

THE BLUE FUND SICAV

Investment Company with Variable Capital

UCITS

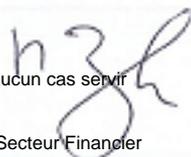
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Prospectus

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L'apposition du visa ne peut en aucun cas servir
d'argument de publicité
Luxembourg, le 2022-01-10
Commission de Surveillance du Secteur Financier



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PART A: GENERAL FUND INFORMATION

1. Glossary

"2010 Law"	the Luxembourg Law of 17 December 2010 relating to undertakings for collective investment as amended from time to time
"Articles of Incorporation" or "Articles"	the articles of incorporation of the Fund
"Auditor"	PricewaterhouseCoopers Société coopérative, 2, rue Gerhard Mercator, B.P.1443, L-1014 Luxembourg
"Board of Directors" or "Directors" or "Board"	the members of the board of directors of the Fund for the time being and any duly constituted committee thereof and any successors to such members as may be appointed from time to time
"Business Day"	any day on which banks are open for business in the Grand-duchy of Luxembourg
"Central Administration"	RBC Investor Services Bank S.A. acting as administrative, registrar and transfer agent of the Fund
"Class(es)" or "Class(es) of Shares"	a class of Shares in any Sub-Fund
"CSSF"	the <i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg financial supervisory authority
"Cut-off Time"	the time limit fixed for accepting subscription, conversion or redemption orders of Shares
"Depositary"	RBC Investor Services Bank S.A. acting as depositary of the Fund
"ESG criteria"	Environmental, Social and Governance (ESG) criteria constitute the three pillars of extra-financial analysis taken into account in socially responsible fund management. The Environmental criterion relates, among other, to waste management, re-duction of greenhouse gas emissions and prevention of environmental risks. The Social criterion relates, among other, to accident prevention, staff training, employee rights, supply chain monitoring and social dialogue. The Governance criterion verifies, among other, the independence of the Board of Directors, the management structure and the presence of an audit committee
"EU"	the European Union
"EUR" or "EURO"	the legal currency of the European Monetary Union
"Fund"	The Blue Fund SICAV
"GDPR"	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data - Regulation also known as "General Data Protection Regulation"
"Investment Manager(s)"	CapitalatWork S.A. and CapitalatWork Foyer Group S.A.
"KIID"	Key Investor Information Document
"Management Company"	Lemanik Asset Management S.A.
"Member State"	a member state of the EU
"Money Market"	Instruments normally dealt in on the money market which are

"Instruments"	liquid, and have a value which can be accurately determined at any time
"Net Asset Value per Share"	of each class of Shares shall be determined as of any Valuation Day by dividing the net assets of the Fund attributable to each class of Shares, being the value of the portion of the assets less the portion of liabilities attributable to such class, on any such Valuation Day, by the number of Shares in the relevant class then outstanding
"Part A"	Part A of this Prospectus
"Part B"	Part B of this Prospectus
"Principal Paying Agent"	RBC Investor Services Bank S.A. acting as principal paying agent of the Fund
"Redemption Day"	a Business Day on which Shares of any of the Sub-Funds may be redeemed, as defined in the Appendix for each Sub-Fund in Part B
"Redemption Price"	the equivalent to the Net Asset Value per Share in the relevant class or Sub-Fund determined on the relevant Valuation Day, potentially decreased by a redemption fee, as specified in the Appendix for each Sub-Fund in Part B
"SFDR"	Regulation (EU) No 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector
"Shareholder"	a holder of Share(s) of any Sub-Fund of the Fund
"Share(s)"	the share(s) of any class of a Sub-Fund issued and outstanding from time to time
"Securities Lending Agent"	RBC Investor Services Trust acting as securities lending agent of the Fund
"Sub-Fund"	means a specific portfolio of assets which is invested in accordance with a particular investment objective set out in Part B
"Subscription Day"	the day on which the Shares of any Class may be subscribed, as defined in the Appendix for each Sub-Fund in Part B
"Subscription Price"	the price per Share after the Initial Subscription Period of a Class of a Sub-Fund (as defined in Part B) plus any subscription fee and entry fee specified for each Sub-Fund in Part B
"Taxonomy Regulation"	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments
"UCI"	an undertaking for collective investment
"UCITS"	An undertaking for Collective Investment in Transferable Securities compliant with Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (the " UCITS Directive "), as amended
"U.S. Person"	means (i) any national or person resident in the United States of America or a partnership, corporation or other entity organised or existing in any state, territory or possession of the United States except that Shares may be offered, sold or delivered to a U.S. Person who is not deemed to be a U.S. Person under Rule 902 of Regulation S under the U.S. Securities Act of 1933 and (ii) "Specified US Persons" under FATCA
"USD"	the legal currency of the United States of America
"Valuation Day"	the day as at which the Net Asset Value is determined, as specified for each Sub-Fund in Part B

2. Important Information

The Board of Directors accepts joint responsibility for the information and statements contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care possible to ensure that such is the case), the information and statements contained in this Prospectus are accurate at the date indicated on this Prospectus and does not contain any material omissions which would render any such statements or information inaccurate. Neither the delivery of this Prospectus, nor the offer, issue or sale of the Shares constitutes a statement by which the information given by this Prospectus will be at all times accurate, subsequently to the date thereof. Any information or representation not contained in this Prospectus, or in the financial reports which form integral part of this Prospectus, must be considered as non-authorised.

A. Reliance on this Prospectus

The Fund is offering its Shares only on the basis of the information contained in this Prospectus, in the KIID(s) and in its latest audited annual report (or unaudited semi-annual report, if published more recently).

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

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

B. Distribution Restrictions

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

The Shares have not been registered under the United States Securities Act of 1933 (as amended) and have not been registered with the Securities and Exchange Commission or any state securities commission nor has the Fund been registered under the Investment Company Act of 1940 as amended; the Shares therefore may not be publicly offered for sale in the United States of America, or in any of its territories or possessions subject to its jurisdiction or to or for the benefit of a United States person.

C. Investor Responsibility

Prospective investors should review this Prospectus carefully in its entirety and consult with their legal, tax and financial advisors in relation to (i) the legal requirements within their own countries for the purchase, holding, redemption or disposal of Shares; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the purchase, holding, redemption or disposal of Shares; and (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, redeeming or disposing of Shares. Prospective investors should seek the advice of their legal, tax and financial advisors if they have any doubts regarding the contents of this Prospectus.

3. Presentation of the Fund

A. Incorporation of the Fund and transformation into a UCITS

The Fund was established on 11 October 2012 in the Grand-Duchy of Luxembourg for an unlimited period of time as a public limited company (*société anonyme*) qualifying as an investment company with variable capital under the form of a specialised investment fund (*société d'investissement à capital variable – fonds d'investissement spécialisé*) under the name The Blue Fund SICAV-SIF. Its registered office is established in Luxembourg.

The Fund was transformed by a decision of an extraordinary general meeting of the Shareholders of the Fund held on 16 August 2016 into a UCITS and its denomination changed into The Blue Fund SICAV.

The Fund is constituted as an umbrella fund with multiple Sub-Funds, each Sub-Fund corresponding to a distinct part of assets and liabilities. In each Sub-Fund, the Fund may issue one or more Classes of Shares.

Its Articles of Incorporation were published in the *Mémorial C, Recueil des Sociétés et Associations* ("**Mémorial C**") on 24 October 2012. The Articles were last amended on 9 December 2019 and published in the *Recueil électronique des sociétés et associations*. The coordinated Articles were deposited with the *Registre du Commerce et des Sociétés* of Luxembourg.

The Fund is registered with the Luxembourg Trade Register (*Registre de Commerce et des Sociétés, Luxembourg*), under number B-172.095.

B. Capital of the Fund

The subscribed capital of the Fund may not be less than EUR 1,250,000 (one million two hundred fifty thousand Euro).

The capital of the Fund must be fully paid-up in cash or by means of a contribution other than cash.

The capital of the Fund is expressed in Euro. It is represented by fully paid Shares with no par value. The capital of the Fund is equal, at any time, to the total value of the Net Asset Value of its Sub-Funds.

4. Organisation of the Fund

Registered Office	106, route d'Arlon L-8210 Mamer Grand Duchy of Luxembourg
Board of Directors of the Fund	Chairman: Marian WALECKI, Independent Director Directors: Dominique DE BORREKENS, Independent Director Edward WALECKI, Independent Director Guy VAN DIEVOET, Independent Director Miguel REYNDERS, Senior Partner, Stratego Trust S.A., Luxembourg & Independent Director Michel Szurek, Director
Management Company	Lemanik Asset Management S.A. 106, route d'Arlon L-8210 Mamer Grand Duchy of Luxembourg
Board of Directors of the Management Company	Chairman: Gianluigi SAGRAMOSO Directors: Carlo SAGRAMOSO Philippe MELONI
Conducting Officers of the Management Company	Jean Philippe Claessens Alexandre Dumont Philippe Meloni
Investment Managers	CapitalatWork S.A. 153, avenue de la Couronne B-1050 Brussels Belgium CapitalatWork Foyer Group S.A. 12, rue Léon Laval L-3372 Leudelange Luxembourg
Depositary and Principal Paying Agent	RBC Investor Services Bank S.A. 14, Porte de France L-4360 Esch-sur-Alzette Grand Duchy of Luxembourg
Administrative, Registrar and Transfer Agent	RBC Investor Services Bank S.A. 14, Porte de France L-4360 Esch-sur-Alzette Grand Duchy of Luxembourg

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Auditor

PricewaterhouseCoopers Société Coopérative
2, rue Gerhard Mercator
B.P. 1443, L-1014, Luxembourg

A. Management Company

The Board of Directors oversees the management and administration of the Fund. The Directors are responsible for the investment policies, objectives and management of the Fund and Sub-Funds, and remain ultimately responsible for such policies even on appointment of an investment manager and/or investment advisor and any delegation of functions by an investment manager and/or investment advisor.

The Board of Directors of the Fund has entered into a Management Company Services Agreement with Lemanik Asset Management S.A. on 9 December 2019 for an indefinite period of time. This agreement may be terminated upon three (3) months written notice by either the Fund or the Management Company.

Lemanik Asset Management S.A. is registered on the official list of CSSF and is subject to supervision by the CSSF in accordance with Chapter 15 of the 2010 Law.

Lemanik Asset Management S.A. was incorporated on 1st September 1993 as a public limited company under Luxembourg law. Its statutes were published in the Memorial C, No. 455 on 5 October 1993. The Management Company is registered with the Luxembourg Trade and Companies Register under number B-44870.

The Management Company is responsible for (i) managing the assets of all the Sub-Funds, for (ii) the administration and marketing of the Fund as well as for (iii) the control of the compliance of investments of the Fund.

The Management Company is empowered to delegate all or part of its business to one or more duly authorized service providers to exercise the delegated activities.

The Management Company has established and applies a remuneration policy and practices that are consistent with, and promote, sound and effective risk management and that neither encourage risk taking which is inconsistent with the risk profiles, rules, this Prospectus or the Articles of Association nor impair compliance with the Management Company's obligation to act in the best interest of the Fund (the "**Remuneration Policy**").

The Remuneration Policy includes fixed and variable components of salaries and applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profiles of the Management Company, the Fund or the Sub-Funds.

Details of the Remuneration Policy, including the persons in charge of determining the fixed and variable remunerations of staffs, a description of the key remuneration elements and an overview of how remuneration is determined, is available on the website http://www.lemanikgroup.com/management-company-service_substance_governance.cfm. A paper copy of the summarised Remuneration Policy is available free of charge to the shareholders upon request.

The Remuneration Policy is in line with the business strategy, objectives, values and interests of the Management Company, the Fund and the shareholders and includes measures to avoid conflicts of interest.

In particular, the Remuneration Policy will ensure that:

- a) the staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas that they control;
- b) the fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component;
- c) the measurement of performance used to calculate variable remuneration components or pools of variable remuneration components includes a comprehensive adjustment mechanism to integrate all relevant types of current and future risks.

In context of delegation, the Remuneration Policy will ensure that any delegate of the Management Company comply with the following:

- a) the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the Fund in order to ensure that the assessment process is based on the longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
- b) if at any point of time, the management of the Fund were to account for 50 % or more of the total portfolio managed by any delegate of the Management Company, at least 50 % of any variable remuneration component will have to consist of Shares, equivalent ownership interests, or share-linked instruments or equivalent non-cash instruments with equally effective incentives as any of the instruments referred to in this item (e); and

a substantial portion, and in any event at least 40 % of the variable remuneration component, is deferred over a period which is appropriate in view of the holding period recommended to the shareholders and is correctly aligned with the nature of the risks of the Fund.

The Management Company will also act as the domiciliary agent of the Fund.

B. Depositary and Principal Paying Agent

Depositary's functions

The Fund has appointed RBC Investor Services Bank S.A. ("**RBC**"), having its registered office at 14, Porte de France, L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg, as depositary and principal paying agent of the Fund, on 11 October 2012 for an indefinite period of time.

A Depositary Bank and Principal Paying Agent Agreement dated 16 August 2016 has been entered into between the Fund and RBC (the "**Depositary Bank and Principal Paying Agent Agreement**"), following transformation of the Fund into a UCITS. This agreement may be terminated by either party with 90 days prior written notice. RBC acting as depositary bank and principal paying agent (the "**Depositary**") is responsible for the:

- (a) safekeeping of the assets,
- (b) oversight duties and

(c) cash flow monitoring

RBC is registered with the Luxembourg Register for Trade and Companies (RCS) under number B-47192 and was incorporated in 1994 under the name "First European Transfer Agent". It is licensed to carry out banking activities under the terms of the Luxembourg law of 5 April 1993 on the financial services sector and specialises in custody, fund administration and related services. Its equity capital as at 31 October 2016 amounted to approximately EUR 1,059,950,131.

The Depositary has been authorized by the Fund to delegate its safekeeping duties (i) to delegates in relation to other assets and (ii) to sub-depositaries in relation to Financial Instruments and to open accounts with such sub-depositaries.

An up to date description of any safekeeping functions delegated by the Depositary and an up to date list of the delegates and sub- depositaries may be obtained, upon request, from the Depositary or via the following website link: <https://www.rbcits.com/en/gmi/global-custody/updates/view.page?id=33923>.

The Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Fund and the Shareholders in the execution of its duties under the 2010 Law and the Depositary Bank and Principal Paying Agent Agreement.

Under its oversight duties, the Depositary will:

- ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the /Fund are carried out in accordance with the 2010 Law and with the Fund's Articles;
- ensure that the value of Shares is calculated in accordance with the 2010 Law and the Fund's Articles;
- carry out the instructions of the Fund or the Management Company acting on behalf of the Fund, unless they conflict with the 2010 Law or the Fund's Articles;
- ensure that in transactions involving the Fund's assets, the consideration is remitted to the Fund within the usual time limits;
- ensure that the income of the Fund is applied in accordance with the 2010 Law or the Fund's Articles.

The Depositary will also ensure that cash flows are properly monitored in accordance with the 2010 Law and the Depositary Bank and Principal Paying Agent Agreement.

