
PROSPECTUS

RELATING TO AN OFFER OF UNITS OF

ATCM II

January 2018

ATCM II (the "**Fund**") is organised as an umbrella FCP (*Fonds Commun de Placement*) under Part II of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment as such law may be amended from time to time (the "**2010 Law**") and qualifies as alternative investment fund ("**AIF**") in accordance with the 2010 Law and the law of 12 July 2013 on alternative investment fund managers (the "**2013 Law**").

Upon the publication of the financial reports of the Fund, this prospectus (the "Prospectus") is only valid if accompanied by the latest published annual and semi-annual report (if any). Such report or reports are deemed to be an integral part of the Prospectus.

The distribution of this Prospectus and the offering, issue and transfer of units of ATCM II (the "Units") may be restricted in certain jurisdictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such offer or solicitation. It is the responsibility of any person in possession of this Prospectus and any person wishing to apply for Units to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction including any applicable foreign exchange restrictions or exchange control regulations and possible taxation consequences in countries of their respective residence or domicile.

Statements made in this Prospectus are based on the law and practice in force in the Grand-Duchy of Luxembourg at the date of this Prospectus and are subject to changes therein.

Units may not be offered, sold or otherwise distributed to prohibited persons (the "**Prohibited Persons**").

Prohibited Persons means any person, firm or corporate entity, determined in the sole discretion of the Management Company, as being not entitled to subscribe to or hold Units:

- 1- if in the opinion of the Management Company such holding may be harmful/damaging to the Fund,
- 2- if it may result in a breach of any law or regulation, whether Luxembourg or foreign,
- 3- if as a result thereof the Fund or the Management Company or the AIFM may become exposed to disadvantages of a tax, legal or financial nature that it would not have otherwise incurred or
- 4- if such person would not comply with the eligibility criteria for Units (e.g. in relation to "US Persons" and "Specified US Persons" as described below).

The Fund has not been and will not be registered under the United States Investment Company Act of 1940 as amended (the "Investment Company Act"). The Units of the Fund have not been and will not be registered under the United States Securities Act of 1933 as amended (the "Securities Act") or under the securities laws of any state of the US and such units may be offered, sold or otherwise transferred only in compliance with the Securities Act of 1933 and such state or other securities laws. The Units of the Fund may not be offered or sold within the US or to or for the account, of any US Person. For these purposes, US Person is as defined in Rule 902 of Regulation S under the Securities Act.

Rule 902 of Regulation S under the Securities Act defines US Person to include inter alia any natural person resident of the United States and with regards to investors other than individuals, (i) a corporation or partnership organised or incorporated under the laws of the US or any state thereof; (ii) a trust (a) of which any trustee is a US Person except if such trustee is a professional fiduciary and a co-trustee who is not a US Person has sole or shared investment discretion with regard to trust assets and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person or (b) where a court is

able to exercise primary jurisdiction over the trust and one or more US fiduciaries have the authority to control all substantial decisions of the trust and (iii) an estate (a) which is subject to US tax on its worldwide income from all sources; or (b) for which any US Person is executor or administrator except if an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with regard to the assets of the estate and the estate is governed by foreign law.

The term "US Person" also means any entity organised principally for passive investment (such as a commodity pool, Investment Company or other similar entity) that was formed:

(a) for the purpose of facilitating investment by a US Person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the regulations promulgated by the United States Commodity Futures Trading Commission by virtue of its participants being non-US Persons or (b) by US Persons principally for the purpose of investing in securities not registered under the Securities Act, unless it is formed and owned by "accredited investors" (as defined in Rule 501 (a) under the Securities Act) who are not natural persons, estates or trusts.

The term "Specified US Person" should have the meaning given to it in §1.1473-1(c) of the Treasury Regulations issued on 17 January 2013 regarding the foreign account tax compliance act.

Applicants for the subscription to Units will be required to certify that they are not US Persons and might be requested to prove that they are not Prohibited Persons.

Unitholders are required to notify the Registrar and Transfer Agent of any change in their domiciliation status.

Prospective investors are advised to consult their legal counsel prior to investing in Units of the Fund in order to determine their status as non US Persons and as non-Prohibited Persons.

SEB Fund Services S.A. may refuse to issue Units to Prohibited Persons or to register any transfer of Units to any Prohibited Person. Moreover SEB Fund Services S.A. may at any time forcibly redeem/repurchase the Units held by a Prohibited Person.

SEB Fund Services S.A. can furthermore reject an application for subscription at any time at its discretion, or temporarily limit, suspend or completely discontinue the issue of Units, in as far as this is deemed to be necessary in the interests of the existing unitholders as an entirety, to protect SEB Fund Services S.A., to protect the Fund in the interests of the investment policy or in the case of endangering specific investment objectives of the Fund.

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

Any information or representation not contained in this Prospectus given or made by any dealer shall not be relied upon. Neither the delivery of this Prospectus nor the offer, issue or sale of Units shall

under any circumstances constitute a representation that the information given in this Prospectus is correct as at any time subsequent to the date hereof.

Important: The Units are offered on the basis of the information and representations contained in this Prospectus or the documents specified herein and no other information or representation relating thereto is authorised. If you are in any doubt as to the contents of this Prospectus you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser.

All references herein to "SEK" are to Swedish Krona, to "US dollars" or to "USD" are to United States Dollars, to "NOK" are to Norwegian Krone, to "CHF" are to Swiss Francs, to "DKK" are to Danish Krone and to "EUR" are to single currency of the member states of the European Union participating in the Economic and Monetary Union.

Unitholders are informed that their personal data or the information given in the subscription documents or otherwise in connection with an application to subscribe for Units, as well as details of their holding, will be stored in digital form and processed in compliance with the provisions of the Luxembourg law of 2 August 2002 on data protection as amended, by the Management Company, the Sub-Administrator and the Depositary. These personal data may be held, stored, processed or transferred for the purposes of performing services such as but not limited to processing subscriptions, conversions and redemptions, maintaining registers of Unitholders and providing financial and other information to Unitholders or complying with applicable Luxembourg or foreign legal or regulatory obligations (such as anti-money laundering requirements) or for the purposes of maintaining global client records and providing centralised administrative services and unitholder servicing as well as marketing services, for example in connection with investments in other investment fund(s) managed or administered by the SEB Group.

Investors and Unitholders should be aware that personal information may be disclosed to or processed by (i) any other company within the SEB Group (as well as any appointed distributor or sub-distributor) which may be based in countries where privacy laws do not exist or provide less protection than the laws in the European Union; or (ii) when required by applicable law and regulation. By investing in Units, each investor appoints the Management Company and any other company within the SEB Group (as well as any appointed distributor or sub-distributor) as attorney-in-fact to collect from the Sub-Administrator, in its capacity as Registrar and Transfer Agent, all necessary information pertaining to investments in the Fund for the purpose of unitholder servicing and/or the effective management of the Fund.

Investors and Unitholders may request access to or the rectification of any data provided.

ATCM II

**Management Company
and Alternative
Investment Fund
Manager**

SEB Fund Services S.A.
4, rue Peternelchen
L-2370 Howald
Luxembourg

**Board of Directors of
the Management
Company and
Alternative Investment
Fund Manager**

Göran Fors (Chairman)
Acting Head of Investor Services
Large Corporates and Financial Institutions
Skandinaviska Enskilda Banken AB (publ)
Sweden

Jonas Lindgren (Member)
Client Executive, Hedge Fund Coverage
Large Corporates and Financial Institutions
Skandinaviska Enskilda Banken AB (publ)
Sweden

Marie Juhlin (Member)
Managing Director
SEB Fund Services S.A.
Luxembourg

Claes-Johan Geijer (Member)
Independent Director and Advisor
G Advisors S.à.r.l.
Luxembourg

Conducting Officers of the Management Company:

Marie Juhlin, Managing Director
Jan Hedman, Deputy Managing Director

Depositary

Skandinaviska Enskilda Banken S.A.
4, rue Peternelchen
L-2370 Howald
Luxembourg

Portfolio Manager

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
SE-106 40 Stockholm
Sweden

Administrator

SEB Fund Services S.A.
4, rue Peternelchen
L-2370 Howald
Luxembourg

**Sub-Administrator
including the Registrar
and Transfer Agent**

European Fund Administration S.A.
2, rue d'Alsace
L-1017 Luxembourg
Luxembourg

Distributor

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
SE-106 40 Stockholm
Sweden

**Auditor of the Fund and
SEB Fund Services S.A.**

PricewaterhouseCoopers, *société coopérative*
2, rue Gerhard Mercator
L-2182 Luxembourg

CONTENTS

	Page
I. THE FUND - SUMMARY	8
II. INVESTMENT OBJECTIVE AND POLICIES	9
III. INVESTMENT IN THE FUND	9
A) ISSUE OF UNITS	9
B) IDENTIFICATION AND ANTI-MONEY LAUNDERING PROCEDURES	10
C) REDEMPTION OF UNITS	11
D) SWITCHING BETWEEN SUB-FUNDS	12
IV. DISTRIBUTION POLICY	13
V. FEES AND EXPENSES	14
VI. TAXATION	16
VII. GENERAL INFORMATION	19
A) MANAGEMENT COMPANY AND AIFM	19
B) PORTFOLIO MANAGERS / INVESTMENT ADVISERS / PRIME BROKERS	20
C) DEPOSITARY	21
D) ADMINISTRATOR AND SUB-ADMINISTRATOR	22
E) AUDITOR	22
F) INVESTORS RIGHTS AGAINST SERVICE PROVIDERS	22
G) MANAGEMENT REGULATIONS	23
H) PROCEDURE FOR AMENDING THE PROSPECTUS	23
I) NET ASSET VALUE	24
J) INVESTMENT RESTRICTIONS	26
K) SUSPENSION OF VALUATION OF THE NET ASSET VALUE PER UNIT AND OF THE ISSUE AND REDEMPTION OF UNITS	36
L) COMPULSORY REDEMPTION AND TERMINATION OF SUB-FUNDS	36
M) DURATION OF THE FUND, LIQUIDATION	37
N) RISK MANAGEMENT	37
O) RISK FACTORS	40
P) REGULATORY DISCLOSURE	42
Q) INFORMATION TO UNITHOLDERS	44
APPENDIX I TO THE PROSPECTUS OF ATCM II	45

I. THE FUND - SUMMARY

The Fund has been established in Luxembourg pursuant to the provisions of Part II of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment as such law may be amended from time to time (the "**2010 Law**") as an open-ended mutual investment fund and qualifies as alternative investment fund ("**AIF**") in accordance with the law of 12 July 2013 on alternative investment fund managers (the "**2013 Law**") and the 2010 Law. The Fund is managed by SEB Fund Services S.A. (the "**Management Company**"), a management company incorporated under chapter 15 of the 2010 Law and having its registered office in Luxembourg. The Management Company also acts as alternative investment fund manager (the "**AIFM**") in accordance with the provisions of Chapter 2 of the 2013 Law.

The Fund has been initially established under the name of "TCM Alpha". The name was changed into "ATCM II" by an amendment to the Management Regulations dated 6 August 2009.

The Fund has been established as an umbrella fund. The Management Company may on behalf of the Fund issue one or several classes of Units which are related to specific pools of assets (each a "**Sub-Fund**") established within the Fund. In respect of each Sub-Fund the Management Company pursues a specific investment policy. Where different classes have been created within a Sub-Fund, the references to Sub-Fund have to be understood as references to classes (where applicable).

Details with respect to each Sub-Fund are given in the appendix to this Prospectus specific to each Sub-Fund ("**Appendix**").

Unless otherwise provided in the Appendix to this Prospectus, "Business Day" for the Fund shall mean a day (excluding Good Friday, December 24, Saturdays and Sundays) on which banks in Luxembourg and Stockholm are open for business or such other day or days as the Management Company, after consultation with the Administrator, may from time to time determine.

The Management Company may in the future create additional Sub-Funds and issue further classes of Units. This Prospectus will be supplemented or amended to reflect the creation of any new Sub-Fund.

The securities and other assets of the Fund are segregated from the assets of the Management Company and are managed by the AIFM in the interest of holders of Units in the Fund ("**Unitholders**") and on their behalf. There is no maturity limit to the assets or to the duration of the Fund or the Sub-Funds unless otherwise specified in the relevant Appendix. The accounting year of the Fund ends on the 30th September of each year and will be audited by PricewaterhouseCoopers, *société coopérative*.

The assets of each Sub-Fund are the joint property of the Unitholders, which shall have equal rights in proportion to the number of Units held by them.

For the purpose of the relations between Unitholders, each Sub-Fund will be deemed to be a separate entity. Each Sub-Fund shall bear its own liabilities and the rights of Unitholders and creditors concerning a Sub-Fund or which have arisen in connection with the creation, operation or liquidation of a Sub-Fund are limited to the assets of that Sub-Fund.

The frequency of the calculation of the net asset value per Unit of each Sub-Fund and (where relevant) of each class and the dates (each a "**Valuation Date**") on which such net asset value per Unit is calculated, are set out in the Appendix to this Prospectus describing the relevant Sub-Fund.

II. INVESTMENT OBJECTIVE AND POLICIES

The AIFM shall invest the subscription proceeds in transferable securities and/or other assets to the widest extent permitted by Part II of the 2010 Law in conformity with the principle of risk spreading. In this context the Management Company shall specify the investment objective, strategies and policies for each Sub-Fund in the Appendices to this Prospectus.

Any Sub-Fund may hold ancillary liquid assets in currency or time deposit accounts or in regularly traded short-term money market instruments issued or guaranteed by highly rated institutions, if this is justified in the interest of the Unitholders of a Sub-Fund.

In order to enhance its returns, any Sub-Fund may borrow for investment purposes within the limits contained in the investment restrictions.

The assets of each Sub-Fund are subject to normal market risks and no assurance can be given that the investment objectives will be achieved.

