

# GLOBERSEL

*Mutual Fund  
under Luxembourg law*

## CONSOLIDATED MANAGEMENT RULES

19 April 2017.

---

These Management Rules were signed on 19 April 2017.

The notification of filing of the Management Rules with the Luxembourg Trade and Companies Register will be published in the *Recueil Electronique des Sociétés et Associations*.

These Management Rules shall enter into force on the 19 April 2017 .

### **Art. 1. The Fund**

The GLOBERSEL Mutual Fund (hereinafter referred to as “the Fund”) was established in Luxembourg under the laws of the Grand Duchy of Luxembourg and registered with the *Registre de Commerce et des Sociétés* of Luxembourg under number K1121.

The Fund represents a jointly-owned mass of transferable securities composed and managed in accordance with these Management Rules by Ersel Gestion Internationale S.A. (hereinafter referred to as the “Management Company”) in accordance with the principle of distribution of risk for the account of joint owners (hereinafter referred to as “Unit Holders”) who are committed up to the amount of their stake and whose rights are represented by Units.

The assets of a specific sub-fund are liable only for debts, commitments and obligations relating to such sub-fund. In relationships between Unit Holders, each sub-fund is considered as a separate entity.

The Management Company may decide at all times to create new sub-funds and to cancel or to redeem one or more existing sub-funds.

The assets of the Fund are separate from those of the Management Company. The Fund is not answerable for the obligations of the Management Company or the Unit Holders, but only for the obligations and expenses for which it is responsible pursuant to these Management Rules. The Fund’s assets are deposited with CACEIS Bank acting through its Luxembourg branch (CACEIS Bank, Luxembourg Branch), a public limited company incorporated under the laws of France, having its registered office located at 1-3 Place Valhubert F-75013 Paris, France, registered with the French *Register of Trade and Companies* under number 692 024 722 RCS Paris. CACEIS Bank, Luxembourg Branch is registered with the Luxembourg Register of Commerce and Companies under number B209310 (hereinafter referred to as the “Depositary Bank”).

The respective rights and obligations of the Unit Holders, the Management Company and the Depositary Bank are defined contractually by these Management Rules. In acquiring Units of the Fund, a Unit Holder accepts all the clauses of these Management Rules.

The assets of the Fund are owned jointly and severally by the Unit Holders. Each Unit Holder has a joint stake in the assets in proportion to the number of Units he holds. The assets of each sub-fund are owned jointly and severally by the Unit Holders of the sub-fund.

The Fund's accounts are kept in euros, and are closed on 31 December of each year.

### **Art. 2. The Management Company**

The Fund is managed by Ersel Gestion Internationale S.A., a "société anonyme" [public limited company] established and having its registered and administrative office in Luxembourg.

The Management Company is vested with the widest powers to carry out all administrative and managerial actions relating to the Fund for the account and in the exclusive interest of the Unit Holders. To that end, it acts in its own name, whilst indicating that it is acting for the account of the Fund. The administration of its own assets is only of ancillary nature.

The Management Company is in charge (the list is not restrictive or exhaustive) of: (1) issuing, redeeming and converting the Units of the Fund; (2) concluding contracts with any and all third parties, in particular any contract deemed necessary for the attainment of the Fund's objectives; (3) purchasing, subscribing, selling, exchanging, receiving and delivering all transferable securities; (4) collecting all revenues generated by the assets of the Fund; (5) exercising the rights attached to the constituent securities of the Fund's portfolio; and (6) keeping the accounts of the Fund and drawing up the financial statements thereof periodically.

The Management Company may not use the assets of the Fund for its own needs. It may decide to discontinue its remit:

- if the Fund is dissolved in accordance with the procedure provided under Article 16; or
- when its commitments are taken over by another Management Company accredited in accordance with the relevant legislation, and when such a substitution is carried out in compliance with the provisions of these Management Rules.

### **Art. 3. The Depositary Bank**

The Depositary Bank has been entrusted with the custody and/or, as the case may be, recordkeeping and ownership verification of the sub-funds' assets, and it shall fulfil the obligations and duties provided for by Part I of the law of 17 December 2010 specific to undertakings for collective investment in

transferable securities, as amended from time to time (the “2010 Law”). In particular, the Depositary Bank shall ensure an effective and proper monitoring of the Fund's cash flows.