The Depositary agrees to act as the Principal Paying Agent in connection with the receipt of, for the account of and to deposit into the accounts of the Fund, the amounts transferred to the benefit of the Fund in respect of any subscriptions for Shares of the Fund, the payment of dividends and other distributions on the Shares of the Fund, including without limitation the payment, on behalf and out of the accounts of the Fund, of the redemption price of the Shares in respect of any redemption requests.

The Principal Paying Agent shall arrange with all additional paying agents for the payment of the dividends and for the payment, reimbursement and compensation of the paying agents for their proper expenses and services as such.

Depositary's conflicts of interests

From time to time conflicts of interests may arise between the Depositary and the delegates, for example where an appointed delegate is an affiliated group company which receives remuneration for another custodial service it provides to the Fund. On an ongoing basis, the Depositary analyses, based on applicable laws and regulations any potential conflicts of interests that may arise while carrying out its functions. Any identified potential conflict of interest is managed in accordance with the RBC's conflicts of interests policy which is subject to applicable laws and regulation for a credit institution according to and under the terms of the Luxembourg law of 5 April 1993 on the financial services sector.

Further, potential conflicts of interest may arise from the provision by the Depositary and/or its affiliates of other services to the Fund, the Management Company and/or other parties. For example, the Depositary and/or its affiliates may act as the depositary and/or administrator of other funds. It is therefore possible that the Depositary (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Fund, the Management Company and/or other funds for which the Depositary (or any of its affiliates) acts.

RBC has implemented and maintains a management of conflicts of interests' policy, aiming namely at:

- Identifying and analysing potential situations of conflicts of interests;
- Recording, managing and monitoring the conflicts of interest situations in:
 - Implementing a functional and hierarchical segregation making sure that operations are carried out at arm's length from the Depositary business;
 - Implementing preventive measures to decline any activity giving rise to the conflict of interest such as:
 - RBC and any third party to whom the depositary functions have been delegated do not accept any investment management mandates;
 - RBC does not accept any delegation of the compliance and risk management functions;
 - RBC has a strong escalation process in place to ensure that regulatory breaches are notified to compliance which reports material breaches to senior management and the board of directors of RBC;
 - A dedicated permanent internal audit department provides independent, objective risk assessment and evaluation of the adequacy and effectiveness of internal controls and governance processes.

RBC confirms that based on the above no potential situation of conflicts of interest could be identified.

An up to date information on conflicts of interest policy referred to above may be obtained, upon request, from the Depositary or via the following website link: https://www.rbcits.com/AboutUs/CorporateGovernance/p_InformationOnConflictsOfInterestPolicy.aspx.

C. Administrative, Registrar and Transfer Agent

The Fund has entered into an Administration Agency Agreement with the Management Company and RBC for an indefinite period of time.

This agreement may be terminated by the relevant parties with 90 days prior written notice.

Under this agreement, RBC acts as administrative, registrar and transfer agent of the Fund.

In its capacity as administrative agent, it is responsible for the administrative duties required by Luxembourg law, and in particular for the bookkeeping, the calculation of the Net Asset Value per Share as well as for providing and supervising the mailing of statements, reports, notices and other documents to the Shareholders.

As registrar and transfer agent, RBC is responsible for handling mainly the processing of subscription, conversion and redemption of the Shares for the Fund, and accepting related transfer of funds, as well as for the safekeeping of the register of the Fund.

D. Investment Managers

The Management Company has entered into an Investment Management Agreement with CapitalatWork S.A., Belgium and CapitalatWork Foyer Group S.A. Each Sub-Fund can be managed by one or both Investment Managers at the same time. Each shareholder may request to the Management Company a confirmation on which of the two entities manages the sub-fund in which he/she is an investor.

CapitalatWork S.A. was incorporated as a société anonyme on 18 June 1990. Its registered office is at 153, avenue de la Couronne, B-1050 Brussels. It is licensed to carry out certain activities as a professional of the financial sector including acting as an investment manager, commission agent and broker. Its equity capital as at 31 December 2017 amounted to EUR 3.500.000,-.

CapitalatWork Foyer Group S.A. was incorporated as a société anonyme on 9 November 2000. Its registered office is at 12, rue Léon Laval, L-3372 Leudelange. As at 31 December 2017, its equity capital amounted to EUR 15,515,280, whereby its purpose is to carry out all transactions relating to the activity of a professional in the financial sector acting on its own account in the most extended sense authorised by the law of 5 April 1993 on the financial sector, as amended.

Mr Ivan Nyssen is in charge of the management of the Fund's assets at CapitalatWork S.A.

Pursuant to the Investment Management Agreements, the Investment Managers are entrusted with the discretionary management of the Sub-Fund's portfolio.

Each Investment Manager may, with the prior approval of the Management Company and/or the Board of Directors of the Fund, appoint one or more sub-investment managers by means of sub-investment management agreements in order to delegate all or part of the management for one or more sub-funds as detailed in Part B of this Prospectus.

E. Investment Advisor(s)

The Investment Managers may enter into a number of investment advice agreements subject to the prior approval of the Management Company and/or the Board of Directors of the Fund, to complement its own information and research, on all or parts of its existing or prospective investments, if and when it deems it necessary.

The Investment Managers (as applicable) may also terminate such agreements, with or without prior notice, in the best interest of the Fund and its investors.

The initiation and/or termination of such investment advice agreements will require that this document be updated.

F. Distribution of the Shares

The Management Company is authorized to delegate this function to one or more local distributors which may also act as nominees for investors in the Fund; those investors have the possibility to request direct registration in the Fund's register of Shareholders, without using the services of a local distributor / nominee. This provision does not apply in countries where the use of a local distributor and/or nominee is needed for operational reasons or compulsory under applicable laws or regulations.

The Fund draws the investors' attention to the fact that any investor will only be able to fully exercise his Shareholder rights directly against the Fund, if the Shareholder is registered himself and in his own name in the Shareholders' register of the Fund. In cases where a Shareholder invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the Shareholder, it may not always be possible for the Shareholder to exercise certain shareholder rights directly against the Fund. Shareholders are advised to take advice on their rights.

G. Auditors

The Fund has entered into an audit services agreement with PricewaterhouseCoopers Société Coopérative.

5. Conflicts of Interest

The Fund may be subject to a number of actual and potential conflicts of interest.

It is possible that one or more of the Directors may, in the course of their business affairs, other than acting as a Director of the Fund, have potential conflicts of interest with the Fund.

Some Directors may also be members or employees of the Management Company or the Investment Managers or an Advisor and be in charge of the day to day management of the investments of the Fund.

Conflicts of interest may arise from the fact that Directors, Investment Manager(s), Advisor(s), Central Administration, Securities Lending Agent and Depositary, provide their services to the Fund and may carry on activities for other clients, including, among others investment funds and client accounts in which the Fund may or may not have an interest and whose respective investment programs may or may not be substantially similar.

The provision of assistance by third parties in determining the value of securities may create a conflict of interest.

The above is not necessarily a comprehensive list of all potential conflicts of interest.

In the event that such a conflict arises, each will at all times act in the best interest of the Fund having regard to its obligations to investors. Each will at all times have regard to its obligations under any agreements to which it is party or by which it is bound in relation to the Fund. Each will devote as much of its time to the activities of the Fund as it deems necessary and appropriate. In particular, each will endeavour to ensure that such conflicts are resolved fairly.

6. Investment Objectives and Policies

The investment objective of the Fund, and of each Sub-Fund, is to manage its investments intelligently and prudently, with an appropriate spreading of investment risks, in order to, over time, return the results of the management of its investments to its Shareholders.

The objective of the Fund is also to allow investors to gain exposure to a long-term, value-based investment strategy in publicly-traded investments and securities.

The investment process of the Fund, and of each Sub-Fund, also integrates ESG criteria. These criteria are non-binding and are not expected to materially impact the portfolio composition in each Sub-Fund.

The investment decisions made for each Sub-Fund do not consider the EU criteria for environmentally sustainable economic activities in the meaning of the Taxonomy Regulation.

Investing should be understood as the purchasing of future cash-inflows. Investment management's most basic goal should be the maintenance and if possible the increase in purchasing power of the entrusted capital. Investing necessarily involves the taking up of risk.

An investment strategy is basically a carefully chosen allocation of capital to certain asset classes and individual securities.

Based on in-depth research and market experience, investments of the Fund will be made in securities which might throw-off valuable cash to the investor and/or which might be trading below their intrinsic value, to benefit from their potential reappraisal over time.

The Fund in general, will own publicly-traded investments and securities, potentially across all asset classes, all geographies, industries, currencies, sizes, ratings, etc ..., in all packages (individual securities, mutual funds, indexes) and in their derivatives.

Although worldwide publicly-traded investments represent a great number of potential opportunities to explore, the only thing which is guaranteed is volatility in prices and returns, whatever the timeframe one is considering.

Although liquidity and frequent pricing are some supposed advantages of publicly-traded investments, they can evaporate in an instant. Any investment or security can very quickly become illiquid and irrationally priced, if priced at all.

The investment objectives and policies applicable to the Sub-Funds are decided by the Board of Directors. Details on the investment objective and policy of each Sub-Fund are described in Part B of this Prospectus. If further Sub-Funds are created the Prospectus will be updated accordingly.

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

7. Investment Restrictions

For the purpose of this section, each Sub-Fund shall be regarded as a separate UCITS within the meaning of Article 40 of the 2010 Law.

The following restrictions will apply to the Sub-Funds.

A. Eligible Assets

The Fund may only invest in:

Transferable Securities and Money Market Instruments

- (i) transferable securities and money market instruments admitted to official listing on a stock exchange in an Eligible State (an "Official Listing"); and/or
- (ii) transferable securities and money market instruments dealt in on another regulated market which operates regularly and is recognised and open to the public in an Eligible State (a "Regulated Market"); and/or
- (iii) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to an Official Listing or a Regulated Market and such admission is secured within one year of the issue;

(for this purpose an "Eligible State" shall mean a member State of the Organisation for Economic Cooperation and Development ("OECD") and all other countries of Europe, the American Continents, Africa, Asia, the Pacific Basin and Oceania); and/or

- (iv) money market instruments other than those admitted to an Official Listing or dealt in on a Regulated Market, which are liquid and whose value can be determined with precision at any time, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:
 - issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; for the purpose of this section "Member State" means a Member State of the EU or the State of the European Economic Area (the "EEA") other than the Member States of the EU, or
 - issued by an undertaking, any securities of which are admitted to an Official Listing or dealt in on Regulated Markets referred to in items (i) and (ii) above, or
 - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law, or

- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second and the third indents and provided that the issuer is a company whose capital and reserves amount to at least ten million Euros (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

Money market instruments shall mean instruments normally dealt in on the money market, which are liquid, and have a value which can be accurately determined at any time. With respect to the criterion "normally dealt in on the money market": as a general rule, this will include instruments which have a maturity at issuance of up to and including 397 days or a residual maturity of up to and including 397 days as a general rule, or regular yield adjustments based on market conditions at least every 397 days.

The Fund shall not, however, invest more than 10% of the Net Asset Value attributable to any Sub-Fund, in transferable securities or money market instruments other than those referred to in items (i) to (iv) above; and/or

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- (v) units of UCITS authorised according to Directive 2009/65/EC and/or other UCI within the meaning of Article 1, paragraph (2) indents (a) and (b) of Directive 2009/65/EC, whether or not established in a Member State, provided that:
 - such other UCIs are authorized under laws which provide that they are subject to supervision considered by the Commission de Surveillance du Secteur Financier ("CSSF") to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
 - the level of protection for shareholders in the other UCIs is equivalent to that provided for shareholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;
 - the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
 - no more than 10% of the assets of the UCITS' or of the other UCIs' (or of the assets of the relevant sub-fund), whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS and UCIs.

No subscription or redemption fees may be charged to the Fund if the Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the Investment Managers in charge of managing the relevant Sub-Fund's assets, by the same Management Company or by any other company with which the Investment Managers or the Management Company is linked by common management or control, or by a substantial direct or indirect holding.

Management fees may be charged at both levels (Fund and target UCITS/UCIs) but the aggregate amount of management fees on the portion of assets invested in target UCITS/UCIs will not exceed 2% p.a. of the Net Asset Value.

Deposits with credit institutions

- (vi) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law such as a credit institution which has its registered office in a country which is an OECD member state and a FAFT state ; and/or

Financial derivative instruments

- (vii) financial derivative instruments, including equivalent cash-settled instruments, admitted to an Official Listing or dealt in on a Regulated Market referred to in items (i) and (ii) above; and/or

financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

- the underlying consists of instruments described in sub-paragraphs (i) to (vi), financial indices, interest rates, foreign exchange rates, or currencies, in which the Sub-Funds may invest in accordance with their investment policies;
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF, and the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative.

The Sub-Funds may use all the financial derivative instruments authorized by the Luxembourg law or by Circulars issued by the Luxembourg supervisory authority and in particular, but not exclusively, the following financial derivative instruments and techniques:

- financial derivative instruments linked to market movements such as call and put options, swaps or futures contracts on securities, financial indices, any kind of financial instruments including baskets on such financial instruments;
- financial derivative instruments linked to currency fluctuations such as forward currency contracts or call and put options on currencies, currency swaps, forward foreign exchange transactions, proxy-hedging whereby a Sub-Fund effects a hedge of the Reference Currency (or benchmark or currency exposure of the Sub-Fund) against exposure in one currency by instead selling (or purchasing) another currency closely related to it, cross-hedging whereby a Sub-Fund sells a currency to which it is exposed and purchases more of another currency to which the Sub-Fund may also be exposed, the level of the base currency being left unchanged, and anticipatory hedging whereby the decision to take a position on a given currency and the decision to have some securities held in a Sub-Fund's portfolio denominated in that currency are separate.

Collateral Policy

Where the Sub-Funds enter into OTC financial derivative and/or efficient portfolio management techniques, collateral may be used to reduce counterparty risk exposure subject to the following conditions:

- In accordance with the applicable Luxembourg regulations only the following types of collateral may be used to reduce counterparty risk exposure:
 - liquid assets, including cash and short term bank certificates and money market instruments as defined in Directive 2007/16/EC; a letter of credit or a guarantee at first-demand given by a first class credit institution not affiliated to the counterparty are considered as equivalent to liquid assets;
 - bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope;
 - shares or units issued by money market funds calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
 - shares or units issued by UCITS investing mainly in bonds issued or guaranteed by first class issuers offering an adequate liquidity or shares admitted to or dealt in on a regulated market of a Member State of the European Union or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index;
 - bonds issued or guaranteed by first class issuers offering an adequate liquidity;
 - shares admitted to or dealt in on a regulated market of a Member State of the European Union or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index.
- Any collateral received other than cash must be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received must also comply with the provisions of Article 48 of the 2010 Law.
- Collateral received are subject to at least a daily mark-to market valuation. Daily variation margins are used. Assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place.