Unless otherwise provided in the Appendices to this Prospectus, when managing the assets of the Fund the AIFM shall comply with the safeguards set forth in section VII. I) "Investment Restrictions" hereafter.

III. INVESTMENT IN THE FUND

A) ISSUE OF UNITS

Units of each Sub-Fund are issued by the Management Company in registered form only and are represented by a confirmation notice issued to the Unitholder.

The Appendices may provide for minimum initial and/or subsequent subscription amounts and/or minimum redemption amounts and/or minimum holdings for certain Sub-Fund(s). The Management Company may waive the minimum amounts for the initial and/or subsequent subscriptions at its discretion.

All applications for purchase of Units by investors must be made through the Sub-Administrator.

The Management Company may issue fractions of Units up to 3 decimals for the relevant Sub-Funds.

Transfer of Units is evidenced by an inscription in the Unit register.

Units may be redeemed or transferred by written instructions to the Sub-Administrator subject to any restrictions disclosed in the relevant Appendices to this Prospectus.

The initial offering period and the initial issue price per Unit shall be disclosed in the relevant Appendix to this Prospectus.

Following their initial issue, the issue price of Units of any Sub-Fund in the Fund shall be the net asset value per Unit for the relevant Sub-Fund calculated on the applicable Valuation Date.

Any sales charges and levies that may be applicable on the issue of Units shall be charged in addition and are (where applicable) disclosed in the Appendices.

Applications for subscription are subject to the prior notice requirements specified in the relevant Appendix.

Confirmation notices, which describe the subscription price per unit, number of units subscribed and total amount of subscription proceeds, will be sent to Unitholders as soon as practicable after the applicable Valuation Date.

The Management Company may, at any time and at its discretion, suspend or limit the issue of Units temporarily or permanently, in particular countries or areas. The Management Company may exclude certain investors from the purchase of Units when this appears to be necessary to protect the Unitholders and the Fund as a whole.

Payment on subscription of Units must be in the currency of the class of Units of the relevant Sub-Fund being subscribed for unless otherwise provided for in the relevant Appendix.

The Fund at its discretion may accept subscriptions in kind, in whole or in part. However in this case the investments in kind must be eligible investments for the purposes of the relevant Sub-Fund's investment objective and policy. In addition the value of these investments will be audited by the Fund's auditor. The related fees will be borne by the subscribing investor(s).

The Management Company does not permit Late Trading. Late Trading is to be understood as the acceptance of a subscription (or redemption) order after the cut-off time and the execution of such order at the price based on the net asset value applicable to an order placed before the cut-off time.

In addition, the Management Company does not permit market timing or related excessive, short-term trading practices. In order to protect the best interests of Unitholders, the Management Company reserves the right to reject any application for the subscription of Units from any investor engaging in such practices or suspected of engaging such practices and to take such further action as it, in its discretion, may deem appropriate or necessary.

B) IDENTIFICATION AND ANTI-MONEY LAUNDERING PROCEDURES

Pursuant to international rules and Luxembourg laws and regulations, comprising but not limited to the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, as well as circulars of the supervisory authority, obligations have been imposed on all professionals of the financial sector to prevent the use of investment funds for money laundering and financing of terrorism purposes. As a result of such provisions, the Registrar and Transfer Agent of

a Luxembourg investment fund must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Registrar and Transfer Agent may require subscribers to provide any document it deems necessary to effect such identification.

In case of delay or failure by an applicant to provide the documents required, the application for subscription (or, if applicable, for redemption) will not be accepted. Neither the Management Company nor the Registrar and Transfer Agent will have any liability for delays or failure to process deals as a result of the applicant providing no or incomplete documentation.

Unitholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

C) REDEMPTION OF UNITS

Unitholders may request the redemption of their Units in a Sub-Fund as provided for in the relevant Appendix.

The redemption price shall be the net asset value per Unit of the relevant Sub-Fund determined on the applicable Valuation Date. Consequently, depending on the movement in the net asset value, the redemption price may be higher or lower than the issue price paid. Payment of the redemption price will be made as described in the relevant Appendix, unless specific statutory provisions such as foreign exchange restrictions or other circumstances beyond the Depositary's control make it impossible to transfer the redemption proceeds in accordance with any instructions given by the redeeming Unitholder.

Unless otherwise provided in the Appendices to this Prospectus, no charge will apply on redemptions.

Payment of the redemption proceeds will be made in the currency of the relevant Sub-Fund, unless otherwise instructed by the Unitholder. In such case, the payment of the redemption process in another currency than the currency of the relevant Sub-Fund will be made at a rate of exchange determined at the sole discretion of the Management Company and at the risk and cost of the Unitholder.

If applications to redeem are received in respect of any one Valuation Date for redemptions (including switches) aggregating more than 10% of the outstanding Units of any one Sub-Fund, then the Management Company shall have the right to limit redemptions so that they do not exceed this threshold amount of 10%. Redemptions shall be limited with respect to all Unitholders seeking to redeem Units as of a same Valuation Date so that each such Unitholder shall have the same percentage of its redemption request honoured; the balance of such redemption requests shall be processed by the Management Company on the next Valuation Date, subject to the same limitation. On such Valuation Date, such requests for redemption will be dealt with in priority to subsequent requests. For the avoidance of doubt the Management Company will always make use of its rights to limit redemptions (as mentioned above) in a manner that will enable each Unitholder to effectively redeem its investment in the Sub-Fund within a reasonable timeframe.

Requests for redemptions, once made may in principle not be withdrawn, except in the event of a suspension or deferral of the right to redeem Units of the Sub-Fund from which the redemption is to be made or deferral of the right to purchase Units of the Sub-Fund into which the Units are redeemed. The Management Company may also accept the request from each Unitholder to withdraw its redemption order provided that the equal treatment of all Unitholders in the Sub-Fund can be ensured and that this has no detrimental effect on the Sub-Fund or its Unitholders.

Confirmation notices, which describe the redemption price per unit, number of units and total amount and payment date will be sent to Unitholders immediately after the relevant Valuation Date, unless specified differently in the Appendix.

Appendices to this Prospectus may provide for minimum redemption amounts for certain Sub-Fund(s).

D) SWITCHING BETWEEN SUB-FUNDS

Holders of Units in one Sub-Fund may in principle switch their Units into Units of another Sub-Fund or from one class of Units of a Sub-Fund into another class of Units of the same Sub-Fund, subject to compliance with any eligibility conditions of the class of Units of Sub-Fund into which the conversion is to be effected.

The basis of switching will be, in such case, the respective net asset value per Unit of the Sub-Funds concerned, determined as of the next Valuation Date following the day on which such request is received. Switching requests must be received in accordance with the same provisions as set out in the relevant Appendix in relation to redemptions. Switching applications received after such time will be carried forward to and dealt with on the next Valuation Date. The Management Company may waive the requirement of the previous notice period in connection with any switching between Sub-Funds or between classes of Units provided that the equal treatment of Unitholders in the Sub-Fund or class of Units in question can be ensured.

Unless otherwise provided in Appendices to this Prospectus, no charge will apply on switches.

Requests for switches, once made may not be withdrawn, except in the event of a suspension or deferral of the right to redeem Units of the Sub-Fund from which the switch is to be made or deferral of the right to purchase Units of the Sub-Fund into which the Units are switched.

The proceeds of Units which are converted will be reinvested in Units relating to the Sub-Fund into which the switch is being made.

All authorised switches will be acknowledged by a confirmation notices, confirming details of the switch.

The Management Company will determine the number of Units of the Sub-Fund into which the investor wishes to switch his existing Units in accordance with the following formula:

$$A = \frac{[(B \times C) - F] \times D}{E}$$

Where:

- A is the number of Units relating to the new Sub-Fund to which the investor shall become entitled;
- B is the number of Units relating to the former Sub-Fund specified in the conversion notice, which the investor has requested to be converted;
- C is the net asset value of a Unit relating to the former Sub-Fund;
- D is the currency conversion rate;
- E is the net asset value of a Unit relating to the new Sub-Fund;
- F is any applicable switching charges.

Monies representing fractions of a Unit will be retained for the benefit of the former Sub-Fund.

E) CONTRACTUAL RELATIONSHIP ENTERED INTO FOR THE PURPOSE OF INVESTMENT

Certain of the main legal implications of the contractual relationship entered into between the Fund and any investor subscribing Units are described in the documentation executed by the investor before, at the time and/or in the course of its subscription of Units (the "**Investor Contractual Documentation**"). The Investor Contractual Documentation is mainly composed of this Prospectus, the Management Regulations and the application form.

Information on jurisdiction and the applicable law is contained in the Investor Contractual Documentation.

Some of the legal implications of the foregoing contractual relationship are also described in the Prospectus and the Management Regulations. Both the Prospectus and the Management Regulations are subject to Luxembourg law

According to Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters ("Regulation 1215/2012"), a judgment given in a Member State of the EU shall be recognised in other Member States without any special procedure being required and shall be enforceable in other Member States without any declaration of enforceability being required, save in certain circumstances.

IV. DISTRIBUTION POLICY

In normal circumstances, capital gains and income will not be distributed. Nevertheless, the Management Company may decide to distribute at any time all available income as well all other distributable items allowed by Luxembourg laws consisting, in addition of net income, of gains

(realised or unrealised) or of capital, as long as and to the extent that the minimum net assets prescribed by Luxembourg law are maintained.

The dividends so declared (if any) shall be paid in cash as soon as practicable after the declaration, and considering that all units of each Sub-Fund are entitled to participate equally in the profits made and dividends paid in respect of the relevant Sub-Fund of the Fund. Dividends of less than SEK 500 per Unit will automatically be reinvested.

Entitlement to dividends and allocations not claimed within 5 years of the due date shall be forfeited and the corresponding assets shall revert to the relevant Sub-Fund.

Details of the distribution policy with respect to each Sub-Fund will be described in the relevant Appendix to this Prospectus.

V. FEES AND EXPENSES

Fees, charges and expenses which are directly or indirectly borne by investors, together with their maximum amounts, are listed and described in the following section and, where applicable, in the Annex.

SEB Fund Services S.A. will receive an infrastructure fee for the provision of its services. The infrastructure fee, which is expressed as a percentage of the Net Asset Value, is specified in the relevant Annex. SEB Fund Services S.A. will be reimbursed for reasonable out-of-pocket expenses relating to the services thereto.

The different Sub-Funds and Classes will incur an annual portfolio management fee payable to the Portfolio Manager which reflects all expenses related to the portfolio management of the Sub-Funds and Classes. The portfolio management fee, which is expressed as a percentage of the Net Asset Value, is specified in the relevant Annex.

The fees and expenses to be paid to the Depositary are calculated on the basis set out in the relevant Annex. The Depositary will be reimbursed for reasonable out-of-pocket expenses relating to the services thereto.

The fees and expenses to be paid to the Administrator are calculated on the basis set out in the relevant Annex. The Sub-Administrator and Registrar and Transfer Agent will be paid out of this fee and reimbursed for reasonable out-of-pocket expenses relating to the services thereto.

The other costs charged to the Fund or to the different Sub-Funds or Classes may include:

– the costs of establishing the Fund and the Sub-Funds. The costs of establishing the Fund amounted to approximately EUR 50,000. Where further Sub-Funds are created in the future, these Sub-Funds will bear their own formation expenses. The establishment costs may, at the discretion of the Management Company, be amortised on a straight line basis over five years from the date on which the Fund/Sub-Funds commenced business. The Management Company may, in its absolute discretion, shorten the period over which such costs are amortised;

– the tax d'abonnement as described in chapter "Taxation" hereafter;

– the fees of auditors and legal advisors, the costs of preparing, printing and distributing all prospectuses, memoranda, reports and other necessary documents concerning the Fund, any fees and expenses involved in registering and maintaining the registration of the Fund with any governmental agency and stock exchange, the costs of publishing prices and the operational expenses; and

– any additional out-of-pocket expenses.

The Fund may bear the following expenses:

- ◆ all taxes which may be payable on the assets, income and expenses chargeable to the Fund;
- ◆ standard brokerage (including prime brokerage) and bank charges incurred by the Fund's business transactions (these charges are included in the cost of investments and deducted from sales proceeds);
- ◆ expenses, as the case may be, of SEB Fund Services S.A. in the context of the management of the Fund;
- ◆ the cost, including that of legal advice, which may be payable by SEB Fund Services S.A. or the Depositary for actions taken in the interest of the Unitholders;
- ◆ the fees and expenses incurred in connection with the registration of the Fund with, or the approval or recognition of the Fund by, the competent authorities in any country or territory and all fees and expenses incurred in connection with maintaining any such registration, approval or recognition;
- ◆ the cost of preparing, depositing, translating and publishing the Management Regulations and other documents in respect of the Fund, including notifications for registration, issue documents (which include the KIID and PRIIPs KID (as and when required) and memoranda for all governmental authorities and stock exchanges (including local securities dealer's associations) which are required in connection with the Fund or with offering the Units of the Fund, any documentation in relation to PRIIPs and any information or documentation that may be required for the distribution of the Units, the cost of preparing, printing and distributing yearly reports for the Unitholders in all required languages, together with the cost of printing and distributing all other reports and documents which are required by the relevant legislation or regulations, the cost of bookkeeping and computation of the net asset value per Unit, the cost of notifications to Unitholders, the fees of the Fund's auditors and legal advisers, and all other similar administrative expenses, including the cost of advertising and other expenses incurred in connection with such activity, specifically for the offer and sale of the Units of the Fund, such as the cost of printing copies of the above-mentioned documents and reports as are used in marketing the Units.

All recurring fees, costs and expenses are first deducted from the investment income, then from realised capital gains and then from the assets. Other expenses will be written off over a period of one year.

The expenses of establishing the Fund are to be written off over a period of five years.

Where a new Sub-Fund is created and launched thereafter, it will incur its own initial expenses that will be written off over a period of five years.

