VISA 2023/173758-7694-0-PC
L'apposition du visa ne peut en aucun cas servir d'argument de publicité
Luxembourg, le 2023-08-09
Commission de Surveillance du Secteur Financier

KARAKTER INVEST, SICAV-FIS S.A.

A société anonyme qualifying as a
société d'investissement à capital variable – fonds d'investissement spécialisé

Registered pursuant to the Luxembourg law of February 13, 2007 relating to specialized investment funds,
as amended or supplemented from time to time.

Placement Memorandum

JULY 2023

Important Information

KARAKTER INVEST, SICAV-FIS S.A. (the "**Company**") is a *société anonyme* incorporated under the laws of the Grand Duchy of Luxembourg as a *société d'investissement à capital variable – fonds d'investissement spécialisé*. The Company is subject to Part I of the law of February 13, 2007 relating to specialized investment funds, as amended or supplemented from time to time (the "**2007 Law**").

In accordance with the law of 12 July 2013 relating to alternative investment fund managers (the "**2013 Law**"), the Company qualifies as an alternative investment fund internally managed by its Board of Directors. The Board of Directors assessed that the Company falls under the exemption provided by Article 3 (2) of the 2013 Law at the date of the present placement memorandum and is committed to comply with the on-going reporting requirements from the 2013 Law.

It is noted that should the Company's assets under management exceed in total the thresholds set out in article 3 (2), it would be subject to the authorization regime and the Board is authorized to proceed with the mandatory amendments of its regulatory status in the event of any change of AIFM status after the date of the present placement memorandum. In that case, the Board will inform investors of modifications to the AIFM status of the Company.

The board of directors is offering shares (the "**Shares**") of one or several separate sub-funds (individually a "**Sub-Fund**" and collectively the "**Sub-Funds**") on the basis of the information contained in this placement memorandum (the "**Placement Memorandum**"), its appendixes (individually an "**Appendix**" and collectively the "**Appendixes**") and in the documents referred to herein which are deemed to be an integral part of this Placement Memorandum. The specific details of each Sub-Fund are set forth in the relevant Appendix. Any reference to an Appendix pertains to the relevant Sub-Fund.

No person is authorized to give any information or to make any representations concerning the Company other than as contained in this Placement Memorandum, the Appendixes and in the documents referred to herein, and any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in this Placement Memorandum shall be solely at the risk of the investor.

None of the Shares have been or will be registered under the United States Securities Act of 1933, as amended or registered or qualified under applicable state statutes and (except in a transaction which is exempt from registration under the 1933 Act and such applicable state statutes) none of the Shares may be offered or sold, directly or indirectly, in the United States of America or in any of its territories or possessions, or to any US Person (has the meaning ascribed to that term in Regulation S of the United States Securities Act of 1933, as amended) regardless of location. In addition, the Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended.

The Company is established for an unlimited duration. However, the Board may establish Sub-Funds for a limited duration, which shall be specified in the relevant Appendix.

The distribution of this Placement Memorandum is not authorized unless it is accompanied by the most recent annual report of the Company. Such report or reports are deemed to be an integral part of this Placement Memorandum.

Shares of the Company may be issued in one or several separate Sub-Funds of the Company. For each Sub-Fund, a separate portfolio of investments and assets will be maintained and invested in accordance with the investment objective and policy applicable to the relevant Sub-Fund, as described in the relevant Appendix. As a result, the Company is an "umbrella fund", reserved to institutional investors, professional investors and well-informed investors within the meaning of the 2007 Law (the "**Eligible Investors**"), enabling investors to choose between one or more investment objectives by investing in one or more Sub-Funds.

The Company is one single legal entity. However with regard to third parties, in particular

towards the Company's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it. The Company shall maintain for each Sub-Fund a separate portfolio of assets. As between shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

Furthermore, in accordance with the Articles of the Company (the "**Articles**"), the Board may issue different classes of Shares (individually a "**Class**" and collectively the "**Classes**") in each Sub-Fund.

Shares of the different Classes, if any, within the different Sub-Funds will be issued at prices computed on the basis of the net asset value (the "**Net Asset Value**") per Share within the relevant Sub-Fund, as defined in the Articles.

The Board may, at any time, create additional Classes of Shares whose features may differ from the existing Classes and additional Sub-Funds whose investment objectives may differ from those of the Sub-Funds then existing. Upon creation of new Sub-Funds or Classes, this Placement Memorandum and its Appendixes will be updated or supplemented accordingly.

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

The Articles give powers to the Board to impose such restrictions as it may think necessary for the purpose of ensuring that no Shares in the Company are acquired or held by any person in breach of the law or the requirements of any country or governmental authority or by any person in circumstances which in the sole opinion of the directors might result in the Company incurring any liability or taxation or suffering any other disadvantage which the Company may not otherwise have incurred or suffered (such persons being referred to as the "**Prohibited Persons**"). The Board may prohibit the acquisition by, the transfer to, or compulsorily redeem all Shares held by any such persons.

The value of the Shares may fall as well as rise and an Eligible Investor may not get back the amount initially invested. Income from the Shares will fluctuate in money terms and changes in rates of exchange will, among other things, cause the value of Shares to go up or down. The levels and bases of, and reliefs from, taxation may change.

Investors should inform themselves and should take appropriate advice on the legal requirements as to possible tax consequences, foreign exchange restrictions, investment requirements or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence, or domicile and which might be relevant to the subscription, purchase, holding or disposal of the Shares of the Company.

All references in this Placement Memorandum to EUR are to the legal currency respectively of the Grand Duchy of Luxembourg and to the legal currency of the countries participating in the Economic and Monetary Union. All references in this Placement Memorandum to USD are to the legal currency of the United States of America. All references in this Placement Memorandum to CHF are to the legal currency of Switzerland.

Management and Administration

Board of directors

Chairman

Joost OLBRECHTS

Members

Nathalie DE RIJCKE

Eric GRENOUILLET

Domiciliary, Registrar& Transfer Agent and Administrative Agent
UI efa S.A. 2 rue d'Alsace
L-1122 Luxembourg
Grand-Duchy of Luxembourg

Depositary Agent and Paying Agent

Quintet Private Bank (Europe) S.A.
43, boulevard Royal
L-2449 Luxembourg
Grand-Duchy of Luxembourg

Auditor

Grant Thornton Audit & Assurance S.A.
13, rue de Bitbourg
L-1273 Luxembourg
Grand-Duchy of Luxembourg

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Definitions

The following definitions shall apply throughout this Placement Memorandum unless the context otherwise requires:

"2007 Law"	The Luxembourg law dated 13 February 2007 governing specialized investment funds, as amended or supplemented from time to time.
"2013 Law"	The Luxembourg law dated 12 July 2013 relating to alternative investment fund managers, as amended or supplemented from time to time.
"Appendix" or "Appendices"	An appendix or appendices of the Placement Memorandum specifying the terms and conditions of a specific Sub-Fund.
"Articles"	The articles of incorporation of the Company, as amended from time to time.
"Board"	The board of directors of the Company.
"Business Day"	A bank business day in Luxembourg, unless otherwise stated.
"Administrative Agent"	UI efa S.A. appointed by the Board.
"Alternative Investment Fund Manager" or "AIFM"	means any alternative investment fund manager appointed in relation to the Company from time to time, in accordance with the 2013 Law.
"Calculation Period"	means a period corresponding to the financial year of the Company.
"CHF"	The lawful currency of Switzerland.
"Class"	Any Class of Shares issued by any Sub-Fund of the Company.
"Company"	KARAKTER INVEST, SICAV-FIS S.A., a *société anonyme* incorporated as a *société d'investissement à capital variable – fonds d'investissement spécialisé* and governed by the 2007 Law.
"CSSF"	The *Commission de Surveillance du Secteur Financier,* the Luxembourg Supervisory Commission of the Financial Sector.
"Dealing Day"	Any day on which Shares may be issued, converted and redeemed on the basis of the Net Asset Value per Share of the relevant Class as calculated with reference to the immediately preceding Valuation Day.

"Depositary"	Quintet Private Bank (Europe) S.A. (formerly KBL European Private Bankers S.A.) or such other replacement depositary from time to time appointed by the Board.
"Domiciliary Agent"	UI efa S.A. appointed by the Board.
"Eligible Investor"	Institutional Investors, Professional Investors and/or Well Informed Investors within the meaning of the 2007 Law.
"EU"	The European Union.
"Euro" or "EUR"	The lawful currency of the European Union.
"Financial Year"	A financial period of the Company commencing on 1 January and ending on 31 December of each year.
"Initial Offering Period"	First period during which investors will be offered to subscribe for Shares of a particular Sub-Fund, as specified in the relevant Appendix.
"Institutional Investor"	Investor which qualifies as an institutional investor within the meaning of the 2007 Law.
"Investment Advisor"	any entity or person appointed from time to time by the Board to provide investment advisory services to a Sub-Fund.
"Investment Manager"	any entity or person appointed from time to time by the Board to manage a Sub-Fund.
"Investment Objective and Policy"	The investment objective and policy of the Company and each Sub-Fund, as described herein.
"Mémorial"	The *Mémorial*, *Recueil des Sociétés et Associations*, the official journal of Luxembourg.
"Net Asset Value" or "NAV"	The net asset value of the Company, each Class and each Share as determined pursuant to the section "Determination of the Net Asset Value".
"Paying Agent"	Quintet Private Bank (Europe) S.A. (formerly KBL European Private Bankers S.A.) or such other replacement paying agent from time to time appointed by the Board.
"Placement Memorandum"	This placement memorandum and Appendices, as amended from time to time.
"Professional Investor"	An investor who qualifies as professional investor under Annex II of Directive 2014/65/EU on markets in financial instruments as amended.

"Reference Currency"	EUR for the Company or the currency in which each Sub-Fund or Class is denominated, as further specified in the relevant Appendices.
"Registrar and Transfer Agent"	UI efa S.A. to perform all registrar and transfer agency duties required by Luxembourg law.
"Regulated Market"	A market functioning regularly, which is regulated, recognized and open to the public, as defined in Directive 2014/65/EU on markets in financial instruments.
"RESA"	Luxembourg *Registre Electronique des Sociétés et Associations* (electronic register of companies and associations).
"Share" or "Shares"	Shares issued in any Sub-Funds and/or Classes pursuant to this Placement Memorandum.
"Shareholder"	A holder of a Share of the Company.
"Sub-Fund" or "Sub-Funds"	Any sub-fund of the Company established by the Board in accordance with this Placement Memorandum and the Articles.
"US Dollar" or "USD"	The lawful currency of the United States of America.
"Valuation Day"	Any business day in Luxembourg which is designated by the Board as being a day by reference to which the assets of the relevant Sub-Funds shall be valued in accordance with the Articles, as further disclosed in the relevant Appendix.
"Well-informed Investor"	An investor who *(i)* adheres in writing to the status of well-informed investor and *(ii)* either invests a minimum of EUR 125,000 in the Company or, <u>when investing less</u>, benefits from a certificate delivered by a credit institution, another professional of the financial sector within the meaning of Directive 2014/65/EU on markets in financial instruments or a management company within the meaning of Directive 2009/65/CE stating that he is experienced enough to appreciate in an adequate manner an investment in a specialized investment fund.

Part I

General Information in relation to the Company

I. Structure of the Company

A. General Information

The Company was incorporated under the name of KARAKTER INVEST, SICAV-FIS S.A., on 7 November 2012, as a *société anonyme* qualifying as a *société d'investissement à capital variable - fonds d'investissement spécialisé*, under Part I of the 2007 Law.