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- The Management Company will apply the following minimum haircuts in line with relevant regulation:

Issue rating for debt securities	Residual Maturity	Sovereigns	Other Issuers
AAA to AA-/A-1	< 1 year	0.5%	1%
	> 1 year < 5 years	2%	4%
	> 5 years	4%	8%
A+ to BBB-/ A-2/A-3/P-3 and unrated bank securities	< 1 year	1%	2%
	> 1 year < 5 years	3%	6%
	> 5 years	6%	12%
Global Index equities		15%	
Other equities		25%	
UCITS/mutual funds	Highest haircut applicable to any security in fund		
Cash in the same currency		0%	
Cash in other currency		Up to 5%	

Haircuts applicable to collateral for securities lending are regulated by a separate agreement between the Fund and the securities lending agent, and are as follows: minimum 2% when the collateral received consists of government and government-guaranteed bonds and no haircut when the collateral received consists of cash (no equities or corporate bonds are accepted).

These haircuts are regularly checked and adapted when necessary.

- Collateral received must be of high quality.
- The collateral received by the Sub-Fund must be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- Collateral must be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if a Sub-Fund receives from a counterparty of OTC derivative and/or efficient portfolio management transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its Net Asset Value. When a Sub-Fund is exposed to different counterparties, the different baskets of collateral must be aggregated to calculate the 20% limit of exposure to a single issuer.
- Where there is a title transfer, the collateral received must be held by the Depositary or its sub-depositaries. For other types of collateral arrangement, the collateral will be held by a third-party depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- Collateral received must be capable of being fully enforced by the Sub-Fund at any time without reference to or approval from the counterparty.
- Non-cash collateral received must not be sold, re-invested or pledged.
- Cash collateral received should, in a manner consistent with the investment objectives, only be:

- placed on deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the credit institution has its registered office in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;
 - invested in high-quality government bonds;
 - invested in short-term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds.
- Risks linked to the management of collateral, such as operational, custody and legal risks, will be identified, managed and mitigated in accordance with the Management Company's risk management process concerning the Fund.
 - Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral.
 - Re-investment of collateral involves the risk of loss of money. More specifically, the main risks arising from the re-investment of cash collateral are credit risk and concentration risk. These risks are monitored and managed regularly as they are within the scope of the Management Company's risk management process.
 - Sub-Funds which will receive collateral for at least 30% of their assets will have an appropriate stress testing policy in place to ensure that regular stress tests are carried out under normal and exceptional liquidity conditions to enable an adequate assessment of the liquidity risks attached to the collateral.

The Management Company will monitor collateral on an ongoing basis to ensure compliance with the above conditions.

B. Investment Limits Applicable to Eligible Assets

The following limits are applicable to the eligible assets mentioned in paragraph A:

Transferable Securities and Money Market Instruments

- a) No more than 10% of the Net Asset Value of any Sub-Fund may be invested in transferable securities or money market instruments issued by the same body;
- b) Moreover, where a Sub-Fund holds investments in transferable securities or money market instruments of any issuing body which by issuer exceed 5% of the Net Asset Value of such Sub-Fund, the total of all such investments must not account for more than 40% of the value of the Net Asset Value of the Sub-Fund;
- c) The limit of 10% laid down in sub-paragraph (a) above may be increased to a maximum of 35% if the transferable securities and money market instruments are issued or guaranteed by a Member State, by its public local authorities, by a Non-Member State or by public international bodies of which one or more Member States are members, and such securities need not be included in the calculation of the limit of 40% stated in sub-paragraph (b);
- d) *Notwithstanding the limits set forth under sub-paragraphs (a) (b) and (c) above, each Sub-Fund is authorized to invest in accordance with the principle of risk spreading, up to 100% of its Net Asset Value in different***

transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, by any other member state of the Organisation for Economic Cooperation and Development ("OECD"), the G20 or Singapore or by a public international body of which one or more Member State(s) are member(s), provided that (i) the Sub-Fund holds at least 6 different issues, and (ii) the securities from any one issue do not account for more than 30% of the total Net Asset Value of such Sub-Fund;

- e) The limit of 10% laid down in sub-paragraph (a) above may be increased to a maximum of 25% in respect of certain debt securities if they are issued by credit institutions having their registered office in a Member State and which are subject, by law, to special public supervision designed to protect the holders of debt securities. In particular, sums deriving from the issue of such debt securities must be invested pursuant to the law in assets which, during the whole period of validity of such debt securities, are capable of covering claims attaching to the debt securities and which, in the event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

Such debt securities need not be included in the calculation of the limit of 40% stated in sub-paragraph (b). But where a Sub-Fund holds investments in such debt securities of any issuing body which individually exceed 5% of its Net Asset Value, the total of all such investments must not account for more than 80% of the total Net Asset Value of the Sub-Fund;

- f) Without prejudice to the limits laid down in sub-paragraph (n), the limit of 10% laid down in sub-paragraph (a) above is raised to a maximum of 20% for investment in equity and/or debt securities issued by the same body when the aim of the investment policy of a given Sub-Fund is to replicate the composition of a certain equity or debt securities index which is recognised by the CSSF, on the following basis:
- the composition of the index is sufficiently diversified;
 - the index represents an adequate benchmark for the market to which it refers;
 - it is published in an appropriate manner.

This limit laid down in (f), first paragraph is raised to 35% where that proves to be justified by exceptional market conditions in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

Securities mentioned in sub-paragraph (f) need not be included in the calculation of the limit of 40% stated in sub-paragraph (b);

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- g) The Sub-Funds the investment policies of which consist in investing principally in target UCITS and other UCIs may not invest more than 20% of their Net Asset Value in securities of a same target UCITS or UCI.

For the purpose of this provision, each sub-fund of a target UCITS or UCI with multiple sub-funds shall be considered as a separate issuer, provided that the principle of segregation of liabilities of the different sub-funds is ensured in relation to third parties.

The Sub-Funds the investment policies of which consist in investing principally in target UCITS and other UCIs may not invest more than 30% of their Net Asset Value in target UCIs (meaning eligible UCIs not qualifying as UCITS).

The underlying investments held by the target UCITS or other UCIs in which the Sub-Fund invests do not have to be considered for the purpose of applying the investment limitations mentioned in paragraph B;

Deposits with credit institutions

- h) No more than 20 % of the Net Asset Value of each Sub-Fund may be invested in deposits made with the same body;

Financial Derivative instruments and Efficient Portfolio Management (EPM) techniques

- i) The risk exposure to a counterparty of the Sub-Fund in an OTC derivative transaction and/or Efficient Portfolio Management techniques may in aggregate not exceed 10% of the Net Asset Value of a Sub-Fund when the counterparty is a credit institution referred to above in sub-paragraph A (vi) or 5% of its Net Asset Value in other cases;
- j) The global exposure relating to derivatives may not exceed the total Net Asset Value of a Sub-Fund.

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

In the context of an investment in financial derivative instruments, the exposure to the underlying assets shall not exceed in aggregate the investment limits laid down under sub-paragraphs (a), (b), (c), (d), (e), (g) (h) (k), (l) and (m). The underlying assets of index based derivative instruments are not combined to the investment limits laid down under sub-paragraphs (a), (b), (c), (d), (e), (g) (h)(k), (l) and (m).

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above-mentioned restrictions.

Maximum exposure to a single body

- k) Any Sub-Fund may not combine, where this would lead to investing more than 20% of its assets in a single body, any of the following:
- investments in transferable securities or money market instruments issued by a single body and subject to the 10% limit by body mentioned in sub-paragraph (a), and/or
 - deposits made with the same body and subject to the limit mentioned in sub-paragraph (h); and/or
 - exposures arising from OTC derivative transactions and/or efficient portfolio management techniques undertaken with the same body and subject to the 10% respectively 5% limits by body mentioned in sub-paragraph (i).

Any Sub-Fund may not combine:

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- investments in transferable securities or money market instruments issued by a single body and subject to the 35% limit by body mentioned in sub-paragraph (c), and/or
- investments in certain debt securities issued by the same body and subject to the 25% limit by body mentioned in sub-paragraph (e); and/or
- deposits made with the same body and subject to the 20% limit by body mentioned in sub-paragraph (h); and/or
- exposures arising from OTC derivative transactions undertaken with the same body and subject to the 10% respectively 5% limits by body mentioned in sub-paragraph (i) in excess of 35% of its Net Asset Value.

Eligible assets issued by the same group

- l) Companies which are included in the same group for the purposes of consolidated accounts, as defined in Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the investment limits mentioned in sub-paragraph (k);
- m) Any Sub-Fund may invest up to 20% of its Net Asset Value in transferable securities and/or money market instruments within the same group;

Acquisition Limits by Issuer of Eligible Assets

- n) The Fund will not:
 - acquire shares carrying voting rights which would enable the Fund to exercise significant influence over the management of the issuing body;
 - own in any one Sub-Fund or the Fund as a whole, more than 10% of the non-voting shares of any issuer;
 - own in any one Sub-Fund or the Fund as a whole, more than 10% of the debt securities of any issuer;
 - own in any one Sub-Fund or the Fund as a whole, more than 10% of the money market instruments of any single issuer;
 - own in any one Sub-Fund or the Fund as a whole, more than 25% of the units of the same target UCITS or other target UCI (all sub-funds thereof combined).

The limitations mentioned under third, fourth and fifth indents above may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of money market instruments or the net amount of the instruments in issue cannot be calculated.

The ceilings set forth above do not apply in respect of:

- transferable securities and money market instruments issued or guaranteed by a Member State or by its local authorities;
- transferable securities and money market instruments issued or guaranteed by any other Eligible State which is not a Member State of the European Union;

- transferable securities and money market instruments issued by a public international body of which one or more Member State(s) of the European Union are member(s);
- shares held in the capital of a company which is incorporated under or organized pursuant to the laws of a State which is not a Member State provided that (i) such company invests its assets principally in securities issued by issuers of the State, (ii) pursuant to the law of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investments policy the restrictions referred to under sub-paragraphs a) to e), g) to i) and k) to n) in this Prospectus;
- shares held by one or more investment companies in the capital of subsidiary companies which, carry on the business of management, advice or marketing in the country where the subsidiary is established, in regard to the repurchase of units at the request of unitholders exclusively on its or their behalf.

A Sub-Fund does not need to comply with the limits laid down in this chapter when exercising subscription rights attaching to transferable securities or money market instruments which form part of its assets.

If the limitations in paragraph B are exceeded for reasons beyond the control of the Fund or as a result of redemption requests for Shares of the Fund or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

While ensuring observance of the principle of risk spreading, recently created Sub-Funds may derogate from the limitations in paragraph B other than those mentioned in sub-paragraphs (j) and (n) for a period of six months following the date of their launch.

C. Liquid Assets

The Sub-Funds may hold ancillary liquid assets.

D. Unauthorized Investments

The Sub-Funds will not:

- (i) make investments in, or enter into transactions involving, precious metals and certificates involving these;
- (ii) purchase or sell real estate or any option, right or interest therein, provided the Sub-Fund may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein;
- (iii) carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in sub-paragraphs A (iv), (v) and (vii) provided that liquid assets may be used to cover the exposure resulting from financial derivative instruments;
- (iv) make loans to, or act as a guarantor on behalf of third parties, provided that for the purpose of this restriction i) the acquisition of transferable securities, money

market instruments or other financial instruments referred to in sub-paragraphs A (iv), (v) and (vii), in fully or partly paid form and ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan;

- (v) borrow amounts in excess of 10% of its total Net Asset Value at market value, any such borrowing to be from a bank and to be effected only as a temporary measure for extraordinary purposes including the redemption of Shares and the investment purpose. However, the Sub-Funds may acquire foreign currency by way of a back-to-back loan.

E. Securities lending

The Fund will use securities lending relating to transferable securities and money market instruments under conditions hereafter described, as specified in the Appendix for each Sub-Fund in Part B. Securities lending are transactions by which a counterparty transfers securities subject to a commitment that the borrower will return equivalent securities on a future date or when requested to do so by the transferor. The adoption of this lending system is formalised in an agreement under which the Fund has appointed the Securities Lending Agent (the "Securities Lending Agency Agreement") to act as the main counterparty to the borrower in securities lending transactions.

The following types of collateral are permitted:

- Bonds issued or guaranteed by Member States of the OECD or by their local or public authorities or by their supranational institutions and organisations.

The Fund and the Securities Lending Agent have implemented a policy which requires a level of collateral for securities lending based on the type of transaction as follows:

- The minimum percentage required by any applicable legislation or regulatory authority with jurisdiction over the Fund;
- Prevailing market practice;
- 105% of the loaned securities consisting of equities; and
- 102% of the loaned securities consisting of bonds.

A discount policy tailored to each asset class received as collateral applies to the Fund.

The minimum haircut for each type of collateral are as follows:

- Bonds issued or guaranteed by a Member State of the OECD 2%
- Bonds issued or guaranteed by a local public authority of a Member State of the OECD 2%
- Bonds issued or guaranteed by a supranational institution 2%

No cash guarantees shall be given.

Collateral received in the context of a securities lending transaction shall not be sold, reinvested or pledged. They will meet the criteria set out in ESMA recommendations 2014/937.

The use of the aforesaid financial techniques involves certain risks, such as counterparty risk and delivery risk (see section 8 "General Risk Considerations" below) and there can be no assurance that the objective sought to be obtained from such use will be achieved.

Nevertheless, these risks are mitigated by the fact the counterparty is eligible through the Securities Lending Agent and approved by the Fund as further detailed in section 8 "General Risk Considerations" below.

The risk exposure to the counterparty arising from efficient portfolio management techniques (securities lending transactions) and OTC financial derivative instruments should be combined when calculating the counterparty risk limits.

All the revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs/fees will be returned to the relevant Sub-Fund.

The Depositary has delegated custody of the collateral to the Securities Lending Agent. While the Securities Lending Agent is entitled to use intermediaries (including, where applicable, other affiliates of the Depositary or the Securities Lending Agent), ultimate responsibility for the safekeeping of the collateral nevertheless lies with the Depositary.

Securities lending

Each Sub-Fund is entitled to enter into securities lending transactions only if the counterparties to these transactions are subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Community law and after assessment of their creditworthiness by the Security Lending Agent.

The Fund will ensure that the volume of the securities lending transactions is kept at an appropriate level or that it is entitled to request the return of the securities lent at any times or to terminate the contract into which it has entered at any time, to meet its redemption obligations and that these transactions do not jeopardise the management of the Fund's assets in accordance with its investment policy.

The Management Company, the Securities Lending Agent, the Investment Managers, the Depositary and Central Administration may, in the course of their business, have potential conflicts of interests with the Fund when using securities lending transactions, such as:

- The Depositary or the Securities Lending Agent may have the motivation to increase or decrease the amount of securities on loan or to lend particular securities in order to generate additional risk-adjusted revenue for itself and its affiliates or;
- The Depositary or the Securities Lending Agent may have an incentive to allocate loans to clients that would provide more revenue to the firm.

Each of the Management Company, the Securities Lending Agent, the Investment Managers, the Depositary and Central Administration will have regard to their respective duties to the Fund and other persons when undertaking transactions where conflicts or potential conflicts of interest may arise. In the event that such conflict do arise, each of such persons has undertaken or will be requested by the Fund to undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Fund and Shareholders are fairly treated.

At the time of this Prospectus, potential conflicts of interest with counterparties have been investigated and excluded by the Management Company.

Securities Lending Agent

The Securities Lending Agent undertakes to provide the services established by the Securities Lending Agency Agreement in relation to the Fund, as further described below.