Additional or specific fees, charges and expenses may be provided for in the Appendix to this Prospectus.

VI. TAXATION

The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of Units and is not intended as tax advice to any particular investor or potential Investor. Prospective investors should consult their own professional advisers as to the implications of buying, holding or disposing of Units and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Luxembourg.

The following is based on the Management Company's understanding of certain aspects of the law and practice currently in force in Luxembourg. There can be no guarantee that the tax position at the date of this Prospectus or at the time of an investment will endure indefinitely.

TAXATION OF THE FUND

The Fund is not subject to any taxes in Luxembourg on income or capital gains.

The Fund is however subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.05% per annum based on its net asset value at the end of the relevant quarter, calculated and paid quarterly.

A reduced subscription tax rate (*taxe d'abonnement*) of 0.01% per annum is applicable to:

- any Sub-Fund whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both;
- any Sub-Fund or Classes of Units provided that their Units are only held by one or more institutional investors within the meaning of article 174 of the 2010 Law ("Institutional Investor(s)").

Subscription tax exemption applies to:

- the portion of any Sub-Fund's assets (pro rata) invested in a Luxembourg UCI or any of its sub-funds subject itself to the subscription tax;
- any Sub-Fund (i) whose securities are only held by Institutional Investor(s), and (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and (iii) whose weighted residual portfolio maturity does not exceed 90 days, and (iv) that have obtained the highest possible rating from a recognised rating agency. If several Classes of Units are in issue in the relevant Sub-Fund meeting (ii) to (iv) above, only those Classes of Units meeting (i) above will benefit from this exemption;
- any Sub-Fund, whose main objective is the investment in microfinance institutions;
- any Sub-Fund, (i) whose securities are listed or traded on a stock exchange and (ii) whose exclusive object is to replicate the performance of one or more indices. If several Classes of Units are in issue in the relevant Sub-Fund meeting (ii) above, only those Classes of Units meeting (i) above will benefit from this exemption; and

- any Sub-Fund whose securities are reserved for (i) institutions for occupational retirement pension and similar investment vehicles, set-up on the initiative of one or more employers and (ii) companies of one or more employers investing funds they hold to provide retirement benefits to their employees.

WITHHOLDING TAX

Interest and dividend income received by the Fund may be subject to non-recoverable withholding tax in the country of origin. The Fund may further be subject to tax on the realised or unrealised capital appreciation of its assets in the country of origin.

Distributions by the Fund are not subject to withholding tax in Luxembourg.

TAXATION OF THE INVESTORS

From a Luxembourg tax perspective, the Fund as a co-ownership between the investors without legal personality, is in principle fully tax transparent. Investors in the Fund will be subject to tax on the income and capital gains derived from the investment in accordance with the laws in force in their country of residence.

Under current legislation, investors are not subject to any capital gains, income or withholding tax in Luxembourg except for those domiciled, resident or having a permanent establishment in Luxembourg.

As a matter of administrative practice, capital gains derived from the Fund are not subject to tax if realized at least 6 months after the subscription or purchase of the Units and provided that the investment in the Fund does not represent a substantial withholding, unless the Investor claims the strict application of the tax transparency of the Fund and will be regarded as having realized the profits and losses on the underlying investment in the Fund. The investors are deemed realizing themselves the profits and losses of the Fund at the time the Fund realized them. Distributions of the Fund will be subject to income tax.

Non-Luxembourg resident investors are not subject to any capital gains, income or withholding tax unless not protected by a tax treaty, who hold through the Fund more than 10% of a Luxembourg company and have their Units in the Fund redeemed less than 6 months after subscription of the Units in the Fund.

The Management Company, on behalf of the Fund, collects the income generated after deduction of any withholding tax in the relevant countries. From a Luxembourg tax perspective, any potential entitlement to reduction in the rate of applicable withholding taxes depends on the status of the investors, as the Fund is a co-ownership between the investors. Where an investor is exempt from tax in his/her/its country of residence, or is eligible for treaty relief under a double tax treaty concluded between his/her/its country of residence and the country where the security is located, it may be possible to obtain a full or partial refund of his/her/its proportionate Unit of the withholding tax suffered by the Fund.

Automatic Exchange of Information

The Organisation for Economic Co-operation and Development ("OECD") has developed a common reporting standard ("CRS") to achieve a comprehensive and multilateral automatic exchange of information (AEOI) on a global basis. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the "Euro-CRS Directive") was adopted in order to implement the CRS among the Member States.

The Euro-CRS Directive was implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("CRS Law"). The CRS Law requires Luxembourg financial institutions to identify financial assets holders and establish if they

are fiscally resident in an EU Member State other than Luxembourg or in a country specified in a Grand-Ducal Regulation.

Accordingly, the Management Company, acting for and on behalf of the Fund, may require the investors to provide information in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status and report information regarding a unitholder and his/her/its account to the Luxembourg tax authorities (*Administration des Contributions Directes*), if such account is deemed a CRS reportable account under the CRS Law. The Luxembourg tax authorities will therefore transfer this information to the competent foreign authorities on a yearly basis. Under the CRS Law, the first exchange of information applied by 30 September 2017 for information related to the calendar year 2016. Under the Euro-CRS Directive, the first AEOI must be applied by 30 September 2017 to the local tax authorities of the Member States for the data relating to the calendar year 2016.

By investing in the Fund, the investor acknowledges that (i) the Management Company is responsible for the treatment of the personal data provided for in the CRS Law; (ii) the personal data will inter alia be used for the purposes of the CRS Law; (iii) the personal data may be communicated to the Luxembourg tax authorities; (iv) responding to CRS-related questions is mandatory and accordingly the potential consequences in case of no response; and (v) the investor has a right of access to and rectification of the data communicated to the Luxembourg tax authorities .

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information under the CRS. The Multilateral Agreement aims to implement the CRS among non-Member States; it requires agreements on a country-by-country basis.

The Management Company reserves the right to refuse any application for Units if the information provided or not provided does not satisfy the requirements under the CRS Law.

Investors should consult their professional advisors on the individual impact of the CRS.

FATCA

The Foreign Account Tax Compliance Act ("FATCA"), a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the US ("foreign financial institutions" or "FFIs") to pass information about "Financial Accounts" held by "Specified US Persons", directly or indirectly, to the US tax authorities, the Internal Revenue Service ("IRS") on an annual basis. A 30% withholding tax is imposed on certain US source income of any FFI that fails to comply with this requirement. On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("Luxembourg IGA") with the United States of America and a memorandum of understanding in respect thereof. The Fund would hence have to comply with such Luxembourg IGA as implemented into Luxembourg law by the Law of 24 July 2015 relating to FATCA (the "FATCA Law") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Fund may be required to collect information aiming to identify its direct and indirect unitholders that are Specified US Persons for FATCA purposes ("FATCA reportable accounts"). Any such information on FATCA reportable accounts provided to the Management Company will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. The Management Company acting on behalf of the Fund intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its Unit of any such payments attributable to actual and deemed U.S. investments of the Fund. The Management Company will continually assess the extent of the requirements that FATCA and notably the FATCA Law place upon it.

To ensure the Fund's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Management Company, in its capacity as the Fund's management company, may:

- a) request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a unit's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such unitholder's FATCA status;
- b) report information concerning a unitholder and his account holding in the Fund to the Luxembourg tax authorities if such account is deemed a FATCA reportable account under the FATCA Law and the Luxembourg IGA;
- c) report information to the Luxembourg tax authorities (*Administration des Contributions Directes*) concerning payments to unitholders with FATCA status of a non-participating foreign financial institution;
- d) deduct applicable US withholding taxes from certain payments made to a unitholder by or on behalf of the Fund in accordance with FATCA, the FATCA Law and the Luxembourg IGA; and
- e) divulge any such personal information to any immediate payor of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

By investing in the Fund, (i) the Management Company is responsible for the treatment of the personal data provided for in the FATCA Law; (ii) the personal data will only be used for the purposes of the FATCA Law; (iii) the personal data may be communicated to the Luxembourg tax authorities; (iv) responding to FATCA-related questions is mandatory and accordingly the potential consequences in case of no response; and (v) the investor has a right of access to and rectification of the data communicated to the Luxembourg tax authorities .

The Management Company reserves the right to refuse any application for Units if the information provided by a potential investor does not satisfy the requirements under FATCA, the FATCA Law and the IGA.

Investors should consult their professional advisors on the individual impact of FATCA.

VII. GENERAL INFORMATION

A) MANAGEMENT COMPANY AND AIFM

The Fund is managed for the unitholders' account by SEB Fund Services S.A. acting as the Management Company and the AIFM.

SEB Fund Services S.A. was incorporated for an unlimited period on 2 August 1993 in the form of a société anonyme in Luxembourg. It has been transformed into a management company and changed the name with effect on 22 October 2004. SEB Fund Services S.A. is governed by chapter 15 of the 2010 Law and is authorized as alternative investment fund manager in accordance with Chapter 2 of the 2013 Law. In addition, SEB Fund Services S.A. also manages other undertakings for collective investment including alternative investment funds.

It has its registered office in Luxembourg at 4, rue Peternelchen, L-2370 Howald, Luxembourg. The articles of incorporation of SEB Fund Services S.A. were published in the *Mémorial*, official gazette of the Grand-Duchy of Luxembourg, as of 16 November 2004. The latest amendment to the

articles was done on 8 August 2014 and a notice of deposit of the revised articles with the *Registre de Commerce et des Sociétés* was published in the *Mémorial* as of 28 August 2014.

Its capital is EUR 7,200,000 fully paid up, represented by 1,200 registered shares.

In order to cover potential liability risks resulting from professional negligence, the AIFM holds appropriate additional own funds in accordance with the provisions of the 2013 Law.

The Board of Directors of the Management Company has the broadest powers to act in the Management Company's name and to carry out all acts of administration and management relating to the company's objective, without prejudice to the limitations imposed by law, the articles of incorporation of the Management Company and the Management Regulations.

The accounts of the Management Company are audited by an independent authorised auditor. This task has been entrusted to PricewaterhouseCoopers, *société cooperative*, 2, rue Gerhard Mercator, L-2182 Luxembourg.

As AIFM, the Management Company may carry out any activities connected directly or indirectly to, and/or deemed useful and/or necessary for, the accomplishment of its objectives, remaining however, within the limitations set forth in, but to the furthest extent permitted by, the provision of its governing laws and regulations. The AIFM has been entrusted with the duties pertaining to the investment management functions of the Fund, namely (a) the portfolio management function and (b) the risk management function. These duties are more fully described in the agreement executed between the Fund and the AIFM, a copy of which is available at the registered office of the AIFM.

In accordance with Part II of the 2010 Law as well as the 2013 Law and following approval by the CSSF, the AIFM has delegated the portfolio management of the Sub-Funds as set out in Appendix 1 to this Prospectus. Information about conflicts of interest that may arise from this delegation is available at the registered office of the AIFM.

B) PORTFOLIO MANAGERS / INVESTMENT ADVISERS / PRIME BROKERS

The identity of the appointed portfolio manager or investment advisers (if any) for each Sub-Fund shall be disclosed in the relevant Appendix.

In accordance with and under the conditions set out in the 2013 Law, the AIFM may appoint one or several prime brokers (the "Prime Broker" or the "Prime Brokers") in relation to each Sub-Fund to provide brokerage, dealing services, clearing, credit facilities, security lending facilities and foreign exchange to the Fund in respect of a given Sub-Fund. In relation to the purchase and sale transactions that the Prime Brokers will settle for the Fund, the Prime Brokers may provide financing to the Fund and may hold assets and cash on behalf of the Fund in connection with such settlement and financing transactions. As security for the payment and performance of its obligations and liabilities to the Prime Brokers, the Fund will normally advance to the Prime Brokers collateral in the form of securities or cash. The identity of the appointed Prime Broker (if any) for each Sub-Fund shall be disclosed in the relevant Appendix.

More details in relation to the appointment of the Primer Broker and to any other material arrangements of the Fund with the Primer Brokers (including a copy of the main provisions of the

contracts entered into by the Primer Brokers in relation to the Fund) as well as information about the way conflicts of interest in relation to the relationship of the Fund with the Primer Broker are managed, are available at the registered office of the AIFM.

C) DEPOSITARY

Skandinaviska Enskilda Banken S.A., a *société anonyme* under Luxembourg law has been appointed as depositary (the "Depositary") of all of the Fund's assets, including its cash and securities, which will be held either directly or through other financial institutions such as correspondents, nominees, agents or delegates of the Depositary.

Skandinaviska Enskilda Banken S.A was incorporated in Luxembourg on 30th March, 1973 for an unlimited period. Its registered office is at 4, rue Peternelchen, L-2370 Howald, Luxembourg. It carries out its activities mainly in the field of private banking, financial advice, management of marketable assets, and stock exchange transactions.

The Depositary shall assume its duties and responsibilities and render custodial and other services in accordance with the 2013 Law and the Depositary Agreement entered into with the AIFM.

Pursuant to this agreement, the Depositary has been entrusted with the safe-keeping of the Fund's assets, the oversight of certain transactions and operations related to the Fund and shall ensure an effective and proper monitoring of the Fund's cash flows.

In addition, the Depositary shall also ensure that:

- (i) The sale, issue, re-purchase, redemption and cancellation of the Units are carried out in accordance with the Luxembourg law, the Management Regulations and this prospectus;
- (ii) the value of Units are calculated in accordance with Luxembourg law, the Management Regulations, this Prospectus and the procedures laid down in the 2013 Law;
- (iii) the instructions of the AIFM are carried out, unless they conflict with applicable Luxembourg law, the Management Regulations and/or this Prospectus;
- (iv) in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits;
- (v) the Fund's incomes are applied in accordance with Luxembourg law, the Management Regulations and this Prospectus.

