tax authority where required by law or where the Fund believes such disclosure is in the best interests of the Fund or the Shareholders. If it does so, it shall advise the relevant Shareholders, unless prevented to do so by law.

### 15.1. TAXATION OF THE FUND

Under present Luxembourg law and administrative practice, as a Luxembourg partnership limited by shares governed by the RAIF Law, the Fund is not subject to Luxembourg corporate income tax and municipal business tax (including the solidarity surcharge) nor net wealth tax (including the minimum net wealth tax).

The Fund is as a rule subject in Luxembourg to a subscription tax (*taxe d'abonnement*) of in principle 0.01% (zero point zero one percent) per annum, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Fund at the end of the relevant calendar quarter, subject to certain exemptions. In particular, the value of assets represented by units or shares held in other RAIF's or in certain undertakings for collective investment is exempt from the subscription tax provided such units have already been subject to this tax.

No stamp duty or other tax is payable in Luxembourg on the issue of Shares. No Luxembourg tax is payable on the realised capital appreciation of the assets of the Fund.

The Fund is liable to a fixed registration duty of EUR 75 (seventy-five Euro) which was paid upon establishment and which shall be paid also upon future modification (if any) of its Articles.

Nevertheless, the income received from the Fund's portfolio (i.e. dividends, interest, capital gain) may be subject to taxation deducted at source in the country of origin. Whether the Fund may benefit from a double tax treaty concluded by Luxembourg must be analysed on a case-by-case basis. Indeed, as the Fund is structured as an investment company (as opposed to a mere co-ownership of assets), as the Fund is structured as an investment company (as opposed to a mere co-ownership of assets), certain double tax treaties signed by Luxembourg may directly be applicable to the Fund.

There is no withholding tax on any distributions, redemption or other payment made by the Fund to the Shareholders.

In Luxembourg, alternative investment funds are considered as taxable persons for VAT purposes. Accordingly, the Fund is considered in Luxembourg as a taxable person for VAT purposes without any input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Fund could potentially trigger VAT and require the VAT registration of the Fund in Luxembourg. As a result of such VAT registration, the Fund will be in a position to fulfil its duty to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

No VAT liability arises in principle in Luxembourg in respect of any payments by the Fund to its Shareholders, to the extent such payments are linked to their subscription to the Shares and do, therefore, not constitute the consideration received for taxable services supplied.

The Fund will undertake to ensure that it is not resident for tax purposes in any jurisdiction other than Luxembourg.

## 15.2. LUXEMBOURG REAL ESTATE LEVY

The Luxembourg Law of 19 December 2020 introduced a lump-sum 20% real estate levy on gross rental income and capital gains derived from real estate assets located in Luxembourg by funds set up as tax opaque entities and falling under Part II of the 2010 Law, specialised investment funds referred to in the amended law of 13 February 2007 and reserved alternative investments funds referred to in the amended law of 23 July 2016 (such as the Fund). The rule applies in respect of real estate assets located in Luxembourg, held either directly or indirectly through one or a series of tax-transparent entities, in proportion to the stake held. Reporting formalities and information requirements also apply regardless of whether income from Luxembourg real estate is earned or not.

## 15.3. LUXEMBOURG TAXATION OF SHAREHOLDERS

Under current legislation, Shareholders are not subject to any capital gains, income or withholding taxes in Luxembourg (except for those domiciled, resident or having a permanent establishment in Luxembourg to which the Shares can be attributed and except also with respect to Luxembourg gift tax but only in the event that a gift is made pursuant to a deed signed before a Luxembourg notary or is registered in Luxembourg).

## 15.4. AUTOMATIC EXCHANGE OF INFORMATION

### **FATCA and CRS**

Investors should note that Luxembourg signed an Intergovernmental Agreement (“**IGA**”) with the US in 2014 to assist with the implementation of the US Foreign Accounts Tax Compliance Act (“**FATCA**”) and implemented the obligations resulting from the IGA into Luxembourg domestic law on 24 July 2015 (the “**FATCA Law**”).

Luxembourg further implemented the provisions of the Council Directive 2014/107/EU amending Council Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (“**DAC**”) as well as the

multilateral agreement of 29 October 2014 by which the OECD adopts the Common Reporting Standard (“**CRS**”) into domestic law on 18 December 2015 (the “**CRS Law**”).

Under the FATCA Law and the CRS Law, the Fund - in its capacity as a financial institution - (or any other entity designated by the Fund to this end) may be obliged to identify its Investors and, as the case may be, to report certain information regarding certain Investors (qualifying as reportable persons or qualifying as passive non financial entities controlled by such reportable persons) as well as their investment and their allocable share of income to the Luxembourg Tax Authorities (Administration des Contributions Directes). The Luxembourg Tax Authorities will then forward such information to the relevant foreign authorities of other participating jurisdictions in the context of CRS and to the US Internal Revenue Service in the context of FATCA.

Investors have the right to access the data reported to the Luxembourg Tax Authorities and, as the case may be, to have these data rectified in case of error.

To comply with those obligations, the Fund must obtain upon subscription or when a change of circumstances is brought to its attention, a FATCA and CRS self-certification from all of its Investors. On the request of the Fund, each Investor shall agree to provide such documentation, including, in the case of a passive non-financial foreign entities/non-financial entity, on their controlling persons, along with the required supporting documentation. Similarly, each Investor shall agree to actively provide to the Fund within thirty (30) days any information that would affect its status, as for instance a new mailing address or a new residency address.

Although the Fund will attempt to satisfy any obligation imposed on it to avoid imposition of FATCA withholding tax, no assurance can be given that the Fund will be able to satisfy these obligations as it also depends on the Investors' own FATCA compliance. If the Fund becomes subject to a withholding tax or penalties as result of the FATCA regime, the value of the Shares held by the Investors may suffer material losses. The failure for the Fund to obtain such information from each Investor and to transmit it to the Luxembourg tax authorities may trigger the 30% withholding tax to be imposed on payments of US source income and on proceeds from the sale of property or other assets that could give rise to US source interest and dividends as well as penalties.

Any Investor that fails to comply with the Fund's documentation requests may be charged with any taxes and/or penalties imposed on the Fund as a result of such Investor's failure to provide the information and the Fund may, in its sole discretion, redeem the Shares of such Investor.

Additionally, the Fund is responsible for the processing of personal data of the Investors (and of their controlling persons if applicable). The latter have the right to access the data reported to the Luxembourg Tax Authorities and, as the case may be, to have these data rectified in case of error.

#### **DAC 6**

DAC has been amended by Council Directive 2018/822/EU of 25 May 2018 as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements (“**DAC 6**”). Under DAC 6, advice given, and services rendered regarding cross-border tax planning arrangements that qualify as so-called Reportable Cross-border Arrangements (within the meaning of DAC 6) may need to be reported to the relevant tax authorities by intermediaries or by the taxpayer itself. The relevant tax authorities will thereafter automatically exchange this information within the EU through a centralised database. Any person that designs, markets, organises or makes available for implementation or manages the implementation of a cross-border arrangement is to be considered an intermediary.

The Fund will closely monitor whether any arrangement relating to its activities would constitute or form part of a Reportable Cross-border Arrangements for the purposes of DAC 6, as implemented from time to time in any relevant jurisdiction. The Fund is not responsible to consider potential DAC 6 implications regarding the Investors. Prospective Investors must consult with their own advisors with respect to the consequences of investing in the Shares in the context of DAC 6, as implemented from time to time in any jurisdictions that are relevant to them.



## 16. CERTAIN SHAREHOLDER MATTERS

### 16.1. MEETINGS, REPORTS AND FINANCIAL YEAR

The general meeting of Shareholders is held every year at the Fund's registered office or at any other address in Luxembourg stipulated in the convening notice.

The annual general meeting of Shareholders shall be held in accordance with the Articles. The first annual general meeting will be held in 2025.

Except as otherwise provided for by Luxembourg law or the Articles, notices of all general meetings are sent by mail or electronic mail, if so agreed with the Shareholders, to all registered Shareholders, to their address or electronic addresses indicated in the register of Shareholders or by any other means of communication admitted by law, which Shareholders are deemed to have accepted by having (i) subscribed for shares in the Fund or (ii) received shares by way of transfer, at least 8 (eight) calendar days before the general meeting.

If Shareholders representing 10% of the Fund's capital request in writing with an indication of the agenda to hold a Shareholder meeting, the Board of Directors is obliged to convene such a Shareholder meeting so that it is held within a period of one (1) month.

These notices shall indicate the time and place of the general meeting, the admission conditions, the agenda and the Luxembourg legal quorum and majority requirements. Each Shareholder may participate in the meetings of Shareholders by appointing in writing, transmitted by any means of communication allowing for the transmission of a written text, another person as his proxy. The Shareholders of a specified Sub-Fund or Class may, at any time, hold general meetings with the aim to deliberate on a subject which concerns only their Sub-Fund or Class (as the case may be).

At general meetings, each Shareholder has the right to 1 (one) vote for each whole Share held.

In the case of a joint holding, only the first named Shareholder may vote.

Unless otherwise stipulated by law or in the Articles, the decisions of the general meeting of a specified Sub-Fund or of a Class will be reached by a simple majority vote of the Shareholders present or represented.

The first financial year of the Fund will commence on the launch date and end on 31 December 2024. Any other financial year will start on the first day of January and end on the last day of December of each calendar year.

If the Board of Directors decides to prepare combined accounts, such accounts of the Fund will be expressed in euro. For this purpose, all figures expressed in another currency than the euro will be converted into euro at the rates used in the NAV calculation.

As required by the 2013 Law and the 2016 Law, the Fund and its Sub-Funds shall provide, within one hundred and eighty (180) days after the end of each Fiscal Year of the Fund, each person that was an Investor during such period with the annual audited report of the Fund which includes (i) annual audited financial statements (which shall include a balance sheet, income statement, statement of cash flows, a statement of changes in equity and a statement of net assets attributable to Investors) for the Fund and the Sub-Funds respectively, (ii) a report on the activities of the past financial year, and (iii) any further information required by the 2013 Law, the 2016 Law and applicable laws and regulations.

The financial information of the Fund shall be prepared in accordance with Luxembourg GAAP provided that the Board of Directors may decide to use different accounting methods in respect of any Sub-Fund, as set forth in the relevant Sub-Fund Supplement.

The Board of Directors may establish further reports as determined in respect of a given Sub-Fund as set forth in the relevant Sub-Fund Supplement. In accordance with the AIFMD and the 2016 Law, the information detailed below will also be set out in the Fund's periodic reports:

- the percentage of the relevant Sub-Fund's assets which are subject to special arrangements arising from their illiquid nature;
- any new liquidity management arrangements;
- any new right of the reuse of collateral or any new guarantee granted under a leveraging arrangement;
- the total amount of leverage employed by the relevant Sub-Fund; and
- details of the current risk profile of the relevant Sub-Fund and the risk management systems employed to manage those risks.