The Securities Lending Agent, as custodian of the Fund, will ensure that securities lending is guaranteed by collateral in the form of bonds as stated above received with transfer of ownership.

The Securities Lending Agent on behalf of the Sub-Fund will ensure that its counterparty delivers collateral either in the form of cash, either in the form of securities compliant with the applicable Luxembourg regulations.

As part of the security lending, the Securities Lending Agent ensures that the securities lending transactions are concluded and takes responsibility for the resulting administrative follow-up, the monitoring of the activity's risks, the activity's legal and tax monitoring, and the hedging of operational risks arising from the activity.

The Securities Lending Agent's provision of securities lending services to the Fund complies with the applicable legal and regulatory provisions and rules of conduct, and the performance of such additional banking services and of the tasks of the Depositary bank, which belongs to the same group, are separated, from both a functional and hierarchical standpoint. The relevant Sub-Fund will receive a collateral as described above and this will be held in the name and on behalf of the Sub-Fund by the Securities Lending Agent until the agreement expires.

The legal entity acting as Securities Lending Agent on behalf of the Sub-Funds (such agent will not be a related party to the Management Company), as well as the costs/fees paid to such entities, will be set out in the Fund's annual reports. All fees generated by securities lending activities after deduction of costs related to running the securities lending program, are paid to the relevant Sub-Fund.

The annual report contains detailed information on the income from the securities lending activity and on the operating costs and fees incurred, as well as the identity of the entity to which these costs and fees are paid.

Within the context of securities lending transactions, the Fund intends to participate in the securities lending program of RBC Investor Services Trust, a trust incorporated under Canadian law and a company of the RBC Investor Services Group, to act as the main counterparty to the borrower in securities lending transactions.

F. Repurchase and Reverse Repurchase Agreement Transactions, and Total Return Swaps

At the date of this Prospectus, the Fund does not enter into repurchase and reverse repurchase agreements and total return swaps and does not invest in similar financial derivative instruments.

Should the Fund in the future enter into any of the above transactions and prior to such transactions, this Prospectus will be adapted accordingly. Moreover, the conditions of CSSF Circular 14/592 on guidelines of the European Securities and Markets Authority on traded funds (ETFs) and other issues related to UCITS, the Regulation (EU) 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 and other applicable regulation will have to be respected.

G. Management and restrictions on securities lending transactions

In compliance with ESMA guidelines 2014/937 and Regulation 2015/2365, the Sub-Fund enters into such securities lending agreements ("**SFTs**") with a limited number of identified counterparties, which may trigger counterparty risks.

The following characteristics apply to the SFTs:

- The Sub-Fund appoints a limited number of counterparties, such as ING Bank NV. These counterparties are selected on the basis of multiple criteria among which legal status, reputation, operational efficiency, country of domicile and credit rating. The counterparties are high credit quality financial institutions of member States of the OECD with generally a minimal rating of BBB- as measured by Standard & Poor's or Baa3 as measured by Moody's, either credit institutions subject to prudential standards or not and the legal status of which is not decisive. Such counterparties do not have any discretion over the composition or management of the Sub-Fund portfolio or over the underlying of financial derivative instruments used by the Sub-Fund. The Sub-Fund may appoint additional counterparties as well as remove existing ones. Information on counterparties is included in the annual report of the Fund.
- Assets subject to securities lending transactions are safekept by the Depositary, a sub-depositary of the Depositary or a third-party depositary as defined in section 7 "Investment Restrictions" under point A (vii) "Collateral Policy".
- The risk exposure to counterparties arising from such techniques should be combined when calculating the counterparty risk limits of Article 52 of Directive 2009/65 as well as internal risk limits. These limits are closely monitored on a daily basis as part of the risk management process in place.

8. General Risk Considerations

Investing in Shares of the Fund or any Sub-Fund exposes to risks.

Other than the potential for capital gains and returns that it provides, an investment in Shares of the Fund also involves the risk of capital losses. Shares are instruments the value of which is determined by fluctuations in the prices of the securities or other financial assets owned by the Fund. The value of the Shares can therefore increase or decrease when compared to their initial value.

The investments within each Sub-Fund are also subject to market fluctuations and to the risks inherent in all investments; accordingly, no assurance can be given that their investment objective will be achieved.

Investors must consult their adviser, before taking any investment decision.

Risk in general is the possibility that something unfavourable can happen to someone or something. Investment risk is the possibility of having lower than expected and possibly negative returns on investment(s) or investment portfolios.

The investment risks described below are not purported to be exhaustive.

1. Risk to expected future cash-flows

This is the possibility that expected cash-inflows do not materialize (in size, on time) and/or that they do not reach the investor. This can also be called Business-Quality risk, Credit risk or Counterparty risk. When considering a fixed-income investment, one should be concerned by the borrowing entity's ability to honour its future obligations that is to pay interest and to repay the principal. When considering an equity investment, one should be concerned by the business' ability to return cash to the shareholders. When investments are held in custody, one should be concerned by the financial health of the depository or counterparty.

2. Interest rate risk

This is the risk or uncertainty associated with the future course of interest rates. From an investor's point of view, this risk has dual and opposite dimensions, the risk of higher rates (risk of principal) and the risk of lower rates (reinvestment risk).

The risk of higher rates relates to the fact that the market value of a fixed-income (or equity, *ceteris paribus*) security moves in the opposite direction to the change in interest rates. Were an investor liquidates a security before its maturity, he could suffer a loss on the principal, had interest rates moved up during his holding of the security. The longer the duration of a security, the more sensitive it is to interest rate fluctuations.

The risk of lower rates runs counter to the risk of principal, and relates to the fact that were an investor keeps a security till maturity, he could face lower reinvestment rates on the repaid principal, had interest rates moved down during his holding of the security.

3. Currency risk

This is the risk or uncertainty associated with the future course of the exchange rate between the currency of investment and the currency in which the financial results of the Fund are measured.

Because the Sub-Funds' assets and liabilities may be denominated in currencies different to the reference currency of the Sub-Fund, they may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between the two currencies. Changes in currency exchange rates may influence the value of a Sub-Fund's Shares, the dividends or interest earned and the gains and losses realised. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation and other economic and political conditions.

If the currency in which a security is denominated appreciates against the reference currency of the Sub-Fund, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

A Sub-Fund may engage in foreign currency transactions in order to hedge against currency exchange risk, however there is no guarantee that hedging or protection will be achieved. This strategy may also limit a Sub-Fund from benefiting from the performance of a Sub-Fund's securities if the currency in which the securities held by the Sub-Fund are denominated rises against the reference currency.

4. (II) Liquidity risk

Liquidity risk is the risk of not being able to sell an asset if and when needed. Although liquidity and frequent pricing are some supposed advantages of publicly-traded investments, they can evaporate in an instant. Any investment or security can very quickly become illiquid and irrationally priced, if priced at all. Some of the markets in which the Fund or a Sub-Fund might invest may be markets which tend to be volatile and illiquid. These factors can influence the price at which the Sub-Fund may liquidate positions in order to meet redemption requests or other funding requirements.

5. Risk associated to investing in equity securities

Investing in equity securities may offer a higher rate of return than those in short term and long-term debt securities. However, the risks associated with investments in equity securities may also be higher, because the investment performance of equity securities depends upon factors which are difficult to predict. Such factors include the possibility of sudden or prolonged market declines and risks associated with individual companies. The fundamental risks associated with any equity portfolio is the risk that the value of the investments it holds might decrease in value. Equity security values may fluctuate in response to the activities of an individual company or in response to general market and/or economic conditions. Historically, equity securities have provided greater long-term returns and have entailed greater short-term risks than other investment choices.

6. Risk associated to investing in fixed-income securities

Investing in fixed-income securities include the risks but are not limited to the risk of an issuer's inability to meet principal and interest payments on the obligation (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk).

7. Counterparty Risk

A Sub-Fund may have credit exposure to one or more counterparties by virtue of its investment positions. To the extent that a counterparty defaults on its obligation and the Sub-Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose

income and incur costs associated with asserting its rights. Such risks will increase where the Sub-Fund uses only a limited number of counterparties.

8. Risk associated to investing in emerging market countries

Investments in transferable securities of emerging market countries are subject to various risks with regard to the rapid economic development which some of these countries are experiencing. In this respect, no assurance can be given that this process of development will continue during the years to come.

Investments in emerging markets may be more volatile than investments in more developed markets. Some of these markets may have relatively unstable governments, economies based on only a few industries, and securities markets that trade only a limited number of securities. Many emerging markets do not have well developed regulatory systems and disclosure standards may be less stringent than those of developed markets.

The risk of expropriation, confiscatory taxation, nationalization and social, political and economic instability are greater in emerging markets than in developed markets. In addition to withholding taxes on investment income, some emerging markets may impose different capital gains taxes on foreign investors.

A number of attractive emerging markets restrict, to varying degrees, foreign investment in securities. Further, some attractive equity securities may not be available to one or more of the Sub-Funds because foreign Shareholders hold the maximum amount permissible under current law. Repatriation of investment income, capital and the proceeds of sales by foreign investors may require governmental registration and/or approval in some emerging markets and may be subject to currency exchange control restrictions. Such restrictions may increase the risks of investing in certain of the emerging markets. Unless otherwise specified within its portfolio's investment objective and policy, a Sub-Fund will only invest in markets where these restrictions are considered acceptable by the Fund.

Generally accepted accounting, auditing and financial reporting practices in emerging markets may be significantly different from those in developed markets. Compared to mature markets, some emerging markets may have a low level of regulation, enforcement of regulations and monitoring of investors' activities, including trading on material non-public information.

The securities markets of emerging countries have substantially less trading volume, resulting in a lack of liquidity and high price volatility. There may be a high concentration of market capitalization and trading volume in a small number of issuers representing a limited number of industries as well as a high concentration of investors and financial intermediaries. These factors may adversely affect the timing and pricing of a Sub-Funds acquisition or disposal of securities.

Practices in relation to settlement of securities transactions in emerging markets involve higher risks than those in developed countries because brokers and counterparties in such countries may be less well capitalized and custody and registration of assets in some countries may be unreliable. Delays in settlement could result in investment opportunities being missed if a Sub-Fund is unable to acquire or dispose of a security.

Emerging country debt will be subject to high risk and will not be required to meet a minimum rating standard and may not be rated for creditworthiness by any internationally recognized credit rating organization. The issuer or governmental authority that controls the repayment of an emerging country's debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of

such debt. As a result of the foregoing, a government obligor may default on its obligations. If such an event occurs, the Fund may have limited legal recourse against the issuer and/or guarantor.

9. Risk associated to investing in small capitalization stocks

There are certain risks associated with investing in small cap stocks and the securities of small companies. The market prices of these securities may be more volatile than those of larger companies. Because small companies normally have fewer shares outstanding than larger companies it may be more difficult to buy and sell significant amounts of shares without affecting market prices. There is typically less publicly available information about these companies than for larger companies. The lower capitalization of these companies and the fact that small companies may have smaller product lines and command a smaller market share than larger companies may make them more vulnerable to fluctuation in the economic cycle.

10. Risk associated to investing in lower quality securities

Credit risk is greater for a Sub-Fund that invests in bonds or other fixed income securities that are rated below investment grade or which are of comparable quality. The risk of default may be greater and the market for these securities may be less active, making it more difficult to sell the securities at reasonable prices, and also making valuation of the securities more difficult. A Sub-Fund may incur additional expenses if an issuer defaults and the Sub-Fund tries to recover some of its losses in bankruptcy or other similar proceedings.

11. Risk associated to investing in units or shares of UCIs or UCITS

The value of an investment represented by a UCI in which each Sub-Fund invests may be affected by the fluctuation of the currency of the country in which the UCI invests, or by the legislation related to exchange control policy, implementation of tax legislation of the relevant countries, thus included tax withholding, change of government or economic or monetary policy in the relevant countries.

In addition, when investing in Shares of the Fund which in turn may invest in other UCIs, the investors may be subject to the risk of duplication of fees and commissions.

12. Special risks related to the investment in call options & warrants

Warrants confer on the investor the right to acquire or subscribe for a fixed number of shares in the relevant company at a pre-determined price for a certain period. The cost of this right might be substantially less than the cost of the share itself. Consequently the price movements in the share will be multiplied in the price movements of the option or warrant. This multiplier is the leverage or gearing factor. The levels of the premium and gearing can increase or decrease with investor sentiment. Investors should be warned that prices of options and warrants are extremely volatile and that furthermore, it may not always be possible to dispose of them.

13. Special risks linked to the use of financial derivative instruments

The Fund or a Sub-Fund may engage in various portfolio strategies which include the use of options, forward currency exchange contracts, swaps and futures contracts and options thereon. Participation in the options or futures markets and in currency exchange or swaps transactions involves investment risks and transaction costs to which the Sub-Funds would not be subject in the absence of the use of these strategies.

14. Special risks linked to the use of contingent convertible bonds

Such types of convertible bonds, also known as CoCo bonds, Cocos or contingent convertible notes, are slightly different to regular convertible bonds in that the likelihood of the bonds converting to equity is "contingent" on a specified event (the "trigger"), such as the stock price of the company exceeding a particular level for a certain period of time. They carry a distinct accounting advantage as unlike other kinds of convertible bonds, they do not have to be included in a company's diluted earnings per share until the bonds are eligible for conversion. It is also a form of capital that regulators hope could help buttress a bank's finances in times of stress. CoCos are different to existing hybrids because they are designed to convert into shares if the pre-set trigger is breached in order to provide a shock boost to capital levels and reassure investors more generally. Hybrids, including CoCos, contain features of both debt and equity. They are intended to act as a cushion between senior bondholders and shareholders, who will suffer first if capital is lost. The bonds usually allow a bank to either hold on to the capital past the first repayment date, or to skip paying interest coupons on the notes.

Investors should fully understand and consider the risks of CoCos and correctly factor those risks into their valuation. One inherent risk is related to the trigger levels. Such levels determine the exposure to the conversion risk, depending on the distance to the trigger level. The trigger could be activated either through a material loss in capital as represented in the numerator or an increase in risk weighted assets as measured in the denominator. As a result, the bond can be converted into equity at an unfavourable moment. Furthermore, there is the risk of coupon cancellation. While all CoCos are subject to conversion or write down when the issuing bank reaches the trigger level, for some CoCos there is an additional source of risk for the investor in the form of coupon cancellation in a going concern situation. Coupon payments on such type of instruments are entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time. The cancellation of coupon payments on such CoCos does not amount to an event of default. Cancelled payments do not accumulate and are instead written off. This significantly increases uncertainty in the valuation of such instruments and may lead to mispricing of risk. Such CoCo holders may see their coupons cancelled while the issuer continues to pay dividends on its common equity and variable compensation to its workforce. Contrary to classic capital hierarchy, CoCo investors may also suffer a loss of capital when equity holders do not. In certain scenarios, holders of CoCos will suffer losses ahead of equity holders, e.g., when a high trigger principal write-down CoCo is activated. This cuts against the normal order of capital structure hierarchy, where equity holders are expected to suffer the first loss. This is less likely with a low trigger CoCo, when equity holders will already have suffered loss. Moreover, high trigger CoCos may suffer losses not at the point of gone concern, but conceivably in advance of lower trigger CoCos and equity. Some CoCos are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority. It cannot be assumed that the perpetual CoCos will be called on call date. Such CoCos are a form of permanent capital. In these cases, the investor may not receive return of principal if expected on call date or indeed at any date. In addition, there might arise risks due to "unknown factors". In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform. In the event a single issuer activates a trigger or suspends coupons, it is unclear whether the market will view the issue as an idiosyncratic event or systemic. In the latter case, potential price contagion and volatility to the entire asset class is possible. This risk may in turn be reinforced depending on the level of underlying instrument arbitrage. Furthermore, in an illiquid market, price formation may be increasingly stressed. Finally, investors have been drawn to the instrument as a result of the CoCos' often attractive yield which may be viewed as a complexity premium. Yield has been a primary reason this asset class has attracted strong demand, yet it remains unclear whether investors have fully considered the underlying risks. Relative to more highly rated debt issues of the same issuer or similarly rated debt issues of other issuers,

CoCos tend to compare favourably from a yield standpoint. The concern is whether investors have fully considered the risk of conversion or coupon cancellation.