In accordance with the provisions of the Depositary Agreement and the 2013 Law, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties to one or more sub-custodian(s) appointed by the Depositary from time to time. However, the Depositary will ensure that such assets are held in such a manner that it is readily apparent from the books and records of such sub-custodian(s) that they are segregated from the Depositary's own assets and/or assets belonging to the sub-custodian(s).

When selecting and appointing a sub-custodian, the Depositary shall exercise all due skill, care and diligence as required by the 2013 Law to ensure that it entrusts the Fund's assets only to a sub-custodian who may provide an adequate standard of protection. The Depositary's liability as described below shall not be affected by any such delegation. A list of sub-custodian(s), together with information on the conflicts of interests that may arise from these delegations and more generally the potential conflicts of interest between the Fund, the investors, the AIFM and the Depositary is available upon request at the registered office of the AIFM, if applicable.

The Depositary is liable to the Fund or its investors for the loss of a financial instruments held in custody by the Depositary or a sub-custodian pursuant to the provisions of the 2013 Law. The Depositary is also liable to the Fund or its investors for all other losses suffered by them as a result of the

Depository's negligent or intentional failure to properly fulfil its duties in accordance with the 2013 Law. However, where the event which led to the loss of a financial instrument is not the result of the Depository's own act or omission (or that of its sub-depository), the Depository is discharged of its liability for the loss of a financial instrument where the Depository can prove that, in accordance with the conditions as set out in the 2013 Law, the Depository could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all precautions incumbent on a diligent depository as reflected in common industry practice and despite rigorous and comprehensive due diligence.

Each of the Depository or the AIFM may terminate the appointment of the Depository at any time upon ninety (90) calendar days prior written notice delivered by either party to the other, provided, however, that any termination by the AIFM is subject to the condition that a successor depository assumes, within two (2) months, the responsibilities and the functions of the Depository under the Management Regulations and provided, further, that the duties of the Depository shall, in the event of a termination by the AIFM, continue thereafter for such period as may be necessary to allow for the transfer of all assets of the Fund to the successor depository.

D) ADMINISTRATOR AND SUB-ADMINISTRATOR

The AIFM acts as Central Administration, Domiciliary, Registrar, Paying and Transfer Agent of the Fund (the "Administrator").

It is responsible for the performance of the general administrative functions required by Luxembourg law and for the processing of the issue and redemption of Units, the calculation of the net asset value of Units and the maintenance of accounting records.

The AIFM has delegated, under its responsibility, certain administrative functions (including the registrar and transfer agent function) to European Fund Administration S.A. ("EFA"), a *société anonyme* established in Luxembourg (the "Sub-Administrator").

SEB Fund Services S.A. shall remunerate the Sub-Administrator out of the Administration Fee which it receives from the Fund.

E) AUDITOR

The accounts of the Fund are audited by an independent authorised auditor. This task has been entrusted to PricewaterhouseCoopers, *société cooperative*, 2, rue Gerhard Mercator, L-2182 Luxembourg (the "**Auditor**"). The Auditor must carry out the duties provided by the 2010 Law and by the 2013 Law. In this context, the main mission of the Auditor is to audit the accounting information given in the annual report. The Auditor is also subject to certain reporting duties vis-à-vis the regulators as more fully described in the 2010 Law and in the 2013 Law.

F) INVESTORS RIGHTS AGAINST SERVICE PROVIDERS

Unitholders shall not have any direct contractual rights against the Portfolio Manager, the Depository, the AIFM, the Sub-Administrator and the Auditor or any other third party service providers who have entered or will enter, from time to time, into a contractual relationship with the Fund or the AIFM.

In accordance with the 2010 Law and the 2013 Law, liability of the Depository to Unitholders shall be invoked through the Management Company. Should the Management Company fail to act

despite a written notice to that effect from a Unitholder within a period of three months following receipt of such notice, that Unitholder may directly invoke the liability of the Depositary.

G) MANAGEMENT REGULATIONS

The Management Regulations for the Fund have been signed by the Management Company and the Depositary as of 22 July 2014. Notice of their deposit at the *Registre de Commerce et des Sociétés* was published in the *Mémorial* on 14 August 2014. Amendments may be made by the Management Company with the agreement of the Depositary. The amendments will become effective upon signature or any such date as provided for in the amending documents.

Unless specifically provided for certain situation in the Management Regulations no meetings of the Unitholders will be held. The subscription or acquisition of Units implies acceptance of the Management Regulations by the Unitholders.

H) PROCEDURE FOR AMENDING THE PROSPECTUS

Without prejudice to what may be required by applicable laws and regulations, by the Commission de Surveillance du Secteur Financier (the "CSSF") and/or by the Management Regulations, any amendment to the Prospectus may be decided and implemented via any of the procedures described below.

Any amendment to the Prospectus is in principle decided by a simple resolution of the board of directors of the Management Company (as appointed from time to time, the "Board of Directors"). As a matter of illustration only, non-material amendments or changes (as those listed below) are typical amendments which will be adopted by a simple resolution of the Board of Directors of the Management Company having immediate or even, as the case may be, retroactive effect.

Without prejudice to the generality of the foregoing paragraph, the Fund may convey a material change of its investment strategy or investment policy or both, by a resolution of the Board of Directors of the Management Company provided the Unitholders concerned by the change are awarded a minimum 30 calendar day notice period during which they may redeem the Units concerned by the change free of redemption charge. For the avoidance of doubt, any non-material change to the Funds investment strategy or investment policy, or both, may be adopted by a simple resolution of the Board of Directors of the Management Company having immediate or even, as the case may be, retroactive effect.

Investors are reminded that subscription for or acquisition of one or more Units implies their complete and automatic adherence to the fact that any amendment conveyed to the Prospectus following any of the above acceptable and validly implemented procedures shall bind and be deemed approved by all investors.

Information on any material or essential amendment or change conveyed (or as the case may be in the process to be conveyed) to the Prospectus shall be made available or disclosed at the registered office of the Management Company until this amendment or change is incorporated to this core document.

The following amendments and changes (which list is not exhaustive) will be deemed to be non-material and non-essential: (i) any amendment that is necessary or desirable to cure any ambiguity or to correct or supplement any provision of the Prospectus that would otherwise be inconsistent with the provisions of the Management Regulations or to correct any printing, stenographic or clerical error or omission, provided such correction does not adversely affect any Unitholder, (ii) any amendment that is necessary or desirable to satisfy any application requirements, conditions or guidelines contained in any opinion, directive, order, statute, rule or regulation of any governmental entity or of the CSSF or to comply with fiscal or other statutory or official requirements affecting the Fund, provided that such amendment is made in a manner which minimises any adverse effect on Unitholders, (iii) any amendment required by the CSSF in the course of the approval process of any amendment to this Prospectus, (iv) any update of factual information, or (v) any update made to the Prospectus following a change of the Management Regulations.

I) NET ASSET VALUE

The net asset value per Unit of each Sub-Fund is expressed in its currency of denomination and is calculated to at least 2 decimals. The frequency of the calculation of the net asset value per Unit of each Sub-Fund and the dates (each a "**Valuation Date**") on which such net asset value per Unit is calculated, are set out in the Appendices to this Prospectus describing the relevant Sub-Fund.

The calculation of the net asset value per Unit for any Sub-Fund shall be made by the Administrator, by dividing:

- (i) the total net value of the assets of the relevant Sub-Fund of the Fund, meaning the value of all the securities and all other assets of such Sub-Fund, determined as of the Valuation Date according to the principles described below, less all debts, obligations and liabilities of the Fund with respect to the relevant Sub-Fund, as described under section V. "Charges and Expenses",

by

- (ii) the total number of Units of the corresponding Sub-Fund then outstanding.

The assets and liabilities of the Fund shall be allocated in the following manner:

- a) the issue price which shall be received upon issue of Units connected with a specific Sub-Fund shall be attributed in the accounts of the Fund to such Sub-Fund. Assets and liabilities of that Sub-Fund as well as income and expenses which are related to a specific Sub-Fund, shall be attributed to it taking into account the following provisions;
- b) an asset derived from another asset will be applied to the same Sub-Fund as the asset from which it was derived. On each revaluation of an asset the increase or decrease in value shall be applied to the Sub-Fund concerned;
- c) if the Fund incurs liability of any kind in connection with an asset attributable to a Sub-Fund, then such liability shall be attributed to the same Sub-Fund;

- d) if an asset or liability cannot be attributed to any Sub-Fund, then such asset or liability shall be allocated to all the Sub-Funds pro rata to the respective net asset values of the Sub-Funds;
- e) upon a distribution to holders of Units of a specific Sub-Fund or upon a payment of expenses on behalf of holders of Units of a specific Sub-Fund, the proportion of the total net asset attributable to such Sub-Fund shall be reduced by the amount of the distribution or of such expenses;
- f) all liabilities shall be attributed to each relevant Sub-Fund.

Units to be redeemed shall be treated as existing and taken into account until immediately after the close of business on the relevant Valuation Date and from such time until paid the price therefore shall be deemed to be a liability of the Fund.

The assets of each relevant Sub-Fund will be valued as follows:

- (a) securities listed on a stock exchange or traded on any other regulated market will be valued at the last available price on such stock exchange or market. If a security is listed on several stock exchanges or markets, the last available price at the stock exchange or market which constitutes the main market for such securities, will be determining;
- (b) securities not listed on any stock exchange nor traded on a regulated market will be valued at their last available market price;
- (c) securities for which the price referred to in (a) and/or (b) is not representative of the fair market value, will be valued prudently, and in good faith on the basis of their reasonably foreseeable sale price;
- (d) cash and other liquid assets will be valued at their face value with interest accrued to the end of the preceding day;
- (e) options and financial futures traded on a regulated market will be valued on the basis of the last available price at Valuation Date;
- (f) swap transactions will be consistently valued based on a calculation of the net present value of their expected cash flows.
- (g) shares or units in open-ended investment funds ("UCIs"), including the shares or units of UCIs in which a Sub-Fund may be allowed to invest substantially all of its total assets, will be valued at their last available calculated net asset value or at their latest unofficial net asset values (i.e. which are not generally used for the purposes of subscription and redemption of shares of the UCIs) as provided by the relevant administrators or portfolio managers if more recent than their official net asset values.

If events have occurred which may have resulted in a material change of the net asset value of such shares or units in such UCIs since the day on which the latest official net asset value

was calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the AIFM, such change of value.

In circumstances where one or more pricing sources fails to provide valuations for an important part of the assets to the Administrator preventing the latter to determine the subscription and redemption prices, the AIFM may decide to suspend the net asset value calculation.

The AIFM may, at its discretion, permit some other method of valuation to be used if it considers that such method of valuation better reflects the true value and is in accordance with good accounting practice.

Values expressed in a currency other than the currency of denomination of the net asset value of the relevant Sub-Fund shall be translated into that currency of denomination at the average of the last available buying and selling price for such currency.

Appendices to this Prospectus may derogate in all or in part to the above rules.

J) INVESTMENT RESTRICTIONS

Unless otherwise specified for a Sub-Fund in the relevant Appendices (which may provide specific derogations to the rules below), the AIFM, acting on behalf of the Fund, has the intention to apply the following rules:

The investments of the Fund comprise only one or more of the following; transferable securities, money market instruments, units of undertakings for collective investment ("**Underlying Funds**"), deposits and financial derivatives instruments.

1. Restrictions applicable to investments in units of Underlying Funds

The following Underlying Funds are eligible for investments by the Fund: units of undertakings for collective investment in transferable securities ("UCITS") authorised according to Directive 2009/65/EC and/or other undertakings for collective investment ("UCI") (jointly referred to as "Fund/s") should they be situated in a member state of the European Union or not, provided that: such other UCIs are authorised under laws which provide that they are subject to permanent supervision by a public authority in its home country set up by law in order to ensure the protections of investors, however such other UCIs shall meet the following requirements:

- (i) their object is to make collective investments with capital from the public;
- (ii) they shall operate on the principle of risk-spreading;
- (iii) they may not oblige the Sub-Fund to make additional funding contributions;
- (iv) they must calculate and deliver a net asset value at least on a monthly basis;
- (v) their assets must be entrusted to a custodian bank for safe-keeping or to another comparable organisation fulfilling the functions of a custodian bank;

(vi) their financial accounts must be audited on an annual basis;

(vii) the business of such other UCIs is reported in annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period; and

(viii) they will be open ended and thus units are at the request of unit holders repurchased and redeemed, directly or indirectly, out of the assets of the fund. Actions taken by a UCI to ensure that the stock exchange value of its units does not significantly vary from net asset value shall be regarded as equivalent to such repurchase or redemption.

Investments by a Sub-Fund in Underlying Funds are subject to the following restrictions:

Each Sub-Fund may, not invest more than 20% of its net assets in units/shares issued by the same Underlying Fund.

For the purpose of this 20% limit, each sub-fund of an Underlying Fund with multiple compartments is to be considered as a distinct Underlying Fund provided that the principle of segregation of the commitments of the different sub-funds of an Underlying Fund towards third parties is ensured.

Each Sub-Fund may hold more than 50% of the units/shares of an Underlying Fund, provided that, if the Underlying Fund is an Underlying Fund with multiple compartments, the investment of the Sub-Fund in the legal entity constituting the Underlying Fund represents less than 50% of the net assets of the relevant Sub-Fund.

When a Sub-Fund invests in Underlying Funds it may be liable to transaction costs such as subscription fees and redemption fees as well as to custodian fees and administration fees.

Each Sub-Fund may invest up to 20% of its net assets in Underlying Funds investing themselves in investment funds ("funds of funds") should a more restrictive limit not be specified in the relevant Appendix for each Sub-Fund.