In due compliance with the 2010 Law the Depositary Bank shall:

- (i) ensure that the sale, issue, re-purchase, redemption and cancellation of Units of the Fund are carried out in accordance with the law and the Management Rules;
- (ii) ensure that the value of the Units is calculated in accordance with the law and the Management Rules;
- (iii) carry out the instructions of the Management Company, unless they conflict with the law or the Management Rules;
- (iv) ensure that in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits; and
- (v) ensure that a Fund's income is applied in accordance with the Management Rules.

The Depositary Bank may not delegate any of the obligations and duties set out in (i) to (v) of this clause.

In compliance with the provisions of the 2010 Law, the Depositary Bank may, under certain conditions, entrust part or all of the assets which are placed under its custody and/or recordkeeping to correspondents / third party custodians as appointed from time to time. The Depositary Bank's liability shall not be affected by any such delegation, unless otherwise specified, but only within the limits as permitted by the 2010 Law.

#### **Art. 4. Investment Objectives and Policy**

The strategy pursued by the Fund is to identify macro-economic trends and then determine their probable effects on the capital, stock and money markets, and finally to adapt the structure of portfolios by taking particular account of the weight of each economic sector and of individual securities.

In fixing its investment policy, the Management Company considers that protection and growth of capital are of equal importance.

To provide investors with differentiated investment opportunities, the Fund may be subdivided into several sub-funds and classes. The classes may be differentiated by their dividend distribution policy as well as the cost of the portfolio management. The net asset value of the Units of each sub-fund is denominated in the valuation currency of each of the sub-funds as defined in the prospectus.

The sub-funds generally invest in international transferable securities.

The investment policy of each sub-fund is determined by the Management Company in accordance with the prevailing political, economic, financial and monetary situation.

The assets of each sub-fund are exposed to market fluctuations and to the risks inherent in all investments in securities; therefore, achievement of the objectives of the various sub-funds cannot be guaranteed.

The Management Company reserves the right, according to its own requirements, to create new sub-funds. In this case, the prospectus will be amended accordingly.

In order to reduce operating and administrative expenses, while at the same time permitting greater diversification of investments, the Management Company may decide that the assets of one or more sub-funds of the Fund are co-managed entirely or in part with assets belonging to other sub-funds or other Luxembourg-domiciled UCIs.

#### **Art. 5. Investment Limits**

The investments of each sub-fund of the Fund must comply with the following rules:

1. Each sub-fund may invest in:
  - A) transferable securities and money market instruments officially listed on a Stock Exchange of a Member State of the European Union or of the Organization for Economic Development and Cooperation, of Asia, Oceania, America and Africa;
  - B) transferable securities and money market instruments traded on another regulated market of a State specified in point A, which operates regularly, is recognized and open to the public;
  - C) newly-issued transferable securities and money market instruments provided that:
    - the terms of the issue require that an application be made for official listing on a Stock Exchange as set forth in point A or on another market as specified in point B;
    - admission is obtained by and no later than one year from the starting date of the issue;
  - D) units of UCITs authorised pursuant to Directive 2009/65/EEC and/or of other UCIs pursuant to article 1, paragraph (2), points a) and b) of Directive 2009/65/EEC, whether or not located in a Member State of the European Union, provided that:
    - such other UCI are authorised in accordance with a legislation specifying that such undertakings are subject to a supervision considered by the CSSF to be equivalent to that provided in Community legislation and that cooperation between the authorities is sufficiently guaranteed;