15. Risks related to investments in mortgage/asset backed securities

Mortgage related securities are subject to prepayment risk - the risk that the underlying mortgage may be prepaid partially or completely during periods of falling interest rates which could adversely affect yield to maturity and could result in a Sub-Fund reinvesting in lower yielding securities, credit risk - the risk that the underlying mortgages will not be paid by debtors or by credit insurers or guarantors and market risk. The values of mortgage related securities vary with changes in market interest rates generally and changes in yields among various kinds of mortgage related securities. Such values are particularly sensitive to changes in the prepayments of the underlying mortgages. For example, during periods of falling interest rates, prepayments tend to accelerate as homeowners and others refinance their higher rate mortgages. These prepayments reduce the anticipated duration of the mortgage related securities. Conversely, during periods of rising interest rates, prepayments can be expected to decelerate which has the effect of extending the anticipated duration at the same time as the value of the securities declines. Asset backed securities are subject to market, credit and prepayment risk. In addition, the security interest in the underlying collateral may not be as great as with mortgage related securities. Asset backed securities include credit-related asset backed securities, which are collateralized by a basket of transferable debt securities that could include high yield securities. A Sub-Fund investing in these securities would have the benefit of a security interest or ownership interest in the related collateral. The main risk of these securities is the potential loss of principal associated with losses on the underlying transferable debt securities.

16. Risks associated to securities lending

If the other party to a securities lending transaction should default, the Sub-Fund might suffer a loss to the extent that the proceeds from the sale of the underlying securities and/or other collateral held by the Sub-Fund in connection with the securities lending transaction are less than the value of the underlying securities. In addition, in the event of bankruptcy or similar proceedings of the counterparty to a securities lending transaction, the Sub-Fund could suffer losses, including loss of interest on or principal of the securities and costs associated with delay and enforcement of the securities lending transaction. There is the risk of a delay between when the counterparty defaults and when the Securities Lending Agent returns equivalent securities once the Securities Lending Agent has exercised the guarantee held (which can limit the respective Sub-Fund's ability to meet its own commitments). Although it is expected that the use of securities lending transactions will generally not have a material impact on a Sub-Fund's performance, the use of such techniques may have a significant effect, either negative or positive, on a Sub-Fund's Net Asset Value.

These risks are mitigated by the fact the counterparty is eligible through the Securities Lending Agent and approved by the Fund. The Securities Lending Agent selects the counterparties as listed in Schedule B of the Securities Lending Agency Agreement (and amended from time to time). As part of its securities lending activity, the Securities Lending Agent sends the Management Company a quarterly list of securities borrowers to which the Management Company may lend its securities. The Securities Lending Agent updates this list regularly to ensure that the provisions of CSSF Circular 08/356 are applied. This document is sent on a quarterly basis to the Management Company's risk management department.

For all transactions, counterparties are selected from banking and financial institutions with a strong reputation in the international financial community, based on criteria such as: a significant continued presence on the reference market, prompt and attentive

execution, and accuracy in trade settlement (see also section 7 "Investment Restrictions" above).

Risks associated with the receipt of collateral

The Sub-Fund may receive collateral for securities lending transactions. Securities lent may increase in value. Therefore, collateral received may no longer be sufficient to fully cover the Sub-Fund's claim for delivery or redemption of collateral against a counterparty. The Sub-Fund may deposit the collateral in blocked accounts. Though, the credit institution that safe keeps the deposits may default. Upon completion of the transaction, the collateral deposited may no longer be available to the full extent, although the Sub-Fund is obligated to return the collateral at the amount initially granted. Therefore, the Sub-Fund may be obliged to compensate the losses incurred by the deposit of collateral (see also section 7 "Investment Restrictions" above).

Risks associated with collateral management

Collateral management requires the use of systems and certain process definitions. Failure of processes as well as human or system errors at the level of the Management Company, Investment Managers or third-parties in relation to collateral management could entail the risk that assets, serving as collateral, lose value and are no longer sufficient to fully cover the Sub-Fund's claim for delivery or transfer back of collateral against a counterparty (see also section 7 "Investment Restrictions" above).

Risks linked to the management of collateral, such as operational, custody and legal risks, will be identified, managed and mitigated in accordance with the Management Company's risk management process concerning the Fund.

17. Custody Risk

Custody risk is the risk arising from the possibility that, to the detriment of the Fund, the Fund could be denied access, in whole or in part, to investments held in custody in case of insolvency, negligence, wilful misconduct or fraudulent activity on the part of the Depositary or a sub-depositary.

18. Fair value pricing

Fair value pricing adjustments may be made to the price of an underlying asset of a Sub-Fund, at the absolute discretion of the Board of Directors, to reflect predicted changes in the last available price between the market close and the valuation point. There is, however, a risk that this predicted price is not consistent with the subsequent opening price of that security

19. Investment and Trading Risks

An investor should be aware that it may lose all or part of its investment in a Sub-Fund.

20. Legal and political risk

Investments may be made in jurisdictions in which Luxembourg law does not apply, or, in the event of legal disputes, where the place of jurisdiction is located outside of Luxembourg. The resulting rights and obligations of the Fund may vary from its rights and obligations in Luxembourg, to the detriment of the Fund and/or the investor. The Management Company and/or Investment Managers may be unaware of political or legal developments (or may only become aware of them at a later date), including amendments to the legislative framework in these jurisdictions. Such developments may

also lead to limitations regarding the eligibility of assets that may be, or already have been, acquired. This situation may also arise if the Luxembourg legislative framework governing the Management Company and/or the Investment Managers is amended.

21. Operational risk

The Fund may be exposed to a risk of loss, which can arise, for example, from inadequate internal processes and from human error or system failures at the Management Company, Investment Managers or at external third parties. These risks can affect the performance of a Sub-Fund and can thus also adversely affect the Net Asset Value per Share and the capital invested by the investor.

22. Sustainability risk

Sustainability risk stems from environmental, social or governance events or conditions that, if it occurs, could cause a negative material impact on the value of the investment in the meaning of SFDR. Sustainability risks include both physical and transition risks. Physical risks are resulting from the effects of climate change while transition risks mainly concern the response given to climate change. Social and governance factors are also comprised as sustainability risks. Each of the given elements can affect the Sub-Funds' performance.

In the frame of SFDR, and more precisely its Articles 3 and 6, the Investment Managers have put in place a policy in regard to non-financial risks considerations and their impact on the financial return of financial products. This policy is available on the Investment Managers' website and introduces the Investment Managers' approach in terms of identification of sustainability-related risks management in line with the Fund's investment policy.

The Investment Managers have performed a first analysis of sustainability-related risks which can impact the Blue Fund SICAV and it is based on a study of the business sectors the Fund invests in, in line with the materiality map defined by the Sustainability Accounting Standards Board ("SASB"). This analysis enables the identification of environmental and social aspects which could impact the financial and operational conditions of the sectors in which the Fund is investing. Based on this analysis, the Investment Managers are developing a management approach meant to limit the impact of those factors on their financial products.

Based on a preliminary analysis, the Investment Managers have identified a number of sustainability-related risks whose environmental, social and governance factors can potentially have a material effect on the return on investment, the assets value and the Fund's reputation. Due to the investment universe diversity, the potential financial impact related to those risks occurrence is so far limited. As disclosed in the risk management policy of the Investment Managers, the Investment Managers are developing the necessary procedures to those risks management, in order to identify a potential increase in their impact on their financial products and modify, where required and if those risks get substantial, the composition of their portfolio.

9. Shares

The Fund is an umbrella fund divided into multiple Sub-Funds, each representing a separate portfolio of assets.

The Board of Directors may, at any time, create additional Sub-Funds. Upon creation of new Sub-Funds and in order to provide all the necessary information on new Sub-Funds, the Prospectus will be updated accordingly.

Shares in any particular Sub-Fund may be further divided into different Classes. Classes of Shares within a Sub-Fund may be defined from time to time by the Board of Directors so as to correspond to any specific features applicable to one class. The proceeds of the issue of each Class of Shares are allocated to the relevant Sub-Fund.

All references to a Sub-Fund shall, where the context requires, include any Classes that belongs to such Sub-Funds.

New Shares are issued without granting existing Shareholders a preferred subscription right.

The Classes of Shares which may be issued in relation to a Sub-Fund are defined in Part B to the Prospectus. So, for further information on the available Classes of Shares, investors should refer to Part B "Sub-Funds Particulars".

The capital of the Fund is represented by Shares with no mention of nominal value.

Upon their issue, the Shares are freely negotiable. In each Sub-Fund, the Shares of each Class benefit in an equal manner from the profits and losses of the Sub-Fund, but do not benefit from any preferred right or pre-emption right.

At the general meetings of Shareholders, one vote is granted to each Share, regardless of its Net Asset Value.

Fractions of Shares, up to three decimals, may be issued, and will participate in proportion to the profits of the relevant Sub-Fund but do not carry any voting rights.

The Shares are only issued in registered form by an inscription in the register. Each Shareholder will receive confirmation of the registration of their names in the Shareholder registrar.

The Directors may restrict or prevent the holding of Shares by any individual or legal entity if such holding is considered as detrimental to the Fund or to its Shareholders. The Directors may also prevent the ownership of Shares by U.S. Persons.

Distribution Policy

The Fund will not make dividend distributions but accumulate all net earnings within the relevant Share class and portfolio. The Board of Directors however reserves the right to declare a dividend at any time.

10. Procedure of Subscription, Conversion and Redemption

A. Subscription

1. Subscriptions

Shares are available for subscription at the Subscription Price on each Valuation Day.

The subscription price per Share is equal to the Net Asset Value per Share as at the Valuation Day on which the application is effective plus a subscription and entry fee specified for each Sub-Fund set out in Part B "*Sub-Funds Particulars*".

2. Minimum Investment Amount

No investor may subscribe initially for less than the minimum initial subscription amount of Shares (the "**Minimum Initial Subscription Amount**") indicated in the description of each Sub-Fund under Part B "*Sub-Funds Particulars*", if any.

3. Subscription and Entry Fee

The subscription of Shares may be subject to an entry fee payable to the relevant Sub-Fund and to a subscription fee payable to intermediaries, namely the distributors in the Sub-Fund, both calculated as a percentage of the subscribed amount. For any further details in relation to such fees, please revert to each Sub-Fund's description under Part B "*Sub-Funds Particulars*".

Subscription fee	Entry fee
Max. 1% payable by the investors to intermediaries in the Sub-Fund.	Max. 0,25% payable by the investors to the Sub-Fund. The same weight applies to all the investors on each Valuation Day.

4. Procedure

The Shares of each Sub-Fund are issued at a price corresponding to the Net Asset Value per Share, increased by the subscription fee.

Any investor intending to subscribe initially for Shares must complete an application form to be sent to the Fund or to the Registrar Agent.

The Fund or the Registrar Agent may request an investor to provide additional information to substantiate any representation made by the investor in its application.

Investors must also certify that they are not a US Person and accept any information and documentation requirements which may prove necessary, particularly with regard to the needs for compliance with FATCA legislation as set out in section 15 "Taxation" below.

Any application that has not been completed to the satisfaction of the Fund or the Registrar Agent will be rejected. In addition, the Board of Directors may, in its sole discretion, at any time reject subscriptions, suspend or close the sale of any Class of Shares or all Shares.

Subscription applications should be received by the Fund or by the Registrar Agent before the Cut-off Time mentioned in Part B "Sub-Fund Particulars", if accepted, will be dealt with at the relevant Net Asset Value of such Shares on the relevant Valuation Day plus any applicable subscription fee. Subscriptions applications received after the relevant Cut-off Time will be processed as of the next applicable Valuation Day, if accepted.

The Board of Directors may, provided that equal treatment of Shareholders be complied with, accept subscriptions after the Cut-off Time.

The subscription applications are dealt with unknown Net Asset Value.

The Board of Directors may, whenever they deem it appropriate and at their sole discretion:

- I. refuse all or part of a subscription application;
- II. repurchase at any time the shares detained by persons who are not authorized to purchase or detain the Shares.

Potential investors are advised to consult their legal adviser before investing in Shares of the Fund in order to confirm that they are not a US Person. The Board of Directors may refuse to issue shares for the benefit of US Persons or to register any transfer of shares to a US Person. In addition, the Board of Directors may proceed with the compulsory redemption of shares held by a US Person at any time.

The Fund shall have power to limit or prevent the ownership of its Shares by any natural person or legal entity if such natural person or legal entity holds directly or indirectly, without prior permission from the Board of Directors, 10% or more of the Shares of a Sub-Fund and if, in the opinion of the Board of Directors, such a holding may damage the Fund's interests or may lead to a breach of a Luxembourg or foreign law or regulation, or if the result thereof would be that the Fund would be subject to tax disadvantages or other financial disadvantages which it would not otherwise have sustained.

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

5. Settlement

Subscription monies must be received on account of the Fund in the reference currency of the relevant Class.

Subscriptions in the Fund will be handled on a **cleared mode basis** for retail investors, which means that the cleared subscription monies must be received by the Fund or by its Registrar and Transfer Agent no later than the date which is the "Settlement Date" specified in the description of the relevant Sub-Fund in Part B "*Sub-Funds Particulars*". Failing which, the Fund or its Registrar and Transfer Agent may treat the subscription as a subscription for such number of Shares as may be purchased with such payment on the Valuation Day next following receipt of the subscription monies. The Fund may deduct any costs or losses incurred by the Fund against any existing holding of the defaulting Investor in the Fund. The Fund may charge the Investor for any resulting bank charges, market losses or expenses incurred by the relevant Sub-Fund.

Institutional Investors' subscriptions will be handled on a **contractual mode basis** which means that the Shares are provisionally allotted to the concerned Investors at the applicable Valuation Day, and the subscription price is provisionally credited to the Fund

on the "Settlement Date" specified in the description of the relevant Sub-Fund in Part B "Sub-Funds Particulars". If payment in full of subscription moneys has not been received by the applicable Settlement Date, the allotment of Shares made in respect of such subscription may, at the discretion of the Fund, be cancelled. In such cases, the Fund may deduct any costs or losses incurred by the Fund against any existing holding of the defaulting Investor in the Fund. The Fund may charge the applicant for any resulting bank charges, market losses or expenses incurred by the relevant Sub-Fund. Failure to make good settlement may result in the Fund bringing an action against the defaulting Investor or its financial intermediary. Any money returnable to the investor will be held by the Fund without payment of interest pending receipt of the remittance.