Such investments may have as a result a duplication or even a triplication of certain fees. However, the Fund will ensure that such a decision will not result in an accumulation of fees detrimental to the relevant Sub-Fund's Unitholders. The reasons behind such investments are that:

- they may provide the Sub-Funds indirect access to underlying funds, which do not accept new subscriptions;
- certain funds of funds offer more favourable liquidity conditions than other underlying funds in which they invest;
- certain funds of funds investing in other underlying funds and specialized in one or a limited number of management strategies may offer the Sub-Fund a significant degree of diversification.

Each Sub-Fund makes sure that its portfolio of Underlying Funds presents appropriate liquidity features to enable the Fund to meet its obligation to repurchase its Units.

2. Restrictions applicable to investments in transferable securities other than those issued by an Underlying Fund

In addition to the investment restrictions referred to in item 1. above, the Fund shall, in principle, not:

- (1) invest more than 10% of the assets of each Sub-Fund in transferable securities which are not quoted on a stock exchange or dealt in on another regulated market, which operates regularly and is recognised and open to the public,
- (2) acquire more than 10% of the securities of the same nature issued by the same issuer,
- (3) invest more than 20% of the assets of each Sub-Fund in securities issued by the same issuer.

The restrictions set forth under (1), (2) and (3) above are not applicable to securities issued or guaranteed by a member state of the OECD or by its local authority or by supranational institutions and organisations with European, regional or worldwide scope consisting of one or several member states of the OECD. Each Sub-Fund may invest up to 100% of its net assets into securities issued by one single OECD member state should a more restrictive limit not be specified in the relevant Appendix to the Prospectus. However, each Sub-Fund may not invest more than 30% of its net assets in one single issue of securities of such an OECD member state.

The restrictions set forth under (1), (2) and (3) above are not applicable to units or shares issued by Underlying Funds, to which apply the restrictions set forth in item 1. above.

3. Rules for diversification of risks regarding short sales

a. Short sales may, in principle, not result in a Sub-Fund holding:

- (1) a short position on transferable securities which are not listed on a stock exchange or dealt in on another regulated market, operating regularly and being recognised and open to the public. However, each Sub-Fund may hold short positions on transferable securities which are not quoted and not dealt in on a regulated market if such securities are highly liquid and do not represent more than 10% of the Sub-Fund's assets;
- (2) a short position on transferable securities which represent more than 10% of the securities of the same type issued by the same issuer;
- (3) a short position on transferable securities of the same issuer, (i) if the sum of the sales price of the short positions relating thereto represents more than 10% of the Sub-Fund's assets or (ii) if the short position entails a commitment exceeding 5% of the Sub-Fund's assets.

b. The commitments arising from short sales on transferable securities at a given time may not exceed the cumulative non-realised losses resulting, at that time, from the short sales made by a Sub-Fund. The non-realised loss resulting from a short sale is the positive amount equal to

the market price at which the short position can be covered less the price at which the relevant transferable security has been sold short.

c. The aggregate commitments of each Sub-Fund resulting from short sales may at no time exceed 50% of the assets of the relevant Sub-Fund. If a Sub-Fund enters into uncovered sales, it must hold sufficient assets enabling it at any time to close the open positions resulting from such short sales.

d. The short positions on transferable securities for which a Sub-Fund holds adequate coverage are not considered for the purpose of calculating the aggregate commitments referred to above. It is to be noted that the fact that a Sub-Fund has granted a security, of whatever nature, on its assets to third parties to guarantee its obligations towards such third parties, is not to be considered as adequate coverage for the Sub-Fund's commitments, from the point of view of that Sub-Fund.

e. In connection with short sales on transferable securities, each Sub-Fund is authorized to enter, as borrower, into securities lending transactions with first class professionals specialized in this type of transaction. The counterparty risk resulting from the difference between (i) the value of the assets transferred by a Sub-Fund to a lender as security in the context of the securities lending transactions and (ii) the debt of a Sub-Fund owed to such lender may not exceed 20% of the Sub-Fund's assets. It is to be noted that the Sub-Fund may, in addition, grant guarantees in the context of systems of guarantees which do not result in a transfer of ownership or which limit the counterparty risk by other means.

4. Borrowings

A Sub-Fund may borrow permanently and for investment purposes from first class professionals specialised in this type of transaction.

Such borrowings are limited to 200% of the net assets of the relevant Sub-Fund. Consequently, the total assets of the Sub-Fund may not exceed 300% of its net assets. If the Fund adopts a strategy which presents a high degree of correlation between long and short positions, it is authorised to borrow up to 400% of its net assets.

The counterparty risk resulting from the difference between (i) the value of the assets transferred by a Sub-Fund to a lender as security in the context of the borrowing transactions and (ii) the debt of the Sub-Fund owed to such lender may not exceed 20% of the Sub-Fund's assets. A Sub-Fund may, in addition, grant guarantees in the context of systems of guarantee which do not result in a transfer of ownership or which limit the counterparty risk by other means.

The counterparty risk resulting from the sum of (i) the difference between the value of the assets transferred as security in the context of the borrowing of securities and the amounts due under item 3.e. above and (ii) the difference between the assets transferred as security and the amounts borrowed referred to above may not exceed, in respect of a single lender, 20% of a Sub-Fund's assets.

5. Use of financial derivatives instruments and other techniques

Each Sub-Fund is authorised to make use of the financial derivatives instruments (with the exception of total return swaps or other financial derivative instruments with similar characteristics) and the techniques referred to hereafter.

The financial derivatives instruments may include, amongst others, options, futures and forward contracts on financial instruments and options on such contracts as well as swap contracts, excluding total return swaps or other financial derivative instruments with similar characteristics, by private agreement on any type of financial instruments.

In addition, each Sub-Fund may participate in securities lending transactions as well as sale with right of repurchase transactions and repurchase transactions ("opérations à réméré" and "opérations de mise en pension").

The maximum total leverage resulting from the use of these financial derivatives instruments or techniques will be set out for each Sub-Fund, if appropriate, in the relevant Appendix to this Prospectus. The financial derivatives instruments must be dealt in on an organized market or contracted by private agreement with first class professionals specialized in this type of transactions.

The aggregate commitments resulting from short sales of transferable securities together with the commitments resulting from financial derivatives instruments entered into by private agreement and, if applicable, the commitments resulting from financial derivatives instruments dealt in on a regulated market may not exceed at any time the assets of the Sub-Funds.

a. Restrictions relating to financial derivatives instruments

(1) Margin deposits in relation to financial derivatives instruments dealt in on an organized market as well as the commitments arising from financial derivatives instruments contracted by private agreement may not exceed 50% of the assets of each Sub-Fund. The reserve of liquid assets of each Sub-Fund must represent at least an amount equal to the margin deposits made by the Sub-Fund. Liquid assets do not only comprise time deposits and regularly negotiated money market instruments the remaining maturity of which is less than 12 months, but also treasury bills and bonds issued by OECD member states or their local authorities or by supranational institutions and organisations with European, regional or worldwide scope as well as bonds listed on a stock exchange or dealt in on a regulated market, which operates regularly and is open to the public, issued by first class issuers and being highly liquid.

(2) A Sub-Fund may not borrow to finance margin deposits.

(3) A Sub-Fund may not enter into contracts relating to commodities other than commodity future contracts. All contracts entered into by a Sub-Fund will be liquidated and/or rolled over before delivery date. No physical deliveries will be traded. In addition, such financial derivatives instruments shall furthermore be subject to any restrictions relating to financial derivatives instruments as set out in this Prospectus.

- (4) The premiums paid for the acquisition of options outstanding are included in the 50% limit referred to under item (1) above.
- (5) Each Sub-Fund must ensure an adequate spread of investment risks by sufficient diversification.
- (6) A Sub-Fund may not hold an open position in anyone single contract relating to a financial derivative instrument dealt in on an organized market or a single contract relating to a financial derivative instrument entered into by private agreement for which the margin required or the commitment taken, respectively, represents 20% or more of the assets of the Sub-Fund.
- (7) The Premiums paid to acquire options outstanding having identical characteristics may not exceed 5% of the assets of each Sub-Fund.
- (8) A Sub-Fund may not hold an open position in financial derivatives instruments relating to a single commodity or a single category of financial futures on financial instruments for which the margin required (in relation to financial derivatives instruments negotiated on an organized market) together with the commitment (in relation to financial derivatives instruments entered into by private agreement) represent 20% or more of the assets of the Sub-Fund.
- (9) The commitment in relation to a transaction on a financial derivative instrument entered into by private agreement by a Sub-Fund corresponds to the non-realized loss resulting, at that time, from the relevant transaction.

b. Securities lending and repurchase transactions

To the maximum extent allowed by, and within the limits set forth in the Luxembourg regulations, in particular the provisions of (i) article 11 of the Grand-Ducal regulation of 8 February 2008 relating to certain definitions of the 2010 Law and (ii) CSSF circular 08/356 relating to the rules applicable to undertakings for collective investment when they use certain techniques and instruments relating to transferable securities and money market instruments (as the foregoing may be amended or replaced from time to time), each Sub-Fund may for the purpose of generating additional capital or income or for reducing costs or risks (A) enter into, either as purchaser or seller, into optional as well as non optional repurchase transactions and (B) engage in securities lending transactions.

Use of the aforesaid techniques and instruments involves certain risks, some of which are listed in the following paragraphs, and there can be no assurance that the objective sought to be obtained from such use will be achieved.

c. Management of Collateral and Collateral Policy

General

In the context of OTC financial derivative transactions, the Fund may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Fund in such case. All assets received by the Fund in the context of efficient portfolio management techniques shall be considered as collateral for the purpose of this section.

Eligible Collateral

Collateral received by the Fund may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and CSSF Circulars issued from time to time notably in terms of liquidity and issuer credit quality, valuation, correlation, collateral diversification, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

(i) Liquidity and issuer credit quality – any collateral received other than cash shall be of high quality, 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.

(ii) Valuation – collateral received shall be valued on at least a daily basis and assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place;

(iii) Correlation – the collateral received by the Fund shall be issued by an entity that is independent from the counterpart and is expected not to display a high correlation with the performance of the counterpart;

(iv) Collateral diversification (asset concentration) – collateral shall be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Fund receives from a counterpart of efficient portfolio management and OTC financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of the respective Sub-Fund's net asset value. When the Fund is exposed to different counterparts, the different baskets of collateral shall be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, the Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. In such a case, the Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the respective Sub-Fund's net asset value. The list of eligible jurisdictions includes, but is not limited to, Canada, Denmark, Finland, France, Germany, the Netherlands, Norway, Sweden, Switzerland, the United Kingdom and the United States of America;

Moreover, collateral received shall also comply with the provisions of Article 48(2) of the 2010 Law;

(v) it should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterpart;

(vi) Risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the risk management process;

(vii) Where there is a title transfer, the collateral received shall be held by the depositary of the Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral;

Subject to the abovementioned conditions, collateral received by the Fund may consist of the following instruments as accepted by the Commission Delegated Regulation (EU) 2016/2251 of the 4 October 2016 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 (hereafter referred to as "CDR 2016/2251"):

- (i) Cash in an OECD country currency in accordance with Article 4(1) (a) of CDR 2016/2251,
- (ii) Debt securities issued or guaranteed by Member States' central governments or central banks in accordance with Article 4(1) (c) of CDR 2016/2251,
- (iii) Debt securities issued by Member States' regional governments or local exposures whose exposures are treated as exposures to the central government of that Member State listed in Article 115(2) of the Regulation (EU) 575/2013,
- (iv) Debt securities issued by multilateral banks listed in Article 117(2) of the Regulation (EU) of 575/2013,
- (v) Debt securities issued by international organisations listed in Article 118 of the Regulation (EU) No 575/2013,
- (vi) Corporate bonds,
- (vii) Convertible bonds provided they can be converted only into equities which are included in an index specified pursuant to point (a) of Article 197(8) of the Regulation (EU) No 575/2013,
- (viii) Equities included in an index specified pursuant to point (a) of Article 197(8) of the Regulation (EU) No 575/2013.

Level of Collateral

The Fund will determine the required level of collateral for OTC financial derivatives transactions by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

Rules for application of Haircuts

Collateral will be valued on a daily basis using available market prices and the value of collateral will be adjusted by applying relevant haircuts. For this purpose, in accordance with Article 6 of CDR 2016/2251, the Management Company will rely on the credit quality assessments issued by a recognised External Credit Assessment Institution or the credit quality of (ECAI) of an export credit agency and thus will use standard haircuts to be applied by asset type, maturity and credit quality of the issuer.

The following haircuts will be applied:

Cash Collateral

- (i) Cash variation margin shall be subject to a haircut of 0%
- (ii) Cash initial margin shall be subject to a haircut of 8% when the cash initial margin has been posted in a currency other than the currency in which the payments in case of early termination or default have to be made in accordance with the single derivative contract, the relevant exchange of collateral agreement or the relevant credit support annex ('termination currency').

In case no termination currency has been set out, the above haircut of 8% shall apply to the market value of all the assets posted as collateral.

Non-Cash Collateral

Haircuts applicable to debt securities

Table 1 - Debt securities

Collateral	Credit Quality Step	Maturity		
		≤ 1 year	>1 ≤ 5 year(s)	> 5 years
(i) Debt securities issued or guaranteed by Member States' central governments or central banks in accordance with Article 4(1) (c) of CDR 2016/2251	1	0.5%	2%	4%
(ii) Debt securities issued by Member States' regional governments or local exposures whose exposures are treated as exposures to the central government of that Member State listed in Article 115(2) of Regulation (EU) 575/2013 and in accordance with CDR 2016/2251.				
(iii) Debt securities issued by multilateral banks listed in Article 117(2) of Regulation (EU) of 575/2013 and in accordance with CDR 2016/2251.	2-3	1%	3%	6%
(iv) Debt securities issued by international organisations listed in Article 118 of the Regulation (EU) No 575/2013 and in accordance with CDR 2016/2251	1-3	15%		
(v) Convertible bonds provided they can be converted only into equities which are included in an index specified pursuant to point (a) of article 197(8)of Regulation (EU) No 575/2013				
Corporate bonds in accordance with CDR 2016/2251.	1	1%	4%	8%
	2-3	2%	6%	12%

To determine the credit quality step, the second best rating from Moody's, S&P and Fitch shall be used and mapped using the table below. For the avoidance of the doubt, no credit quality step 4 is **mapped** since all debt securities shall be having an issuer rating of investment grade.