The Company has its registered office located at 2 rue d'Alsace, L-1122 Luxembourg, Grand Duchy of Luxembourg.

The Articles were published in the *Mémorial* (now replaced by the *RESA)*. The Company is registered with the *Registre de Commerce et des Sociétés*, Luxembourg under number B 172603.

The Company is an umbrella fund and as such provides investors with the choice of investment in a range of several separate Sub-Funds, each of which relates to a separate portfolio of assets permitted by law with specific investment objectives, as described in the relevant Appendix.

The Company is an open-ended collective investment scheme (i.e., Shares of the Sub-Funds shall in principle be redeemed at the sole request of a Shareholder) with variable capital. Shareholders should however check possible limitations to their right to ask for a redemption of their shares in the relevant Appendix.

The Company was created for an unlimited duration.

Each Share grants the right to one vote at every general meeting of Shareholders.

The capital of the Company shall at all times be equal to the total net asset value of the Company.

The Company was incorporated with a subscribed Share capital of the equivalent in EUR of thirty one thousand euros (EUR 31,000) divided into fully paid-up Shares.

The minimum subscribed capital of the Company, as prescribed by law, is EUR 1,250,000. This minimum must be reached within a period of 12 months following the authorization by the CSSF as a SICAV-FIS under the 2007 Law.

The Company's accounts will be presented in EUR. The accounts for the different Classes stated in various currencies will be converted into EUR and added together for accounting.

B. Investment Choice

For the time being, the Company offers Shares in those Sub-Funds as further described individually in the relevant Appendix.

Upon creation of new Sub-Funds, this Placement Memorandum shall be updated accordingly.

C. Share Classes

All Sub-Funds may offer more than one Class of Shares. Each Class of Shares within a Sub-Fund may have different features or be offered to different types of Eligible Investors to comply with various country legislation and will participate solely in the assets of that Sub-Fund.

Details in relation to the different Classes of Shares as well as the rights in relation thereto and issue conditions are set out for each Sub-Fund in the relevant Appendix.

D. Minimum Investment and Holding

The minimum initial and subsequent investment amounts, as well as the minimum holding requirements, if any, are set out for each Sub-Fund in the relevant Appendix.

II. Investment Objectives, Strategy and Restrictions

A. Investment Philosophy and Strategy

The investments within each Sub-Fund are subject to market fluctuations and to the risk inherent to all investments. Therefore, the net asset value of each sub-fund may go down as well as go up.

The Investment Manager exercises its judgement in varying the allocation to various types of securities, individual instruments and undertakings for collective investments according to economic conditions, market environment, in-depth security analysis, and each Sub-Fund's investment objective and strategy. The Company may keep all or part of its assets in cash and other liquid instruments when deemed appropriate.

The investment strategy of each Sub-Fund is individually set out in relevant Appendix.

Except as otherwise indicated in the relevant Appendix, a Sub-Fund may subscribe, acquire and/or hold securities issued by one or more other Sub-Fund of the Company, without being subject to the provisions of the 1915 Law regarding the acquisition by a company of its own shares, as long as:

- The target Sub-Fund does not in turn invest in the investing Sub-Fund;
- Voting rights, if any, attached to the relevant securities are suspended as long as they are held by the concerned Sub-Fund and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- The value of the securities will not be taken into account for the calculation of the net assets of the Company for the purpose of verifying the minimum threshold imposed by the 2007 Law, for as long as the said securities are held by the Company.

The specific conditions of such subscription, acquisition and holding, if any, will be detailed in the relevant Appendix.

B. Borrowing policy

The Company, with respect to each Sub-Fund, may incur indebtedness whether secured or unsecured, as further described in the relevant Appendix.

C. Investment restrictions

In compliance with the provisions of the 2007 Law, the investment strategy of each Sub-Fund will be based on the principle of risk diversification as further described in the relevant Appendices of the Placement Memorandum.

D. Financial techniques and instruments

The Company is authorised to make use of derivative financial instruments and techniques subject to the constraints which may be described in the relevant Appendix. The derivative financial instruments may include, among others, futures, options, forward contracts on financial instruments and options on such contracts as well as swaption and swap contracts by private agreement on any type of financial instruments. The derivative financial instruments must be dealt on an organised market or contracted by private agreement with first class institutions specialised in this type of transactions.

As at the date of issue of the Placement Memorandum, the Company does not intend to enter into total return swaps (the "**TRS**") or securities financing transactions (the "**SFTs**") as defined by EU Regulation 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse (the "**SFTR**"). The SFTs include (i) repurchase transactions, (ii) securities lending and securities borrowing, (iii) buy-sell back transactions or sell-buy back transactions and (iv) margin lending transactions. If any Sub-Fund were contemplating to make use of any such TRS or SFTs in the future, the Placement Memorandum would be amended accordingly.

III. General Risk Considerations

An investment in a Sub-Fund involves certain risks relating to the particular Sub-Fund's structure and investment objectives which investors should evaluate before making a decision to invest in such Sub-Fund.

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

Investors should make their own independent evaluation of the financial, market, legal, regulatory, credit, tax and accounting risks and consequences involved in investment in a Sub-Fund and its suitability for their own purposes. In evaluating the merits and suitability of an investment in a Sub-Fund, careful consideration should be given to all of the risks attached to investing in a Sub-Fund.

The following is a brief description of certain factors which should be considered along with other matters discussed elsewhere in this Placement Memorandum. The following however, does not purport to be a comprehensive summary of all the risks associated with investments in any Sub-Fund.

An investment in Shares in a Sub-Fund carries substantial risk and is suitable only for investors who accept the risks, can assume the risk of losing their entire investment and who understand that there is no recourse other than to the assets of the relevant Sub-Fund.

Early termination: In the event of the early termination of a Sub-Fund, the Board would have to distribute to the Shareholders their pro-rata interest in the assets of such Sub-Fund. The Company's investments would have to be sold by the Board or distributed to the Shareholders. It is possible that at the time of such sale certain investments held by the relevant Sub-Fund may be worth less than the initial cost of the investment, resulting in a loss to the Sub-Fund and to its Shareholders. Moreover, in the event a Sub-Fund terminates prior to the complete amortization of organizational expenses, any unamortized portion of such expenses will be accelerated and will be debited from (and thereby reduce) amounts otherwise available for distribution to Shareholders. The Board may also decide to liquidate the Company thus triggering the early termination of the Sub-Funds.

Market risk: This risk is of a general nature, affecting all types of investment. The trend in the prices of transferable securities is determined mainly by the trend in the financial markets and by the economic development of the issuers, who are themselves affected both by the overall situation of the global economy and by the economic and political conditions prevailing in each country.

Interest rate: Shareholders must be aware that an investment in the Shares may be exposed to interest rate risks. These risks occur when there are fluctuations in the interest rates of the main currencies of each transferable security or of the Company.

Credit risk: Shareholders must be fully aware that such an investment may involve credit risks. Bonds or debt instruments involve an issuer-related credit risk. Bonds or debt instruments issued by entities that have a low rating are, as a general rule, considered to be at a higher credit risk, with a higher probability of the issuer defaulting, than those of issuers with a higher rating. When the issuer of bonds or debt instruments finds itself in financial or economic difficulty, the value of the bonds or debt instruments (and the payments due to the holders of these bonds or debt instruments) are generally affected and may fall to zero.

Risk of default: In parallel to the general trends prevailing on the financial markets, the particular changes in the circumstances of each issuer may have an effect on the price of an investment. Even a careful selection of transferable securities cannot exclude the risk of losses generated by the depreciation of the issuers' assets.

Counterparty risk: When contracts on OTC derivative instruments are entered into, the Company may find itself exposed to risks arising from the creditworthiness of its counterparties and from their capacity to respect the conditions of these contracts. The Company may thus enter into futures, option and exchange rate contracts, or again use other derivative techniques, each of which involves a risk for the Company of the counterparty failing to respect its obligations under the terms of each contract.

Changes in applicable law: The Board must comply with various regulatory and legal requirements, including securities laws and tax laws as imposed by the jurisdictions under which it operates. Should any of those laws change over the life of the Company, the regulatory and legal requirements to which the Company and its Shareholders may be subject, could differ materially from current requirements.

AIFM Authorization: As at the date of this Placement Memorandum, the Company is an internally managed alternative investment fund, falling under the exemptions provided by article 3 (2) of the 2013 Law. In case the assets under management of the Company exceed in total the thresholds specified by article 3 (2) of the 2013 Law, the Company would have to apply for the authorization regime under the 2013 Law or to appoint an external authorized Alternative Investment Fund Manager. In such a case, the role, responsibilities and the related fees of the AIFM and of the service providers may differ materially from the current requirements. It may therefore impact the Company and its Shareholders.

Foreign exchange/Currency risk: The Board may invest in assets denominated in a wide range of currencies. As a consequence thereof, the value of investments may be affected by a variation in exchange rates in the sub-funds where investments are possible in a currency other than the sub-fund reference currency. The Net Asset Value expressed in its respective unit currency will fluctuate in accordance with the changes in foreign exchange rate between the Reference

Currency of the relevant Sub-Fund and the currencies in which the relevant Sub-Fund's investments are denominated.

Third-Party Managers: The Company may use undertakings for collective investments or managed accounts managed by third-party managers (the "**Third-Party Managers**"). The Third-Party Managers may trade a wide range of debt and equity securities, options, warrants, currencies, futures and forward contracts and derivative instruments. There can be no assurance that the investment strategies to be used by any of the Third-Party Managers will be successful. The past performance of a particular strategy is not necessarily indicative of its future profitability. The Third-Party Managers may modify their strategies from time to time in an attempt to evaluate market movements more favorably. As a result of such modifications, it is possible that the strategies used by a Third-Party Manager in the future may be different from those presently in use. It is not known what effect, if any, the size of the funds being managed by a particular Third-Party Manager will have on the performance of such Third-Party Manager. Each Third-Party Manager will make its trading decisions independently. Thus, Third-Party Managers may on occasion be competing with each other for similar positions at the same time and may take opposite positions from those taken by the other Third-Party Managers in the same or in a related investment. Some Third-Party Managers may use leverage, or borrowing, in an effort to increase potential gains. Trading on a leveraged basis may involve a high degree of risk. A relatively small change in market prices, interest rates or other factors may produce a disproportionately large profit or loss. Financial institutions providing financing are typically not obligated to continue to provide financing, and the Third-Party Managers may be required to dispose of assets at unfavorable prices due to the termination of lending arrangements. The Company may place assets with Third-Party Managers who sell securities short, trade futures or enter in option contracts, which may lead to specific risks.

Commission and fee(s) amounts: The payment of a fee calculated on the basis of performance results could encourage the Board to select more risky and volatile placements than if such fees were not applicable.

Tax Considerations: Tax charges and withholding taxes in various jurisdictions in which the Company will invest will affect the level of distributions made to it and accordingly to Shareholders. No assurance can be given as to (i) the level of taxation suffered by the Company or its investments, (ii) the Company's ability to recover any taxes or withheld amounts, (iii) the time required to recover such amounts.

In addition, the Company will use its best endeavor to satisfy the relevant requirements and avoid any FATCA withholding tax. In case the Company is not be able to comply with the FATCA's obligations and the Company be subject to US withholding tax on certain withholdable payments as a result of such non-compliance, the Net Asset Value of the Company may be adversely affected and the Shareholders may suffer significant loss as a result.