- the level of protection given to unit-holders in these other UCIs is equivalent to that provided for holders of units in UCITS and, in particular, provided that the rules on the division of assets, lending and borrowings, short sale of securities and of money market instruments are equivalent to those of Directive 2009/65/EEC;
  - the activities of these other UCIs are subject to Half-Year and Annual Reports allowing valuation of assets and liabilities, profits and operations during the period concerned;
  - the percentage of assets belonging to those UCITS or other UCI that are considered for purchase which, pursuant to their management regulations or their articles of association, may be invested in units of other UCITS or other UCI, does not exceed 10%;
- E) deposits with credit institutions which are repayable on demand or may be withdrawn and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State of the European Union and/or, if the registered office of the credit institution is in a third country, in an OECD or GAFI country;
- F) financial derivative instruments, including equivalent instruments that are settled in cash, traded on a regulated market of the type specified in points A) and B) above and/or financial derivative instruments traded over the counter (OTC derivatives), in compliance with the following conditions of art. 41 (1) (g) of the 2010 Law:
- the underlying security consists of instruments subject to the above paragraphs, of financial indices, interest rates, foreign exchange rates or currencies in which the sub-fund may invest according to its investment objectives, as laid down in the basic documents of the UCITS;
  - the counterparties to OTC derivative instruments are institutions subject to a prudent supervision and belong to the categories approved by the CSSF;
  - OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can, at the initiative of the sub-fund, be sold, liquidated or closed by an offsetting transaction at any time at their fair value;
- G) money market instruments other than those traded on a regulated market if the issuer or issuer of these instruments is itself regulated for the purpose of protecting investors and savings and provided that these instruments comply with the following conditions of article 41 (1) (h) of the 2010 Law, that is to say:

- issued or guaranteed by a central, regional or local administration, by a central bank of a Member State, by the European Central Bank, the European Union or by the European Investment Bank, by a State that is not a member of the European Union or, in the case of a Federal State, by one of the members of the federation or by a international public body of which one or more Member States is a member;
- issued by a company whose securities are traded on the regulated markets specified in points A) and B) above;
- issued or guaranteed by an institution subject to prudential supervision according to the criteria defined by Community law or by an institution that is subject to and complies with prudential rules considered by the CSSF as at least as stringent as those laid down in Community legislation;
- issued by other bodies belonging to categories approved by the CSSF, insofar as investments in these instruments are subject to investor protection rules equivalent to those laid down in the first, second and third indents and that the issuer is a company whose capital and reserves amount to at least ten million euro and which presents and publishes its annual accounts pursuant to the fourth Directive 78/660/EEC or a body which, within a group of companies including one or more listed companies, is dedicated to the financing of the group or a body dedicated to financing securitisation vehicles benefiting from a bank credit line.

2. However:

Each sub-fund of the Fund may invest up to maximum 10% of its assets in transferable securities and money market instruments other than those established in point 1.

No sub-fund of the Fund may purchase precious metals or representative certificates thereof.

Each sub-fund may hold cash, on a residual basis. "Residual" shall mean less than 50% of the sub-fund NAV. The sub-funds may exceed this threshold on a temporary basis.

3. 1) Each sub-fund may not invest more than 10% of its net assets in transferable securities or in money market instruments of the same issuer. A sub-fund may not invest more than 20% of its net assets in deposits with the same body. The counterparty risk of the sub-fund on an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is one of the credit institutions indicated in point 1.F, or 5% of its net assets in other cases.

2) The total amount of transferable securities and of money market instruments held by each sub-fund in issuers in each of which it invests more than 5% of its net assets may not exceed 40% of the value of the net assets of the sub-fund. This limit does not apply to deposits with financial

institutions subject to prudential supervision and to OTC derivative transactions with these institutions.

Notwithstanding the individual limits established in paragraph (1), no sub-fund may combine:

- investments in securities or money market instruments issued by one and the same issuer,
- deposits at the same issuer, and/or
- risks deriving from OTC derivative transactions, which account for more than 20% of its assets.

3) The limit established in paragraph 1), first sentence may be maximum 35% when the securities or money market instruments are issued or guaranteed by an EU Member State, by its public territorial authorities, by a non-EU State or by international public institutions to which one or more EU Member States belong.

4) The limit established in paragraph 1) first sentence may be maximum 25% for bonds issued by credit institutions having their registered office in an EU Member State and which are subject by law to special public supervision to protect bond-holders. In particular, sums deriving from the issue of such bonds must be invested, in conformity with the 2010 Law, in assets which, during the entire period of validity of the bonds, are capable of covering financial commitments tied to such bonds and which, in the event of default of the issuer, would be used on a priority basis for reimbursement of the principal and payment of accrued interest.

If a sub-fund invests more than 5% of its net assets in bonds described in the first subparagraph and issued by a single issuer, the total value of such investments may not exceed 80% of the value of the net assets of the sub-fund concerned.

5) The transferable securities and money market instruments referred to in paragraphs 3) and 4) are not taken into account for the application of the limit of 40% specified in paragraph 2).