Table 2 – Credit Quality step mapping table

Credit Rating Agency	Rating type	Credit Quality Step		
		1	2	3
Fitch Ratings	Long-term Issuer Credit ratings scale	AAA, AA	A	BBB
Moody’s Investors Service	Global long-term rating scale	Aaa, Aa	A	Baa
Standard & Poor’s ratings Services	Long-term issuer credit ratings scale	AAA, AA	A	BBB

Equities in main indices and bonds convertible to equities in main indices shall have a haircut of 15 %.

Non cash initial margin posted in a currency other than the currency in which the payments in case of early termination or default have to be made in accordance with the single derivative contract, the relevant exchange of collateral agreement or the relevant credit support annex (‘termination currency’) shall be subject to an additional haircut of 8%.

In case no termination currency has been set out, the above haircut of 8% shall apply to the market value of all the assets posted as collateral.

Non-Cash variation margin posted in a currency other than those agreed in an individual derivative contract, the relevant governing master netting agreement or the relevant credit support annex shall be subject to an additional haircut of 8%.

The Management Company reserves the right to review and amend the above haircuts at any time when the market conditions have changed and when and if this is deemed in the best interest of the Fund.

Reinvestment of Collateral

Non-Cash Collateral received by the Fund may not be sold, re-invested or pledged.

Restrictions on the re-use of Cash Collateral

Cash Collateral received by the Fund shall neither be re-invested nor pledged.

6. Cash and cash equivalents

Each Sub-Fund may hold on an ancillary basis cash and cash equivalents. In this respect, time deposits in depository institutions and money market instruments which are regularly negotiated and which have a residual maturity of 12 months or less from the acquisition date shall be deemed to be cash equivalents.

Based on the appraisal of the AIFM and/or the Portfolio Manager with regard to the market conditions, up to 100% of each Sub-Fund's net assets may however be invested in cash or cash equivalent instruments as described above if this is in the best interest of the Unitholders. The AIFM and/or the Portfolio Manager will furthermore observe the principle of risk diversification when investing in such instruments (e.g. (i) by ensuring that not more than 20% of a Sub-Fund's net assets are held in cash and cash equivalent instruments with one single bank and (ii) by investing in cash equivalent instruments issued by different issuers and having different maturities).

K) SUSPENSION OF VALUATION OF THE NET ASSET VALUE PER UNIT AND OF THE ISSUE AND REDEMPTION OF UNITS

The AIFM may temporarily suspend the calculation of the net asset value per Unit of any Sub-Fund and the Management Company may temporarily suspend the issuance and redemption of Units of any Sub-Fund:

- (a) during any period when any market or stock exchange, which is a principal market or stock exchange, on which a material part of the investments of the relevant Sub-Fund for the time being is quoted, is closed otherwise than for ordinary holidays, or during which dealings are substantially restricted or suspended; or
- (b) during any period where the calculation of the net asset value of shares or units of the undertaking for collective investment in which the relevant Sub-Fund may be allowed to invest substantially all of its total assets is suspended or is not otherwise available; or
- (c) during the existence of any state of affairs which constitutes an emergency as a result of which disposal by the Fund of investments of the relevant Sub-Fund is not possible; or
- (d) during any breakdown in the means of communication normally employed in determining the price of any of the Sub-Fund's investments or the current prices on any market or stock exchange; or
- (e) during any period when remittance of money which will or may be involved in the realization of, or in the payment for, any of the Sub-Fund's investments is not possible.

The Management Company shall cease the issue and redemption of the Units forthwith upon the occurrence of an event causing it to enter into liquidation. Unitholders having subscribed for or requested redemption or switches of their Units will be notified in writing of any suspension and of the termination of such suspension.

L) COMPULSORY REDEMPTION AND TERMINATION OF SUB-FUNDS

In the event that (i) for any reason, the net asset value of the assets relating to a Sub-Fund decrease to a level and for a period which, according to the Management Company, justify the termination of such Sub-Fund (such being in any event the case if the net asset value of a Sub-Fund falls below 100 million SEK or its equivalent in the relevant currency of the Sub-Fund), or (ii) the Board of Directors of the Management Company deem it appropriate because of changes in the economic or

political situation affecting the Sub-Fund, the Management Company may compulsorily redeem all Units.

Liquidation proceeds not claimed by Unitholders at the close of liquidation of a Sub-Fund will be deposited at the *Caisse de Consignation* in Luxembourg until the applicable prescription period shall have elapsed.

If the Management Company becomes aware that any Units are owned directly or indirectly by any person in breach of any law or requirement of a country or governmental or regulatory authority, or otherwise in the circumstances referred to in section III. B) "Issue of Units" above, the Management Company may require the redemption of such Units.

M) DURATION OF THE FUND, LIQUIDATION

The Fund and the various Sub-Funds shall be established for an indefinite period unless otherwise specified in the relevant Appendix. The Fund may be dissolved at any time by decision of the Management Company subject to prior notification to the Depositary. Notice of such dissolution shall be published in accordance with Luxembourg law. No Unit may be issued after the date of such decision of the Management Company. Units may continue to be redeemed if the equal treatment between all Unitholders can be ensured.

In the event of the liquidation of the Fund, the Management Company shall realise the assets of the Fund in the best interest of the Unitholders, and the Depositary shall distribute the net liquidation proceeds corresponding to each Sub-Fund, after deduction of liquidation charges and expenses, to the holders of Units of each Sub-Fund in the proportion of the respective net asset values per Unit, all in accordance with the directions of the Management Company.

Liquidation proceeds which could not be distributed to the persons entitled thereto at the close of liquidation shall be deposited with the *Caisse de Consignation* in Luxembourg until applicable prescription period shall have elapsed.

N) RISK MANAGEMENT

The AIFM has established and maintains a permanent Risk Management function that is responsible for identifying, setting limits, measuring, monitoring, controlling and reporting the financial risks related to funds for which it acts as AIFM, as detailed in the applicable Luxembourg law and circulars. This includes, but is not limited to: global exposure, market risk, credit risk, liquidity risk, counterparty risk, operational risk, concentration risk, valuation risk, legal risks and hedging rules.

The AIFM applies a comprehensive process based on qualitative and quantitative risk measures to assess the risks of each Sub-Fund.

The risk profile of each Sub-Fund is established to adequately capture the size, portfolio structure and investment strategy as specified for each Sub-Fund in Appendix 1, the "Sub-Funds".

Valuation Risk

A policy to determine principles for asset valuation has been established by the AIFM in order to ensure that all financial instruments of the AIFs are accurately valued and that any subjective valuation necessary is done with care and good faith. The policy is designed to avoid any conflict of interest and to ensure that the Fund is accurately valued in the best interest of the investors of the Fund. The AIFM has also established a Valuation Committee to further ensure that any valuation issues are escalated and resolved in line with the established principles.

Market Risk

The Sub-Funds' market risk is measured via a Value-at-Risk calculation, including a back-testing program and applicable stress-testing.

As part of its investment policy, the Sub-Funds may invest in financial derivative instruments, provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in the investment policy of the respective Sub-Fund, as specified for each Sub-Fund in Section B.

Leverage

Leverage means any method by which the Fund's exposure may be increased, whether through the borrowing of cash or of any other assets, via derivatives or by any other means. The Fund will employ leverage as provided for in the aforementioned sections of this Prospectus and the Appendix. A description of the risks associated with the use of leverage is contained below.

The Leverage of the Sub-Funds are measured both utilizing a gross method and on a committed basis.

The exposure of an AIF calculated in accordance with the gross method shall be the sum of the absolute values of all positions valued in accordance with Article 19 of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (the "AIFM Directive" and Article 7 of the Commission Delegated Regulation (EU) No. 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision (the "AIFM Regulation"). For the calculation of the exposure with the gross method, the AIFM:

- excludes the value of any cash and cash equivalents which are highly liquid investments held in the base currency of the AIF, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three month high quality government bond;
- converts derivative instruments (if any) into the equivalent position in their underlying assets using the conversion methodologies set out in Article 10 of AIFM Regulation;
- excludes cash borrowings that remain in cash or cash equivalent where the amounts of that payable are known;
- includes exposure resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of the cash borrowed as referred to in paragraphs (1) and (2) of Annex I of AIFM Regulation;

- includes positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other arrangements (if any) in accordance with paragraphs (3) and (10) to (13) of Annex I of AIFM Regulation.

The exposure of an AIF calculated in accordance with the commitment method shall be the sum of the absolute values of all positions valued in accordance with Article 19 of the AIFM Directive and Article 8 of the AIFM Regulation. For the calculation of the exposure of an AIF in accordance with the commitment method, the AIFM:

- converts each derivative instrument position (if any) into an equivalent position in the underlying asset of that derivative using the conversion methodologies set out in Article 10 and Annex II of the AIFM Regulation;

- applies netting and hedging arrangements;

- calculates the exposure created through the reinvestment of borrowings where such reinvestment increases the exposure of the AIF as defined in paragraphs (1) and (2) of Annex I of the AIFM Regulation;

includes other arrangements in the calculation in accordance with paragraphs (3) and (10) to (13) of Annex I of the AIFM Regulation.

The Sub-Funds will set a maximum level of leverage which may be employed as indicated for the respective Sub-Funds in Appendix 1.

Leverage Risk

Some of the Sub-Funds may maintain net open positions in securities, currencies or financial instruments with an aggregate value in excess of such Sub-Fund's net asset value (leverage). The leverage factor and its calculation method are specified in the relevant Sub-Fund. Such leverage presents the potential for significant profits but also entails a high degree of risk including the risk that losses in excess of the amount invested will be sustained. Even where a Sub-Fund will not be leveraged, certain transactions may give rise to a form of leverage if the Sub-Fund may borrow funds and/or employ financial instruments and techniques with an embedded leverage effect. The consequence of the leverage effect is that the value of the Sub-Fund's assets increases faster if capital gains arising from investments financed through leverage exceed the related costs, notably the interest borrowed monies and premiums payable on derivative instruments. A fall in prices, however, causes a faster decrease in the value of the Fund's assets.

Liquidity Risk Management

The liquidity risk is measured via assessing the liquidation time, liquidation cost (LVaR), liquidity generating capacity, average liquidity exposure and average redemptions of the Sub-fund. Appropriate stress-tests are implemented and assessed.

The AIFM employs appropriate liquidity management methods and adopts procedures which enable it to monitor the liquidity risk of each Sub-Fund. The AIFM ensures that, for each Sub-Fund it manages, the investment and financing strategy, the liquidity profile and the redemption policy are consistent and such that each Sub-Fund may normally meet its Unit redemption obligations. As further specified in Section IIIc) "Redemption of Units", the Fund may apply tools and arrangements necessary to handle illiquid assets (such as gates). Investors are further informed that the percentage of the assets

of the Fund which are subject to special arrangements arising from their illiquid nature, any new arrangements for managing the liquidity of the Fund, as well as the current risk profile of the Fund and the risk management systems employed to manage those risks are or will be disclosed at the registered office of the AIFM. The frequency of timing of such disclosure is available at the registered office of the AIFM.

O) RISK FACTORS

Investors should give careful consideration to the following factors in evaluating the merits and suitability for investment in any Units of a Sub-Fund:

- (i) Investment in the Fund carries a substantial degree of risk. As a result of the nature of the Sub-Fund's investment activities, the performance of the Fund may fluctuate substantially from period to period. Accordingly, performance results of a particular period will not necessarily be indicative of future performance. Investors are recommended to consult their financial advisors before investing in the Fund.
- (ii) The AIFM does not expect an active secondary market will develop in the Units of the Fund. Units are subject to certain redemption provisions. In certain circumstances, the AIFM has the right to suspend or restrict redemptions of Units, so that investors may be unable to liquidate some or any of their investment at a particular time.
- (iii) As described above, Unitholders seeking to redeem their Units shall submit a redemption application not less than such time as set forth in the relevant Appendix before the relevant Valuation Date. Unitholders will therefore not know, in advance of giving the redemption application the price at which their Units will be redeemed and, while the notice period for redemption is expiring, the net asset value per Unit may change substantially due to market movement.
- (iv) The Fund is not the subject of any statutory compensation scheme.
- (v) The Fund is newly formed and as at the date hereof has had little operating experience. The past performance of the Management Company, the AIFM or any of its agents is not necessarily a guide to the future performance of the Fund or the Sub-Funds.
- (vi) The services of the Management Company, the AIFM and any of its agents are not to be deemed exclusive to the Sub-Fund. No provision of this Prospectus shall be construed to preclude the above parties or any affiliate thereof from engaging in any other activity whatsoever and receiving compensation for providing services in the performance of any such activity. The Management Company, the AIFM, its directors and officers, employees, agents and affiliates, or shareholders, and if any of the above are bodies corporate, any of their directors and officers, employees, agents and affiliates or shareholders ("Interested Parties") may be involved in other financial, investment or other professional activities which may on occasion cause conflicts of interest with the Fund.
- (vii) All securities investments risk the loss of capital. Investment in the various securities and other instruments contemplated by the Fund involves significant economic risks. Although the Fund's investment program is expected to provide some protection from the risk of loss inherent in the ownership of such investments, there can be no assurance that these strategies will completely protect against this risk or that the Fund's investment objectives will be obtained achieved.