6. Subscription in kind

The Fund issues Shares as consideration for cash or for a contribution in kind of securities in compliance with the conditions set forth by the Luxembourg law, in particular the obligation to deliver a valuation report from the auditor of the Fund ("*réviseur d'entreprises agréé*") which shall be available for inspection, and provided that such securities comply with the investment objectives and policies of the relevant Sub-Fund. Any costs incurred in connection with a contribution in kind of securities shall be borne by the relevant Shareholders.

7. Money Laundering Prevention

Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to the Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing as well as all the relevant Grand-ducal regulations and regulations and circulars of the Luxembourg supervisory authority *Commission de Surveillance du Secteur Financier* as they may be amended or revised, obligations have been imposed on the Fund to prevent the use of UCIs for money laundering and financing of terrorism purposes.

Within this context the Fund is required to inter alia identify and verify the identity of investors, whether direct or indirect, natural or legal persons, and perform ongoing due diligence on them. In order to fulfil these requirements, the Fund may request any information and supporting documentation it deems necessary, including information about the source of funds and origin of wealth. Applicants shall also indicate whether they invest on their own account or on behalf of a third party because the actual beneficial owner has to be identified and verified.

In all cases, the Fund reserves the right to request additional information and documentation including translations, certifications and updated versions of such documents to comply with applicable legal and regulatory requirements.

In case of delay or failure by an investor to provide the required documents, an application for subscription or, if applicable, for redemption or any other transaction may not be accepted. Neither the Fund nor the Management Company have any liability for delays or failure to process deals as a result of the investor providing no or only incomplete information and/or documentation required fulfilling the Fund's obligations.

A. Conversion

Shareholders have the right, subject to the provisions hereinafter specified, to convert Shares from one Sub-Fund for Shares of another Sub-Fund and to convert Shares of a Class to Shares of another Class.

Any Shareholder intending to convert Shares must complete an application form to be sent to the Fund or to the Registrar Agent.

Such conversion requests will be treated as a redemption and subsequent subscription of Shares. Consequently, any Shareholder requesting such conversion must comply with the procedures of subscription and redemption, as well as with all other requirements notably relating to investor qualifications and minimum investment and holding thresholds, if any, applicable to each Class of Shares.

In the case of conversions involving the Shares of Sub-Funds expressed in different Reference Currencies, the conversion order will require the conversion of the Reference Currency from one Sub-Fund to another. Consequently, the number of Shares of the new Sub-Fund obtained in a conversion will be affected by the net foreign exchange rate, if any, applied to such exchange. Any such foreign currency exchange rate transactions will be effected on behalf of and at the expense of the Shareholder.

Shares in any Class or Sub-Fund will not be converted in circumstances where the calculation of the Net Asset Value per Share in the relevant Classes or Sub-Funds is suspended by the Fund.

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

The conversion of Shares may be subject to a conversion fee of a percentage of the Net Asset Value of the Shares being converted as indicated in each Sub-Fund's description under Part B "Sub-Funds Particulars" and which shall revert, if applicable, to the target Sub-Fund.

B. Redemption

1. Procedure

A Shareholder may request the Fund to redeem some or all of the Shares it holds in the Fund. Shareholders desiring to have all or any of their Shares redeemed should apply in writing to the Transfer Agent or the Fund. The Registrar Agent will reject any redemption request that has not been completed to its satisfaction or to the Fund's satisfaction.

Applications for redemption shall be received by the Fund or Transfer Agent before the Cut-off Time of the relevant Valuation Day as indicated in each Sub-Fund's description under Part B "Sub-Funds Particulars".

If accepted, these applications will be redeemed at a Redemption Price based on the relevant Net Asset Value of such Shares on the Valuation Day decreased by the redemption fee. Redemption applications received after the relevant Cut-off Time will be dealt with on the next applicable Valuation Day.

2. Payment

Investors should note that they will not know the Redemption Price of their Shares until their redemption request has been executed. The Redemption Price may be higher or lower than the price paid at the time of subscription or purchase.

Except otherwise provided in Part B, the Redemption Price of each Share shall be payable in the reference currency of the relevant Sub-Fund or of the relevant Share Class within four (4) Business Days following the Valuation Day. If in exceptional circumstances the liquidity of a Sub-Fund is not sufficient to enable the payment to be made within three

Business Days after the relevant Valuation Day, such payment will be made as soon as reasonably practicable thereafter.

The Fund reserves the right in its discretion to extend the period of payment of redemption proceeds to a period not exceeding 10 Business Days following the Valuation Day on which the value of the redemption price is calculated, as shall be necessary to repatriate proceeds of the sale of investments in the event of impediments due to exchange control regulations or similar constraints in the markets in which a substantial part of the assets of the Fund are invested or in exceptional circumstances where the liquidity of the Fund is not sufficient to meet the redemption requests.

In the case where the Redemption Price will be paid in any other currency specified by the Shareholder, any currency conversion costs shall be borne by the Shareholder.

Payment will be made by transfer bank order to the account in the name of the Shareholder indicated by and used by the Shareholder at the time of the subscription payment. Should this account be closed at any time after the subscription, notification should be made in writing to the registered office of the Fund, along with new account details.

The Fund may, if the Directors so determine, and with the express consent of the relevant Shareholder, satisfy payment of the Redemption Price to any Shareholder in kind by allocating the Shareholder investments from the portfolio of assets in such class or classes of Shares equal in value to the value of the Shares to be redeemed. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other Shareholders of the Class or Classes of Shares and the valuation used shall be confirmed by a special report of the auditor of the Fund. The costs of any such transfers of investment shall be borne by the Shareholder.

3. Deferral of Redemption

If the aggregate value of the redemption requests received by the Fund or the Registrar Agent on any Trading Day corresponds to more than 10% of the Net Asset Value of a Class, the Fund may defer part or all of such redemption requests for such period until relevant liquidities are available. Any deferred redemption shall be treated as a priority to any further redemption requests received for the following valuation Day.

4. Redemption Fee

The redemption of Shares may be subject to a redemption fee of a percentage of the Net Asset Value of the Shares being subscribed as indicated in each Sub-Fund's description under Part B "Sub-Fund Particulars" and which shall revert, if applicable, to the Sub-Fund.

5. Forced Redemption

The Fund may immediately redeem some or all of the Shares held by or for the benefit of Shareholder at any time, including, without limitation, in the following circumstances:

- a) if in the opinion of the Fund such holding may be detrimental to the Fund;
- b) if it may result in a breach of any law or regulation, whether Luxembourg law or other law;
- c) if as a result thereof the Fund may become exposed to tax, legal or financial disadvantages that it would not have otherwise incurred;

- d) if such individual or legal entity is a US Person (as such term is understood under United States of America federal securities, commodities and tax laws or under the Foreign Account Tax Compliance Act) or persons who are resident in the United States of America at the time the Shares are offered or sold, or would not comply with the eligibility criteria of a given Class of Shares.

11. Data Protection

In accordance with GDPR, the Fund is considered as data controller (the "Controller") and in this function ensures the protection of natural persons in relation to the processing of personal data according to the GDPR.

Certain personal data of investors (including, but not limited to, holding in the Fund) may be collected, recorded, stored, adapted, transferred or otherwise processed (hereinafter mentioned as "processed") by the Controller.

In particular, such processed data may include the name, the address and the amount invested by each Shareholder.

The Shareholders may refuse to communicate their private data to the Fund and thus, prevent it from using such data. However, in this case, these persons cannot become Shareholders.

The personal data provided by the Shareholders are processed for the purpose of (i) updating the Shareholders register of the Fund, (ii) processing the subscriptions, repurchase and conversions of Shares as well as the payment of dividends to the Shareholders, (iii) ensuring that the rules against late market trading and market trading are complied with and (iv) complying with the rules concerning anti-money laundering.

By subscribing to the Shares, each Shareholder expressly consents to such processing of its personal data by the Fund and to the delegation by the Fund of the above-mentioned processing of the personal data to one or several entities (such as the Central Administrator, the Registrar Agent or their agents) located in the European Union or in a country providing a sufficient level of data protection.

The Fund commits not to transfer the personal data to any third party other than an agent, except if otherwise required by the law or upon the Shareholder agreement thereof.

The Shareholders have the right to access the personal data provided to the Fund upon written request.

The Fund may transfer the Shareholders personal data to entities located outside the European Union, although not having an appropriate level of data protection. The Fund will comply with the Luxembourg regulation relating to data protection.

The Shareholders may in writing ask for the correction of their personal data. All personal data will be stored by the Fund only for the period of time necessary for their processing.

The Shareholders shall expressly accept the use of their personal data for commercial purposes.

The Fund may use the personal data to regularly inform the Shareholders on other products and services when the Fund deems that such products and services could interest the Shareholders, unless such Shareholders have by written specified to the Fund that they do not wish to receive such information.

Further details on the processing of personal data, investors' rights (e.g. the right to request access to and rectification or erasure of personal data or restriction of processing, the right to data portability, the right to lodge a complaint with a supervisory authority) and additional information have been provided to investors via the Controller's privacy notice.

12. Prevention of late trading and market timing

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

The Fund considers that the practice of late trading is not acceptable as it violates the provisions of the Prospectus which provide that an order received after the Cut-off Time is dealt with at a price based on the next applicable Net Asset Value. As a result, subscriptions, conversions and redemptions of Shares shall be dealt with at an unknown Net Asset Value.

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

The Fund considers that the practice of market timing is not acceptable as it may affect the Fund's performance through an increase of the costs and/or entail a dilution of the profit. As a result, the Fund reserves the right to refuse any application for subscription or conversion of Shares which might be related to market timing practices and to take any appropriate measures in order to protect investors against such practice.

13. Determination of the Net Asset Value

A. Day of Calculation

The Fund calculates the Net Asset Value of each Class of Shares on each Valuation Day, as indicated for each Sub-Fund in its description under Part B "Sub-Fund Particulars". If a Valuation Day is a public holiday or not a Business Day in Luxembourg, the Valuation Day shall be the next Business Day.

If, since the time of determination of the Net Asset Value, there has been a material change in the quotations in the markets on which a substantial portion of the investments of any Sub-Fund are dealt in or quoted, the Fund may, in order to safeguard the interests of the Shareholders and the Sub-Fund, and provided that the Net Asset Value on the Valuation Day was not published yet, cancel the first Net Asset Value and carry out a second Net Asset Value calculation for all applications made for the relevant Valuation Day.

The Net Asset Value of each Share of any one Class on any day that any Sub-Fund calculates its Net Asset Value, is determined by dividing the value of the portion of assets of the Sub-Fund attributable to that Class less the portion of liabilities of the Sub-Fund attributable to that Class, by the total number of Shares of that Class outstanding on such day.

The Net Asset Value per Share of each Class shall be available at the registered office of the Fund.

The Net Asset Value of each Share shall be determined in the reference currency of the relevant Class of Shares.

The Net Asset Value of each Class of Share will be rounded off to two decimal places.

The value of each Sub-Fund's assets shall be determined as follows:

- a) Cash in hand or on deposit, prepaid expenses, dividends or interest declared or accrued but not yet received shall be valued at the full nominal amount thereof unless provision is considered appropriate on the basis that it is unlikely to be paid or received in full;
- b) The value of assets, which are listed or dealt in on any stock exchange or other regulated market including units or shares of listed closed-ended undertakings for collective investment ("UCIs"), is based on the last available price on the stock exchange or other regulated market, which is normally the principal market for such assets;
- c) In the event that any assets are not listed or dealt in on any stock exchange or on any other regulated market, or if, with respect to assets listed or dealt in on any stock exchange, or other regulated market as aforesaid, the price as determined pursuant to subparagraph (ii) or (iii) is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith pursuant to the procedures established by the Board;
- d) Money market instruments shall be valued according to the normal dealing practice therein having regard to cost, accrued income, maturity and income payment dates;

- e) The liquidating value of futures, spot, forward or options contracts not traded on exchanges or on other regulated markets shall mean their net liquidating value determined, pursuant to the policies established by the Board, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, spot, forward or options contracts traded on exchanges or on other regulated markets shall be based upon the last available prices of these contracts on the relevant exchanges and/or regulated markets on which the particular futures, spot, forward or options contracts are traded by the Fund, provided that if a futures, spot, forward or options contract could not be liquidated on the day with respect to which the Net Asset Value are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board may deem fair and reasonable;
- f) The liquidating value of swaps shall mean their net liquidating value determined, pursuant to the policies established by the Board, on a basis consistently applied;
- g) Units or shares of open-ended UCITS and UCIs will be valued on the basis of the latest net asset value determined according to the provisions of the particular issuing documents of the relevant UCITS or UCIs. In case of the occurrence of an evaluation event that is not reflected in the latest available net asset value of such shares or units issued by such UCIs or UCITS, the valuation of the shares or units issued by such UCIs or UCITS may be estimated with prudence and in good faith in accordance with procedures established by the Board to take into account this evaluation event. The following events qualify as evaluation events: material events or developments affecting either the underlying investments or the UCIs or UCITS themselves;
- h) all other securities and other permissible assets as well as any of the above mentioned assets for which the valuation in accordance with the above subparagraphs would not be possible or practicable, or would not be representative of their fair value, will be valued at fair market value, as determined in good faith pursuant to procedures established by the Board.
- i) The Board of Directors may, at its discretion, permit any other method of valuation to be used if it considers that such method of valuation better reflects value and is in accordance with good accounting practice.

B. Temporary Suspension of the determination of the Net Asset Value

The Fund may at any time and from time to time suspend the determination of the Net Asset Value of the Shares of any Sub-Fund, the issue of the Shares of such Sub-Fund or Class to subscribers and the redemption of the Shares of such Sub-Fund from its Shareholders as well as conversions of Shares of any Class in a Sub-Fund:

- a) during any period when any of the principal stock exchanges or other markets on which any substantial portion of the investments of the Sub-Fund from time to time is quoted or dealt in is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended, provided that such restriction or suspension affects the valuation on the investments of the Sub-Fund thereon; or
- b) any period when the net asset value of one or more investment funds, in which the Fund will have invested and the units or the shares of which constitute a significant part of the assets of the Fund, cannot be determined accurately so as to reflect their fair market value as at the Valuation Date; or
- c) during the existence of any state of affairs which constitutes an emergency in the opinion of the Board as a result of which disposals or valuation of assets owned by the Sub-Fund would be impracticable; or

- d) during any breakdown in the means of communication normally employed in determining the price or value of any of the investments of the Sub-Fund or the current price or values on any stock exchange or other market in respect of the assets attributable to the Sub-Fund; or
- e) during any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of the Shares of the Sub-Fund or during which any transfer of funds involved in the realisation or acquisition, of investments or payments due on redemption of Shares cannot in the opinion of the Board be effected at normal rates of exchange; or
- f) if the Fund or the relevant Sub-Fund is being or may be wound-up on or following the date on which notice is given of the meeting of Shareholders at which a resolution to wind up the Fund or the Sub-Fund is proposed; or
- g) if the Board has determined that there has been a material change in the valuations of a substantial proportion of the investments of the Fund attributable to a particular Sub-Fund in the preparation or use of a valuation or the carrying out of a later or subsequent valuation; as well as
- h) during any other circumstance or circumstances where a failure to do so might result in the Fund or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or any other detriment which the Fund or its Shareholders might so otherwise have suffered.