The limits established in paragraphs 1), 2), 3) and 4) are not cumulative; therefore, investments in transferable securities or in money market instruments of the same issuer, in deposits or in derivatives made with such issuer in accordance with paragraphs 1), 2), 3) and 4) may not exceed a total of 35% of the net assets of the sub-fund.

The same UCI may invest cumulatively up to 20% of its net assets in securities or money market instruments of the same group.

**In waiver of article 43 of the 2010 Law, the CSSF may authorise a UCITS to invest, for each sub-fund, according to the principle of diversification of risks, up to 100% of its net assets in various issues of securities and money market financial instruments, issued or guaranteed by a Member**

**State of the European Union, by its public territorial authorities, by a Member state of the OECD, by international public institutions to which one or more EU Member States belong.**

**The CSSF will grant such authorisation only if it does consider that the participants of the various sub-funds enjoy equivalent protection to that guaranteed to the participants of the various sub-funds that comply with the limits indicated in articles 43 and 44 of the 2010 Law.**

**These sub-funds must hold securities belonging to at least six different issues and securities belonging to one and the same issue may not exceed 30% of the total amount.**

4. Each sub-fund may purchase units of UCITSs and/or of other UCIs as indicated in paragraph 1. D) provided that it does not invest more than 20% of its net assets in the same UCITS or other UCI. Investments in units of UCIs that are not UCITSs shall not exceed, in total, 30% of net assets of the sub-fund. However, the Globersel - Pactum Natural Resources sub-fund may not invest more than 10% of its assets, in aggregate, in units of UCITSs and/or of other UCIs.
5. Any sub-fund (the "Feeder UCITS") may invest permanently at least 85% of its net assets in units of one single UCITS or in units of one single sub-fund of a UCITS (the "Master UCITS") in compliance with the provisions of the 2010 Law.

In such case, the Feeder UCITS may hold up to 15% of its assets in one or more of the following:

- liquid assets,
  - financial derivative instruments, which may be used only for hedging purposes,
  - movable and immovable property which is essential for the direct pursuit of its business, if the Feeder UCITS is an investment company.
6. The sub-funds may not purchase more than:
    - 10% of shares without voting rights of the same issuer;
    - 10% of bonds of the same issuer;
    - 25% of units of the same UCITS and/or other UCI;
    - 10% of money market instruments of the same issuer.

The limits defined in the second, third and fourth indent may be disregarded at the time of acquisition if at such time the gross amount of the bonds or of the money market instruments or the net amount of the securities issued cannot be calculated.

7. The sub-funds may borrow up to 10% of their net assets provided these are temporary borrowings.



8. A sub-fund may subscribe, acquire and / or hold units to be issued or issued by one or more sub-funds of the Fund without the sub-fund, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition, however, that:

- The target sub-fund does not, in turn, invest in the sub-fund invested in this target sub-fund;
- No more than 10% of the assets that the target sub-fund whose acquisition is contemplated may be invested in units of other target sub-funds of the Fund; and
- Voting rights, if any, attaching to the relevant units are suspended for as long as they are held by the sub-fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- In any event, for as long as these units are held by the sub-fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law; and

**Risk management methods and global risk tied to derivative instruments:**

With regard to the Fund, the Management Company must employ a risk management process which enables it to monitor and measure, at all times, the risk of the positions and their contribution to the overall risk profile of each sub-fund.

With regard to the Fund, the Management Company must employ, where applicable, a method for accurate and independent assessment of the value of OTC derivative instruments.

**Art. 6. Financial Techniques and Instruments**

Without prejudice to what may be stipulated for one or more particular sub-fund, the Fund is authorised, for each sub-fund, to use techniques and instruments as further detailed in the current prospectus of the Fund.

The Fund shall ensure that the global risk relating to derivative instruments does not exceed the total net value of its assets.

Risks are calculated taking into account the current value of the underlying assets, counterparty risk, foreseeable future market movements and the time available to liquidate positions. This shall also apply to the following paragraphs.

The Fund may invest, within the framework of its investment policy and within the limits laid down in the prospectus, in financial derivative instruments provided that the risks to which the underlying assets are exposed does not exceed, in aggregate, the investment limits laid down in the prospectus.

When the Fund invests in index-based financial derivative instruments, these investments do not necessarily have to be combined with the limits laid down in paragraph 3 of the investment limits of current prospectus.