Portfolio valuation risks: Prospective investors should acknowledge that the portfolio of the Sub-Funds will be composed of assets of different natures in terms of inter alia sectors, geographies, financial statements formats, reference currencies, accounting principles, types and liquidity of securities, coherence and comprehensiveness of data. As a result, the valuation of the relevant portfolio and the production of the NAV calculation will be a complex process which might in certain circumstances require the Board to make certain assumptions. The lack of an active public market for securities and debt instruments will make it more difficult and subjective to value investments of the Sub-Funds for the purposes of determining the NAV.

Lack of Diversity: The Company is not subject to specific legal or regulatory risk diversification requirements, other than those specified herein and the relevant Appendices. Therefore, the Company is in principle authorized to make a limited number of investments and, as a consequence, the aggregate returns realized by the Shareholders may be substantially adversely affected by the unfavourable performance of even one investment. In addition, the Company's assets may be concentrated in certain industries and segments of activity. A lack of diversification in the Company's portfolio may result in the Company's performance being vulnerable to business or economic conditions and other factors affecting particular companies or particular industries, which may adversely affect the return to Shareholders.

Lack of Liquidity of Underlying Investments: The investments to be made by some Sub-Funds of the Company may be highly illiquid. The eventual liquidity of all investments will depend on the success of the realisation strategy proposed for each investment. Such strategy could be adversely affected by a variety of factors. There is a risk that the Company may be unable to realise its investment objectives by sale or other disposition at attractive prices or at the appropriate times or in response to changing market conditions, or will otherwise be unable to complete a favourable exit strategy. Losses may be realised before gains on dispositions. The return of capital and the realisation of gains, if any, will generally occur only upon the partial or complete disposition of an investment. Prospective investors should therefore be aware that they may be required to bear the financial risk of their investment for an undetermined period of time.

Reliance on Management: The Company depends significantly on the efforts and abilities of the Board and the Investment Manager. The loss of these persons' services could have a materially adverse effect on the Company, and on the relevant Sub-Fund.

Indebtedness: When a Sub-Fund is subject to the risks associated with debt financing, it is subject to the risks that available funds will be insufficient to meet required payments and the risk that existing indebtedness will not be refinanced or that the terms of such refinancing will not be as favourable as the terms of existing indebtedness. In such cases the Sub-Fund may be forced to liquidate assets at unfavourable prices or may have its assets seized by creditors.

Short selling: A short sale of a stock is the sale of a stock not owned by the seller. The seller borrows stock for delivery at the time of the short sale. Thus, the seller must buy the stock at a later date in order to replace the shares borrowed. If the price of the stock at such later date is lower than that at the date of the short sale, the seller realizes a profit; if the price of the stock has risen, however, the seller realizes a loss. Selling a security short exposes the seller to unlimited risk with respect to the security due to the lack of an upper limit on the price to which the security can rise.

Investment in Collective Investment Schemes: Investment in collective investment schemes may embed a duplication of the fees and expenses charged to the Company, i.e. setting-up, filing and domiciliation costs, subscription, redemption or conversion fees, management fees, custodian bank fees and other service providers' fees. The accumulation of these costs may entail higher costs and expenses than would have been charged to the Company if the latter had invested directly. The Company will however seek to avoid any irrational multiplication of costs and expenses to be borne by investors. Also, the Company must ensure that its portfolios of targeted collective investment schemes present appropriate liquidity features to enable them to meet their obligation to redeem or repurchase their Shares. However, there is no guarantee that the market liquidity for such investments will always be sufficient to meet redemption requests as and when they are submitted. Any absence of liquidity may impact the liquidity of the Company's Shares and the value of its investments.

Leverage/Borrowing. The Company and the Investment Manager may use leverage in their trading and investment activities through the use of a credit facility or derivatives. Borrowing money to purchase an instrument may provide the opportunity for greater capital appreciation but at the same time will increase the risk of loss with respect to the instrument. Although the use of leverage increases returns to the Company if it earns a greater return on the incremental positions purchased with the borrowed funds than it pays for such funds, the use of leverage decreases returns to the Company if it fails to earn as much on such incremental positions as it pays for such funds. The amount of borrowings outstanding at any time by the Investment Manager or as the case may be by underlying fund manager in respect of assets that they manage may be large in relation to such assets. In addition, the level of interest rates generally, and the rates at which the Investment Manager or as the case may be by underlying fund manager, on behalf of their investment fund can borrow in particular, will ultimately affect the results of the Company. The Investment Manager or, as the case may be, any underlying fund managers may also utilize complex derivative instruments and may trade in warrants and options, including over-the-counter options. All of these instruments are volatile and carry counter-party risks. If the Company purchases an option or warrant, it may lose the entire amount of its investment (the premium).

Custody Risk: Investors may enjoy a degree of protection when investing money with custodians in their home territory. This level of protection may be higher than that enjoyed by the Company. The Company may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Company that are traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances where the Depositary will have no liability. A Company's cash account will usually be maintained on the Depositary's records, but the balances may be held by a sub-custodian and therefore exposed to the risk of default of both the Depositary and the sub-custodian.

Risks relating to emerging markets:

Political and other macro risks: the Sub-Funds' investments can be adversely affected by political, economic and diplomatic changes. Also, individual countries in which the Company is active may experience one or more natural or man-made disasters such as floods, hurricane, drought, health epidemic, war, terrorist attack, or civil unrest. Such events, even with an efficient and adequate response, may have a materially adverse effect on the Company's portfolio and/or operations in the affected country.

Degree of regulation: the degree of regulation in emerging countries may be less stringent than that in more developed countries. Also, companies in emerging countries may be subject to accounting, auditing and financial reporting standards, practices and disclosure requirements that are incomparable to those used in developed countries. Furthermore, in certain countries and for certain types of securities forming part of the portfolio, the validity of title may be challenged by third parties or by the relevant issuers due to the possible deficiencies arising from applicable laws and regulations.

Efficiency of settlement systems and liquidity issues: settlement systems in emerging countries may be less well recognised than in developed countries. There may be a risk that settlement may be delayed and that securities of the Sub-Funds may be in jeopardy because of failures or of defects in the system. Market practice may even require that payment be made prior to receipt of the security, or that delivery of the security be made before payment is received. In such cases, default by the counterparty through whom the transaction is effected might result in a loss being suffered by the Sub-Funds. Also, securities in emerging countries can be substantially less liquid than securities in more developed countries. This may adversely affect the timing and pricing of the Sub-Funds' acquisitions and disposals of such securities. Furthermore, the Sub-Funds may hold investments in companies whose daily volumes of shares traded are low. This may also qualify the shares of such companies as less liquid

Risks relating to investments in other UCIs

The investment by a Sub-Fund in target UCI may result in a duplication of some costs and expenses which will be charged to the Sub-Fund, i.e. setting up, filing and domiciliation costs, subscription, redemption or conversion fees, management fees, custodian bank fees, auditing and other related costs. For Shareholders of the said Sub-Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Sub-Fund if the latter had invested directly.

Sustainability Risk Disclosures

Pursuant to EU Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, which is also known as the “Sustainable Finance Disclosure Regulation” (the “**SFDR**”), the Company is required to disclose the manner in which sustainability risks (as defined below) are integrated into the investment decision-making process and the results of the assessment of the likely impacts of sustainability risks on the returns of each Sub-Fund.

“Sustainability risks” means an environmental, social or governance (“**ESG**”) event or condition that, if it occurs, could have an actual or a potential material negative impact on the value of the investments made by the Company. Sustainability risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks.

“Sustainability factors” address environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. Environmental factors may include, but are not limited to, the impact of emissions, energy efficiency, the exploitation of natural resources or waste treatment. Social factors may include human rights, treatment of workers and workers’ rights or diversity issues. Governance factors may include shareholder rights, remuneration of senior management, conflicts of interest or board independence.

The Company does not promote, among other characteristics, environmental or social characteristics, or a combination of these characteristics according to Article 8 of SFDR and does not have sustainable investment as its objective according to Article 9 of SFDR.

The Company integrates in his investment process the identification, measurement, and management of sustainability risks.

For the purposes of Article 6 of SFDR, sustainability risks are not currently relevant to the investment decisions being made in respect of each Sub-Fund, because based on its investment strategy there are no investment limits with regards to sustainability.

The Company considers environmental, social and governance characteristics in its analysis and investment process. Also, direct investments need to comply with minimum ethical standards.

By considering minimum standards for direct investments, companies with a high sustainability risk will be reduced which could lead to an increase of the risk adjusted return.

The Company’s integration of sustainability risks in the investment decision-making process is reflected in its Sustainable Investment Policy available on the Company's website www.karakterinvestkameleon.be.

Principal adverse impacts: at the date of this Placement Memorandum, the Company continues to review and consider its obligations with respect to whether it considers principal adverse impacts of investment decisions on sustainability factors as set out in Article 4 of the SFDR. In particular, the Company awaits the further consultation and/or guidance on the Level 2 regulatory technical standards (the RTS), and the finalisation of the RTS, which is expected to enter into force by 2023. The decisions and disclosures in relation to Articles 4 and 7 will be made taking into account the deadlines of the SFDR and similarly any disclosures will be included in a future version of the Placement Memorandum and/or published on the website www.karakterinvestkameleon.be, as required.

Therefore, the Sub-Fund’s underlying investments do not actively take into account the EU criteria for environmentally sustainable economic activities, as provided by Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment.

Attention should be drawn to the fact that the Net Asset Value per Share can go down as well as up. An investor may not get back the amount he has invested. Changes in exchange rates may also cause the Net Asset Value per Share in the investor's base currency to go up or down. No guarantee as to future performance of or future return from the Company, can be given.

In addition to the above mentioned general risks which are inherent in all investments, the investment in the Company entails risks specific to the investment objectives and strategy of each Sub-Fund. The specific risks related to the particular investments are described in the relevant Appendix.

IV. Management, Governance and Administration

A. The Board of Directors

Chairman

Mr Joost OLBRECHTS

Directors

Mrs Nathalie DE RIJCKE

Mr Eric GRENOUILLET

The Board of Directors may, in its absolute discretion, make any decisions and take any actions that they deem necessary or advisable in the best corporate interest of the Company, any Sub-Fund or Shareholders in general, provided such action complies will applicable laws, rules and regulations.

The Company is internally managed by its Board of Directors, which is empowered to administrate and manage the Company in all circumstances, but without restrictions to the rights expressly attributed by Luxembourg law to the General Meeting of shareholders.

The Alternative Investment Fund Manager will have, on a day-to-day management basis, under the restriction limits such as those implemented in this Placement Memorandum and the Articles of Incorporation of the Company, the exclusivity to buy and sell the securities or manage in another way the portfolios of the relevant Sub-Funds.

B. Sub-Investment Managers

Subject to its overall responsibility, control and supervision, the Alternative Investment Fund Manager may appoint within a Sub-Fund a sub-investment manager in order to perform certain investment management services, in accordance with a sub-investment management agreement,

Please refer to Part II of this Placement Memorandum concerning the investment manager of the relevant Sub-Fund in order to know the details of the sub-investment manager(s) and the applicable management fees (if any).

According to each sub-investment management agreement, the Sub-Investment Manager has the right, with the authorization of the Board of Directors, to delegate its duties; an up-dated Placement Memorandum will be available.

The Sub-Investment Manager has the right to appoint one or more Investment Advisors at their costs in order to receive the necessary recommendations concerning the investments being foreseen.