The relevant Sub-Fund shall make available the issue, sale and repurchase price of Shares each time it issues, sells or repurchases its Shares subject to conditions and the frequency set out in the 2016 Law.

Any increase in the maximum amount of leverage that may be used by a Sub-Fund will be detailed in a revised Sub-Fund Supplement.

## 16.2. NOTICES

Investors shall provide the Fund with an address to which all notices and announcements may be sent or, if the addressees have individually accepted to receive the notices and announcements by another means of communication ensuring access to the information - including any means of electronic communication - by such means of communication. Such address(es) will also be entered into the register of Shareholders.

An Investor may, at any time, change their address as entered into the register of shareholders by means of a written notification to the Fund at its registered office, or at such other address as may be set by the Fund from time to time.

## 16.3. TERM, REORGANISATION AND DISSOLUTION, LIQUIDATION

The Board of Directors may create, within its sole discretion, Sub-Funds for an unlimited or limited period as provided for in the relevant Sub-Fund Supplement.

The Fund may be dissolved and liquidated:

- at any time by a resolution of the general meeting of Shareholders resolving in the conditions prescribed for in the amendment of the Articles;
- ipso jure upon the dissolution of the last Sub-Fund;
- by the votes of Shareholders holding 50 per cent. of the Shares represented at a general meeting of Shareholders convened (without a prescribed quorum) to consider the question of the dissolution of the Fund in the event the capital of the Fund falls below 2/3 (two-thirds) of the minimum capital determined under the 2016 Law); or
- by the votes of Shareholders holding 25 per cent. of the Shares represented at a general meeting of Shareholders convened (without a prescribed quorum) to consider the question of the dissolution of the Fund in the event the capital of the Fund falls below 1/4 (one quarter) of the minimum capital determined under the 2016 Law.

The Fund will pay all costs associated with the liquidation of the Fund.

Unless otherwise provided for in the relevant Sub-Fund Supplement, the Shareholders of the Sub-Fund concerned may request the redemption of their Shares, in accordance with the terms contained in the relevant Sub-Fund Supplement, upon or prior to the liquidation by application of the applicable liquidation NAV as determined by the Board of Directors. Assets which cannot be distributed to their beneficiaries upon the close of liquidation of the Sub-Fund concerned will be deposited with the *Caisse des Consignations* on behalf of their beneficiaries.

Notwithstanding any other provision of this Prospectus, as soon as the decision to liquidate or wind the Fund up is taken, the Board of Directors may draw down Commitments without a corresponding issuance of Shares. Any issuance of Shares in contradiction with this prohibition shall be deemed null and void.

A Sub-Fund may be separately dissolved:

- on the expiration of the Term of the relevant Sub-Fund (if any) provided for in the relevant Sub-Fund Supplement of such Sub-Fund; or
- by a decision of the Board of Directors if the NAV of such Sub-Fund has decreased to or failed to reach an amount determined by the Board of Directors in its discretion; or,
- in any other circumstances as set out in the relevant Sub-Fund Supplement.

In the event a decision to liquidate a Sub-Fund is taken, all Shareholders will be notified by the Fund of any decision to liquidate the relevant Sub-Fund prior to the effective date of the liquidation and the notice will indicate the reasons for, and the procedures of, the liquidation operations.

#### **16.4. AMALGAMATION / MERGER**

Unless otherwise provided for in the relevant Sub-Fund Supplement, the Board of Directors may decide to terminate one Sub-Fund by contributing its assets and liabilities into another existing or new Sub-Fund or into another existing or new collective investment scheme or an assimilated entity.

The Board of Directors may also organise the amalgamation of: (i) 2 (two) or more Sub-Funds into an existing or a new Sub-Fund; or (ii) 2 (two) or more Classes within a Sub-Fund.

Shareholders will be notified of any such decision as well as the relevant information in relation to the new Sub-Fund, the new collective investment scheme or assimilated entity or the new Class. Notice will be provided at least 1 (one) month before the amalgamation in order to enable Shareholders who hold redeemable Shares to request that their Shares be redeemed in accordance with the terms contained in the relevant Sub-Fund Supplement before the amalgamation is completed.

#### **16.5. CONSOLIDATION / SPLITTING OF SHARES**

The Board of Directors may decide to consolidate Shares of different Classes within a Sub-Fund or to split the Shares within a given Class of a Sub-Fund.

#### **16.6. INVESTORS' RIGHTS IN RELATION TO SERVICE PROVIDERS**

The Fund is reliant on the performance of the Service Providers. Further information in relation to the roles of the Service Providers is set out above.

No Investor will have any direct contractual claim against any Service Provider with respect to such Service Provider's Default. Any Investor who believes they may have a claim against any Service Provider in connection with their investment in the Fund, should consult their legal advisor.

### 16.7. FAIR TREATMENT OF INVESTORS

The AIFM has put in place policies and procedures to ensure compliance with the principles of fair treatment of Investors as required by AIFMD.

Under the conditions set forth in the 1915 Law, the 2016 Law, the 2013 Law the Fund or the AIFM may also enter into side letters with Investors which clarify the scope and the extent of existing rights and/or obligations as between the Fund and the Shareholders. Such side letters may only be granted under the conditions that (a) similarly situated Investors should be treated similarly and fairly and (b) the best interest of the Fund and its Investors must be considered in the granting of any side letter. Further details on any such preferential treatment will be disclosed to investors as per the AIFMD's requirements.

### 16.8. RECOGNITION AND ENFORCEMENT OF JUDGMENTS IN LUXEMBOURG

The 1980 Rome Convention on the Law Applicable to Contractual Obligations (other than Article 7(1)), Regulation (EC) 593/2008 (Rome I) (the **Rome I Regulation**) and Regulation (EC) 864/2007 (Rome II) (the **Rome II Regulation**), all have force of law in Luxembourg (together the **Rome Regulations**). Accordingly, the choice of a governing law in any given agreement is subject to the provisions of the Rome Regulations. Under the Rome I Regulation, the courts of Luxembourg may apply any rule of Luxembourg law which is mandatory irrespective of the governing law and may refuse to apply a rule of governing law if:

- (a) the foreign law was not pleaded and proved; or
- (b) if pleaded and proved, such foreign law would be contrary to (i) the public policy of the forum, (ii) the overriding mandatory provisions of the law of the forum, (iii) the provisions of the law of a country which cannot be derogated from by agreement, where matters are connected with such country only, (iv) the provisions of Community law which cannot be derogated from by agreement, where matters are connected with the EU only and (v) the overriding mandatory provisions of the law of the country where the obligations arising out of the contract have to be or have been performed, in so far as those overriding mandatory provisions render the performance of the contract unlawful.

The fact that contractual parties choose a foreign law, whether or not accompanied by the choice of a foreign tribunal, shall not, where all the other elements relevant to the situation at the time of the choice are connected with one country only, prejudice the application of rules of the law of that country, which cannot be derogated from by agreement.

The effectiveness of provisions relating to the choice of law to govern non-contractual obligations is subject, where applicable, to the Rome II Regulation. The effectiveness of such provisions in situations where the Rome II Regulation does not apply is uncertain.

Regulation (EU) No 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters has force of law in Luxembourg. In accordance with its provisions, a judgment obtained in the courts of another EU jurisdiction will in general be recognised and enforced in Luxembourg without review as to its substance, save in certain exceptional circumstances.

## 16.9. GOVERNING LAW

This Prospectus shall be governed by and construed in accordance with the laws of the Grand Duchy of Luxembourg.

## 17. INFORMATION AVAILABLE

Copies of the Articles, this Prospectus, the relevant Sub-Fund Supplement, the AIFM Agreement, the Depositary Agreement, the Administration Agreement, the latest financial reports (as described in Section 16.1 "Meetings, Reports and Financial Year") as well as any further documents and/or reports in respect of any Sub-Fund, if any, shall be mailed to Investors upon their request and may be obtained free of charge during office hours at the registered office of the Fund.

Investors are only entitled to receive communication and information of the Sub-Fund Supplement relating to the Sub-Fund(s) in which they have invested or are investing.

Except where the determination of the Net Asset Value of a particular Class or Sub-Fund has been suspended, the NAV per Share of each Sub-Fund and Class, if applicable, and historical performance of each Sub-Fund shall be available on each Valuation Day at the Fund's registered office.

Claims of Investors against the Fund lapse 5 (five) years after the date of the event giving rise to the rights invoked.

English shall be the governing language for this Prospectus.

## 18. AMENDMENTS

The Board of Directors shall be authorised to amend this Prospectus, including any Sub-Fund Supplement, in order to:

- make any change that is necessary or desirable to cure any ambiguity or to correct or supplement any provision of this Prospectus that would otherwise be inconsistent with the Articles;
- correct typographical or other minor errors;
- make all changes necessary to satisfy AIFMD, and other legal or regulatory requirements or to minimise the adverse effect of any legal or regulatory changes on the Fund or a Sub-Fund;
- make all changes necessary to allow the replacement of the AIFM by a substitute authorised alternative investment fund manager within the meaning of the 2013 Law to ensure that the Fund is managed in compliance with the AIFMD;
- make all changes necessary to replace any of the Service Providers;
- make a change that is necessary or desirable to satisfy any applicable requirements, conditions or guidelines contained in any opinion, directive, order, statute, rule or regulation of any governmental entity so long as the change is made in a manner which minimises any adverse effect on Investors;
- any other amendment that in the reasonable opinion of the Board of Directors may be necessary or desirable, including in particular to reflect the establishment of new Sub-Funds;
- in relation to a Sub-Fund, in other circumstances specifically set out in a Sub-Fund Supplement,

provided that in each case (i) the amendment does not adversely affect Investors in a material respect unless Investors are given free exit rights, and (ii) the Investors are duly informed in advance, including via an communication published on the website of the AIFM, of any such amendments.

Unless otherwise provided in the relevant Sub-Fund Supplement, with respect to open-ended Sub-Funds, in the event of amendments which may adversely affect Investors in a material respect the Investors would benefit from, at least one (1) month prior notice in order to enable Investors to request that their Shares be redeemed in accordance with the terms contained in the relevant Sub-Fund Supplement before the amendments are effective. Notwithstanding the foregoing, any amendment of the Prospectus impacting the Articles is subject to the quorum and majority rules set for any amendment to the Articles. With respect to closed-ended Sub-Funds, (i) any materially unfavourable amendments will be subject to the unanimous approval of the Shareholders; and (ii) any other (non-materially unfavourable) changes will be made following a prior notification to Shareholders, without prior approval however, such changes being, in particular, (a) to conform the Prospectus to any regulatory changes, or (b) which are favourable (e.g. reduction of fees) to Shareholders, or (c) not having a material impact on Shareholders.