When a security or money market instrument includes a derivative, the latter must be taken into account when complying with the requirements described here. The Fund may not, in any case, diverge from its investment objectives as set forth in the Management Rules and in the current prospectus.

#### **Art. 7. Definition of Units**

Any natural or legal person may participate in the Fund for one or more Units, subject to the provisions of Article 10 of these Management Rules.

Several classes of Units may exist for each sub-fund, by decision of the Management Company. In this connection, distribution Units (distributed profits) and capitalisation Units (accumulated profits) may be created in particular. Such Units can only be issued in registered form. If distribution and capitalisation Units were issued by decision of the Management Company, the Unit Holder could request at all times, that distribution Units which he holds be converted into capitalisation Units (and vice-versa) at his expense.

In the event of a (subscription, conversion, redemption) transaction that leads to fractions of Units, such fractions could be issued up to one thousandth of a Unit.

All the Units of the same sub-fund which belong to the same category have equal rights in terms of redemption, information, liquidation and in all other respects.

The joint and several owners as well as the bare owners and usufructuaries must be represented by one and the same person in their dealings with the Management Company or with the Depositary Bank. The exercise of rights pertaining to the Units may be suspended until these conditions are met.

No general meeting of Unit Holders is held.

#### **Art. 8. Net asset value**

The accounts of each sub-fund are kept in the valuation currency defined in the prospectus. The net asset value of each sub-fund is calculated periodically by the Management Company or by the institution designated by the latter, but under no circumstances less than twice a month, on the basis of the last closing rate available on the Calculation Date (or on the basis of the last closing rate on the net asset value date when the clauses of the prospectus so provide) on the markets where the securities on portfolio are mainly traded (Calculation Date). It is denominated in the valuation currency of the sub-fund. By decision of the Management Company, it can also be denominated in all other currencies to be determined by the latter by applying on the net asset value denominated in the valuation currency, the exchange rate applicable on the date that the net asset value concerned was determined.

If the Calculation Date of the net asset value is not a full banking day in Luxembourg, the Calculation Date of the net asset value is postponed to the next business day.

For each sub-fund, the net asset value is equal to the aggregate value of the assets of the sub-fund, minus liabilities.

The per-unit net asset value of each category varies according to payment of dividends to the distribution units.

Payment of dividends generates an increase in the ratio between the value of the capitalisation units and the value of the distribution units. This ratio is referred to as "parity". Parity is obtained by dividing, on the ex-coupon day, the net asset value of the capitalisation unit by the net asset value of the ex-coupon distribution unit.

For each sub-fund, the net asset value of the capitalisation unit is equal to the net asset value of the distribution unit multiplied by the "parity" relating to this sub-fund.

The net asset value of the distribution unit is obtained applying the following formula:

$$\frac{\text{Total net assets of the sub-fund}}{\text{Number of distribution units} + (\text{number of capitalisation units} \times \text{parity})}$$

The calculation method illustrated above applies to each sub-fund.

Assets are priced as follows

- a) securities listed on an official Stock Exchange or other regulated market, recognized as regularly functioning and open to the public are priced according to the most recent closing price available on the Calculation Date, (or on the basis of the last closing price on the date of the net asset value when the sub-fund schedule so provides) unless such price is not considered representative. If the security is listed on several markets, it is priced according to the price on the main market;
- b) securities not listed on an official Stock Exchange or other regulated market, recognized as regularly functioning and open to the public and listed securities whose price is not representative are priced at presumed realisable value, according to valuation criteria considered prudent by the Management Company;
- c) liquid deposits will be priced according to their nominal value plus interest accrued up to the end of the previous banking day;
- d) assets denominated in a different currency from that of valuation are converted into the latter currency at the average exchange rate available on the day before the Calculation Date.

Where possible, income from investments, interest payable, expenses and other charges are valued on each Calculation Date. They will be added up to the end of the banking day prior to the related Calculation Date. Any commitment of the Fund according to the valuation made, in good faith, by the Management Company are taken into account.

In the case in which, due to exceptional events, it is not possible or suitable to determine the values according to the above rules, the Management Company is authorised to adopt other more suitable valuation criteria.

In the case of major subscription or redemption requests, the Management Company reserves the right to value on the basis of the price of the Stock Exchange session during which it was able to make the necessary purchases or sales of securities on behalf of the Fund. In this case, a single method of calculation is applied to subscription and redemption requests presented concurrently.