C. Investment Advisor

The Board of Directors of the Company may appoint Investment Advisors for each Sub-Fund with regard to investment recommendations, for instance, relating to the asset allocation between the permitted investment instruments. The Board of Directors of the Company is not obliged to follow these recommendations.

The names of the Investment Advisors, as well as the commission to which they are entitled are further described in each sub-fund relevant Appendix.

V. Depositary

By an agreement dated 25 May 2018 (the "**Depositary Agreement**"), Quintet Private Bank (Europe) S.A. has been appointed to serve as the Company's Depositary.

Quintet Private Bank (Europe) S.A., is a bank incorporated on 23 May 1949, as a *société anonyme* in and under the laws of the Grand Duchy of Luxembourg, having its registered office at 43, Boulevard Royal, L-2449 Luxembourg, which was appointed to serve as the Company's Depositary pursuant to the Depositary Agreement. As of 31 December 2020, the capital and reserves of Quintet Private Bank (Europe) S.A. amounted to EUR 1.207.607.735,44 -.

The safekeeping of the Company's assets has been entrusted to the Depositary which shall fulfil the obligations and duties and assume its functions and responsibilities in accordance with the provisions of the 2007 Law.

In accordance with banking practice, the Depositary may, under its responsibility, entrust all or part of the assets in its custody to other banking institutions or financial intermediaries.

The fees for Quintet Private Bank (Europe) S.A.'s services are charged, in accordance with usual bank fees. Such fees are expressed in a reducing percentage of the total net assets of all sub-funds, payable monthly, and to a flat transaction fee on all operations relating to receipt or delivery of securities.

The Depositary Agreement was made for an unlimited duration and may be terminated by a 90 calendar days prior written notice by either party as provided by the Depositary Agreement.

In the event of termination of the appointment of the Depositary, the Company will as soon as possible and in any case within two months of such termination, a new depositary who will assume the responsibilities and functions of the Depositary. Pending the appointment of a new depositary, the Depositary shall take all necessary steps to ensure good preservation of the interests of the Shareholders. After termination as aforesaid, the appointment of the Depositary shall continue thereafter for such period as may be necessary for the transfer of all assets of the Company to the new depositary.

VI. Administrative, Registrar and Transfer Agent

UI efa S.A. ("**UI efa**") has been appointed as administrative, registrar and transfer agent of the Company, in accordance with a service agreement dated 1 July 2023, made for an unlimited duration, which may be terminated by either party giving a minimum of ninety 90 calendar day's prior written notice.

UI efa is responsible for the processing of the calculation of the Net Asset Value, the maintenance of records and other general administrative functions.

Ui efa is responsible for providing the annual reports of the Company.

Ui efa is responsible for the processing (registration) of the issue and redemption of the Shares and settlement arrangements thereof. Ui efa will, with the assistance of the Company, control that Shareholders are Eligible Investors within the meaning of the 2007 Law.

The fees and charges of UI efa are borne by the Company in accordance with common practice in Luxembourg.

VIII.Domiciliary Agent

UI efa shall also act as the Domiciliary Agent of the Company in accordance with a domiciliation services agreement dated 1 July 2023, made for an unlimited duration, which may be terminated by either party giving a minimum of ninety 90 calendar day's prior written notice.

IX. Prevention of Money Laundering

Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to, the law of November 12, 2004 on the fight against money laundering and financing of terrorism, as amended, and circulars of the CSSF, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg undertaking for collective investment must in principle ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The registrar 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 Company nor the Registrar and Transfer Agent have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

Shareholders 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.

X. General Description of the Shares of the Company

A. General Considerations

Shares are exclusively restricted to Eligible Investors within the meaning of the 2007 Law as more fully disclosed in the relevant Appendix to the Placement Memorandum for each Sub-Fund individually.

Shares may be issued in one or more Classes in each Sub-Fund by the Board; each Class having different features or being offered to different types of investors, as more fully disclosed in the relevant Appendix to the Placement Memorandum for each Sub-Fund individually.

The Board shall maintain for each Sub-Fund a separate portfolio of assets. As between Shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund. **With regard to third parties, in particular towards the Company's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it.**

Shares of any Class in any Sub-Fund will be issued in registered form.

The inscription of the Shareholder's name in the register of Shares evidences his right of ownership of such registered Shares. A holder of registered Shares shall receive upon request a written confirmation of his shareholding.

The quorum and delays required by law shall govern the notice for and conduct of the meetings of Shareholders of the Company, unless otherwise provided in the Articles.

Each whole Share of whatever Class of Shares is entitled to one vote, in compliance with the Articles. A Shareholder may act at any meeting of Shareholders by giving a proxy to another person in writing (or facsimile transmission) who needs not to be a Shareholder and who may be a member of the Board.

Fractional Shares may be issued up to three decimals of a Share. Such fractional Shares of each class have no nominal value and, within each Class, shall be entitled to an equal participation in the net results and in the proceeds of liquidation of the relevant Sub-Fund on a pro rata basis.

B. Subscription for and Issue of Shares of the Company, Minimum Investment and Holding

The Board is authorized, without limitation, to issue an unlimited number of Shares within each Sub-Fund at any time without reserving to the existing Shareholders a preferential right to subscribe for the Shares to be issued.

The minimum investment and holding requirement per investor is described for each Sub-Fund in the relevant Appendix.

C. Contributions in Kind

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

XI. Restriction on the Ownership of Shares

Subscription for Shares is restricted to Eligible Investors.

The Board may restrict or place obstacles in the way of the ownership of Shares in the Company by any person if the Company considers that this ownership involves a violation of the laws of the Grand Duchy of Luxembourg or abroad, or may involve the Company in being subject to taxation in a country other than the Grand Duchy of Luxembourg or may in some other manner be detrimental to the Company.

In particular, the Board may:

a) decline to issue any Shares and decline to register any transfer of Shares when it appears that such issue or transfer might or may have as a result the allocation of ownership of the Shares to a person who is not authorised to hold Shares in the Company;

b) proceed with the compulsory redemption of all the relevant Shares if it appears that a person who is not authorised to hold such Shares in the Company, either alone or together with other persons, is the owner of Shares in the Company, or proceed with the compulsory redemption of any or a part of the Shares, if it appears to the Company that one or several persons is or are owner or owners of a proportion of the Shares in the Company in such a manner that this may be detrimental to the Company. The following procedure shall be applied:

   1. the Board shall send a notice (hereinafter called the "**redemption notice**") to the relevant Shareholder possessing the Shares to be redeemed; the redemption notice shall specify the Shares to be redeemed, the price to be paid, and the place where this price shall be payable. The redemption notice may be sent to the Shareholder by recorded delivery letter to his last known address. From the closing of the offices on the day specified in the redemption notice, the Shareholder shall cease to be the owner of the Shares specified in the redemption notice and the Shares shall be rendered null and void in the books of the Company;

   2. the price at which the Shares specified in the redemption notice shall be redeemed (the "**redemption price**") shall in such instances be equal to the Net Asset Value per Share. Payment of the redemption price will be made to the owner of such Shares in the reference currency of the relevant Class, except during periods of exchange restrictions, and will be deposited by the Company with a bank in Luxembourg or elsewhere (as specified in the redemption notice) for payment to such owner upon surrender of the Share certificate or certificates, if issued, representing the Shares specified in such notice. Upon deposit of such redemption price as aforesaid, no person interested in the Shares specified in such redemption notice shall have any further interest in such Shares or any of them, or any claim against the Company or its assets in respect thereof, except the right of the Shareholders appearing as the owner thereof to receive the price so deposited (without interest) from such bank upon effective surrender of the Share certificate or certificates, if issued, as aforesaid. The exercise by the Company of this power shall not be questioned or invalidated in any case, on the grounds that there was insufficient evidence of ownership of Shares by any person or that the true ownership of any Shares was otherwise than appeared to the Company at the date of any redemption notice, provided that in such case the said powers were

exercised by the Company in good faith.

c) refuse, during any general meeting of Shareholders, the right to vote of any person who is not authorised to hold Shares in the Company.

XII. Redemption of Shares

Although the Company qualifies as an open-ended fund from a Luxembourg legal and regulatory standpoint, prospective investors should check in the relevant Appendices whether there are limitations to their rights to ask for redemption of their Shares.

The Company shall not proceed to redemption of Shares in the event the net assets of the Company would fall below the minimum capital foreseen in the 2007 Law as a result of such redemption.

The Company shall have the right, if the Board so determines, to satisfy payment of the redemption price to any Shareholder who agrees, in specie by allocating to the Shareholder investments from the portfolio of assets of the Company equal to the value of the Shares to be redeemed. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other Shareholders and the valuation used shall be confirmed by a special report of the auditor. The costs of any such transfers shall be borne by the transferee.

XIII.Conversion of Shares

The features linked to conversion between each Sub-Fund are described in the relevant Appendix.

XIV. Determination of the Net Asset Value

The Net Asset Value of the Shares of each Sub-Fund is expressed in the currency set by the Board.

The Net Asset Value shall be rounded up or down to the nearest whole hundredth with half a hundredth being rounded up.

The Board sets the Valuation Days, and the methods whereby the net asset value is made public, in compliance with the legislation in force.

A. The assets of each Sub-Fund include:

- all cash in hand or on deposit, including any outstanding accrued interest;
- all bills and promissory notes and accounts receivable, including outstanding proceeds of any sale of securities;

- all securities, shares, bonds, time notes, debenture stocks, options or subscription rights, warrants, money market instruments, and all other investments and transferable securities belonging to the relevant Sub-Fund;
- all dividends and distributions payable to the Sub-Fund either in cash or in the form of stocks and shares (the Company may, however, make adjustments to account for any fluctuations in the market value of transferable securities resulting from practices such as ex-dividend or ex-claim negotiations);
- all outstanding accrued interest on any interest-bearing securities belonging to the Sub-Fund, unless this interest is included in the principal amount of such securities;
- the Company's or relevant Sub-Fund's preliminary expenses, to the extent that such expenses have not already been written-off;
- the Company's or relevant Sub-Fund's other fixed assets, including office buildings, equipment and fixtures;
- all other assets whatever their nature, including the proceeds of swap transactions and advance payments.

B. Each Sub-Fund's liabilities shall include:

- all borrowings, bills, promissory notes and accounts payable;
- all known liabilities, whether or not already due, including all contractual obligations that have reached their term, involving payments made either in cash or in the form of assets, including the amount of any dividends declared by the Company regarding the Sub-Fund but not yet paid;
- a provision for capital tax and income tax accrued on the Valuation Day and any other provisions authorized or approved by the Board;
- all other liabilities of the Company of any kind with respect to the Sub-Fund, except liabilities represented by shares in the Company. In determining the amount of such liabilities, the Company shall take into account all expenses payable by the Company including, but not limited to:
    - formation expenses,
    - expenses in connection with and fees payable to, its investment manager(s), advisors(s), accountants, custodian and correspondents, registrar, transfer agents, paying agents, brokers, distributors, permanent representatives in places of registration and auditors,
    - administration, domiciliary, services, promotion, printing, reporting, publishing (including advertising or preparing and printing of prospectuses, explanatory memoranda, registration statements, annual and semi-annual reports) and other operating expenses,
    - the cost of buying and selling assets,
    - interest and bank charges, and
    - taxes and other governmental charges;
- the Company may calculate administrative and other expenses of a regular or recurring nature on an estimated basis for yearly or other periods in advance and may accrue the same in equal proportions over any such period.