No amendment, which increases an Investor's Commitment (if any), modifies the profit allocation rules such as Performance Fee or Carried Interest to a detriment of Investors or decreases the level of approval of Investors required to make such amendments may be made without the unanimous approval of all the Investors entitled to vote.

## 19. CONFLICTS OF INTEREST

Conflicts of interest may arise in connection with an investment in the Fund. Subject to applicable law, the Fund may engage in transactions that may trigger or result in a potential conflict of interest.

No contract or other transaction between the Fund and any other company or firm shall be affected or invalidated by the fact that the members of the Board of Directors or the Investment Manager or any one or more of each of their managers, associates, officers, employees or shareholders is interested in, or is a manager, associate, officer, employee or shareholder of such other company or firm. Any manager, associate, officer, employee or shareholder of the Investment Manager or member of the Board of Directors who serves as a manager, associate, officer, employee or shareholder of any company or firm, with which the Fund shall contract or otherwise engage in business shall, by reason of such affiliation with such other company or firm, be prevented from considering and voting or acting upon any matters with respect to such contract or other business.

In the event that any member of the Board of Directors or manager, associate, officer, employee or shareholder of the Investment Manager may have in any transaction of the Fund an interest different to the interests of the Fund, that person shall make known to the Board of Directors such conflict of interest and shall not consider or vote on any such transaction and such transaction, and such person's interest therein shall be reported to the next succeeding meeting of Shareholders.

The Fund and the Sub-Funds will be dependent on the Service Providers to identify and manage all such conflicts of interest. The Service Providers will use commercially reasonable efforts to manage material issues involving actual or potential significant conflicts of interest, methods of valuation and certain other matters. If conflicts of interest do exist, the Service Providers will ensure that the Fund and/or relevant Sub-Fund is treated in a just and equitable manner and shall endeavour to ensure that any conflicts of interest are resolved fairly and in the best interests of Investors, having regard to the relevant agreements pursuant to which such Service Provider is bound in relation to the Fund or any Sub-Fund. This may include disclosure of such potential or actual conflict of interest, unless the Service Provider has been advised by counsel that such disclosure is or may reasonably be prohibited for regulatory or legal reasons (in which case, where the conflict cannot be satisfactorily resolved, the applicable transaction may not be consummated).

Subject to any special requirements for dealing with particular conflicts of interest outlined below, any actual or potential conflicts of interest of the Service Providers or their affiliates which relate to the Fund and/or a Sub-Fund will be discussed and resolved on a case-by-case basis.

Any restrictions on the activities of the Service Providers, its personnel and / or the Distributors or sub-distributor or agent on behalf of a Sub-Fund (as described in this Prospectus, the relevant Sub-Fund Supplement and/or set out in the documents described in this Prospectus) may not apply to any other business lines, teams or groups within other affiliates of the Service Providers (including the Investment Manager).

More details on potential conflicts of interest are set out in the Annex 2 to this Prospectus.

## 20. RISK FACTORS

An investment in the Fund involves a substantial degree of risk and should be considered only by Investors whose financial resources are sufficient to enable them to assume such risk. Investors should carefully evaluate the risk factors set out in this Section and the SFDR Disclosures associated with an investment in the Fund. Past performance of the Investment Manager funds cannot be taken as an indication of future performance of the Fund.

Investors should also note that the Board of Directors, the AIFM and the Investment Manager do not have an ability to evaluate the probability of each risk arising and accordingly each Investor must make their own assessment of the risks and rewards of an investment in the Fund.

Investors should also be aware that as a result of the risks identified below the following outcomes may arise:

- (a) potential loss of some or all of an Investor's original investment (the effect of such loss may be magnified in cases where an Investor has used leverage to fund part or all of its investment in the Fund);
- (b) an inability of the Fund to make cash distributions; and
- (c) some or all of the underlying assets of the Fund may remain illiquid for a significant period (and potentially in perpetuity), requiring Investors to remain invested in the Fund for longer than anticipated.

More details on risk factors are set out in the Annex 1 to this Prospectus.



## 21. ANNEX I: RISK FACTORS

### **Economic risk**

The value of investments held by a Sub-Fund may decline in value due to factors affecting financial markets generally, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The value of investments may also decline due to factors affecting a particular industry, area or sector, such as changes in production costs and competitive conditions. During a general downturn in the economy, multiple asset classes may decline in value simultaneously. Economic downturn can be difficult to predict.

When the economy performs well, there can be no assurance that investments held by a Sub-Fund will benefit from the advance.

### **Interest rate risk**

The performance of a Sub-Fund may be influenced by changes in the general level of interest rates. Generally, the value of fixed income instruments will change inversely with changes in interest rates: when interest rates rise, the value of fixed income instruments generally can be expected to fall and vice versa. Fixed income securities with longer-term maturities tend to be more sensitive to interest rate changes than shorter-term securities. In accordance with its investment objective and policy, a Sub-Fund may attempt to hedge or reduce interest rate risk, generally through the use of interest rate futures or other derivatives. However, it may not be possible or practical to hedge or reduce such risk at all times.

### **Foreign exchange risk**

Each Sub-Fund investing in securities denominated in currencies other than its reference currency may be subject to foreign exchange risk. As the assets of each Sub-Fund are valued in its reference currency, changes in the value of the reference currency of the Sub-Fund compared to other currencies will affect the value, in the reference currency of the Sub-Fund, of any securities denominated in such other currencies. Foreign exchange exposure may increase the volatility of investments relative to investments denominated in the reference currency of the of the Sub-Fund. In accordance with its investment objective and policy, a Sub-Fund may attempt to hedge or reduce foreign exchange risk, generally through the use of derivatives. However, it may not be possible or practical to hedge or reduce such risk at all times.

In addition, a Class that is denominated in a reference currency other than the reference currency of the Sub-Fund exposes the Investor to the risk of fluctuations between the reference currency of the Share Class and that of the Sub-Fund. This exposure is in addition to foreign exchange risk, if any, incurred by the Sub-Fund with respect to investments denominated in other currencies than its reference currency, as described above.

### **Credit risk**

Sub-Funds investing in fixed income instruments will be exposed to the creditworthiness of the issuers of the instruments and their ability to make principal and interest payments when due in accordance with the terms and conditions of the instruments. The creditworthiness or perceived creditworthiness of an issuer may affect the market value of fixed income instruments. Issuers with higher credit risk typically offer higher yields for this added risk, whereas issuers with lower credit risk typically offer lower yields. Generally, government debt is considered to be the safest in terms of credit risk, while corporate debt involves a higher credit risk. Related to that is the risk of downgrade by a rating agency. Rating agencies are private undertakings providing ratings for a variety of fixed income instruments based on the creditworthiness of their issuers. The agencies may change the rating of issuers

or instruments from time to time due to financial, economic, political, or other factors, which, if the change represents a downgrade, can adversely impact the market value of the affected instruments.

### **Volatility**

The volatility of a financial instrument is a measure of the variations in the price of that instrument over time. A higher volatility means that the price of the instrument can change significantly over a short time period in either direction. Each Sub-Fund may make investments in instruments or markets that are likely to experience high levels of volatility. This may cause the Net Asset Value per Share to experience significant increases or decreases in value over short periods of time.

### **Liquidity risk**

Liquidity refers to the speed and ease with which investments can be sold or liquidated or a position closed. On the asset side, liquidity risk refers to the inability of a Sub-Fund to dispose of investments at a price equal or close to their estimated value within a reasonable period of time. On the liability side, liquidity risk refers to the inability of a Sub-Fund to raise sufficient cash to meet a redemption request due to its inability to dispose of investments. In certain circumstances, investments may become less liquid or illiquid due to a variety of factors including adverse conditions affecting a particular issuer, counterparty, or the market generally, and legal, regulatory or contractual restrictions on the sale of certain instruments. In addition, a Sub-Fund may invest in financial instruments traded OTC, which generally tend to be less liquid than instruments that are listed and traded on exchanges. Market quotations for less liquid or illiquid instruments may be more volatile than for liquid instruments and/or subject to larger spreads between bid and ask prices. Difficulties in disposing of investments may result in a loss for a Sub-Fund and/or compromise the ability of the Sub-Fund to meet a redemption request.

### **Counterparty risk**

Counterparty risk refers to the risk of loss for a Sub-Fund resulting from the fact that the counterparty to a transaction entered into by the Sub-Fund may default on its contractual obligations. There can be no assurance that an issuer or counterparty will not be subject to credit or other difficulties leading to a default on its contractual obligations and the loss of all or part of the amounts due to the Sub-Fund. This risk may arise at any time the assets of a Sub-Fund are deposited, extended, committed, invested or otherwise exposed through actual or implied contractual agreements. For instance, counterparty risk may arise when a Sub-Fund has deposited cash with a financial institution, invests into debt securities and other fixed income instruments, enters into OTC financial derivative instruments, or enters into securities lending, repurchase and reverse repurchase agreements.

### **Depositary Risk**

The Fund is subject to a range of risks relating to its Depositary. Although depositaries are fiduciaries entrusted with the safekeeping of investors' assets, it is market practice for such organizations to seek to exclude their liability for a range of matters. Consequently, there is a risk that if the Fund suffers a loss as a result of an action of the Depositary it is not necessarily the case that such loss will be a compensable loss in terms of the Fund's contract with the Depositary. Further, in the event of the bankruptcy or other form of insolvency of the Depositary, Investors may be exposed to a range of loss types including but not limited to, loss of cash held at the Depositary or any sub-custodian (including the risk of loss of monies that purport to be impressed with the character of client money) and the loss of securities that have not been properly and successfully segregated from the Depositary's general assets as belonging to the Fund. In respect of cash and other assets that are not lost in such a bankruptcy or insolvency process there is a material risk of a substantial delay before they are returned to the Fund as the relevant process may be lengthy. As is permitted by the 2013 Law, the Depositary Agreement contractually discharges the Depositary from liability in certain limited circumstances.

### **Professional Liability Risks**

The AIFM shall cover its potential professional liability risks arising from professional negligence, resulting from activities it carries out as alternative investment fund manager, through the provision of additional own funds at least equal to 0.01 % of the value of the portfolios it manages and which are appropriate to cover potential liability risks or through the subscription of a professional indemnity insurance against liability arising from professional negligence. However, it cannot be ruled out that, with regard to the claim of the AIFM or the insurance of the AIFM, claims of the Fund will not be satisfied, for example because, in the case of a professional indemnity insurance, the insurance company, for whatever reason, refuses to indemnify the AIFM.