The net asset value is available at the registered office of the Management Company and of the Depositary Bank.

**Art. 9. Suspension of Calculation of Net Asset Value, of the Issue, Redemption and Conversion of the Units**

In prior agreement with the Depositary Bank, the Management Company is authorised to temporarily suspend calculation of the net asset value of the Fund or, where necessary, of one or more sub-funds, and the issue, conversion or redemption of the units of the Fund, or of one or more sub-funds, in the following cases:

- when one or more Stock Exchanges that provide the basis of valuation of a major part of one or more sub-funds assets or one or more markets in the currencies in which a major part of one or more sub-funds deposits is denominated are closed for different periods other than normal holiday periods or when trading is suspended, restricted or subject, in the short term, to major fluctuations;
- when the political, economic, military, monetary or social situation, strikes or circumstances of force majeure beyond the control of the Management Company, prevent reasonable and normal access to the assets of one or more sub-funds and such access would cause serious detriment to the Unit Holders;
- in the case of interruption of the means of communication normally used to determine the value of one or more sub-funds deposits or when, for any reason, it is not possible to know the value of an asset quickly enough and with the necessary precision;
- when exchange or capital transfer restrictions prevent transactions of one or more sub-funds, or when purchase or sale transactions of one or more sub-funds of the Fund cannot be carried out at normal exchange rates;
- in the case of redemption or of conversion orders exceeding 10% of the net assets of the sub-fund;
- in all cases in which the Management Company considers, for justified reasons, that such suspension is necessary to protect the general interests of Unit Holders.

In exceptional circumstances that may negatively affect the interest of the Unit Holders, the Management Company reserves the right to fix the value of a unit only after selling the necessary securities, as soon as possible, on behalf of the sub-fund. In this case, subscription, redemption and conversion instructions awaiting execution will be dealt with simultaneously according to the net value thus calculated.

The Management Company shall promptly notify its decision to suspend calculation of the net asset value, of the issue and redemption of the units to the Luxembourg Supervisory Authorities and to the authorities of the other countries in which the units are sold. Said suspension is published in accordance with the provisions of Article 13 below.

In the case in which the net asset value of a sub-fund is suspended, the possibility given by art. 10 hereinafter and permitting the transfer from one sub-fund to another, is also suspended.

Suspension of the calculation of the net asset value of one sub-fund does not have any effect on calculation of the net asset value of the other sub-funds.

#### **Art. 10. Issue, subscription price and conversion**

The Units of the Fund may be subscribed from the Depositary Bank or from the Management Company as well as from any other banks and institutions authorised to accept subscription orders, subject to acceptance by the Management Company.

The Shares are issued by the Management Company at a price determined on the first Calculation Date of the net asset value following the acceptance of the request by the Management Company. The subscription lists are closed at the latest on the bank business day before said Calculation Date, unless stipulated otherwise in the prospectus. The closing schedule of the subscription lists will be indicated in the prospectus.

The subscription price, denominated in the valuation currency, corresponds to the net asset value determined in accordance with Article 8, plus where necessary by an issue fee which may not exceed 3% of the net asset value per unit of the sub-fund concerned, for the benefit of the beneficiary designated by the Management Company and indicated in the prospectus.

The Shares are issued by the Management Company subject to the payment of the equivalent of the subscription price in the assets of the Fund, which must be made within 7 days maximum. A shorter payment period may be decided by the Management Company and will be indicated in the prospectus.

The units may also be used in return for contributions in kind, but in compliance with the requirement for an assessment report to be submitted by the Fund's Auditor designated by the Management Company in accordance with the Management Rules, with the prospectus, and with the investment limits of the sub-fund concerned. The securities accepted in payment of a subscription are assessed, for

the transaction's needs, at the last buyer rate on the market at the time of the assessment. Such accepted securities must be compliant with the investment policy of the sub-fund concerned. The investor who has requested the contribution in kind, will assume the costs. The Management Company has the right to refuse any contribution in kind without having to justify its decision.

The subscription is paid for in the valuation currency of the sub-fund or in any other currency to be determined by the Management Company and in particular in all the other currencies in which the net asset value is denominated in accordance with the provisions of Article 8, paragraph 1 of these Management Rules.