C. The value of the Company's assets shall be determined as follows:

- the value of any cash in hand or on deposit, discount notes, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received, shall be equal to the entire amount thereof, unless the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Board may consider appropriate in such case to reflect the true value thereof;
- the value of all portfolio securities and money market instruments or derivatives that are listed on an official stock exchange or traded on any other regulated market will be based on the last available price on the principal market on which such securities, money market instruments or derivatives are traded, as supplied by a recognized pricing service approved by the Board. If such prices are not representative of the fair value, such securities, money market instruments or derivatives as well as other permitted assets may be valued at a fair value at which it is expected that they may be resold, as determined in good faith by and under the direction of the Board;
- the value of securities and money market instruments which are not quoted or traded on a regulated market will be valued at a fair value at which it is expected that they may be resold, as determined in good faith by and under the direction of the Board; investments in private equity securities other than the securities mentioned herein will be valued with the assistance of one or several independent valuer(s) designated by the Board on the basis of the reasonably foreseeable sales price of the assets concerned, as determined by the relevant independent valuer in accordance with the standards of the valuers' profession, such as the most recent Valuation Guidelines published by the European Venture Capital Association (EVCA);
- the amortized cost method of valuation for short-term transferable debt securities in certain Sub-Funds of the Company may be used. This method involves valuing a security at its cost and thereafter assuming a constant amortization to maturity of any discount or premium regardless of the impact of fluctuating interest rates on the market value of the security. While this method provides certainty in valuation, it may result during certain periods in values which are higher or lower than the price which the Sub-Fund would receive if it sold the securities. For certain short term transferable debt securities, the yield to a shareholder may differ somewhat from that which could be obtained from a similar sub-fund which marks its portfolio securities to market each day;
- the value of the participations in investment funds shall be based on the last available valuation. Generally, participations in investment funds will be valued in accordance with the methods provided by the instruments governing such investment funds. These valuations shall normally be provided by the fund administrator or valuation agent of an investment fund. To ensure consistency within the valuation of each Sub-Fund, if the time at which the valuation of an investment fund was calculated does not coincide with the valuation time of any Sub-Fund, and such valuation is determined to have changed materially since it was calculated, then the net asset value may be adjusted to reflect the change as determined in good faith by and under the direction of the Board;
- the valuation of swaps will be based on their market value, which itself depends on various factors (e.g. level and volatility of the underlying asset, market interest rates, residual term of the swap). Any adjustments required as a result of issues and redemptions are carried out by means of an increase or decrease in the nominal of the swaps, traded at their market value;
- the valuation of derivatives traded over-the-counter (OTC), such as futures, forward or option contracts not traded on exchanges or on other recognized markets, will be based on their net liquidating value determined, pursuant to the policies established by the Board on the basis of recognized financial models in the market and in a consistent manner for each category of contracts. The net liquidating value of a derivative position is to be understood as being equal to the net unrealized profit/loss with respect to the relevant position;

- the value of other assets will be determined prudently and in good faith by and under the direction of the Board in accordance with generally accepted valuation principles and procedures.

The Board, at its discretion, may authorize the use of other methods of valuation if it considers that such methods would enable the fair value of any asset of the Company to be determined more accurately.

Where necessary, the fair value of an asset is determined by the Board, or by a designee of the Board.

The valuation of each Sub-Fund's assets and liabilities expressed in foreign currencies shall be converted into the relevant Reference Currency, based on the latest known exchange rates.

All valuation regulations and determinations shall be interpreted and made in accordance with generally accepted accounting principles. The Net Asset Value will be calculated in accordance with LUX GAAP accounting principles.

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

For each Sub-Fund and for each Class, the Net Asset Value per Share shall be calculated in the relevant Reference Currency on each Valuation Day by dividing the net assets attributable to such Class (which shall be equal to the assets minus the liabilities attributable to such Class) by the number of Shares issued and in circulation in such Class.

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

In the absence of bad faith, gross negligence or manifest error, every decision to determine the Net Asset Value taken by the Board or by any bank, company or other organization which the Board may appoint for such purpose, shall be final and binding on the Company and present, past or future Shareholders.

XV. Temporary suspension of Net Asset Value Calculation

The Company may suspend the determination of the Net Asset Value and/or, where applicable, the subscription and/or redemption of Shares, for one or more Sub-Funds, in the following cases:

- a stock exchange or another regulated and recognized market (that is a market which is operating regularly and is open to the public), which is a source of pricing information for a significant part of the assets of one or more Sub-Funds, is closed, or in the event that transactions on such a market are suspended, or are subject to restrictions, or are impossible to execute in volumes allowing the determination of fair prices;
- exchange or capital transfer restrictions prevent the execution of transactions of a Sub-Fund or if purchase or sale transactions of a Sub-Fund cannot be executed at normal rates;
- the political, economic, military or monetary environment, or an event of *force majeure*, prevent the Company from being able to manage normally its assets or its liabilities and prevent the determination of their value in a reasonable manner;
- when, for any other reason, the prices of any significant investments owned by a Sub-Fund cannot be promptly or accurately ascertained;

- the Company or any of the Sub-Funds is/are in the process of establishing exchange parities in the context of a merger, a contribution of assets, an asset or share split or any other restructuring transaction.
- when there is a suspension of redemption or withdrawal rights by several companies or investment funds in which the Company or the relevant Sub-Fund is invested.
- any other circumstance where the Board may consider such suspension to be in the interest of the Company or the Shareholders.

In addition, in order to prevent market timing opportunities arising when a Net Asset Value is calculated on the basis of market prices which are no longer up to date, the Board is authorised to suspend temporarily issues and redemptions of Shares of one or several Sub-Fund(s) when the stock exchange(s) or market(s) that supplies/supply prices for a significant part of the assets of one or several Sub-Fund(s) are closed.

In the event of exceptional circumstances which could adversely affect the interest of the Shareholders or insufficient market liquidity, the Board reserves its right to determine the Net Asset Value of the Shares of a Sub-Fund only after it shall have completed the necessary purchases and sales of securities, financial instruments or other assets on the Sub-Fund's behalf.

The suspension of the calculation of the Net Asset Value and/or, where applicable, of the subscription and/or redemption of Shares, shall be notified to the relevant persons through all means reasonably available to the Company, and by a publication in the press, unless the Board is of the opinion that a publication is not necessary considering the short period of the suspension.

The Sub-Funds are subject to important additional restrictions on the Shareholders' ability to subscribe or redeem Shares, as fully described in the relevant Appendix.

XVI. Distribution Policy

Within each Sub-Fund, Shares may be issued as capitalisation Shares and/or as distribution Shares. The features of the Shares available within each Sub-Fund are set out in of the relevant Appendix to the Placement Memorandum.

The Board may declare annual or other interim distributions out from the investment income gains and realized capital gains and, if considered necessary to maintain a reasonable level of dividends, out of any other funds available for distribution.

The Company shall not proceed to distributions, either by way of distribution of dividends or redemption of Shares, in the event the net assets of the Company would fall below the equivalent in the Reference Currency of the Company of EUR 1,250,000.

XVII. Costs, Fees and Expenses

A. Costs payable by the relevant Sub-Fund

Except otherwise specified in the relevant Appendix, each Sub-Fund will bear all costs relating to its establishment and operations. These costs may, in particular and without being limited to the following, include the remuneration of the Depositary, Domiciliary, Registrar and Transfer and Administrative Agent, the remuneration of the Investment Manager, and other providers of services, brokerage fees, transaction fees and expenses, taxes and costs connected with the movements of securities or cash, costs of research, trading and settlement, costs of financial data providers and trading systems, marketing expenses (such as without limitation preparation of marketing materials, travels, accommodation, and sponsoring conferences and seminars), as well as the fees of the auditor, legal advisor(s), the costs of preparation and distribution of the Placement Memorandum and periodic reports, Luxembourg subscription tax and any other taxes relating to the operations of the Sub-Fund, the costs related to the issue, redemption of Shares, translations and legal publications, the costs of its securities servicing, the possible costs of listing on any stock exchange or of publication of the price of its Shares, the costs of official deeds and any legal costs relating thereto, the remuneration of the directors, their insurance costs and their out-of-pocket expenses (including travel costs to attend board meetings and remuneration for special services and work done in addition to usual duties) will be borne by the Company, charged to the Sub-Funds on a pro-rata basis of their NAVs. Each Sub-Fund and/or each relevant Share Class may have to bear specific set-up costs and/or distribution costs as described in the relevant Appendix, which shall be written off over a period of a maximum of five (5) years. The costs and expenses associated with the incorporation of the Company are capitalized at the Company's level and amortized over a period of 5 years

B. Costs and fees to be borne by the Shareholders

Where applicable, Shareholders may have to bear placement fees and/or costs and/or fees with respect to the issue, redemption of Shares, as described in the relevant Appendix.

XVIII. Taxation

The following is based on the Company's understanding of, and advice received on, certain aspects of the law and practice currently in force in Luxembourg. It does not purport to be a complete analysis of all possible tax situations that may be relevant to an investment decision. This summary does not allow any conclusions to be drawn with respect to issues not specifically addressed. The following description of Luxembourg tax law is based upon the Luxembourg law and regulations as in effect and as interpreted by the Luxembourg tax authorities on the date of this Placement Memorandum and is subject to any amendments in law (or in interpretation) later introduced, whether or not on a retroactive basis.

A. Taxation of the Company

The Company is governed by Luxembourg tax laws.

Under current law and practice, the Company is liable, at the date of this Placement Memorandum, to an annual subscription tax of 0.01%. This tax is payable quarterly and calculated on the basis of the Company's net assets at the end of the relevant quarter.

Shall be exempt from such tax the value of the assets represented by units held in other undertakings for collective investment, provided that such units have already been subject to the subscription tax provided for by article 68 of the Law of 2007 or by article 174 of the Law of 2010. No stamp duty or other tax is payable in Luxembourg on the issue of Shares. No Luxembourg tax is payable on the realized capital appreciation of the assets of the Company.

A registration fee of seventy-five Euros (EUR 75.-) is payable in Luxembourg for the incorporation of the Company and for the amendment of its articles of association.

Dividends and interest received by the Company on its investments may be subject to non-recoverable withholding or other taxes in the countries of origin.

Furthermore, the Company may be liable to certain taxes in countries where the Company carries out its investment activities. Those taxes are not recoverable by the Company in Luxembourg.

B. Luxembourg Taxation of Shareholders

Under current Luxembourg legislation, Shareholders 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).

Shareholders in the Company may be resident for tax purposes in many different countries. Consequently, no attempt is made in this Placement Memorandum to summarize the taxation consequences for each Investor of subscribing, holding or redeeming, if applicable, or otherwise acquiring or disposing of Shares in the Company. These consequences will vary in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances.

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

C. European Union Tax Considerations

The Council of the European Union adopted Council Directive 2015/2060 repealing Council Directive 2003/48/EC of 3 June 2003 on the taxation of savings income in the form of interest payments, as amended by Council Directive 2014/48/EU (the "**Savings Directive**"). The Saving Directive will no longer apply once all the reporting obligation concerning year 2015 will have been complied (normally 1 June 2016). Under the Savings Directive, EU Member States (the "**Member States**") are required to provide the tax authorities of another Member State with information on payments of interest or other similar income (within the meaning of the Savings Directive) paid by a paying agent (within the meaning of the Savings Directive) to an individual beneficial owner who is a resident, or to certain residual entities (within the meaning of the Savings Directive) established, in that other Member State.