### **Eurozone Risks**

Concerns about credit risk (including, but not limited to, that of sovereigns) related to various European markets continue to exist. Certain highly indebted advanced economies in the Eurozone continue to pose some concern, though some have reduced debt levels since the height of the so-called Eurozone crisis. For example, large sovereign debts and/or fiscal deficits of a number of European countries continue to raise concerns regarding the financial condition of financial institutions, insurers and other corporates: (i) located in these countries; (ii) that have direct or indirect exposure to these countries; and/or (iii) whose banks, counterparties, custodians, customers, service providers, sources of funding and/or suppliers have direct or indirect exposure to these countries. The default, or a significant decline in the credit rating, of one or more sovereigns or financial institutions could cause severe stress in the financial system generally and could adversely affect the markets in which the Fund operates and the businesses and economic condition and prospects of the Fund's counterparties, suppliers, investments, creditors, or service providers, directly or indirectly, in ways which it is difficult to predict. In addition, due to large sovereign deficits and/or fiscal deficits, some European countries may be dependent on assistance from other European governments and institutions or multilateral agencies and offices. Assistance may be dependent on a country's implementation of reforms or reaching a certain level of performance. Failure to reach those objectives or an insufficient level of assistance could result in a deep economic downturn, which could significantly affect the value of the Fund's investments in European markets.

There also remains a risk that default of certain participating member states of the EU may lead to the collapse of, or change in, the Eurozone as it is constituted today, that certain member states of the EU may cease to use the Euro as their national currency or that one or more member states may seek to withdraw from EU membership or, in more extreme circumstances, the possible dissolution of the EU entirely. Moreover, financial and economic developments in one EU member state may impact economic and financial conditions among other EU member states.

The impact of these conditions or market perceptions could have material adverse effects on the Fund's ability to make investments.

### **Potential break-up of Eurozone**

In the recent past, the stability of certain European financial markets deteriorated and speculation as to the possibility of additional defaults by sovereign states in Europe in respect of their obligations increased. Given current market conditions of relatively weak growth in many EU member states (which are expected to continue in the near to medium term), there is a risk that default of certain participating member states of the EU may lead to the break-up of the Eurozone as it is constituted today or that certain member states of the EU may cease to use the Euro as their national currency. This could have an adverse effect on the Fund, the performance of its investments and its ability to fulfil its investment objectives. Moreover, this could have a detrimental effect on the performance of investments both in those countries that may experience a default on liabilities and in other countries within the EU.

A potential primary effect would be an immediate reduction of liquidity for particular investments in the affected countries, thereby potentially impairing the value of such investments.

### **Inflation**

Inflation and rapid fluctuations in inflation rates have had in the past, and may in the future have, negative effects on the economies and financial markets, particularly in emerging economies. After a long period of relatively low rates of inflation, inflation rates have recently increased, and there can be no assurance that such higher inflation rates will decrease during the terms of any Sub-Funds, which could have an adverse effect on the Sub-Funds and their investments. For example, wages and prices of inputs increase during periods of inflation, which can negatively impact returns on investments. In an attempt to stabilize inflation, countries may impose wage and price controls or otherwise intervene in the economy. Governmental efforts to curb inflation often have negative effects on the level of economic activity. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on the Sub-Funds' returns.

### **Brexit**

The UK withdrew from the EU as of midnight CET on 31 January 2020. Following a transition period which ended on 31 December 2020, the UK generally ceased to have access to the EU single market. There remain a number of unknowns in connection with the future of the UK's relationship with the EU, which introduces significant uncertainty in the business, legal and political environment and risks for businesses which operate cross-border between the UK and the EU. This uncertainty, together with the impact of the changes that have already occurred as a result of the end of the transition period and the termination of the UK's access to the EU single market, may adversely impact the Fund, the Sub-Fund and their investments.

### **Deterioration of Credit Markets**

In the event that the global credit markets deteriorate and it becomes more difficult for investment funds such as the Fund to obtain favourable financing terms for its investments, the Fund's ability to generate attractive investment returns may be adversely affected. Moreover, to the extent that such marketplace events are not temporary and continue, they may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the European and global economies. Such market events also may restrict the ability of the Fund to realise its investments at favourable times or for favourable prices.

### **Cybersecurity Risks and System Failures**

The Fund's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorised persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the AIFM has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Fund may have to make significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Fund's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to Investors (and the beneficial owners of Investors). Such failure could harm the Fund's reputation, subject to any such entity and their respective associates to legal claims and otherwise affect their business and financial performance.

### **Litigation**

Disputes may arise between the Fund, the Board of Directors, the AIFM, the Investment Manager and counterparties or other third parties in relation to investments and/or the underlying investments which may lead to litigation. The cost of investigating, bringing or defending such claims and any settlements or judgements may have a negative impact on the Fund.

The Fund may be subject to litigation from time to time. Furthermore, the Fund may engage in litigation relating to its investment activities. Such litigation can be time-consuming and expensive and can frequently lead to unpredicted delays or losses. The Fund could be named as a defendant in a lawsuit or regulatory action. The Fund may also be subject to litigation in respect of its contractual relationships associated with its investments, co-investments and its relationships with its counterparties. The outcome of such proceedings, which may materially adversely affect the returns of the Fund, may be impossible to anticipate, and such proceedings may continue without resolution for long periods of time. Litigation may consume substantial amounts of the AIFM's and Investment Manager's time and attention, often to an extent disproportionate to the amounts at stake in the litigation.

### **Force Majeure/Events of Risk**

The performance of the Fund's investments may be affected by certain events such as war, civil war, riot or armed conflict, terrorism, acts of sabotage and natural disasters such as storms, earthquakes, tidal waves, floods, lightning, explosions, fires and destruction of plant, machinery and/or premises, which are outside its control.

### **Operational risk**

Operational risk means the risk of loss for the Fund resulting from inadequate internal processes and failures in relation to people and systems of the Fund, the AIFM and/or its agents and service providers, or from external events, and includes legal and documentation risk and risk resulting from the trading, settlement and valuation procedures operated on behalf of the Fund.

### **Valuation**

Certain Sub-Funds may hold investments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an exchange or regulated market. In addition, in certain circumstances, investments may become less liquid or illiquid. Such investments will be valued at their probable realisation value estimated with care and in good faith by the AIFM using any valuation method in line with the AIFM's valuation policy. Such investments are inherently difficult to value and are the subject of substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales or liquidation prices of investments.

The Net Asset Value of the Sub-Fund and Net Asset Value per Share is not audited (except at fiscal year-end) and is based primarily upon the value of the Sub-Fund's underlying assets. In valuing those investments to produce the periodic valuation of the Sub-Fund and its Net Asset Value, the Sub-Fund will in some cases need to rely primarily on the valuations procured from valuers engaged by the Fund and other sources, which may not be audited valuations, and in the case of investments in securities, on financial information procured from the relevant underlying securities' issuers, their agents, market makers or other sources. If the information used to determine the Net Asset Value of any of the underlying investments is incomplete, inaccurate, or if such Net Asset Value does not adequately reflect the value of the underlying investments, the Net Asset Value per Share may be adversely affected. Adjustments to the Net Asset Value of the Sub-Fund will generally be made to the then current Net Asset Value, not by adjusting the Net Asset Values previously reported.

The Sub-Fund will have no control over the choice of service providers, made by the companies invested in, nor on the valuation methods and accounting rules which they may use.

Investors should recognise that the Sub-Fund's ability to correctly assess the value of its investment portfolio will be dependent upon the information available with respect to these investments. The valuations of the underlying assets of the Sub-Fund will be based on the latest available prices. This might not reflect the current situation and current values of the investments of the Sub-Fund.

### **Conflicts of Interest**

Conflicts of interest may arise between the Fund and the persons or entities involved in the management of the Fund or offering services to it including the AIFM, the Investment Advisor, the Investment Manager the Administrator, the Depositary and other service providers which may be appointed in respect of a Sub-Fund or counterparties thereof. The AIFM, the Investment Advisor, the Investment Manager, the Depositary and the Administrator which may be appointed in respect of a Sub-Fund (including their respective principals, shareholders, members, directors, officers, agents or delegates and employees) may from time to time act as AIFMs, Investment Advisor, the Investment Manager, the Depositary or Administrator in relation to, or otherwise be involved in, other funds established by parties other than the Fund, which have similar objectives and which make investments similar to those made on behalf of a Sub-Fund. Such clients could thus compete for the same trades or investments, and whilst available investments or opportunities for each client are generally expected to be allocated in a manner believed to be equitable to each, certain of the allocation procedures may adversely affect the price paid or received for investments or the size of positions obtained or disposed. Similarly, the AIFM, the Investment Advisor, the Investment Manager, the Administrator, the Depositary and their principals and the Directors may trade for their own accounts in any of the types of assets in which a Sub-Fund invests or intends to invest.

The Directors in their personal capacities, or entities in which the Directors may have a management or financial interest, may also from time to time invest in the Sub-Funds and may increase or decrease such holdings without notice.

Generally, there may be conflicts of interest between the interests of the Fund and the interests of the AIFM, the Investment Advisor, the Depositary, the Administrator and their respective Affiliates and the Directors to generate fees, commissions and other revenues. In the event that such a conflict of interest arises, the Directors will endeavour to ensure that it is resolved in the best interest of the Fund. It should be noted that the AIFM, as well as its Affiliates, may at any time also be offering their services to one or more of the investors in the Sub-Funds.

Furthermore, the AIFM, as well as its Affiliates, may have equity stakes in the funds (or fund managers) to which they are providing their services, or own or have an interest in one or more assets that are also owned by such funds. Conflicts of interest can therefore not be ruled out.

Policies and procedures implemented by Investor Advisor or the Investment Manager from time to time (including as may be implemented in the future) to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions may reduce the synergies across Investment Advisor's operating platform and areas of expertise that the AIFM, the Investment Manager or Investment Advisor expect to draw on for purposes of pursuing attractive investment opportunities for the Fund. The Investment Manager or the Investment Advisor may implement certain policies and procedures that may reduce the synergies that the Investment Advisor generally seeks to implement across its business (for example, through the creation of information barriers to mitigate conflicts) which restricts information flow. Additionally, the terms of confidentiality or other agreements may restrict or otherwise limit the ability of the Fund and/or its investments and their associates to make investments in or otherwise engage in businesses or activities competitive with such companies.

### **Reliance on Investments' Management**

Although the AIFM will monitor the performance of each Investment, the day-to-day management of each Target Fund will be the responsibility of their respective management teams. Although the Fund generally intends to make Investments with strong management, there can be no assurance that such management will operate successfully. Investors will not have the opportunity to evaluate the relevant economic, financial and other information which will be utilised by the AIFM in selecting, structuring, monitoring and disposing of Investments.