- (viii) Unitholders may redeem their Units in accordance with this Prospectus and the Management Regulations of the Fund. Substantial redemptions could require a Sub-Fund to liquidate investments more rapidly than otherwise desirable in order to raise the necessary cash to fund the redemptions and to achieve a market position appropriately reflecting a smaller equity base. This could adversely affect the value of the Units. The cash resources immediately available to meet Unit redemption applications will be limited and if redemption requests at any particular time exceed those resources, investment properties may need to be sold in order to redeem such Units.
- (ix) Except as may be otherwise provided in the constituent documents of the Fund, the Unitholders have no right to participate in the management of the Fund or to vote at any general meeting.
- (x) The Management Company or AIFM and its agents may from time to time act as agents in relation to, or be otherwise involved in, other funds which have similar objectives to those of the Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Fund. Each will, at all times, have regard in such event to its obligations to the Fund and will endeavour to ensure that such conflicts are resolved fairly. Each will at all times, endeavour to act in the best interest of the Fund. In addition, any of the foregoing may deal, as principal or agent, with the Fund, provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis.
- (xi) The tax consequences of an investment in the Fund are subject to certain risks. Each potential investor should carefully consider the tax effects of his own investment in the Fund since the tax consequences of an investment in the Fund are complex and certain of them will not be the same for all taxpayers. In view of the complexity of the tax aspects of investing in the Fund, and particularly in view of the fact that the tax situation of each investor will differ, all prospective investors should consult their own tax advisors with specific reference to their own tax situation prior to making an investment in the Fund.
- (xii) The Sub-Funds may borrow for investment purposes from first class professionals specialised in this type of transactions. Certain Sub-Funds may borrow up to 300% of their net assets. Such borrowing facilities will magnify increases or decreases in the Sub-Funds' net asset value. No assurance may be given that secured or unsecured debt financing will be available on terms that the Management Company or the AIFM considers acceptable.

In addition, some of the Underlying Funds in which any Sub-Fund invests, operate with substantial degree of leverage and are not limited in the extent to which they either may borrow or engage in margin transactions. The positions maintained by such Underlying Funds may in aggregate value be in excess of the net asset value of the relevant Sub-Fund. This leverage presents the potential for a higher rate of total return but also increases the volatility of the relevant Sub-Fund, including the risk of a total loss of the amount invested. Borrowings generate interest costs which may be higher than the income and capital gains produced by the assets of the relevant Sub-Fund.

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF ALL OF THE CONSIDERATIONS INVOLVED IN AN INVESTMENT IN THE SUB-FUNDS. PROSPECTIVE INVESTORS SHOULD READ THIS PROSPECTUS TOGETHER WITH THE MANAGEMENT REGULATIONS OF THE FUND IN THEIR ENTIRETY BEFORE DETERMINING WHETHER TO SUBSCRIBE IN ANY UNITS.

P) REGULATORY DISCLOSURE

Conflicts of Interest

The AIFM has implemented an Instruction for Handling of Conflicts of Interest in order to ensure a fair and consistent treatment of conflicts of interest and to take reasonable steps to avoid conflicts of interest and, when they cannot be avoided, to identify, manage and monitor and, where applicable, disclose those conflicts of interest in order to prevent the AIFM and its affiliated persons from adversely affecting the interest of the Funds and its Investors or any other Investors of the AIFM and to ensure that the Funds it manages and any other Investors are fairly treated. Investors are informed that, by the sole fact of soliciting an investment or, a fortiori, investing in the Fund, they acknowledge and consent that the Instruction for Handling of Conflicts of Interest will be available, free of charge on www.sebfundservices.lu and that this information will not be addressed personally to them.

The AIFM, the Portfolio Manager(s), the Depositary and the Distributor are all part of the SEB Group. The SEB Group offers a wide range of financial services, including but not limited to UCITS and AIFs. Situations may therefore arise where conflicts of interest are identified between different companies within SEB Group and Investor(s) (as defined in the Instruction for Handling of Conflicts of Interest) and between different functions/units within the Group and the Investor(s), or third party providers which may adversely affect the Investor(s) or other Funds managed by the AIFM.

For the purpose of identifying conflicts of interest, the AIFM shall take into account as a minimum, whether the AIFM (its employees, managers and directors), the portfolio manager(s), the depositary, distributor(s), the central administration and the registrar agents ("Affiliated Person") are:

- (1) likely to make a financial gain or avoid a financial loss, at the expense of an Investor,
- (2) have an interest in the outcome of a service provided to, or transaction carried out on behalf of an Investor which is distinct from the Investor's interest,
- (3) are involved in a business that is the same as the Investor's business,
- (4) have a financial or other incentive to favour the interests of one Investor or group of Investors over the interest of another Investor or group of Investors,
- (5) receive from (or give to) a person other than the Investor an inducement for entering into a transaction with an Investor or for providing a service to it, in the form of monies, goods or services, other than the standard commission or fee for that service.

Exercise of Voting Rights

A summary of the strategy for determining when and how voting rights attached to the Sub-Fund's investments are to be exercised shall be made available to investors. The information related to the actions taken on the basis of this strategy in relation to each Sub-Fund shall be made available to investors upon request at the registered office of SEB Fund Services S.A.

The Instruction for the exercise of voting rights is available free of charge on www.sebfundservices.lu

Preferential treatment of investors

Unitholders are being given a fair treatment by ensuring that they are subject to the same rights and, as the case may be, the same obligations vis-à-vis the Fund (as such rights are obligations notably

result from the Management Regulations and this Prospectus) as those to which other Unitholders, having invested in, and equally or similarly contributed to, the same class of Units, are subject to. Notwithstanding the foregoing paragraph, it cannot be excluded that a Unitholder be given a preferential treatment in the meaning of, and to the widest extent, allowed by, the Management Regulations. Whenever a Unitholder obtains preferential treatment or the right to obtain a preferential treatment, a description of that preferential treatment, the type of Unitholders who obtained such preferential treatment and, where relevant, their legal or economic links with the Fund or the AIFM will be made available at the registered office of the AIFM within the same limits required by the Law of 2013.

Best Execution

The AIFM acts in the best interest of the Fund when executing investment decisions. For that purpose, the AIFM shall monitor that the Portfolio Manager takes all reasonable steps to obtain the best possible result for the Fund, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution and settlement of the order in accordance with its Instructions for Ensuring a Proper Execution, Handling and Transmission of orders in Financial Instruments, available free of charge on www.sebfundservices.lu.

Remuneration

The AIFM has established a remuneration policy that is applicable to all identified staff members as specified in the AIFM Regulation and the ESMA Guidelines 2013/201. Any relevant disclosures shall be made in the financial statements, if applicable, in accordance with the 2013 Law. An overview of the remuneration policy of the AIFM is available at its registered office and the full policy is also made available to the investors on their request at the registered office of the AIFM.

Inducements

Third parties, including Affiliated Person, may be remunerated or compensated by the AIFM in monetary/non-monetary form in relation the provision of a covered service (as defined in the Instruction regarding Inducements for SEB Fund Services S.A.) The AIFM strives to ensure that in providing services to its investors, it acts at all times in a honest, fair and professional manner, and in the best interests of the investors. This instruction is available free of charge on www.sebfundservices.lu.

Other disclosures

The following disclosures will be made in the annual report or in another appropriate periodic reporting, and where necessary on an ad hoc basis:

- Where available, the historical performance of each Sub-Fund.
- Changes to the Depositary's liability
- The loss of a financial instrument.
- Any changes to the maximum level of leverage which the AIFM may employ on behalf of each Sub-Fund as well as any right of the re-use of collateral or any guarantee granted under the leveraging arrangement if applicable.
- The total leverage employed by each Sub-Fund.
- Any new arrangements for managing the liquidity of the each Sub-Fund.
- The percentage of each Sub-Fund's assets which are subject to special arrangements arising from their illiquid nature.
- The current risk profile of each Sub-fund and the risk management systems employed by the AIFM to manage those risks,

- Any changes to the description given in this Prospectus of the risk management systems employed by the AIFM in accordance with point c of Article 21(4) of the 2013 Law as well as its anticipated impact on each Sub-Fund and their investors.

Q) INFORMATION TO UNITHOLDERS

Audited annual reports and unaudited semi-annual reports will be mailed free of charge by SEB Fund Services S.A. to the Unitholders at their request. In addition, such reports will be available to Unitholders at the registered office of SEB Fund Services S.A.

The accounting year ends on 30th September of each year.

The accounts of the Fund are maintained in SEK.

The latest net asset value per Unit of each Sub-Fund, together with subscription and redemption prices, are available on any Business Day at the registered office of SEB Fund Services S.A..

Other information on the Fund or the Management Company or the AIFM is available on any such Business Day at the registered office of the Management Company or AIFM with any information relating to any suspension of the determination of the net asset value of any Sub-Fund.

All announcements to Unitholders will be sent to the Unitholders at their address in the Unit register.

The following documents are also available for inspection to Unitholders at the registered office of SEB Fund Services S.A. during normal business hours:

- ◆ The Prospectus and the Key Investor Information Documents ("KIIDs");
- ◆ The Management Regulations as updated from time to time;
- ◆ The articles of incorporation of the Management Company;
- ◆ The Depositary Agreement between the Management Company or AIFM and Skandinaviska Enskilda Banken S.A.
- ◆ The latest semi-annual and annual reports of the Fund.

Upon request, the Management Regulations and the latest audited annual report may be obtained by Unitholders free of charge at the registered office of SEB Fund Services S.A., within six months of the close of each accounting year. Unaudited semi-annual reports shall also be made available in the same way within three months of the end of the accounting period to which they refer.

KIIDs are made available to retail investors before subscribing to Units of the Fund on the following website <http://fundinfo.sebfundservices.lu/ATCMII/> or in paper upon request.

**APPENDIX I
TO THE PROSPECTUS OF
ATCM II**

ATCM II – TRUE MARKET NEUTRAL FUND

INVESTMENT OBJECTIVE AND POLICY

The Sub-Fund's objective is to generate an attractive risk-adjusted return for its Unitholders combined with low correlation to equity markets by investing predominantly in undertakings for collective investment, in particular hedge funds or similar products but also exchange-traded funds (ETFs), ("Underlying Funds") and/or financial derivatives instruments (e.g. futures, forwards, options and swaps, excluding total return swaps or other financial derivative instruments with similar characteristics) pursuing a Market Neutral strategy.

Market Neutrality in this context is defined as an investment strategy with returns that are largely independent of traditional equity markets. Market Neutrality could be a consequence of the investment process and methodology employed such as an equity market neutral strategy where the long exposure is maintained approximately equal to the short exposure.

In addition to investing into hedge funds and/or financial derivatives instruments the Sub-Fund is allowed to invest in cash or cash equivalents without limitation.

Borrowings will not normally represent at any time a proportion greater than 20% of the Sub-Fund's net assets but may represent, in certain circumstances as determined by the Management Company, up to 300% of the Sub-Fund's net assets.

The Sub-Fund may also seek exposure (hedged or not) to the global currency markets.

By way of derogation to section VII. G), (3) the Sub-Fund will not enter into physical short sales transactions.

The Sub-Fund does not make use of any securities financing transactions, nor enter into total return swaps or financial derivative instruments with similar characteristics and as such the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse is currently not applicable. The Prospectus will be updated accordingly prior to the use of any such instruments or techniques.

Investors should note that there can be no guarantee that the Sub-Fund will achieve its objectives. The value of the Sub-Fund's Units can go down as well as up, and an investor may not realize the amount invested.

INVESTMENT STRATEGY

The Portfolio Manager continuously screens the market for potential Underlying Funds that pursue a market neutral investment strategy and that, in the view of the Portfolio Manager, have the ability to generate attractive risk-adjusted returns within a market neutral framework.

Underlying Funds are evaluated with a specific focus on market neutrality, risk and return characteristics, the overall fit within the total portfolio and outcome of the due diligence process. The Portfolio Manager will seek to manage the portfolio according to various principles of diversification in order to decrease the overall risk level in the portfolio e.g. diversification by manager, strategy and geography.

The selection of Underlying Funds and their weights in the portfolio change over time in line with the view of the Portfolio Manager on each Underlying Fund's return generating ability.

MARKET RISK

The global exposure of the Sub-Fund will be monitored by using the Value-at-Risk (VaR) methodology. The level of the absolute VaR for the Sub-Fund will not exceed 20%.

LEVERAGE

The maximum level of leverage which the AIFM is entitled to employ on behalf of the Sub-Fund is 300% in accordance with the commitment method and 500% in accordance with the gross method of the total assets.

PORTFOLIO MANAGER

The AIFM has appointed Skandinaviska Enskilda Banken AB (publ) as portfolio manager (the "Portfolio Manager") in relation to the Sub-Fund.

Skandinaviska Enskilda Banken AB (publ) is a financial institution established under the laws of the Kingdom of Sweden and supervised by *Finansinspektionen*, with registered office at S-106 40 Stockholm, Kungsträdgårdsgatan 8.

The Portfolio Manager may delegate, as its own expense and with the approval of the AIFM and the CSSF, any or all of its management and advisory duties to, any other company, provided that the Portfolio Manager shall remain responsible for the acts and omissions of any such delegate in relation to such duties delegated by the Portfolio Manager as if such acts or omissions were those of the Portfolio Manager. In case of delegation of the Portfolio Manager's duties, this Prospectus will be updated accordingly.

PRIME BROKER

No Prime Broker has been appointed yet for the Sub-Fund.

CLASSES OF UNITS

Units within the Sub-Fund can be issued in the following classes:

Class of Units	ISIN
Class – SEK	LU0422996776
Class – USD	LU0437400327
Class – NOK	LU0437400590
Class – DKK	LU0437400673
Class – CHF	LU0437400756
Class – EUR	LU0437400830
Class – SEK R	LU0861009917
Class – EUR R	LU1077370499

All Classes of Units are reserved to institutional investors as defined by Article 174 (2) (c) of the 2010 Law, except Class SEK R and Class EUR R which are open to all types of investors.