Under the Luxembourg law dated 21st June 2005 (the "**2005 Law**"), implementing the Savings Directive, as amended by the law of 25th November 2014, and several agreements concluded between Luxembourg and certain dependent or associated territories of the EU ("**Territories**"), a Luxembourg-based paying agent is required as from 1st January 2015 to report to the Luxembourg tax authorities the payment of interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual or certain residual entities resident or established in another Member State or in the Territories, and certain personal details on the beneficial owner. Such details will be provided by the Luxembourg tax authorities to the competent foreign tax authorities of the state of residence of the beneficial owner (within the meaning of the Savings Directive).

However, income distributed by, or income realised upon the redemption or sale of Shares of the Fund were not subject to withholding tax under the Savings Directive.

Automatic Exchange of Information

Following the development by the Organization for Economic Co-operation and Development ("**OECD**") of a common reporting standard ("**CRS**") to achieve a comprehensive and multilateral automatic exchange of information ("**AEOI**") in the future on a global basis, 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 on 9 December 2014 in order to implement the CRS among the Member States of the European Union.

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 (the "**CRS Law**").

The CRS Law requires Luxembourg financial institutions to identify financial assets holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement. Luxembourg financial institutions will then report financial account information of the asset holder to the Luxembourg tax authorities, which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the Company will require its investors to provide information in relation to the identity and residence of financial account holders (including certain entities and their controlling persons), account details, reporting entity, account balance/value and income/sale or redemption proceeds to the local tax authorities of the country of fiscal residency of the foreign investors to the extent that they are fiscally resident in a jurisdiction participating in the AEOI.

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 of the European Union; it requires agreements on a country-by-country basis.

Investors in the Company may therefore be reported to the Luxembourg and other relevant tax authorities in accordance with applicable rules and regulations.

D. 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 (IGA) with the United States of America and a memorandum of understanding in respect thereof. The IGA concluded with the United States of America was implemented into Luxembourg law by the law of 24th July 2015. The Company hence has to comply with such Luxembourg IGA, rather than directly complying with the US Treasury Regulations implementing FATCA. Under the IGA, the Company may be required to collect information aiming to identify its direct and indirect shareholders that are Specified US Persons for FATCA purposes (reportable accounts). Any such information on reportable accounts provided to the 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 Company intends to comply with the provisions of the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Company. The Fund will continually assess the extent of the requirements that FATCA and notably the Luxembourg IGA places upon it.

To ensure the Company's compliance with FATCA and the Luxembourg IGA in accordance with the foregoing, the Company may:

- request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such shareholder's FATCA status;
- report information concerning a Shareholder and his account holding in the Company to the Luxembourg tax authorities if such account is deemed a US reportable account under the Luxembourg IGA; and
- deduct applicable US withholding taxes from certain payments made to a Shareholder by or on behalf of the Company in accordance with FATCA and the Luxembourg IGA.

D. Inheritance and Gift Tax

Where the Shares are transferred for no consideration:

(i) no Luxembourg inheritance tax is levied on the transfer of the Shares upon death of a Shareholder in cases where the deceased Shareholder was not a resident of Luxembourg for inheritance tax purposes;

(ii) Luxembourg gift tax will be levied in the event that the gift is made pursuant to a notarial deed signed before a Luxembourg notary.

Prospective investors should inform themselves of, and where appropriate take advice on the laws and regulations in particular those relating to taxation (but also those relating to foreign exchange controls and being prohibited persons) applicable to the subscription, purchase, holding, conversion and redemption of Shares in the country of their citizenship, residence or domicile and their current tax situation and the current tax status of the Company in Luxembourg.

XIX. Financial Year, General Meetings of Shareholders

and Documents Available for Inspection

A. Financial Year

The Financial Year shall be the calendar year starting on 1st January and ending on 31st December. The first Financial Year began on the date of incorporation of the Company and ended on 31 December 2013.

Audited annual reports will be available at the registered office of the Company. The first report of the Company was the annual report as of 31 December 2013.

B. General meetings

The annual general meeting of the Shareholders of the Company will be held at the registered office of the Company in Luxembourg on the date and time indicated by the Board of Directors, within six months following the end of the relevant financial year.

Notices of a general meeting and other notices will be published in accordance with Luxembourg law. Notices will specify the place and time of the meetings, the conditions of admission, the agenda, the quorum and the voting requirements and will be given at least 8 days prior to the meetings.

In accordance with article 70bis of the Luxembourg law of 10 August 1915 on commercial companies, where all shareholders are registered, convening notices may be sent only by registered mail at least 8 days prior to the meeting. The requirements as to attendance, quorum and majorities at all general meetings will be those laid down in the Articles of the Company and in the Luxembourg law of 10 August 1915 on commercial companies, as amended. All Shareholders may attend the annual general meetings, any general meetings and class meetings of the Sub-Funds in which they hold Shares and may vote either in person or by proxy.

C. Documents available for inspection

Copies of the Articles, the Placement Memorandum, the risk management and the conflict of interest process and the latest financial statements of the Company are available for the Shareholders, free of charge, during business hours on each Business Day at the registered office of the Company.

XX. Liquidation of the Company

In the event of dissolution, the liquidation shall be carried out by one or more liquidators appointed by the general meeting as liquidator, pursuant to the 2007 Law and the Articles. Amounts which have not been claimed by Shareholders at the close of the liquidation will be deposited in escrow with the *Caisse des Consignations* in Luxembourg. Should such amounts not be claimed within the prescription period, then they may be forfeited.

XXI. Termination, amalgamation and transfer of assets from Sub-Funds or Classes

The Board may decide at any time the closing of one or more Classes and/or Sub-Funds of the Company in the following events:

- if, for any reason the value of the total net assets in any Class or/and Sub-Fund has not reached, or has decreased, to a minimum amount, to be the minimum level for such class of shares to be operated in an economically efficient manner or,
- if the political, monetary and/or economical environment happens to change,
- if an economic rationalization is needed.

Until such time as the decision to liquidate is executed, the Company will continue to redeem or convert the shares of concerned Class and/or Sub-Fund which it has been decided to liquidate, taking account liquidation costs but without deducting any redemption fee as stated in the Placement Memorandum. The formation expenses will be fully amortized.

Amounts unclaimed by Shareholders on the closure of liquidation of the concerned Class or classes and/or Sub-Fund shall be deposited with the Depositary for a period not exceeding nine months from the date of closure. After such period the amounts will be deposited with the *Caisse de Consignation*.

The decision to liquidate a Class and/or Sub-Fund in the circumstances and in the manner described in the preceding paragraphs may also be taken at a meeting of the Shareholders of the Class and/or Sub-Fund to be liquidated where no quorum is required and where the decision to liquidate or merge must be approved at simple majority of the shares represented at the meeting.

The Board may also, under the same circumstances as provided above, decide to close down one Class by contribution into another collective investment undertaking governed by the 2007 Law. In addition, such merger may be decided by the Board if required by the interests of all the Shareholders of the relevant Class.

Such decision will be published in the countries where the Company is registered in a newspaper and, in addition, the publication will contain information in relation to the absorbing collective investment undertaking. Such publication will be made one month before the date on which the merger becomes effective in order to enable Shareholders to request redemption of their shares, free of redemption fee as stated in the Placement Memorandum, before the merger operation becomes effective. Should all the concerned Shareholders agree with the merger, the one-month notice will not be required. In case of contribution to another collective investment undertaking of the mutual fund type, the merger will be binding only on Shareholders of the relevant Class and/or Sub-Fund who will expressly agree to the merger.

The decision to merge a class and/or Sub-Fund in the circumstances and in the manner described in the preceding paragraphs may also be taken at a meeting of the Shareholders of the Class and/or Sub-Fund to be merged where no quorum is required and where the decision to merge must be approved by simple majority of the shares represented at the meeting.

The contribution of one class and/or Sub-Fund into another foreign collective investment undertaking is only possible with the unanimous agreement of all the Shareholders of the relevant Class and/or Sub-Fund or under the condition that only the Shareholders who have approved the operation will be transferred.

Nevertheless, as a condition of such merger described hereabove, the absorbing entity (ie Class, Sub-Fund or another collective investment undertaking) should have similar investment policy and investment strategy as such of the Class or Sub-Fund to be merged.

XXII. Conflicts of Interest

The Company is organized and structured to minimize the risk of investors’ interests being prejudiced by conflict of interest arising between the Company and, where applicable, any person contributing to its business activity or any person linked directly or indirectly to the Company. However, the Investment Manager, the Depositary, the Administrative Agent and their respective affiliates, directors, officers and Shareholders (collectively the “**Parties**”) are or may be involved in other financial, investment and professional activities which may cause conflict of interest with the management and administration of the Company. These include the management of other collective investment schemes, purchase and sale of securities, brokerage services, custody and safekeeping services and serving as directors, officers, advisors, distributors or agents of other collective investment schemes or other companies, including companies and investment funds in which the Company may invest. In such a case, the Company shall ensure that Investors' interests are safeguarded.

The Investment Manager or its affiliates may be remunerated by portfolio managers, distributors or sponsors of investment funds, in which the Company invests. The terms of such placing arrangements may provide for the payment of a portion of an investment manager's management and/or performance-based fees or of a portion of the brokerage commissions generated by the relevant fund, calculated by reference to the amounts invested in such fund through the Investment Manager or its affiliates. The Investment Manager will at all times act in the best corporate interest of the Company, select portfolio managers based solely on their merits and ensure that all investment/disinvestment decisions on behalf of the Company are never influenced by the terms of such arrangements, when they exist.

Each of the Parties will respectively ensure that the performance of their respective duties will not be impaired by any such involvement that they might have. In the event that a conflict of interest does arise, the Board of the Company and the relevant Parties shall endeavour to ensure that it is resolved fairly within reasonable time and in the interest of the Shareholders of the Company.

XXIII. Data Protection

Investors are informed that personal data (i.e. any information relating to an identified or identifiable natural person) (the "**Personal Data**") provided in connection with an investment in the Company (the "**Data Controller**") will be processed by the Company and the AIFM, the Administration Agent, the Registrar & Transfer Agent, the Depositary, the Paying Agent or the approved statutory auditor, and their affiliates and agents including the distributors, if any (together the "**Entities**") in accordance with data protection law applicable in Luxembourg (including, but not limited to Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of Personal Data and on the free movement of such data (the "**General Data Protection Regulation**"), as well as any law or regulation relating to the protection of Personal Data applicable to them) (together the "**Data Protection Laws**").

The Entities may act as data processors on behalf of the Data Controller (or, as applicable by law, other controllers) or as controllers in pursuing their own purposes of (i) offering and managing investments and performing the related services (ii) developing and processing the business relationship with the Processors, and (iii) if applicable direct or indirect marketing activities. The Entities shall declare that, in the event of any sub-processing of such processing they will oblige their sub-contractor (the "**Authorised Third Party**") to respect the same level of protection of Personal Data.

Such arrangements will not relieve the Entities of their obligations of protection, notably in the event of the transfer of personal data outside the European Economic Area ("**EEA**").

Subscribers may refuse to communicate their Personal Data to the Data Controller and the Entities and consequently prevent it from using such data. However, this might result in the impossibility for these persons to become Investors of the Company. Failure to provide relevant Personal Data requested in the course of their relationship with the Company may prevent an Investor from exercising its rights in relation to its Shares and maintaining its holdings in the Company. This failure may also need to be reported by the Company, the AIFM and/or the Administrative Agent to the relevant Luxembourg authorities to the extent permitted and/or required by applicable law.