### **Limitations due to Regulatory and Other Restrictions**

The Sub-Fund may seek to acquire a significant stake in certain issuers of securities. In the event that such stake exceeds certain percentage or value limits, the Fund may be required to file a notification with one or more governmental agencies or comply with other regulatory requirements. In addition, participation by one or more Investors in the Fund and their particular legal status or affiliation with foreign governments may prevent or cause delays in obtaining relevant approvals from regulatory authorities which may undermine or restrict the Fund from consummating a transaction or place the Fund at a disadvantage to competitors or otherwise restrict the ability of the Fund to implement its investment strategy, each of which may have an adverse effect on the Fund and its activities. Certain filings may also be subject to review that requires a delay in the acquisition of the security. Compliance with such filing and other requirements may result in additional costs to the Sub-Fund and may delay the Sub-Fund's ability to respond in a timely manner to changes in the markets with respect to such securities. In addition, the AIFM or any of its affiliates may be required to make disclosures of investments in securities as a result of the Sub-Fund and/or other funds managed by the AIFM or any Affiliate holding an interest in an investment that is above or otherwise crosses a reporting threshold for the market concerned.

The AIFM will be subject to certain so called "anti-asset stripping" requirements under the 2013 Law. Broadly, the AIFM will need to notify its home state regulator of the acquisition and disclose certain information (e.g. proposed business plan and impact on the current employees of the company) to the target company and its employees. Moreover, for the first two years after the Fund acquires (alone or jointly with other alternative investment funds) control, the AIFM will be subject to certain restrictions on distributions and must, amongst other things, use best efforts to prevent any distribution, capital reduction, share redemption and/or acquisition of own shares by the company if those actions would cause the relevant undertaking to fail certain tests by reference to the company's historic profits and net assets.

Moreover, the AIFM will be subject to similar notification requirements under the AIFMD when (acting alone or jointly with other alternative investment funds) it acquires or disposes of holdings reaching, exceeding or falling below certain reportable thresholds.

### **Laws and regulations**

The Fund may be subject to a number of legal and regulatory risks, including contradictory interpretations or applications of laws, incomplete, unclear and changing laws, restrictions on general public access to regulations, practices and customs, ignorance or breaches of laws on the part of counterparties and other market participants, incomplete or incorrect transaction documents, lack of established or effective avenues for legal redress, inadequate investor protection, or lack of enforcement of existing laws. Difficulties in asserting, protecting and enforcing rights may have a material adverse effect on the Sub-Funds and their operations.

### **Political and/or Regulatory Risk**

The performance of the Shares in a particular Sub-Fund or the possibility to purchase, sell, or repurchase may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, laws or regulations (including regarding taxation), the imposition of restrictions on the transfer



of capital and changes in regulatory requirements in the Fund's home jurisdiction or in countries where a Sub-Fund is invested. The legal infrastructure, accounting, auditing and reporting standards in certain jurisdictions in which the capital of a Sub-Fund may be invested may not offer the same degree of investor protection or information as is normally expected in major securities markets.

### **Segregation of Sub-Funds**

The Fund is a single legal entity incorporated as an “umbrella fund” comprised of separate Sub-Funds. Under Luxembourg law, each Sub-Fund represents a segregated pool of assets and liabilities. By operation of the law, the rights and claims of creditors and counterparties of the Fund arising in respect of the creation, operation or liquidation of a Sub-Fund will be limited to the assets allocated to that Sub-Fund. However, while these provisions are binding in a Luxembourg court, these provisions have not been tested in other jurisdictions, and a creditor or counterparty might seek to attach or seize assets of a Sub-Fund in satisfaction of an obligation owed in relation to another Sub-Fund in a jurisdiction which would not recognise the principle of segregation of liability between Sub-Funds. Moreover, under Luxembourg law, there is no legal segregation of assets and liabilities between Share Classes of the same Sub-Fund. In the event that, for any reason, assets allocated to a Share Class become insufficient to pay for the liabilities allocated to that Share Class, the assets allocated to other Share Classes of the Sub-Fund will be used to pay for those liabilities. As a result, the Net Asset Value of the other Share Classes may also be reduced.

### **Tax and Legal Risks**

The tax consequences to the Sub-Fund and investors in the Sub-Fund, the ability of the Sub-Fund as a foreign investor to invest in the markets and to repatriate its assets including any income and profit earned on those assets and other operations of the Sub-Fund are based on existing regulations and are subject to change through legislative, judicial or administrative action in the various jurisdictions in which the Fund operates. There can be no guarantee that income tax legislation and laws or regulations governing the Fund's operations and investments will not be changed in a manner that may adversely affect the Fund or its Sub-Funds.

Changes in tax laws or their interpretation could lead to an increase in the tax liabilities of the Fund or Sub-Fund and could affect the intended tax treatment of investments. Tax laws could change or be subject to differing interpretations, possibly with retroactive effect, or the relevant tax authority could take a different view, so that the tax consequences of a particular investment structure could change after the investment has been made that may result in the after-tax returns of the Fund being reduced.

In particular, pursuant to the OECD BEPS project, individual jurisdictions are beginning to introduce domestic legislation implementing certain of the BEPS actions. Several of the areas of tax law (including double taxation treaties) on which the BEPS project is focusing are relevant to the ability of the Fund to efficiently realise income or capital gains and to efficiently repatriate income and capital gains from the jurisdictions in which they arise to investors and, depending on the extent to and manner in which relevant jurisdictions implement changes in those areas of tax law (including double taxation treaties), the ability of the Fund to do those things may be adversely impacted. There remains significant uncertainty as to whether and, if so, to what extent the Fund or the Sub-Fund (if any) may benefit from the protections afforded by such treaties and whether the Fund may look to its Shareholders in order to derive tax treaty or other benefits. This position is likely to remain uncertain for a number of years.

In addition, in July 2016, the EU adopted the Anti-Tax Avoidance Directive 2016/1164 (commonly referred to as “ATAD I”), which directly implements some of the BEPS project actions points within EU law. On 29 May 2017, the Council of the EU formally adopted the Council Directive amending Directive (EU) 2016/1164 as regards hybrid mismatches with third countries (commonly referred to as “ATAD II”). ATAD II came into force in Member States on 1 January 2020 (subject to relevant derogations).



Further to the BEPS project, and in particular BEPS action 1 ('Addressing the Tax Challenges of the Digital Economy'), the OECD published a Report on 31 May 2019 entitled 'Programme of Work to Develop a Consensus Solution to the Tax Challenges Arising from the Digitalisation of the Economy' (as updated on several occasions since and most recently on 8 October 2021 by the 'Statement on a Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy'), which proposes fundamental changes to the international tax system. The proposals (commonly now also referred to as "BEPS 2.0") are based on two 'pillars', involving the reallocation of taxing rights (Pillar One), and additional global anti-base erosion rules (Pillar Two). The implementation of the Pillar One and Pillar Two proposals is scheduled for 2023. Whilst an implementation plan on BEPS 2.0 has now been agreed in the latest OECD Statement of 8 October 2021, the detailed rules are to be developed over the coming months. On 20 December 2021, the OECD published the last version of the detailed rules to assist in the implementation of Pillar Two. On 22 December 2021, the European Commission has proposed an EU directive ensuring a minimum effective tax rate in line with Pillar Two. Depending on the application of the technical detail of BEPS 2.0 to the Fund and its investments, effective tax rates could increase within the Fund structure or on its investments, including by way of higher levels of tax being imposed than is currently the case, possible denial of deductions or increased withholding taxes and/or profits being allocated differently. The implementation of the foregoing laws and regulations (the full extent of which is not yet known) could have a material and adverse effect on the Fund, its operations and its Sub-Funds (if any).

On 22 December 2021, the European Commission proposed a new directive aiming at preventing the misuse of so-called "shell" entities for tax purposes within the EU (commonly referred to as the "ATAD 3 Proposal" or "Unshell"). Under the current draft of the directive, if an undertaking passes certain gateways indicative of its "shell" nature and does not fulfil the certain minimum substance requirements, such undertaking may no longer benefit from double tax treaties or the EU interest and royalty or parent-subsidiary directives. The ATAD 3 Proposal is scheduled to be implemented into Member States' national laws by 30 June 2023, and to come into effect as of 1 January 2024. It is currently foreseen that the reporting obligations will be based on the operational set up of the undertaking during the two (2) years preceding the year of reporting, therefore at the time of effect, 2022 may already be a point of reference. While there remains considerable uncertainty surrounding the development of the proposal, these rules (if applicable) may have an impact on how returns are taxed and may decrease the amounts available to investors.

### **Due Diligence Process**

Before making investments, the AIFM (or its delegates) will conduct the due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, the AIFM may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisers, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, the AIFM will rely on the resources available to it, including information provided by the target of the investment or the seller and, in some circumstances, third-party investigations. The due diligence investigation that the AIFM will carry out with respect to any investment opportunity may not reveal or highlight certain facts that could adversely affect the value of the investment.

### **Certain financial instruments and investment techniques**

#### *OTC financial derivative instruments*

In general, there is less government regulation and supervision of transactions in OTC markets than of transactions entered into on organised exchanges. OTC derivatives are executed directly with the counterparty rather than through a recognised exchange and clearing house. Counterparties to OTC derivatives are not afforded the same

protections as may apply to those trading on recognised exchanges, such as the performance guarantee of a clearing house.

The principal risk when engaging in OTC financial derivative instruments (such as non-exchange traded options, forwards, swaps or contracts for difference) is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations as required by the terms of the instrument. OTC derivatives may expose a Sub-Fund to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund.

Investments in OTC derivatives may be subject to the risk of differing valuations arising out of different permitted valuation methods. Although the Fund has implemented appropriate valuation procedures to determine and verify the value of OTC derivatives, certain transactions are complex and valuation may only be provided by a limited number of market participants who may also be acting as the counterparty to the transactions. Inaccurate valuation can result in inaccurate recognition of gains or losses and counterparty exposure.

Unlike exchange-traded derivatives, which are standardised with respect to their terms and conditions, OTC derivatives are generally established through negotiation with the other party to the instrument. While this type of arrangement allows greater flexibility to tailor the instrument to the needs of the parties, OTC derivatives may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if the agreement is deemed not to be legally enforceable or not documented correctly. There also may be a legal or documentation risk that the parties may disagree as to the proper interpretation of the terms of the agreement. However, these risks are generally mitigated, to a certain extent, by the use of industry-standard agreements such as those published by the International Swaps and Derivatives Association (ISDA).

#### *Collateral management*

Counterparty risk arising from investments in OTC financial derivative instruments is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, transactions may not be fully collateralised. Fees and returns due to the Sub-Fund may not be collateralised. If a counterparty defaults, the Sub-Fund may need to sell non-cash collateral received at prevailing market prices. In such a case, the Sub-Fund could realise a loss due, inter alia, to inaccurate pricing or monitoring of the collateral, adverse market movements, deterioration in the credit rating of issuers of the collateral or illiquidity of the market on which the collateral is traded. Difficulties in selling collateral may delay or restrict the ability of the Sub-Fund to meet redemption requests.