At the time of this Prospectus, only Class – SEK Units and Class – EUR Units are available for subscriptions. The remaining classes of Units may be launched at a later stage at the discretion of the Board of Directors of the Management Company or AIFM. A complete list of all available classes of Units may be obtained, free of charge and upon request at the registered office of SEB Fund Services S.A.

SUBSCRIPTIONS

Units may be subscribed for on the relevant Valuation Date at the applicable net asset value per Unit.

Investors whose applications are accepted will be allotted Units issued on the basis of the net asset value determined as at the relevant Valuation Date provided such application has been received by the Sub-Administrator before 5.00 p.m. (Luxembourg time) on the fifth Business Day preceding such Valuation Date. Any applications received after the applicable deadline will be processed in respect of the next Valuation Date.

Payment for subscribed Units has to be made no later than 5.00 p.m. (Luxembourg time) on the third Business Day preceding the first Business Day of the month immediately following the relevant Valuation Date.

MINIMUM INITIAL SUBSCRIPTION

The following minimum initial subscription amounts will apply.

Class of Units	minimum initial subscription amount
Class – SEK	SEK 100,000
Class – USD	USD equivalent of SEK 100,000
Class – NOK	NOK equivalent of SEK 100,000
Class – DKK	DKK equivalent of SEK 100,000

Class – CHF	CHF equivalent of SEK 100,000
Class – EUR	EUR equivalent of SEK 100,000
Class – SEK R	SEK 10,000
Class – EUR R	EUR equivalent of SEK 10,000

REDEMPTIONS

Units may be redeemed on any Valuation Date at a price based on the net asset value per Unit determined as at that Valuation Date.

Unitholders will have their Units redeemed at a price based on the net asset value determined as at the relevant Valuation Date following receipt of the application provided such application has been received by the Sub-Administrator before 5.00 p.m. (Luxembourg time) on the 20th of the month preceding the month of the Valuation Date. In case the 20th of the month preceding the month of the relevant Valuation Date does not fall on a Business Day, the application shall be received the first Business Day preceding such day.

Any applications received after the applicable deadline will be processed in respect of the next Valuation Date.

Redemption proceeds will generally be paid within thirty calendar days following the relevant Valuation Date but in any event before the next Valuation Date.

REDEMPTION FEE

No redemption fee is charged.

VALUATION DATE

The last Business Day of each calendar month shall be a Valuation Date for the Sub-Fund.

SUBSCRIPTION AND SWITCHING FEES

No subscription fee and no switching fee will be charged.

Management Company Fee

SEB Fund Services S.A. is entitled to a fee of a maximum of 0.05% p.a. based on the Sub-Fund's net assets under management with a minimum annual fee of the equivalent of EUR 15,000, which are accrued on each Valuation Date and payable monthly in arrears out of each Sub-Fund's net assets. In addition the Management Company is entitled to a fixed fee not exceeding 9,000 EUR p.a..

In addition the Management Company is entitled to compensation for any reasonable disbursements and out-of-pocket expenses.

Depository Fee

The Depository is entitled to a Depository fee of 0.045% based on the Sub-Fund's net assets under management.

Portfolio Management Fee

The Portfolio Manager is entitled to a fee of a maximum of 1% p.a. based on the Sub-Fund's net asset under management.

Performance Fee

Class SEK R and Class EUR R (only):

The Portfolio Manager will be entitled to receive a Performance Fee (the "Performance Fee") payable out of the assets of the Sub-Fund.

The Performance Fee will be calculated annually with the first period starting on the launch date of the Class and ending on 30 September 2013 (for Class SEK R) or on 30 September 2014 (for Class EUR R) and will be followed by each successive year thereafter (a "Calculation Period"). The Performance Fee is deemed to accrue on a monthly basis as at each Valuation Date.

The Performance Fee is normally payable in arrears within 30 days of the end of each Calculation Period.

If the Portfolio Management Agreement is terminated before the end of a Calculation Period, the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant period.

The Portfolio Manager may in its absolute discretion waive charges and/ or fees and may rebate any fees payable to it to an investor or a distributor or to any other person or entity in the discretion of the Portfolio Manager. The decision will be based on various criteria including, but not limited to: timing of investment, investment amount, investment horizon, frequency of new inflows, global business level.

For each Calculation Period, the Performance Fee in respect of each Class will be equal to 10% of the appreciation in the Net Asset Value per Unit of the relevant Class during the Calculation Period above the Base Net Asset Value per Unit. The Base Net Asset Value per Unit is the greater of the Net Asset Value at the time of issue of that Unit plus the Index hurdle rate for this Class, as per the table below, and the highest Net Asset Value of that Unit achieved as of the end of any previous Calculation Period (if any) during which such Unit was in issue plus the Index hurdle rate. A Performance Fee is only accrued when the Net Asset Value per Unit is above the previous Base Net Asset Value per Unit increased by the prevailing hurdle rate.

The Performance Fee is subject to the crystallization principle. When a redemption is accepted the corresponding amount of Performance Fee accrued (if any) to be borne by the redeemed Units becomes due and will be paid to the Portfolio Manager at the end of the quarter. When a subscription is accepted, the Performance Fee calculation will be adjusted in order to neutralize the impact of the

subscription on the Performance Fee calculation. The appreciation of the Net Asset Value per Unit above the Base Net Asset Value per Unit until the date of the subscription will not be taken into consideration in the Performance Fee calculation from subscription date, for the part of the total Net Asset Value newly subscribed.

Class of Units	Index hurdle rate
Class SEK-R	OMRX T-Bill Index (Bloomberg Ticker: RXVX Index)
Class EUR R	EUR 1 Month Libor (Bloomberg Ticker: EE0001M Index)

Other Unit Classes:

The Portfolio Manager will be entitled to receive a Performance Fee (the "Performance Fee") from the Sub-Fund on a Unit by Unit basis so that each Unit is charged a Performance Fee which equates with that Units performance. This method of calculation ensures that (i) any Performance Fee paid to the Portfolio Manager is charged only to those Units which have appreciated in value, (ii) all Unitholders have the same amount per Unit at risk in the Sub-Fund, and (iii) all Units have the same Net Asset Value per Unit.

The Performance Fee will be calculated annually with the first period starting on 1 April 2009, being the launch date of the Sub-Fund, and ending on 30 September 2009 and being followed by each successive year thereafter (a "Calculation Period"). The Performance Fee is deemed to accrue on a daily basis as at each Valuation Date.

For each Calculation Period, the Performance Fee in respect of each Unit will be equal to 10% of the appreciation in the Net Asset Value per each Unit during the Calculation Period above the Base Net Asset Value per each Unit. The Base Net Asset Value per each Unit is the greater of the Net Asset Value of that Unit at the time of issue of that Unit plus the applicable benchmark hurdle rate set out hereafter and the highest Net Asset Value of that Unit achieved as of the end of any previous Calculation Period (if any) during which such Unit was in issue plus the applicable benchmark hurdle rate. A Performance Fee is only accrued when the Net Asset Value per each Unit is above the previous Base Net Asset Value per each Unit increased by the prevailing hurdle rate. The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value attributable to the Unit before making any deduction for accrued Performance Fees.

The applicable benchmark hurdle rate for each Unit Class is the following:

Class of Units	benchmark hurdle rate
Class – SEK	OMRX T-Bill Index (Bloomberg Ticker: RXVX Index)
Class – USD	USD 1 Month Libor (Bloomberg Ticker: US0001M Index)
Class – NOK	NIBOR 1 Month (Bloomberg Ticker: NIBOR1M Index)
Class – DKK	DKK 1 Month Libor (Bloomberg Ticker: DK0001M Index)

Class – CHF	CHF 1 Month Libor (Bloomberg Ticker: SF0001M Index)
Class – EUR	EUR 1 Month Libor (Bloomberg Ticker: EE0001M Index)

The Performance Fee is normally payable in arrears within 30 days of the end of each Calculation Period. However, in the case of Units redeemed during a Calculation Period, the accrued Performance Fee in respect of those Units is normally payable within 30 days after the end of each Calculation Period.

If the Portfolio Management Agreement is terminated before the end of a Calculation Period, the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant period.

The Portfolio Manager may in its absolute discretion waive charges and/ or fees and may rebate any fees payable to it to an investor or a distributor or to any other person or entity in the discretion of the Portfolio Manager. The decision will be based on various criteria including, but not limited to: timing of investment, investment amount, investment horizon, frequency of new inflows, global business level.

Adjustments (all Unit Classes except Class SEK R and Class EUR R)

If an investor subscribes for Units at a time when the Net Asset Value per Unit is other than the Peak Net Asset Value per Unit, certain adjustments will be made to reduce inequities that could otherwise result to the Subscriber or the Portfolio Manager. The Peak Net Asset Value per Unit ("Peak Net Asset Value per Unit") is the greater of (i) the price at which the Units were issued on the expiry of the Initial Offering Period and (ii) the greater of the Net Asset Value per each Unit in effect immediately after the end of each Calculation Period in respect of which a Performance Fee (other than a Performance Fee Redemption as defined below) was charged. The Peak Net Asset Value is adjusted at the Valuation Date with the applicable benchmark hurdle rate pro rata temporis (Adjusted Peak Net asset Value).

- (A) If Units are subscribed for at any time when the Gross Net Asset Value (NAV before accrual of performance fee) per Unit is less than the relevant Adjusted Peak Net Asset Value per Unit, the investor will be required to pay a Performance Fee with respect to any subsequent appreciation in the value of those Units. With respect to any appreciation in the value of those Units from the Adjusted Gross Net Asset Value per Unit at the date of subscription up to the relevant Adjusted Peak Net Asset Value per Unit or Gross Net Asset Value per Unit, whichever is lower, the Performance Fee will be charged at the end of each Calculation Period by redeeming at par value such number of Units held by the Unitholder as have an aggregate Net Asset Value (after accrual for any Performance Fee) equal to 10% of any such appreciation (a "Performance Fee Redemption"). The aggregate new asset value of the Units so redeemed (less the aggregate par value which will be retained by the Sub-Fund) will be paid to the Portfolio Manager as a Performance Fee. Performance Fee Redemptions are employed to ensure that the Sub-Fund maintains a uniform Net Asset Value per Unit. As regards the remaining Units held by the Unitholder, any appreciation in those Units above the relevant Adjusted Peak Net Asset Value per Unit will be charged a Performance Fee in the normal manner described above.

(B) If Units are subscribed for at a time when the Gross Net Asset Value per Unit is greater than the relevant Adjusted Peak Net Asset Value per Unit at the date of subscription, the Unitholder will be required to pay an amount in excess of the Gross Net Asset Value per Unit at the date of subscription equal to 10% of the difference between the Gross Net Asset Value per Unit at the date of subscription and the relevant Adjusted Peak Net Asset Value per Unit at the date of subscription (an "Equalisation Credit"). At the date of subscription the Equalisation Credit will equal the Performance Fee per Unit accrued with respect to the other Units in the Sub-Fund. The "Maximum Equalisation Credit" will be equal to 10% of the difference between the Adjusted Gross Net Asset Value per Unit at the date of subscription and the relevant Adjusted Peak Net Asset Value per Unit at the Valuation Date. The Equalisation Credit is payable to account for the fact that the Net Asset Value per Unit has been reduced to reflect an accrued Performance Fee to be borne by the existing Unitholders and serves as a credit against Performance Fees that might otherwise be payable by the Sub-Fund but that should not, in equity, be charged against the Unitholder making the subscription because, as to such Units, no favourable performance has yet occurred. The Equalisation Credit ensures that all holders of Units in the Sub-Fund have the same amount of capital at risk per Unit.

The additional amount invested as the Equalisation Credit will be at risk in the Sub-Fund and will therefore appreciate or depreciate based on the performance of the Sub-Fund subsequent to the issue of the relevant Units but will never exceed the Maximum Equalisation Credit. In the event of a decline as at any Valuation Date in the Net Asset Value per Unit, the Equalisation Credit will also be reduced by an amount equal to 10% of the difference between the Gross Net Asset Value per Unit at the date of issue and the Gross Net Asset Value per Unit at the Valuation Date. Any increase, as at any Valuation Date in the Adjusted Peak Net Asset Value per Unit, will have the effect that the Equalisation Credit will also be reduced by an amount equal to 10% of the difference between the Adjusted Peak Net Asset Value per Unit at the date of issue and the Adjusted Peak Net Asset Value per Unit at the Valuation Date. Any subsequent appreciation in the Gross Net Asset Value per Unit will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit.

At the end of each Calculation Period, if the Gross Net Asset Value per Unit (or the Adjusted Gross Net Asset Value per Unit at the date of issue) the lower of which should be applied, exceeds the relevant prior Adjusted Peak Net Asset Value per Unit, that portion of the Equalisation Credit equal to 10% of the excess, multiplied by the number of Units subscribed for by the Unitholder, will be applied to subscribe for additional Units for the Unitholder at the then existing Net Asset Value per Unit at the end of the Calculation Period. Additional Units will continue to be so subscribed for at the end of each Calculation Period until the Equalisation Credit, as it may have appreciated or depreciated in the Sub-Fund after the original subscription for Units was made, has been fully applied.

If the Unitholder redeems his Units before the Equalisation Credit has been fully applied, the Unitholder will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Units being redeemed and the denominator of which is the number of Units held by the Unitholder immediately prior to the redemption in respect of which an Equalisation Credit was paid on subscription.

Administration Fee

SEB Fund Services S.A. is entitled to (i) a variable administration fee not exceeding 0.045% p.a. based on the Sub-Fund's net assets under management and (ii) a fixed administration fee of EUR 30,000 p.a.

In addition, SEB Fund Services S.A. is entitled to fees in connection with the transfer agency services provided to the Sub-Fund in accordance with usual practice in Luxembourg.

SUB-FUND CURRENCY

The currency of denomination of this Sub-Fund is SEK.