The suspension in respect of a Sub-Fund will have no effect on the calculation of the Net Asset Value and the issue, redemption and conversion of the Shares of any other Sub-Fund. Any such suspension will be notified to the relevant shareholders concerned.

14. Provisions and Expenses

A. General

The Fund pays out of its assets all expenses and provisions payable by the Fund.

Expenses specific to a Sub-Fund or Class shall be borne by that Sub-Fund or Class. In the case where any liability of the Fund cannot be considered as being attributable to a particular Sub-Fund, such liability shall be allocated to all the Sub-Funds pro rata to their Net Asset Values or in such other manner as determined by the Board of Directors acting in good faith.

Expenses incurred in connection with the incorporation of the Fund including those incurred in the preparation and publication of the first Prospectus, all legal, fiscal and printing charges, as well as certain launch expenses (including advertising costs) and other preliminary expenses may be amortized over a maximum period of five years and in such amount in each year in each Sub-Fund as determined by the Board of Directors on an equitable basis.

In the event that an additional Sub-Fund is set up within the Fund, then the following amortisation rules shall apply: (i) the costs and expenses for setting-up any additional Sub-Fund shall be borne exclusively by the relevant Sub-Fund and will be written off over a period not exceeding five years and (ii) the additional Sub-Fund shall bear a pro rata of the costs and expenses incurred in connection with the creation of the Fund and the initial issue of Shares, which have not already been written off at the time of the creation of the additional Sub-Fund.

B. Provision for General Operating Expenses

1. Management Company Fee

The Fund will pay to the Management Company at the end of each month, for each Class of Shares within a Sub-Fund, a management company fee (the "**Management Company Fee**") at an annual variable rate not exceeding the percentage amount indicated in each Sub-Fund's description under Part B "Sub-Fund Particulars", with a minimum fee per Sub-Fund of EUR 3,000 per month.

As at the date of this Prospectus, the Management Company does not receive any performance fee.

2. Depository Bank and Principal Paying Agent, Administrative, Registrar and Transfer Agent Fees

The Fund will pay to the Depository Bank and Principal Paying Agent, the Administrative, Registrar and Transfer Agent annual fees ("**Depository Bank, Principal Paying Agent, Administrative, Registrar and Transfer Agent Fees**") which will vary up to a maximum of 0,5 % of the net asset value at the Fund level subject to a minimum fee per Sub-Fund of EUR 33,000, as indicated in each Sub-Fund's description under Part B "Sub-Fund Particulars". These fees are payable on a monthly basis and do not include any transaction related fees, and costs of sub-custodians or similar agents. Depository Bank and Principal Paying Agent, the Administrative, Registrar and Transfer Agent are also entitled to be reimbursed of reasonable disbursements and out of pocket expenses which are not included in the above-mentioned fees.

The amount paid by the Fund to the Depository Bank and Principal Paying Agent, the Administrative, Registrar and Transfer Agent will be mentioned in the annual report of the Fund.

3. Investment Managers Fees

The Fund will pay at the end of each month an annual variable fee to the Investment Managers for their investment management services, which shall include but not be limited to:

- fees payable for the investment management of or advice on all or part of the Sub-Funds' assets, including performance fees, if any,
- the remuneration of people, employed by the Investment Managers or outsiders, in charge of managing or advising on all or part of the Fund's investments and their reasonable operating expenses, insurance coverage, travelling costs and reasonable out-of-pocket expenses;
- all other investment management and advice expenses as determined in good faith by the Board of Directors.

4. Additional charges due by the Fund

The Fund will, in addition, bear the following costs, charges and expenses which shall be deducted from the assets comprising the Fund:

- expenses for **Administration, Operations and Custody**, which shall include but not be limited to:
 - the remuneration of people, employed by the Fund (including potential Directors) or outsiders, in charge of Administration and Operations, and their reasonable operating expenses, insurance coverage, travelling costs and reasonable out-of-pocket expenses;
 - fees charged by the Depository and the Registrar Agent on transactions made by the Investment Manager (transactions on the Fund's portfolio) or investors (transactions on the Fund's Shares);
 - any reasonable out-of-pocket expenses and reasonable disbursements incurred by the Depository, the Management Company, the Administrative and Registrar Agent;
 - legal and other professional adviser expenses incurred by the Management Company, the Investment Manager and its delegates and the Depository while acting in the interests of the Shareholders;
 - the cost of buying and selling assets, interest, bank charges and brokerage standard incurred on the Fund's transactions;
 - initial set-up expenses of the Fund;
 - taxes (including Luxembourg annual subscription tax);
 - the fees and expenses involved in preparing and/or filing the Prospectus and all other documents concerning the Fund, including the sales documents and any amendments or supplements thereto, with all authorities having jurisdiction over the Fund or the offering of Shares of the Fund or with any stock exchanges in the Grand Duchy of Luxembourg and in any other country; and

- all other administrative and operating expenses, as determined in good faith by the Board of Directors.
- expenses for **Information and Research**, which shall include but not be limited to:
 - subscription costs to online information and pricing services (Bloomberg, ...), credit-analysis services, equity analysis services (Morningstar, ...), newspapers, magazines, trade-publications, etc.
 - costs (incl. travel) related to the attendance to seminars, company visits, tradefairs, etc.
 - the remuneration of people, employed by the Fund (including potential Directors) or outsiders, in charge of gathering information and research and their reasonable operating expenses, insurance coverage, travelling costs and reasonable out-of-pocket expenses;
 - all other information and research expenses as determined in good faith by the Board of Directors.
- expenses for **Risk Management and General Surveillance**, which shall include but not be limited to:
 - the fees and expenses for legal and auditing services;
 - any fees and expenses involved in registering and maintaining the registration of the Fund or a Sub-Fund in the Grand Duchy of Luxembourg (CSSF authorization fee and annual maintenance) and in any other country;
 - fees payable for the risk management of or risk-oriented advice on all or part of the Sub-Funds' investments;
 - the remuneration of people, employed by the Fund (including potential Directors) or outsiders, in charge of evaluating and managing risks on all or part of the Sub-Funds' investments, in charge of general company surveillance and their reasonable operating expenses, insurance coverage, travelling costs and reasonable out-of-pocket expenses;
 - all or part of the expenses of holding the Board of Directors;
 - all other risk management and general surveillance expenses as determined in good faith by the Board of Directors.
- expenses for **Communications and Distribution**, which shall include but not be limited to:
 - reporting and publishing expenses, including the cost of preparing, printing, in such languages as are necessary for the benefit of the Shareholders, and distributing sales documents, audited annual and other reports or documents as may be required under applicable law or regulations;
 - the cost related to promoting and distributing the Fund, including the commissioning of intermediaries, reasonable marketing and advertising expenses;
 - the cost of preparing and distributing notices to the Shareholders;
 - the cost related to the holding of Shareholder meetings;

- the costs of publication of Share prices;
- the cost linked to the internet site of the Fund;
- all other communication expenses as determined in good faith by the Board of Directors.

The Board of Directors is responsible for managing and supervising the expenses of the Fund.

Each Sub-Fund shall amortise its own expenses of establishment over a period of five (5) years as of the date of its creation. The expenses of first establishment will be exclusively charged to the Sub-Funds opened at the incorporation of the Fund and shall be amortised over a period not exceeding five (5) years.

Any costs, which are not attributable to a specific Sub-Fund, incurred by the Fund will be charged to all Sub-Funds in proportion to their average Net Asset Value. Each Sub-Fund will be charged with all costs or expenses directly attributable to it.

C. Direct Expenses

Some expenses, directly related to the Sub-Funds' investments, will be charged directly to the Sub-Fund:

- Transaction fees charged by the Depositary and brokerage fees, on transactions executed for the account of the Sub-Fund.

15. Taxation

This summary does not purport to be a complete analysis of all possible tax situations that may be relevant to a decision to purchase, own or sell Shares. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be legal or tax advice.

The following description of Luxembourg taxation is based upon the Luxembourg legislation and regulations as in effect and as interpreted by the Luxembourg tax authorities on the date of this Prospectus and is subject to any amendments in law or in interpretation later introduces, whether or not on a retroactive basis.

A. Taxation in Luxembourg

Under Luxembourg law, there are currently no Luxembourg taxes on income, withholding or capital gains by the Fund. The Fund is, however, subject to a *taxe d'abonnement* of 0.05% per year, calculated and payable quarterly, on the aggregate Net Asset Value of the outstanding Shares of the Fund at the end of each quarter. This annual tax is however reduced to 0.01% on the aggregate Net Asset Value of the Shares in Classes (if any) dedicated to institutional investors.

Shareholders are, at present, not subject to any Luxembourg capital gains, income, withholding, gift, estate, inheritance or other tax with respect to shares owned by them (except, where applicable, Shareholders who are domiciled or reside in or have permanent establishment or have been domiciled or have resided in Luxembourg).

Prospective investors should inform themselves as to the taxes applicable to the acquisition, holding and disposition of Shares of the Fund and to distributions in respect thereof under the laws of the countries of their citizenship, residence or domicile.

B. Foreign Account Tax Compliance Act – “FATCA”

The provisions of Foreign Account Tax Compliance Act (commonly known as “**FATCA**”) are contained in the Hiring Incentives to Restore Employment Act (the “**Hire Act**”), which was signed into US law in March 2010. These provisions are US legislation aimed at reducing tax evasion by US citizens. FATCA requires Financial Institutions outside the US (“**Foreign Financial Institutions**” or “**FFIs**”) to pass information about “**Financial Accounts**” held by “**Specified US Persons**”, certain Non-Financial Foreign Entities (“**NFFE**”) with Controlling Persons that are Specified U.S. Persons, non-compliant FFIs (so-called “**Non-Participating Foreign Financial Institutions**” or “**NPFFIs**”) or by persons unwilling to participate, to the US tax authorities (the “**Internal Revenue Service**” or “**IRS**”) on an annual basis.

In general, a 30% withholding tax is imposed on certain US source income paid to NPFFIs and to recalcitrant account holders. These latter are account holders that have not provided all details required for proper identification. Generally, non-US funds will be FFIs and will need to enter into FFI agreements with the IRS unless they qualify as “deemed-compliant” FFIs, or, if subject to a Model 1 inter-governmental agreement (“**IGA**”), they can qualify as either a “Reporting Financial Institution” or “Non-Reporting Financial Institution” under their local country IGA. IGAs are agreements between the US and foreign jurisdictions to implement FATCA compliance.

On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 IGA with the US and a Memorandum of understanding in respect thereof. The IGA was incorporated

into local law by the law dated 24 July 2015, published on 29 July 2015 ("**FATCA Law**"). The Fund intends to comply with the provisions of the Luxembourg IGA and FATCA Law and should thus not be subject to the punitive 30% FATCA withholding tax with respect to its U.S. investments.

In this respect the Administrative, Registrar and Transfer Agent of the Fund may be required to collect information (including self-certification forms or IRS Forms) aiming to identify the account holders of the Fund for FATCA purposes, that are all the equity or debt interest holder (hereafter the "**Investor**").

In case an investor qualifies as Specified U.S. Person or Passive NFFE with one or more Controlling U.S. Persons, the Fund will have to report the equity or debt interest holder to the Luxembourg tax authorities ("**Administration Des Contributions Directes**") that will in turn exchange the information on an automatic basis with the IRS. The reporting to the Luxembourg tax authorities needs to be performed by 30 June of each calendar year following the reporting period. The Luxembourg tax authorities will exchange the information with the IRS by 30 September of the same calendar year.

In case an investor fails to provide the Administrative, Registrar and Transfer Agent with the required documentation, the equity or debt interest might be reported. To ensure the Fund's compliance with the Luxembourg IGA and FATCA Law in accordance with the foregoing, the Fund or the Administrative, Registrar and Transfer Agent may:

- a. request information or documentation, including W-8 tax forms or self-certification forms, a Global Intermediary Identification Number ("**GIIN**"), if applicable, or any other valid evidence of the investor's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such investor's FATCA status;
- b. report information concerning an investor and his equity or debt interest in the Fund to the Luxembourg tax authorities, if such investor is a Specified U.S. Person; or report information on the US Controlling Person(s) of such investor if the investor is considered as a Passive NFFE.

The Fund may be responsible (directly or through its Administrative, Registrar and Transfer Agent) for the personal data processing and may act as data controller for the purpose of the FATCA Law.

For each information request for the purpose of the FATCA Law sent to an individual concerned (i.e. investor or Controlling Person of Passive NFFE), the answer from the individual will be mandatory. Failure to respond within the prescribed time frame may result in (incorrect or double) reporting of the account to the Luxembourg tax authorities.

Each individual concerned has a right to access any data reported to the Luxembourg tax authorities for the purpose of the FATCA Law and, as the case may be, to have these data rectified in case of error.

Investors and intermediaries acting for the investors, should note that it is the existing policy of the Fund, that Shares are not being offered or sold for the account of US Persons and that subsequent transfers of Shares to US Persons are prohibited. If Shares are beneficially owned by any US Person, the Administrative, Registrar and Transfer Agent may, subject to the Fund's prior approval, compulsorily redeem such Shares and report the investors for the year of redemption. Shareholders should moreover note that under the FATCA legislation, the definition of Specified US Persons will include a wider range of investors than the current US Person definition. The Management Company may therefore resolve, once further clarity about the implementation of the Luxembourg IGA becomes available, that it is in the interest of the Fund to widen the type of investors

prohibited from further investing in the Fund and to make proposals regarding existing investor holdings in connection therewith.

C. Common Reporting Standard (CRS)

The OECD received a mandate by the G8/G20 countries to develop a global reporting standard to achieve a comprehensive and multilateral automatic exchange of information ("**AEOI**") in the future on a global basis. The CRS has been incorporated in the amended Directive on Administrative Cooperation ("**DAC 2**"), adopted on 9 December 2014, which the EU Member States had to incorporate into their national laws by 31 December 2015. In this respect, the Luxembourg CRS law dated 18 December 2015 was published on 24 December 2015 ("**CRS Law**").

The CRS requires Luxembourg Financial Institutions to identify their account holders and establish where they are fiscally resident. In case of a Financial Institution that is an Investment Entity the term account holder means any equity or debt interest holder (hereafter the "**Investor**"). In this respect, a Luxembourg Financial Institution may request to obtain a self-certification to establish the CRS status and/or tax residence of its investors.

In case an Investor or Controlling Person of a Passive Non-Financial Entity ("**NFE**") investor is resident for tax purposes in one or more Reportable Jurisdiction(s) (identified in a Grand Ducal Decree), the "**Reporting Luxembourg Financial Institution**" has to report annually financial account information of such investor /Controlling Person to the Luxembourg tax authorities *Administration Des Contributions Directes* who will in turn exchange the information with the tax authorities of the Reportable Jurisdiction(s) where the investor /Controlling Person is tax resident.