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

#### **Restrictions on Redemptions**

The Shares may be illiquid, generally non-transferable and subject to restrictions on redemption. Because notices of redemption must be submitted significantly in advance of the actual date of redemption, the value received upon redemption of capital from the relevant Sub-Fund may differ materially from the value at the time a decision to redeem is made. In addition, the Board of Directors may defer redemptions and or limit or suspend redemptions under certain circumstances and may take such other actions as the Directors deem prudent in order to satisfy as

far as possible the redemption requests of redeeming Investors while maintaining a portfolio for non-redeeming Investors that is not materially less liquid.

### **Substantial Redemptions**

Substantial redemptions of Shares could require a Sub-Fund to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the Shares. Substantial redemptions might also cause the liquidation of the Fund and/or a Sub-Fund.

Illiquidity in certain markets could also make it difficult for a Sub-Fund of the Fund to liquidate positions on favourable terms, thereby resulting in a decrease in the value of the assets. In these circumstances, the non-redeeming Shareholders will bear a disproportionate risk of any decline in the value, liquidity and quality of a Sub-Fund's assets subsequent to the redemptions.

### **Borrowing and Leverage Risks**

A Sub-Fund may not be able to repay borrowings or may be forced to sell investments at a disadvantageous time in order to repay borrowings. Costs incurred in connection with the use of leverage may not be recovered by income or appreciation in the investments purchased and may be lost in the event of a decline of the market value of such investments. In the event of a precipitous drop in the value of its assets, a Sub-Fund might not be able to liquidate assets quickly enough to repay its margin debt. A Sub-Fund might elect to sell its more liquid assets to repay borrowings, or to meet redemptions, thus increasing its concentration in less liquid securities.

### **Leverage**

Investors should be aware that an investment programme utilising leverage is inherently more speculative, with a greater potential for losses, than a programme which does not utilise leverage.

Changes in overall market leverage, deleveraging as a consequence of a decision by a counterparty to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions, may adversely affect a Sub-Fund's portfolio. Investors should be aware that under such circumstances, the Net Asset Value of a Sub-Fund may be adversely affected.

While leverage presents opportunities for increasing the total return of a Sub-Fund, it has the effect of potentially increasing losses as well. Accordingly, any event that adversely affects the value of an investment, either directly or indirectly could be magnified to the extent that leverage is employed. The cumulative effect of the use of leverage by a Sub-Fund or an underlying fund, directly or indirectly, in a market that moves adversely to the investments of the entity employing the leverage, could result in a loss to the Sub-Fund that would be greater than if leverage were not employed by the Sub-Fund or such underlying fund.

### **Legislative and Regulatory Developments**

On 29 March 2012, the European Parliament adopted the Regulation on OTC derivatives, central counterparties and trade repositories ("EMIR") which has taken direct effect in the Member States in 2013. EMIR introduces certain requirements in respect of OTC derivative contracts applying to financial counterparties ("FCPs"), such as investment firms, credit institutions, insurance companies and managers of alternative investment funds such as the Fund and certain non-financial counterparties ("Non-FCPs"). FCPs would be subject to a general obligation to clear all so-called "eligible" OTC derivative contracts through a duly authorised central counterparty (the 'clearing obligation') and to report the details of all such contracts to a trade repository (the 'reporting obligation'). Under EMIR, a central clearing counterparty ("CCP") will be used to meet the clearing obligation by interposing itself between the counterparties to the eligible derivative contracts. CCPs will connect with derivative counterparties through their clearing members. Each derivative counterparty will be required to post both initial and variation margin to the clearing member (which

in turn will be required to post margin to the CCP). EMIR requires CCPs to only accept highly liquid collateral with minimal credit and market risk.

A Non-FCP may also be subject to the clearing obligation and the reporting obligation, subject to its positions in OTC derivatives contracts exceeding certain thresholds. In addition, a FCP or a Non-FCP subject to the clearing obligation which enters into an OTC derivative contract which is not eligible for the clearing Obligation would have to ensure that appropriate procedures and arrangements are in place to measure, monitor and mitigate operational and credit risk.

The implementation of EMIR is achieved largely through secondary measures which are being phased in over time. Certain of EMIR's requirements have applied since 15 March 2013 and additional requirements are coming into force subsequently thereafter and/or are yet to be finalised. The EU regulatory framework relating to derivatives is set not only by EMIR but also by MiFID II and its implementing measures. It is difficult to predict the full impact of these regulatory developments on the Sub-Funds. Prospective investors should be aware that the regulatory changes arising from EMIR and MiFID II may in due course significantly raise the costs of entering into derivative contracts and may adversely affect a Sub-Fund's ability to engage in transactions in derivatives.

## **Other Risks**

### *Fees and Expenses*

Investors will bear certain fees and expenses of the Fund and any Sub-Funds and will indirectly bear the costs and expenses of the investments in which the Fund invests. The Fund may bear expenses upon indirect investments by the Fund through holding companies or other investment vehicles. Unless specified otherwise in the relevant Supplement, each Sub-Fund will pay and bear all expenses related to its operations and will also bear a portion of all expenses related to the Fund's operations. The amount of these Operating and Administrative Expenses will be substantial and will reduce the actual returns realised by Investors on their investment in a Sub-Fund (and may, in certain circumstances, reduce the amount of capital available to be deployed by a Sub-Fund in investments).

Operating Expenses include recurring and regular items, as well as extraordinary expenses for which it may be hard to budget or forecast. As a result, the ultimate amount of Operating and Administrative Expenses may exceed expectations. As described further in this Prospectus (including the relevant Supplement), Operating and Administrative Expenses encompass a broad range of expenses and include all expenses of operating a Sub-Fund and the Fund. Expenses to be borne by the Fund and/or the AIFM are only limited to those items specifically enumerated in this Prospectus, and all other costs and expenses in operating a Sub-Fund and the Fund will be borne by Investors in such Sub-Fund. From time to time, the AIFM will be required to decide whether costs and expenses are to be borne by a Sub-Fund or the Fund, on the one hand, or the Fund and/or the AIFM or other funds managed by the AIFM and its associates and/or managed or advised by the Investment Advisor or the Investment Manager and its associates on the other, and/or whether certain costs and expenses should be allocated between or among a Sub-Fund, on the one hand, and one or more other Sub-Funds, on the other. The AIFM will make such judgements notwithstanding its interest in the outcome and may make corrective allocations should, based on periodic reviews, it determine that such corrections are necessary or advisable.

### *Investors' lack of Control over the Fund Policies*

The investment, structuring, management, financing, operating and disposition policies of the Fund will be determined and implemented by the AIFM. Certain policies may be changed from time to time without the vote or other approval of Investors. The same applies to the policies of any Target Funds in which a Sub-Fund may invest. Any such changes could be detrimental to the operations of the Fund or the value of the Fund's investments.

### *Compulsory Redemption*

The Fund may compulsorily redeem Shares of an Investor in case an Investor becomes is or becomes a Prohibited Investor or a Defaulting Investor or in other circumstances set out in this Prospectus.

#### *Indemnities*

The Fund's Directors and officers, the AIFM, the Depositary, the Administrator and other service providers to the Fund and each of their directors, officers, employees and agents may be entitled to be indemnified in certain circumstances. As a result, there is a risk that the Fund's assets will be used to indemnify such persons, companies or their employees or satisfy their liabilities as a result of their activities in relation to the Fund or a Sub-Fund.

#### *Geographic Risk*

Geographic risk is the risk that a Sub-Fund's assets may be concentrated in countries located in the same geographic region. This concentration will subject a Sub-Fund to risks associated with that particular region, such as a natural disaster.

#### *Confidential Information*

The AIFM may, in connection with its other business activities, acquire material non-public confidential information that may restrict the AIFM from purchasing assets or selling assets for itself or its clients (including the Fund) or otherwise using such information for the benefit of its clients or itself.

#### *Fraud*

Of paramount concern for any investment is the possibility of material misrepresentation or omission on the part of a counterparty. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying an investment. The AIFM will rely upon the accuracy and completeness of representations made by counterparties to the extent reasonable but cannot guarantee such accuracy or completeness. Under certain circumstances, payments to a Sub-Fund may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

#### *Use of Bankers*

Sub-Fund's cash may be deposited with the Depositary (as banker) or another banking institution selected by the AIFM or the Fund. In spite of upcoming more stringent rules on banks' capital reserves and possible restrictions on proprietary trading, the failure of a bank is always possible, especially in the context of systemic risk trigger events. In the event of failure of a bank, a Sub-Fund risks losing all or a portion of cash held with that institution. Further, as an institutional investor, the Fund or its Sub-Funds would not normally benefit from depositor compensation schemes.

#### *Significant Investor/Shareholder*

It is expected that at any time investors in a Sub-Fund of the Fund may include individual investors ("**Significant Investors**") with significant holdings in the outstanding Shares in a particular Sub-Fund. The presence of a Significant Investor helps to mitigate the burden of the fixed costs of a Sub-Fund, by effectively spreading the impact of such costs over a larger Net Asset Value than would otherwise be the case. By the same token, any large redemptions by a Significant Investor will raise the impact of such fixed costs on remaining Investors. Large orders to purchase or sell Shares in a Sub-Fund by Significant Investors may, individually or on a combined basis, also result in parallel investment/disinvestment transactions by the Sub-Fund concerned in one or more of its underlying assets. This could in turn possibly impact on the value of such investments thereby affecting the Net Asset Value of the Sub-Fund concerned, as well as that of other Sub-Funds investing in the same underlying assets.

#### *Prevention of Money Laundering*

In response to increased regulatory concerns with respect to the sources of funds used in investments and other activities and in order to comply with various anti-money laundering requirements, the Fund may request prospective and existing Investors to provide additional documentation verifying, among other things, such Investor's identity and source of funds used to purchase its Shares. The Fund may decline to accept a subscription if this information is not provided or on the basis of such information that is provided. Requests for documentation may be made at any time during which an Investor holds Shares. The Fund and/or the AIFM may be required to provide this information, or report the failure to comply with such requests, to governmental authorities, in certain circumstances without notifying the Investor that the information has been provided. The Fund and/or the AIFM may take such steps as it determines may be necessary to comply with applicable law, regulations, orders, directives or special measures that may be required by government regulators. Governmental authorities are continuing to consider appropriate measures to implement anti-money laundering laws and at this point it is unclear what steps the Fund and/or the AIFM may be required to take; however, these steps may include prohibiting such Investor from making further contributions of capital to the Fund, depositing distributions to which such Investor would otherwise be entitled to an escrow account and/or causing the withdrawal of such Investor from the Fund.

#### *Employee Benefit Plan Risks*

The United States Employee Retirement Income Security Act of 1974, as amended ("ERISA") imposes certain requirements on "employee benefit plans" (as defined in section 3(3) of ERISA) subject to Title I of ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "ERISA Plans") and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. In addition, section 406 of ERISA and section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, "Plans")) and certain persons (referred to as "parties in interest" or "disqualified persons") having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. Shares in the Fund will not be eligible to be purchased or held by Plans and the Fund will require potential investors to represent that the assets of a Plan are not used to purchase any Shares in the Fund.