A beneficial owner shall however provide the Company with the relevant Personal Data in relation to the Luxembourg law of 13 January 2019 creating a registrar of beneficial owners (the “**RBO Law**”) and shall inform the Company of any change thereof. In case of failure to fulfil these obligations under the RBO Law, the relevant beneficial owner may incur penalties in accordance with such law. It may also be prevented from maintaining its holdings in the Company.

1. Personal data collected

Personal data processed but is not limited to, the name, signature, date and place of birth, nationality, national identification number, address, transaction history of each Investor, e-mail address, bank and financial data, data concerning personal characteristics and data concerning source of wealth, or record of any telephone conversation (including for record keeping).

2. Purpose of processing your personal data.

In most cases, Personal Data provided by Investors are processed notably in order to:

(i) update the Company’s register of Investors,

(ii) process subscriptions, redemptions, and conversions of Shares as well as the payment of dividends to Investors,
(iii) ensure controls in terms of late trading and market timing operations, and record keeping as proof of a transaction or related communication
(iv) comply with the applicable rules regarding the prevention of money laundering and terrorist financing.
(v) meet the purposes of the legitimate interests pursued by the Company for direct marketing purposes relating to the Company's products and services, to conduct surveys (including developing commercial offers)

In particular in relation to point (iv) above and pursuant to the RBO Law, the Company will be required to provide (and keep up-to-date) the Luxembourg Registrar of Beneficial Owners ("**RBO**") with the following information on any natural person controlling ultimately (directly or indirectly) the Company or holding more than 25% of the Shares or of voting rights: name and first name, date and place of birth, nationality, country of residence, private or professional address, national identification number (NIN) and nature and extent of the beneficial interest held.

Such data may be accessed by any national authorities as well as by the general public (except for the NIN and the nature and extent of the beneficial interest held for which specific exemptions are required) under the conditions set forth by the RBO Law.

3. Based on specific lawful ground, your personal data may be processed in these ways for the following reasons

The Data Controller and the Entities collect, store, process, and use, electronically or by other means, the Personal Data provided by Investors in order to fulfil their respective legal obligations. In this respect, in application of the legal obligations including the ones under applicable company law, anti-money laundering legislation, FATCA regulations as well as legislation for the purpose of application of the standard for Automatic Exchange of Financial Account Information developed by OECD, the information on the subscribers identified as subject to reporting as defined by these laws will be included in an annual declaration to the Luxembourg tax authorities. If applicable, they will be informed thereof by the Administrative Agent at the very least before the declaration is sent and in sufficient time to exercise their data protection rights (within 1 month or extended period of two other months if necessary).

Record keeping as proof of a transaction or related communication in the event of a disagreement and to enforce or defend the Controller's and Entities' interests or rights in compliance with any legal obligation to which they are subject. Such recordings may be produced in court or other legal proceedings and permitted as evidence with the same value as a written document and will be retained for a period as provided by law. The absence of recordings may not in any way be used against the Controller and Entities).

Investors acknowledge and accept that the Company, the AIFM and/or the Administrative Agent will report any relevant information in relation to their investments in the Company to the Luxembourg tax authorities (*Administration des Contributions Directes*) which will exchange this information on an automatic basis with the competent authorities in the United States of America or other permitted jurisdictions as agreed in the FATCA Law, the CRS Law or similar laws and regulations in Luxembourg or at EU level.

The Data Controller and the Entities may use the Personal Data to regularly inform Investors about other products and services that the Data Controller and the Entities believe to be of interest to the Investors, unless the Investors have indicated to the Data Controller and the Entities in writing that they do not wish to receive such information.

The Data Controller and the Entities may also transfer the Personal Data of Investors to entities located outside the European Union that may not have developed a suitable level of data protection legislation. Where personal data is transferred outside the EEA, the Data Controller will ensure that the transfer is subject to appropriate safeguards or is otherwise permitted under applicable law. For example, the country to which the personal data is transferred may be approved by the European Commission, the recipient may have agreed to model contractual clauses approved by the European Commission that oblige them to protect the personal data.

4. Based on specific lawful ground, the Company is entitled to process your personal data in these ways for the following reasons

Upon written request, the Data Controller shall also allow Investors to access to their Personal Data provided to the Company.

The Investor has the right to:

• access his/her Personal Data;
• correct his/her Personal Data where it is inaccurate or incomplete or object to the processing of his/her Personal Data;
• ask for erasure of his/her Personal Data;
• ask for Personal Data portability under certain conditions.

Insofar as Personal Data is not provided by the data subject him/herself, his/her representatives and/or authorized signatories confirm having informed and, where applicable, secured his/her consent to the transmission to and processing by the various parties referred to above (including in countries outside the European Union) of such Personal Data.

The Company will accept no liability with respect to any unauthorised third party receiving knowledge of and/or having access to the Investors' Personal Data, except in the event of gross negligence or willful misconduct of the Company.

Attention of Investors is drawn to the fact that information relating to the processing of Personal Data (the "**Personal Data Protection Policy**") is subject to update and/or modification.

5. Contact information & exercise of rights

The investor may exercise these rights by writing to joost.olbrechts1@telenet.be.

In addition, the investor has a right to file a complaint with the Luxembourg data protection authority, the "*Commission nationale pour la protection des données" (CNPD)*, if the investor has concerns about the processing of his or her personal data.

Below are the contact details of the "*Commission nationale pour la protection des données"*:

Address: 15, Boulevard du Jazz, L-4370 Belvaux
Telephone: (+352) 26 10 60 -1
Fax. : (+352) 26 10 60 - 29
Website: https://cnpd.public.lu/en.html
Web-form: https://cnpd.public.lu/en/droits/faire-valoir/formulaire-plainte.html

Additional information on data protection is available upon request and on the Company’s website (www.karakterinvestkameleon.be).

The Company will retain the Investor’s personal data only for as long as necessary for the relevant processing activity and/or for as long as is necessary to comply with all relevant legal and regulatory requirements.

Part II – Appendices
Specific Information relating to Sub-Funds

A. KARAKTER INVEST, SICAV-FIS S.A. - KAMELEON FUND

1. Investment Objective and Strategy

The Sub-Fund’s objective is to outperform the following composite performance indicator over a recommended investment horizon of 5 years: 70% MSCI AC World Free index, the Morgan Stanley international equity index, and 30% Citigroup WGBI All Maturities EUR index, the world bond index.

The investment policy takes into account the principle of risk spreading by means of the diversification of investments. The allocation of the portfolio between the different asset classes and categories based on fundamental analysis of the (relative) value, the historical level and the trend of the different asset classes and of the global macroeconomic environment and of its indicators (growth, inflation, deficits, etc.), may vary according to the Board’s expectations. As the Sub-Fund is managed on an active, discretionary basis, its asset allocation may differ substantially from that of its performance indicator. Likewise, the portfolio established in each of the asset classes on the basis of detailed financial analysis may vary considerably from the weightings of the performance indicator in terms of geographical zones, sectors, ratings and maturities. In order to reduce fluctuations in the portfolio a minimum of 30% is permanently invested in fixed income and/or similar instruments as described hereafter.

The Sub-Fund may use currencies other than the Sub-Fund's valuation currency for exposure or hedging purposes, based on an analysis of Total debt/GDP, domestic debt/GDP, current account, availability of resources and other economic indicators in particular the outlook for growth, inflation and monetary and fiscal policy of the different economic zones and countries. The investment policy takes into account the principle of risk spreading by means of the diversification of investments.

In general the Sub-Fund can be described as a mixed asset, global, flexible, concentrated Fund in EUR with the following asset allocation:

- 30-100% cash, bonds, preferred shares, MLP’s, REIT’s, physical gold (within the limit set out below), gold related instruments (e.g. gold and silver mining stocks), products with minimum 85% capital guarantee
- 0-70% stocks (excluding stocks considered as gold related instruments)
- 0-30% physical gold.

On an ancillary basis, the Sub-Fund may use short sales or invest through CFDs (within the investment limits and restrictions set out by the 2007 law).

The investment timing will be based on certain katalysts, newsflow, technical and sentiment indicators.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

As at the date of issue of the Placement Memorandum, the Sub-Fund does not intend to enter into any TRS or SFTs as defined under the SFTR.

2. Description of the different assets

2.1. Debt securities, preferred shares, MLP's, REIT's, physical gold, gold related instruments, products with minimum 85% capital guarantee, money market instruments

The Sub-Fund's net assets are between 30% and 100% invested in eurozone, international and emerging money market instruments, treasury bills, government and/or private fixed and/or floating rate bonds, inflation-linked bonds, preferred shares, Master Limited Partnerships and Real Estate Investment Trusts, physical gold (up to a maximum of 30%), gold related instruments (e.g. gold and silver mining stocks), products with minimum 85% capital guarantee.

The overall modified duration of the fixed income portfolio may differ considerably from that of the performance indicator. Modified duration is defined as the change in portfolio capital (as %) for a change in interest rates of 100 basis points.

The rating of the bonds held directly by the Sub-Fund can be below investment grade (BBB-/Baa3 by the rating agencies Standard & Poor's and Moody's), but not below CC– rating of Standard & Poor's or a similar rating agency. Although the Sub-Fund will not actively buy bonds below the above mentioned rating, it is possible that the rating of such bonds falls below CC- after their acquisition (a passive breach). In such a case, the Sub-Fund might be invested occasionally in lower rank / unrated bonds.

The Sub-Fund may invest in unrated bonds.

There are no restrictions in terms of duration or allocation between private and public issuers.

This asset category will be a well-managed, bottom-up mix of corporate securities (based on detailed financial analysis of balance sheet, income statement, cash-flow statement, newsflow, leverage in case of REIT's and other indicators), government securities (based on a country's budget balance, current account, capital account, inflation expectations, total debt/GDP, domestic debt/GDP, labour market, resources, banking system, general economic condition and others.), physical gold and gold related instruments (based on detailed analysis of the relative historical valuation compared to other assets, central bank policy, level of interest rates and other indicators) and products with minimum 85% capital guarantee (based on the level of interest rates, option volatility, absolute and relative valuation of the underlying compared to other assets and other indicators).

2.2. Equities

Stock selection is based on detailed financial analysis and daily news.

Up to 70% of the net assets of the Sub-Fund is exposed to equities (other than gold related instruments (e.g. gold and silver mining stocks)) and other securities including structured products without a capital guarantee of at least 85%, giving or capable of giving direct or indirect access to capital or voting rights and traded on eurozone and/or international markets. The Sub-Fund may be exposed to emerging market equities. The net assets of the Sub-Fund may be invested in small, mid and large caps.

Stocks will be a well-managed, bottom-up mix of turn-around stories, M&A opportunities, latest fashion themes/sectors, out-of-fashion themes/sectors, long term uptrends like aging and automation, unrecognised growth, regions, family-owned businesses, organic growth companies, businesses with great, lasting (mass) products, attractive assets, low pay-outs, high dividends and high entry barriers. (Relative) value, corporate governance, strong fundamentals and a healthy balance sheet are a condition sine qua non for investing in shares according to the Board. The core holdings are large companies we hold for the long term and with a high weighting. To generate a surplus return above the market we hold satellites for shorter term and with smaller weightings.

2.3. Currencies

The Sub-Fund may use currencies other than the Sub-Fund's valuation currency for exposure or hedging purposes. It may invest in futures and options on regulated, organised or over-the-counter markets in order to generate exposure to currencies other than its valuation currency or to hedge the Fund against foreign exchange risk. The Sub-Fund's net currency exposure may differ from that of its performance indicator and/or equity and bond portfolio.