A Reporting Luxembourg Financial Institution will exchange the following information with respect to the investors / Controlling Persons located in a Reportable Jurisdiction: name, address, jurisdiction(s) of tax residence, tax identification number(s), date and place of birth (in case of individuals), and, in relation to the equity or debt interest, the value of the investment as of the end of the relevant calendar, as well as the total gross amount paid or credited during the calendar year or other appropriate reporting period.

The Fund, as Reporting Luxembourg Financial Institution, or its Administrative, Registrar and Transfer Agent may be responsible for the personal data processing and may act as data controller for the purpose of the CRS Law.

For each information request for the purpose of the CRS Law sent to the individual concerned (i.e. investor or Controlling Person of Passive NFE), the answer from the individual will be mandatory. Failure to respond within the prescribed time frame may result in (incorrect or double) reporting of the account to the Luxembourg tax authorities.

Each individual concerned has a right to access any data reported to the Luxembourg tax authorities for the purpose of the CRS Law and, as the case may be, to have these data rectified in case of error.

16. General Information

A. Accounting Year

The financial year of the Fund ("Financial Year") begins on January 1st and terminates on December 31st of each calendar year.

B. Shareholders' Meetings

The annual general meeting of the shareholders of the Fund is held in Luxembourg at the registered office of the Fund on the second Wednesday of April at 2:00 p.m. If this day is not a Business Day, the meeting shall be held on the next Business Day.

As all the Shares are only issued in registered form, all the Shareholders shall be convened to the meeting via a notice sent by registered mail to the addresses recorded in the register of Shareholders at least eight days prior to the meeting, without any further publication. This notice shall indicate the date, time and place of the meeting, as well as the admission conditions, the agenda and the quorum and majority requirements.

Each Share grants the right to one vote.

C. Information to Shareholders

Audited annual reports will be made available at the registered office of the Fund by no later than four (4) months after the end of the Financial Year and unaudited semi-annual reports will be made available two (2) months after the end of such period.

All communications to Shareholders shall be done through a notice that will be either published in a Luxembourg newspaper, or sent to the Shareholders at their addresses indicated in the Shareholders' register or communicated via other means as deemed appropriate by the Board of Directors and if required by the Luxembourg law, in the *Mémorial*.

D. Documents available

The following documents and agreements may be consulted and obtained at the registered office of the Fund and at the registered office of the Management Company:

- the Articles of Incorporation;
- the Prospectus;
- the KIIDs
- the most recent annual or semi-annual report;
- the Management Company Services Agreement;
- the Depositary Bank & Principal Paying Agent Agreement;
- the Administration Agency Agreement;
- the Investment Management Agreement.

Client complaints

Investors have the right to log their complaints free of charges to the sale representatives of the Management Company or directly to the Management Company. The complaints handling procedure is available on the website link of the Management Company: www.lemanikgroup.com (direct link: <http://lux.lemanikgroup.com/corporate#policies-complaints-handling>).

E. Exercise of voting rights

The Management Company has delegated the investment management function to CapitalatWork S.A. and to CapitalatWork Foyer Group S.A.

The Investment Managers being best placed to exercise voting rights in the best way possible in the interests of the Fund, have adopted a voting policy adopted by the Management Company via delegation.

The Investment Managers ensure by way of their voting policy compliance with the requirements of the Luxembourg regulations and that the voting rights are exercised in the interest of the Fund managed by the Investment Managers.

Investors have access to the voting rights policy without charge at the registered office of the Management Company.

F. Principal Adverse Impacts

The Investment Managers have made the decision to report on the principal adverse impacts of investment decision on sustainability factors and are currently developing the related due diligence process. The information regarding the type of impacts which are considered will be added into the prospectus as per the Article 7 SFDR by 30 December 2022.

17. Dissolution and Liquidation

A. Dissolution and Liquidation of the Fund

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

Whenever the share capital falls below two-thirds of the minimum capital, the question of the dissolution of the Fund shall be referred to a general meeting of Shareholders by the Board of Directors. The general meeting, for which no quorum shall be required, shall decide by the simple majority of the votes cast.

The question of the dissolution of the Fund shall also be referred to a general meeting of Shareholders whenever the share capital falls below one-fourth of the minimum capital. In such event, the general meeting shall be held without any quorum requirement and the dissolution may be decided by Shareholders holding one-fourth of the votes.

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

One or more liquidators (who may be natural persons or legal entities) shall be appointed by the General Meeting of Shareholders to realise the assets of the Fund, subject to the supervision of the relevant supervisory authority in the best interests of the Shareholders.

The proceeds of the liquidation of each Sub-Fund, net of all liquidation expenses, shall be distributed by the liquidators among the holders of Shares in each Class in accordance with their respective rights. The amounts not claimed by Shareholders at the end of the liquidation process shall be deposited, in accordance with Luxembourg law, with the *Caisse de Consignation* in Luxembourg until the statutory limitation period has lapsed.

B. Dissolution and Liquidation of any Sub-Fund or Shares Class

In the event that for any reason, the value of the Net Asset Value in any Sub-Fund or in any Class of Shares within a Sub-Fund has decreased under an amount determined by the Board of Directors to be the minimum level for such Sub-Fund or Class of Shares to be operated in an economically efficient manner, or in the event of unfavourable change in the social, economic or political situation, or in order to effect an economic rationalization, the Board of Directors may decide to terminate the relevant Sub-Fund or Class and to compulsorily redeem all the Shares of the relevant Class(es) issued in such Sub-Fund at the Net Asset Value per Share (taking into account actual realisation prices of investments and realisation expenses and the provisions of the liquidation's fees), calculated on the Valuation Day at which such decision shall take effect. The Fund shall serve a notice to the Shareholders of the relevant Class(es) of Shares in writing prior to the effective date for such compulsory redemption, which will indicate the reasons for, and the procedure of, the redemption operations.

Any request for subscription shall be suspended as from the moment of the announcement of the termination of the relevant Sub-Fund.

Notwithstanding the above powers conferred on the Directors, the General Meeting of Shareholders of any one or all Classes of Shares issued in a Sub-Fund may, upon proposal from the Directors, decide to terminate the relevant Sub-Fund or Class and to redeem all the Shares of the relevant Class(es) issued in such Sub-Fund and refund to the Shareholders the Net Asset Value of their Shares (taking into account actual realisation prices of investments and realisation expenses and the provision of the liquidation 's fees) calculated for the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such General Meeting of Shareholders that shall decide by resolution taken by simple majority of those present or represented.

In all of the above cases, the Directors may offer the Shareholders of such Sub-Fund the conversion of their Shares into Shares of another Sub-Fund (if applicable), under the terms fixed by the Directors, or the redemption of their Shares for cash at the Net Asset Value per Share (including all estimated expenses and costs relating to the termination) determined on the applicable Valuation Day as described under *Redemption of Shares*.

Assets which are not distributed to their owners upon the implementation of the redemption will be deposited with the *Caisse de Consignation* on behalf of the persons entitled thereto.

All redeemed Shares shall be cancelled thereafter by the Fund.

The termination of the last Sub-Fund will imply the liquidation of the Fund; the termination of the last Sub-Fund must be decided at a General Meeting of Shareholders and certified by a notary. There shall be no quorum requirements for such General Meeting of Shareholders which shall decide by resolution taken by simple majority of those present or represented and voting at such meeting.

C. Merger, Amalgamation and Division of Sub-Funds

The Board of Directors may decide, under the same circumstances as provided above and in accordance with the 2010 Law, at any moment to amalgamate or divide any Sub-Fund.

In the case of amalgamation or division of Sub-Fund, the existing Shareholders of the respective Sub-Funds have the right to require, within one month of notification and enforcement of such event, the redemption by the Fund of their Shares without redemption costs.

Any request for subscription shall be suspended as from the moment of the announcement of the amalgamation or division of the relevant Sub-Fund.

The Fund or any of its Sub-Fund (respectively Class of Shares) may, either as a merging entity or as a receiving entity, be subject to cross-border and domestic mergers in accordance with the definitions and conditions set out in the 2010 Law.

The Board of the Fund shall be competent to decide on the merger of any Sub-Fund or any class of Shares with another UCITS, sub-fund of a UCITS or class of shares of a UCITS.

The Shareholders will be notified of such merger in accordance with Luxembourg law and shall have at least one (1) month as of the date of notification to request the repurchase or conversion of their Shares free of charge.

A merger that has as a result that the Fund ceases to exist needs to be decided at a general meeting of Shareholders and certified by a notary. There shall be no quorum requirements for such general meeting of Shareholders which shall decide by resolution taken by simple majority of those present or represented and voting at such meeting.

PART B: SUB-FUNDS PARTICULARS

The Blue Fund SICAV– The Blue Global Fund

(hereinafter referred to as the "**Sub-Fund**")

A. Investment Objective and Specific Investment Policy and Restrictions

The investment objective of the Sub-Fund is to allow investors to gain exposure to a long-term, value-based investment strategy in worldwide publicly traded fixed-income and equity investments.

The Sub-Fund is not looking to outperform any benchmark over any given period. The Sub-Fund is not an absolute return fund; there may be negative returns over certain periods.

The Sub-Fund always has to have at least 20% (with a maximum of 80%) of its Net Asset Value invested in fixed-income investments, which includes cash and its equivalents, and at least 20% (with a maximum of 80%) of its Net Asset Value invested in equity investments.

Between these two minimum allocations of 20%, 60% of the assets of the Sub-Fund shall be allocated to various eligible asset classes and securities at the discretion of the Fund. The exposure to the assets and securities within the 20% minima is also left to the discretion of the Fund.

The Sub-Fund may invest up to 10% of its Net Asset Value in units/shares of other UCITS and UCIs.

The Sub-Fund enjoys great flexibility and a wide reach as there are no limits with regards to geography, industries, currencies, sizes, ratings, etc ... other than the general restrictions outlined in the 2010 Law and in part A of this Prospectus.

The Sub-Fund may invest in listed derivatives for the purposes of efficient portfolio management or hedging risks.

The Sub-Fund may invest in OTC derivatives for hedging purposes only.

When investing in listed and/or OTC derivatives, the Sub-Fund will at all times comply with 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.

The Sub-Fund is allowed to invest up to 10% of its Net Asset Value in contingent convertible bonds.

On an ancillary basis, the Sub-Fund may invest in and hold:

- Equity-linked instruments
- Convertible bonds
- ABS/MBS up to 10% of its Net Asset Value
- Other debt instruments, including high yield bonds
- Other transferable securities and money market instruments referred to in Part A of the present Prospectus.

Securities lending will be used within the limits described under Part A of this Prospectus.

Every type of security in the portfolio of the Sub-Fund may be lent.

The calculation methodology for the global exposure is the commitment as defined in CESR's Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS (ref.: CESR/10-788). The level of leverage is not expected to exceed 100%.

B. Risk Factors

An investor should be aware that it may lose all or part of its investment in the Sub-Fund. Investing in the Sub-Fund exposes the investors to the risks detailed in section "General Risk Considerations" in Part A of the present Prospectus, which are in substance:

- the risk to expected future cash-flows;
- the interest rate risk, currency risk and (il)liquidity risk;
- the risk associated to investing in equity securities and fixed-income securities
- the counterparty risk;
- the risk associated to investing in emerging market countries and small capitalization stocks;
- the risk associated to investing in lower quality securities;
- the risk associated to investing in units or shares of UCIs or UCITS;
- the special risks related to the investment in call options & warrants, and other financial derivative instruments;
- the special risks related to the use of contingent convertible bonds and mortgage/asset backed securities;
- the risks associated to securities lending;
- the sustainability risks.

C. Profile of the Typical Investor

This Sub-Fund is suitable for investors with a long term investment horizon (between 3 and 5 years). As explained in point A. above, the Sub-Fund may have a large exposure to the equity market. Although history has shown that equities have the potential to give better long-term returns than money market securities or bonds, they also proved to be more volatile.

Investors must thus be aware that they may not recover their initial investments.

Investors should consider their long-term investment goals and financial needs when making an investment decision about this Sub-Fund.

D. Reference Currency of the Sub-Fund

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

E. Types of Shares Class

Share Class	ISIN Code	Reference Currency
Share Class EUR, opened	LU0840257637	EUR

to all types of investors (retail and non-retail)		
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F. Fees charged to the Sub-Fund

Annual operating expenses

Share Class	Management Fee*	Investment Managers Fee	Administrative and Registrar Agent Fee**	Depository Fee**
Share Class EUR	Up to 0.01% p.a.	Up to 0.35% p.a.	Up to 0.03% p.a.	Up to 0.05% p.a.

* The above fees will be subject to a minimum fee per Sub-Fund of EUR 3,000 per month.

** The above fees will be subject to a minimum fee per Sub-Fund of EUR 33,000.

Some expenses, directly related to the Sub-Funds' investments, will be charged directly to the Sub-Fund as explained in section "Provisions and Expenses", under point C. No performance fee is payable in this Sub-Fund.

The Luxembourg annual subscription tax of 0.05% per year due by the Sub-Fund is calculated and payable quarterly, on the basis of the net assets of the Sub-Fund at the end of each quarter.

G. Subscription, conversion and redemption of Shares

1. Minimum Subscription Amount

Minimum Initial Subscription Amount	Share Class EUR: 250.000,-
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2. Procedure

	Share Class	Cut-off Time	Valuation Day	Settlement Date
Subscriptions and Conversions In and Out	Share Class EUR	5 p.m. (Luxembourg Time) the Business Day preceding the Valuation day	Daily	<p>Cleared mode basis: 5 p.m. (Luxembourg Time) the Business Day preceding the Valuation day</p> <p>Contractual mode basis: within two (2) Business Days following the Valuation Day</p>
Redemptions	Share Class EUR	5 p.m. (Luxembourg	Daily	within four (4) Business Days

		Time) the Business Day preceding the Valuation day		following the Valuation Day
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3. Fees charged to investors

Share Class	Subscription fee	Entry fee	Conversion fee	Redemption fee
Share Class EUR	Max. 1% payable by the investors to intermediaries in the Sub-Fund	Max. 0,25% payable by the investors to the Sub-Fund	Max. 0,25% payable by the investors to the target Sub-Fund	Max. 0,25% payable by the investors to the Sub-Fund

4. Distribution Policy

Share Class EUR will be an accumulating share class, in accordance with section 9 "Shares" of part A of this Prospectus.

H. Securities lending

The Sub-Fund will, for the purpose of generating additional income, engage in securities lending transactions within the limits set forth in applicable Luxembourg regulations. Such additional income will be generated through the securities lending transactions themselves, and not through the reinvestment of cash collateral.

Depending on the lending market conditions, the expected proportion of the Sub-Fund's assets lent out is between 5% and 15% of the Net Asset Value of the Sub-Fund. Market conditions include borrowing demand and risk management parameters depending on volatility, seasonality, liquidity, diversification as managed by the Securities Lending Agent. The maximum percentage is up to 30% of the portfolio and will not be exceeded. An overview of the actual loan balance of the Sub-Fund is available in the annual report.

The proportion of the revenue generated by securities lending to be returned to the Fund is 100%, after deducting direct and indirect operational costs and charges. Direct and indirect operational costs represent a max. level of gross revenues of 25% for the Securities Lending Agent.