Governmental plans and certain church and other plans, while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of section 406 of ERISA or section 4975 of the Code, may nevertheless be subject to state or other federal, state, local or non-U.S. laws that are substantially similar to ERISA and the Code ("Similar Law"). Employee benefit plans that are not subject to ERISA but are subject to any Similar Law will also not be eligible to purchase or hold any Shares in the Fund unless such purchase and holding will not violate any such Similar Law and the AIFM explicitly agrees to allow the purchase and holding by such employee benefit plan.

#### **Specific risk factors of the Sub-Funds**

Please refer to the relevant Sub-Fund's Supplement for specific risk factors applying to each of the Sub-Funds.

THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED IN AN INVESTMENT IN THE FUND OR ITS SUB-FUNDS. INVESTORS SHOULD READ THIS ENTIRE PROSPECTUS INCLUDING ANY RELEVANT SUPPLEMENT AND CONSULT THEIR OWN COUNSEL AND ADVISORS BEFORE DECIDING TO INVEST IN THE FUND OR ITS SUB-FUNDS.



## 22. ANNEX II: CONFLICTS OF INTEREST

The Board of Directors, the AIFM, the Investment Manager(s), the Investment Advisor(s), the Depositary, the Administrator and the other Service Providers of the Fund, and/or their respective Affiliates, members, employees or any person connected with them may be subject to various actual or potential conflicts of interest in their relationship with the Fund. The following briefly summarises some of these conflicts, but is not intended to be an exclusive list of all such conflicts.

By acquiring Shares each Shareholder will be deemed to have acknowledged and consented to the existence or resolution of any actual, apparent and/or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflict of interest or any claim with respect to any such activity taken that is consistent with the policies of the AIFM relating to conflicts of interest. If any matter or transaction arises that the Board of Directors determines in its good faith judgment constitutes an actual conflict of interest in accordance with the applicable laws and regulations, including also any events, the Board of Directors or the AIFM will take such actions as it determines in good faith may be necessary or appropriate to ameliorate the conflict.

The Board of Directors and/or the AIFM will have the power to resolve, or consent to the resolution of, conflicts of interest on behalf of, and such resolution will be binding on, the Fund. Shareholders should be aware that conflicts will not necessarily be resolved in favour of the Fund or the Shareholders.

If any matter or transaction arises that the Board of Directors, the Investment Manager(s) or the AIFM, as applicable, determines in its good faith judgment constitutes an actual conflict of interest, the Board of Directors, the Investment Manager(s) or the AIFM, as applicable, will, to the extent permitted by applicable law, take such actions as it determines in good faith may be necessary or appropriate to ameliorate or resolve or mitigate the conflict (if and as applicable) (and upon taking such actions the Board of Directors, the Investment Manager(s) or the AIFM, as applicable, will be relieved of any liability for such conflict to the fullest extent permitted by law and will be deemed to have satisfied applicable fiduciary duties related thereto to the fullest extent permitted by law). These actions include, by way of example and without limitation, (i) disposing of the security giving rise to the conflict of interest; (ii) appointing an independent fiduciary or third party to act with respect to the matter giving rise to the conflict of interest; (iii) disclosing the conflict to Shareholders, or (iv) implementing certain policies and procedures designed to ameliorate, mitigate, resolve or address (as deemed to be appropriate) such conflict of interest. There can be no assurance that the Board of Directors, the Investment Manager(s) or the AIFM, as applicable, will identify or resolve all conflicts of interest in a manner that is favourable to the Fund or any of the Shareholders.

The AIFM has adopted and implemented a conflicts of interest policy and has made appropriate organisational and administrative arrangements to identify and manage conflicts of interest so as to minimise the risk of the Fund's interests being prejudiced, and if they cannot be avoided, ensure that the Fund is treated fairly.

As a matter of illustration, please find below for illustrative purpose, a list of potential conflicts of interest and adequate relative framework put in place.

### Warehousing

In the conduct of the investment process on behalf of each Sub-Fund, the AIFM or the Investment Manager(s) may identify investment opportunities, for which the relevant Sub-Fund has not the immediate capacity to invest. In this specific case, the AIFM or the Investment Manager(s) of the Sub-Fund may request a Warehousing Entity to warehouse a Warehoused Investment. For that purpose, a dedicated warehousing policy has been implemented in order to prevent conflicts of interest to occur from this situation.

### Co-Investment

Co-investing alongside private equity investors and financial sponsors involves risks that may not be present in investments made by lead or sponsoring private equity investors. As a co-investor, a Sub-Fund may have interests or objectives that are inconsistent with those of the lead private equity investors that generally will have a greater degree of control over such investments.

In addition, in order to take advantage of co-investment opportunities, a Sub-Fund generally will be required to hold a minority interest, for example, by becoming a limited partner in a co-investment partnership that is managed by

the general partner or manager of the entity offering the co-investment to the Sub-Fund. In this event, a Sub-Fund would have less control over its portfolio investment and may be adversely affected by actions taken by such general partner or manager with respect to the portfolio company and the Sub-Fund's indirect investment in it.

Co-Investments may involve risks not present in investments where third parties are not involved, including the possibility that a co-investor may at any time have economic or business interests or goals which are inconsistent with those of a Sub-Fund, may take a different view than that of the Investment Manager(s) as to the appropriate strategy for such investment, may be in a position to take action contrary to a Sub-Fund's investment objective or may become bankrupt or otherwise default on their obligations. This could potentially result in increased costs, delays or even termination of the proposed investment.

A Sub-Fund may hold indirectly debt obligations in a portfolio entity and, in this instance, will have a limited ability to protect the Sub-Fund's position in such portfolio entity. It will be the responsibility of the management of the portfolio entity to operate the relevant portfolio entity on a day to day basis. There can be no guarantee that the AIFM and/or the Investment Manager(s) will be able to obtain any creditor rights for individual investments so as to sufficiently protect the Sub-Fund's interest in every situation.

A Sub-Fund will be investing primarily in portfolio entities sponsored, controlled and/or managed by third parties (including any Affiliate of the AIFM, the Investment Manager(s) or the Investment Advisor). Such third-party managers and sponsors may have interests (including financial interests) which are inconsistent or conflict with those of a Sub-Fund and may be in a position to take or block actions in a manner adverse to a Sub-Fund's interests. A Sub-Fund generally will have little opportunity to negotiate the terms in any portfolio entity, and a Sub-Fund generally will not have the right to determine the timing or terms of the disposition of investments, but rather will be required to rely on third-party sponsors and managers to make such determinations, which may or may not be in the best interest of a Sub-Fund. A Sub-Fund will not have an active role in the management of the portfolio entities and will be relying on third parties to effectively manage the portfolio entities. A Sub-Fund's ability to withdraw from, or transfer, its investment in any portfolio entity will be limited. As a result, the performance of a Sub-Fund will depend significantly on the investment and other decisions made by third parties, which could have an indirect, material adverse effect on returns to investors in a Sub-Fund.

In addition, a Sub-Fund may make investments together with other funds managed by Carmignac, investment vehicles and/or accounts including through commonly owned special purpose vehicles. As a result, to the extent any other fund managed by Carmignac, investment vehicle or account defaults in its obligation to any such special purpose vehicle, a Sub-Fund could be adversely affected by having to make up its portion of the shortfall created by such default. If a Sub-Fund and any other relevant funds managed by Carmignac, investment vehicles and/or accounts do not, or are unable to, collectively make up the shortfall created by such default, then the special purpose vehicle will likely default on its obligation under the applicable transaction documents relating to the special purpose vehicle's underlying investment or investments. Such a default will likely have adverse consequences (which will generally depend on such transaction documents) and a Sub-Fund could be responsible for its portion of any liabilities or losses resulting from such default. Moreover, the use of such special purpose vehicle may give rise to various conflicts of interest. For example, the use of any such vehicle may make it more difficult to address specific considerations applicable to a Sub-Fund, and the other participating funds managed by the AIFM, the Investment Manager(s) or any Affiliate thereof, investment vehicles and/or accounts as well as their respective investors, than if separate vehicles were used for each of a Sub-Fund and such other funds, investment vehicles and accounts. The AIFM, the Investment Manager(s) and their Affiliates will be governed by different terms in its contractual arrangements with a Sub-Fund and such other funds, investment vehicles and accounts, including terms regarding fees and other compensation to the AIFM, the Investment Manager(s) or their Affiliates, expenses, portfolio construction and investment objectives, which differences may engender conflicts of interest. In addition, a level of discretion will be required with respect to each entity's relative participation in any such vehicle, including adjustments intended to reflect the entities' relative capital available for investment as of the conclusion of their respective offering periods.

### **Conflicts relating to investments in investment holding vehicles/ special purpose vehicle**

Investments of a Sub-Fund may be undertaken through one or several commonly owned special purpose vehicles or investment holding vehicles on a look-through basis, meaning that the investments provided at the level of the special purpose vehicle and investment holding vehicle will be considered as being undertaken by the Fund itself for the Sub-Fund.



A Sub-Fund's performance will be affected by the structure of the acquisition and the terms of investments, including legal, tax, regulatory and/or other considerations, over which a Sub-Fund is generally expected to have limited control. The Investment Manager(s) may believe an investment opportunity is a generally appropriate investment for a Sub-Fund even though the opportunity may have legal, tax or regulatory terms that are not for the benefit of a Sub-Fund.

A Sub-Fund generally makes investments alongside other investors, funds and/or accounts whose investors may have different tax and/or regulatory attributes than the Shareholders. Therefore, a Sub-Fund may make an investment through a structure that may benefit some or all of the investors in such fund but be relatively disadvantageous to some or all of the Shareholders

### **Conflicts Relating to Carmignac Activities**

Carmignac is a large participant in the equity and fixed income markets and engages in activities, including financial advisory services, and managing public and private investment funds and accounts and other activities. In the ordinary course of its business operations, Carmignac's activities, operations or strategies, or the activities, operations or strategies used for funds managed, sponsored or advised by Carmignac may be in conflict with the transactions and strategies employed on behalf of or otherwise engaged in by the Fund. Carmignac will ensure that those situations are duly addressed in accordance with the conflicts of interest policy implemented by the AIFM and the Investment Manager(s).

Carmignac forms, sponsors, manages or advises one or more new investment vehicles which may have the same, similar or different investment strategies as any of the Sub-Funds (including investment strategies and objectives that may materially overlap with those of any of the Sub-Fund). No Sub-Fund will not have any rights to investment opportunities in relation to the rights of such other vehicles or accounts.

In the conduct of its activity, Carmignac may from time to time be presented with investment opportunities that fall within the investment objective of any of the Sub-Fund. In such circumstances, the allocation process of opportunities will be defined within the conditions of the co-Investment policy defined by Carmignac.