The Sub-Fund may use currencies other than the Sub-Fund's valuation currency for exposure or hedging purposes, based on an analysis of Total debt/GDP, domestic debt/GDP, current account, availability of resources and other economic indicators in particular the outlook for growth, inflation and monetary and fiscal policy of the different economic zones and countries.

2.4. Derivatives

The Sub-Fund may invest in futures and options traded on eurozone and international regulated, organised or over-the-counter markets.

In this context, the Sub-Fund may take positions to hedge and/or expose the portfolio to industrial sectors, geographical zones, interest rates, equities (all caps), transferable securities and similar assets or indices in order to achieve the investment objective.

The portfolio is exposed or hedged through the sale or purchase of options and/or futures on the main world equity and fixed income indices listed on regulated or over-the-counter markets.

Where appropriate, the Sub-Fund may also use interest rate swaps.

The Sub-Fund may invest in futures and options on regulated, organised or over-the-counter markets in order to generate exposure to currencies other than its valuation currency or to hedge the Sub-Fund against foreign exchange risk.

2.5. Securities with embedded derivatives

The Sub-Fund may invest in eurozone and/or international convertible bonds, including those of emerging countries in particular.

The Sub-Fund may invest in securities with embedded derivatives (warrants, credit link notes, EMTN, subscription certificates) traded on regulated, organised or over-the-counter eurozone and/or international markets.

In this context, the Sub-Fund may take positions to hedge and/or expose the portfolio to industrial sectors, geographical zones, interest rates, equities (all caps), currencies, credit, transferable securities and similar assets or indices in order to achieve the investment objective.

The use of securities with embedded derivatives compared to the other derivative instruments referred to above is justified by the Board's decision to optimise the hedging or, where necessary, the exposure of the portfolio by reducing the cost associated with the use of these financial instruments in order to achieve the investment objective.

In all cases, the amounts invested in securities with embedded derivatives may not exceed 70% of the net assets.

The risk associated with this type of investment is limited to the amount invested for the purchase of the securities with embedded derivatives.

2.6. UCITS, investment funds, trackers or Exchange Traded Funds (ETF)

The Sub-Fund may invest in UCITS.

The Sub-Fund shall invest in the following assets subject to the regulatory limits:

- UCITS that comply with the European Directive;
- Funds that do not comply with the European directive;

The Sub-Fund may use trackers, listed index funds and exchange traded funds on a limited basis.

2.7. Deposits, cash and physical gold

The Sub-Fund may use deposits in order to optimise its cash management and to manage the various subscription or redemption settlement dates of the underlying UCITS. Up to 50% of its assets may be invested in deposits with the same credit institution. This type of operation shall be carried out on an exceptional basis.

The Sub-Fund may hold cash on an ancillary basis, in particular in order to meet its redemption obligations in relation to investors.

The Sub-Fund may hold physical gold on an ancillary basis and with a maximum of 30% in order to optimise its cash-balances.

Cash lending is allowed up to 10% of the NAV.

2.8. Cash borrowings

The Sub-Fund may use cash borrowings, in particular in order to optimise its cash management and to manage the various subscription or redemption settlement dates. These transactions shall be carried out within the regulatory limits.

3. Risk profile and specific risk factors

The risk profile of the Sub-Fund is suitable for an investment horizon of over 5 years.

Potential investors should be aware that the value of the Sub-Fund's assets is subject to the fluctuations of the international equity, bond and currency markets and that it may vary substantially.

The risk factors described below are not exhaustive. It is up to each investor to analyse the risk associated with such an investment and to form his/her own opinion independent of the Company, where necessary seeking the opinion of any advisors specialised in such matters in order to ensure that this investment is appropriate in relation to his/her financial situation.

In addition to the risks pertaining to the Company as described in the main part of this Placement Memorandum, the Sub-Fund may be subject to specific risks as follows:

Risk associated with discretionary management: discretionary management is based on the expected evolution of the financial markets..

Equity risk: 0% to 70% of the Sub-Fund’s net assets is exposed to the equity risk of the eurozone, international and emerging markets through investments in financial instruments. Furthermore, regarding the small and mid-cap markets, the volume of stocks listed on the stock exchange is relatively low; market downturns are therefore more acute and more abrupt than for large caps. The net asset value of the Sub-Fund may therefore decline rapidly and significantly. Investors are reminded that the operating and supervision conditions of the emerging markets may deviate from the standards prevailing on the large international markets.

Risk related to currency exposure: Exposure is calculated as the sum of the absolute values of net exposure in each currency. Currency appreciations or depreciations may cause the net asset value to fall.

Interest rate risk: Interest rate risk results in a decline in the net asset value in the event of a rise in interest rates. When the modified duration of the portfolio is positive, a rise in interest rates may lead to a reduction in the value of the portfolio. When the modified duration of the portfolio is negative, a fall in interest rates may lead to a reduction in the value of the portfolio.

Credit risk: The Sub-Fund is invested in securities rated investment grade and in junk bonds. Credit risk is the risk that the issuer may default. Should the quality of corporate bond issuers decline, for example in the event of a downgrade in their rating by the financial rating agencies, the value of the corporate bonds The net asset value of the Sub-Fund may decrease.

Currency risk: currency risk is linked to exposure to a currency other than the Sub-Fund's valuation currency. The Sub-Fund is directly or indirectly exposed to currency risk via its investments and use of forward financial instruments.

Liquidity risk: the markets may occasionally be subject to temporary illiquidity. These market distortions may have an impact on the pricing conditions under which the Fund might be caused to liquidate, initiate or modify its positions.

Risk of capital loss: the Sub-Fund does not guarantee or protect the capital invested.

Investments in gold and gold related instruments: Investments in gold are subject to adverse economic, business, regulatory or other occurrences affecting these types of investments. Prices of gold may move up and down rapidly in response to changes in market conditions and may not track prices of gold and have historically offered lower long-term performance than the stock market as a whole. Gold prices can be influenced by a variety of economic, financial and political factors, especially inflation: when inflation is low or expected to fall, prices tend to be weak. When holding gold coins or bullion, the fund may encounter higher custody and other costs (including shipping and insurance) than those normally associated with ownership of securities.

4. Investment Limits and Restrictions

The assets of this Sub-Fund shall be invested in accordance with the following investment limits and restrictions:

1. The Sub-Fund may not invest more than 30% of its assets in securities of the same kind issued by the same issuing body. This restriction does not apply to:

- investments in securities issued or guaranteed by an OECD Member State or its regional or local authorities or by EU, regional or global supranational institutions and bodies;
- investments in target UCIs that are subject to risk-spreading requirements at least comparable to those applicable to SIFs. For the purpose of the application of this restriction, every sub-fund of a target umbrella UCI is to be considered as a separate issuer provided that the principle of segregation of liabilities among the various sub-funds *vis-à-vis* third parties is ensured;

2. Short sales may not have as a consequence that the Sub-Fund hold a short position on securities of the same kind issued by the same issuing body representing more than 30% of its assets;

3. When making use of derivative instruments, the Sub-Fund must ensure a comparable risk diversification through an appropriate risk diversification of underlying assets. Similarly, the counterparty risk in an OTC transaction must, where applicable, be limited having regard to the quality and qualification of the counterparty;

4. The Sub-Fund may hold, on an exceptional and temporary basis only, up to 100% of its net assets in cash on deposit.

5. The Sub-Fund may borrow up to 100% of its NAV, irrespective of the use thereof.

5. Share Classes

At present, two classes of capitalisation Shares has been issued. The minimum initial subscription is as follow:

C Class	EUR 50,000
P Class	EUR 50,000

Well Informed Investors investing less than EUR 125,000 shall provide a certificate delivered by a credit institution within the meaning of Directive 2006/48/EC, another investment company within the meaning of Directive 2014/65/EU or a management company within the meaning of Directive 2009/65/EC stating that they are experienced enough to appreciate in an adequate manner an investment in a specialised investment fund.

The Board may at its absolute discretion waive the minimum initial subscription amount.

Class P is reserved to the Initiators of the Company.

6. NAV Calculation and Dealings

The Valuation Day of the Sub-Fund shall be the last Business Day in Luxembourg of each month and the NAV is calculated the following Business Day in Luxembourg (“**Dealing Day**”).

On an exceptional basis only, the Board may decide to add further dates as a Dealing Day.

7. Subscriptions

The Board may at its absolute discretion close the Sub-Fund at any time for new subscriptions in order to protect the interest of shareholders or of the Fund.

Following the closing of the initial offer, subscriptions for shares shall be accepted as of each Valuation Day.

Subscription forms must be received by the Registrar and Transfer Agent of the Company no later than 5 p.m. (Luxembourg time) two Business Days preceding a Valuation Day. The Board may, at its absolute discretion, accept subscription forms of less than such two Business Days period.

Requests received after this deadline will take effect on the next following Dealing Day.

Subscription monies are payable in EUR and must reach the Company the fifth Business Day after the applicable Valuation Day.

A subscription fee of up to 3 % of the Net Asset Value may be charged upon decision of the Board in favour of the financial intermediary (e.g. with whom the Company has a rebate agreement) if applicable or in favour of the Company (in such a case, the Board may decide the employment of these fees).

8. Redemptions

Shares may be redeemed with reference to each Valuation Day.

Redemption requests must be received by the Registrar and Transfer Agent of the Company no later than 5 p.m. (Luxembourg time) fourteen Business Days before the applicable Valuation Day. The Board may at its absolute discretion accept redemption notifications of less than such fourteen Business Days period.

Requests received after this deadline will take effect on the next following Valuation Day.

Redemption proceeds shall be paid in EUR within five Business Days after the applicable Dealing Day.

In the case of redemption requests exceeding 10% of the net asset value of the Sub-Fund on any Valuation Day, the Company may decide to defer on a pro rata basis redemptions to the next Valuation Day. In case of a deferral of redemptions, the relevant Shares shall be redeemed at the Net Asset Value per Share prevailing on the Valuation Day on which the redemption is performed. On such Valuation Day such requests shall be complied with by giving priority to the earliest request.

The Board may decide to defer redemptions until further notice during any period where exceptional circumstances might adversely affect shareholders' interests and provided all shareholders are treated on an equal footing and all relevant laws and regulations are complied with.

A redemption fee of up the 5 % of NAV may be charged upon decision of the Board in favour of the financial intermediary if applicable (e.g. with whom the Company has a rebate agreement) or in favour of the Company. In the latter case the Board may notably decide to allocate such fees to a liquidity reserve.

9. Management Fees

For Class C the Board is entitled to receive a Management Fees of up to 1.5% of the Net Asset Value of the Sub-Fund at the discretion of the Board.

The Management Fee is calculated and accrued on each Valuation Day and paid quarterly in arrears. It is expressed as a percentage (excluding taxes) of the Sub-Fund’s net assets as of the end of the relevant month.

The Management Fee will be allocated between the Directors at their discretion.

The Management Fee may be to pay the advisers, placing agents and other intermediaries for day-to-day management of the relationship with the Investors or other services in relation to investments made through them or with their assistance.

No Management Fee is applicable to Class P.

10. Listing on the Luxembourg Stock Exchange

The Board does not intend to apply for the listing of the Shares of the Sub-Fund on the Luxembourg Stock Exchange or any other stock exchange.

11. Availability of the Net Asset Value and of other information

The Net Asset Value per Share will be available at the registered office of the Company.