### **Conflicts Relating to Equity and Other Debt Investments**

In order to prevent the occurrence of conflicts relating to equity and other debt investment, Carmignac has adopted policies and procedures to identify, assess, evaluate and address such situations which policies and procedures may include restricting or otherwise limiting investments by the Fund.

### **Selection of Service Providers**

The Fund's advisors and Service Providers (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants and investment, commercial banking firms and sourcing, operating, or partners) or their Affiliates generally also provide goods or services to, or have business, personal, financial, or other relations or relationships with Carmignac, the Investment Manager(s), the Investment Advisor(s) or the AIFM, their Affiliates, advisory clients, and portfolio companies.

From time to time, such Service Providers engaged by the Fund are expected to include: (i) Carmignac or a related person of Carmignac (which may include a portfolio company of another fund managed by Carmignac); (ii) an entity with which Carmignac or its Affiliates has a relationship, passive interest or from which Carmignac or its Affiliates of their personnel otherwise derives financial or other benefit, including relationships from joint venturers or co-venturers; or (iii) certain limited partners or their Affiliates. For example, Carmignac has engaged, and may in the future engage, Service Providers that will provide services in connection with a Sub-Fund's investments. This discretion subjects Carmignac to conflicts of interest, because, although Carmignac selects Service Providers that it believes are appropriate for the services provided, Carmignac can benefit from recommending such Service Provider because of financial or other business interests.

Additionally, certain employees of Carmignac, the Investment Manager(s), the Investment Advisor(s) may have family members or relatives employed or retained by such advisors and Service Providers. These relationships may potentially influence the Board of Directors, the Investment Manager(s) the Investment Advisor(s) or the AIFM in deciding whether to select or recommend such Service Providers to perform services for the Fund.

### **Allocation of Personnel; Other Activities**

Team members may work on other projects and activities conducted by Carmignac or its Affiliates from time to time. Carmignac will ensure this allocation of resources is not defavorable for the Fund.

### **Fees Payable to Carmignac, Ancillary Benefits**

To the extent permitted by applicable law, Carmignac and its Affiliates may earn fees and other compensation from purchasers, sellers or other parties prior to or upon the closing of certain investments by the Fund or by a Target Fund as compensation for services and may earn fees in connection with unconsummated transactions. In addition, to the extent permitted by applicable law, the Fund may pay fees to Carmignac or its Affiliates, for administrative and other services provided to the Fund on economic terms that are fair and equitable to the Fund taking into account the nature of the transaction and the services or products provided (as determined by the Board of Directors in their sole discretion). Subject to applicable law, Carmignac and its Affiliates also may provide a broad range of financial and other services to entities in which the Fund invests or to the Fund, and Carmignac generally will be paid fees for such services. Save as set out in the applicable Sub-Fund Supplement, none of Carmignac's or its Affiliates' fees for any of the foregoing generally will be shared with the Fund or reduce the Management Fee.

Carmignac will also derive certain ancillary benefits from providing services to the Fund and providing such services to the Fund may enhance Carmignac's relationships with various parties, such as sponsors or private equity funds or other financial institutions and may lead to additional business for Carmignac.

### **Other Affiliate Transactions**

Each of the AIFM and the Investment Manager(s) may conduct cross trades between the Fund and Other Accounts in accordance with applicable legal and regulatory requirements. The AIFM and the Investment Manager(s) have the authority to cause each of the Sub-Fund to purchase securities or other assets from or sell securities or other assets to, or engage in other transactions (including entering into derivative contracts) with Other Accounts or vehicles when the AIFM or the Investment Manager(s) believes such transactions are appropriate and in the best interests of the relevant Sub-Fund. If the AIFM or the Investment Manager(s) wish to reduce the investment of one or more of such Other Accounts in a security or other asset and increase the investment of Other Accounts in such security or other asset, it is permitted to effect such transactions by directing the legal transfer of the securities or other assets between Other Accounts (including each Sub-Fund) directly or by transferring the economic return of the securities or other assets between Other Accounts (including each Sub-Fund) through swaps, participation agreements or other derivatives. The Fund may pay fees, directly or indirectly, pertaining to such investments in Other Accounts and no portion of any fees otherwise payable by the Fund will be offset against fees payable in accordance with any of these investments, unless duly mentioned in the Other Account's legal documentation.

In addition, each Sub-Fund can enter into "agency cross transactions", in which the AIFM or the Investment Manager(s) may act as broker for each Sub-Fund and for the other party to the transaction, to the extent permitted under applicable law. In such cases, the AIFM or the Investment Manager(s) may have a potentially conflicting division of loyalties and responsibilities regarding both parties to the transaction.

### **Employees and Affiliates**

Certain Carmignac current and former employees and their family members may invest in a Sub-Fund, either directly or indirectly. Any such investments are made in conformity with the conflicts of interest procedures applicable the Fund and to the AIFM, which include procedures governing the use of confidential information and personal investing. Management Fees and/or Performance Fees (or such other similar fees) may be waived / adjusted in connection with investments made by the Carmignac related persons, in accordance with information provided in the relevant Sub-Fund Supplement.

### **Diverse Investor Group**

Various Shareholders will likely have conflicting investment, tax, regulatory and other interests with respect to their investments in the Fund. The conflicting interest of individual Shareholders may relate to or arise from, among other things, the investment vehicles through which such Shareholders invests, the nature of investments made by the

Fund, the structuring or the acquisition of Fund investments, the timing of disposition of Fund investments and liquidity strategies. As a consequence, conflicts of interest will arise in connection with decisions made by the Board of Directors, the Investment Manager(s) or the AIFM, including with respect to the nature or structuring of investments, that may be more beneficial for one Shareholder than for another Shareholder, especially with respect to Shareholders' individual tax situations. In selecting and structuring investments appropriate for the Fund, the Board of Directors, the Investment Manager(s) and the AIFM will consider the investment and tax objectives of the Fund and its Shareholders as a whole, and not the investment, tax or other objectives of any Shareholder individually.

### **Allocation of Investment Opportunities**

Carmignac is actively engaged in providing investment management services and manage collective investment scheme or providing discretionary portfolio management activities. In the conduct of its activity, Carmignac may identify investment opportunities that may potentially be appropriate or suitable for Other Accounts managed by Carmignac. In such situation, the allocation of Investment Opportunities will follow the steps defined in Carmignac's co-Investment policy in order to prevent the occurrence of conflicts. Nevertheless, Investors should bear in mind that the results of the investment activities of each Sub-Fund can reasonably be expected to differ significantly or materially from the results achieved by Other Accounts managed by Carmignac.

In addition, some exceptions to the co-investment policy could occur. Other Accounts managed by Carmignac have exclusive rights to certain investment opportunities or investment priority with regard to certain opportunities. Moreover, certain third-party sponsors will from time to time direct investment opportunities, in whole or in part, to certain Other Accounts managed by Carmignac or may explicitly request that certain Other Accounts managed by Carmignac not participate in a potential investment opportunity. As a result, a Sub-Fund would not be afforded the chance to participate (or participate fully) in investment opportunities in which Other Accounts managed by Carmignac are given the opportunity to participate, or in some cases would be allocated a small part of an investment opportunity within the investment objectives of the relevant Sub-Fund when Other Accounts managed by Carmignac are allocated a larger portion. A Sub-Fund may be prohibited (due to, for example, exclusivity rights granted to other investment funds or regulatory limitations) from pursuing certain investment opportunities and may find that its ability to participate in any particular opportunity may be substantially limited.

### **Restrictions on the use of Carmignac's Resources**

Carmignac 's experience in financial markets investing globally is expected to serve the AIFM, the Investment Manager to evaluate certain prospective investments and to make informed investment decisions. In the due diligence process, it is not uncommon for the AIFM, the Investment Manager(s) or the Investment Advisor(s) to use the support of Carmignac investment resources, including research analysts and industry experts within Carmignac's investment team. to provide valuable insights related to a particular industry or transaction, thereby facilitating the ability to thoroughly conduct its diligence and respond to a Sub-Fund investment opportunities in a timely and thoughtful manner. The use of those resources is subject to Carmignac informational barriers and other internal policies (such as the *Research Payment Account Policy*); designed to prevent conflicts of interest. As a result of these informational barriers and policies the AIFM, Investment Manager(s) or the Investment Advisor(s) may often not have restricted access to information and not benefit from this information

Carmignac has implemented policies and procedures that are reasonably designed to prevent the misuse of material information regarding issuers of securities that has not been publicly disseminated ("material non-public information" or "MNPI"). The MNPI Procedures are designed to comply with the regulatory requirements. In the ordinary course of operations, members from Carmignac's investment team can reasonably be expected to seek access to material non-public information. The procedures ensure the necessary restrictions are put in place to prevent the misuse of this MNPI internally and externally.

In the event any material, non-public information is disclosed to any person responsible for the affairs of the Fund, the Fund may be prohibited from acting upon any such information. Due to these restrictions, the Fund may not be able to initiate a transaction that it otherwise might have initiated or sell an investment (whether or not any member of the team is given access to the information). In other cases, because of confidential or material non-public information acquired by Carmignac the Fund may also be prohibited from acquiring an investment that it otherwise might have acquired.

From time-to-time, Carmignac can be expected to implement an information barrier within the AIFM, and Investment Manager(s) or Investment Advisor(s) or between the AIFM and/or the Investment Manager(s) or the Investment Advisor(s) and other areas of Carmignac in order to further manage the use and disclosure of material non-public information. The implementation of any information barrier may adversely affect the team's access to resources on the other side of the information barrier.

### **Compensation Conflicts**

The Board of Directors, the Investment Manager(s), the Investment Advisor(s) and the AIFM may face actual and potential conflicts of interest in achieving each Sub-Fund's investment objectives. The Management Fee, which will be payable without regard to the Sub-Funds' performance, could motivate the AIFM, the Investment Manager(s) or the Investment Advisor(s) to gather more assets than it can manage effectively, thereby diluting returns to Shareholders. The payment of performance fee or any other profit share or performance related entitlement could potentially motivate the Investment Manager(s) and the AIFM, to make investment decisions that are riskier or more speculative than would be the case if such arrangements were not in effect. Additionally, the method of calculating any such performance related entitlement may result in conflicts of interest with respect to the management and disposition of investments, including the sequence of distributions. In order to prevent conflicts of interest, the AIFM has implemented a remuneration policy compliant with the AIFMD.

***The foregoing list of potential and actual conflicts of interest does not purport to be a complete list of the conflicts related to an investment in the Fund. Additional conflicts may exist that are not presently known or are deemed immaterial. Prospective investors should read the entire Prospectus, including the relevant Sub-Fund Supplements, and consult with their independent advisors before deciding whether to invest in the Fund. In addition, as the investment strategies of each Sub-Fund develop and change over time, an investment in a Sub-Fund may be subject to additional and different actual and potential conflicts of interest.***