Taxes, charges, and stamp duties payable in the different subscription countries may be added to the issue price.

The Management Company may, at any time, at its discretion and without further justification, refuse subscription of the units of one or more sub-funds in one or more countries. If a request is rejected, the Company will return, at the risk of the requesting party, payments with the request or the balance thereof within five business days from the date of refusal. Such payments may be made by cheque or by telegraphic bank transfer, at the expense of the subscriber.

#### CONVERSION BETWEEN UNITS OF DIFFERENT SUB-FUNDS:

Except as otherwise provided by the prospectus, Unit Holders may convert Units of one sub-fund into Units of another, upon the written request and against the submission of confirmations, except during a period during which the calculation of the net value has been suspended.

The conversion is carried out by reference to the respective net asset value of the sub-funds concerned, calculated on the "Calculation Date" following the date on which the Management Company accepted the conversion request. Units of one sub-fund are converted into Units of another sub-fund for a maximum fee of 5% of the net asset value per converted unit of the sub-fund. The beneficiary of this fee is designated by the Management Company and indicated in the prospectus.

The conversion lists are closed at the latest on the bank business day before the "Calculation Date" unless stipulated otherwise in the prospectus. The closing schedule of the subscription lists will be indicated in the prospectus.

#### CONVERSION BETWEEN CLASSES OR SUB-CLASSES OF UNITS OF ONE AND THE SAME SUB-FUND:

Upon the written request and against the submission of confirmations, Unit Holders may convert Units of one class/sub-class into Units of a class/sub-class within the same sub-fund, except during a period during which the calculation of the net value has been suspended.

The conversion is carried out by reference to the respective net asset value of the Units concerned, calculated on the "Calculation Date" following the date on which the Management Company accepted the conversion request. No commission will be charged for this conversion.

The conversion lists are closed at the latest on the bank business day before the "Calculation Date" unless stipulated otherwise in the prospectus.

#### **Art. 11. Redemption**

Unit Holders may request the redemption of their Units at all times against submission of the certificates relating thereto, if necessary, to the Depositary Bank or any financial institution duly authorised for that purpose. The request may also be lodged with the Management Company.

The redemption is carried out at the net asset value calculated, pursuant to Article 8 *infra*, on the first calculation date after the redemption request has been accepted by the Management Company, in the valuation currency of the sub-fund concerned, or in any other currency to be determined by the Management Company in agreement with the holder concerned, and in particular in the other currencies in which the net asset value may be denominated pursuant to Article 8, paragraph 1 of these Management Rules. The redemption lists are closed at the latest on the bank business day before the Calculation Date of the net asset value, unless stipulated otherwise in the prospectus. The closing schedule of the redemption lists will be indicated in the prospectus.

Any expenses, taxes, dues, stamp duty owing may be deducted from the amount redeemed.

The redemption is carried out within maximum seven bank business days after the Calculation Date of the net asset value applicable to the redemption. A shorter redemption period could be fixed by the Management Company, in which case it will be indicated in the prospectus.

The Management Company ensures an appropriate degree of liquidity for the assets of the Fund so that under normal circumstances, the redemption of the Units of the Fund can be carried out and the redemption price can be paid at once.

The Depositary Bank may be required to proceed to redemptions only insofar as the relevant legal provisions, in particular exchange regulations or events beyond its control such as strikes, do not prevent it from transferring or paying the counter value in the country where the redemption is requested.

The redemption of Units may be suspended by decision of the Management Company in agreement with the Depositary Bank, in the cases provided by Article 9 or by the measures taken by the Supervisory Authority in the public interest, or when participants so require, particularly when the legislative, regulatory and contractual provisions concerning the activity of the Fund are not observed.

**Art. 12. Fees and expenses borne by the Fund**

The following expenses are borne by the Fund:

- a management fee at a maximum annual rate of 1.50%, unless the sub-fund schedule provides otherwise, paid to the Management Company as a consideration for its activities, calculated on the average net asset value of the sub-fund during the relevant quarter. The management fee is fixed for each of the sub-funds in the prospectus. The maximum fee charged as regard targets funds not belonging to the same promoter will be of 2%. No fee will be charged for the part of the assets invested in the target funds of the same promoter, whoever is the Manager. when a sub-fund invests a major portion of its assets in other UCITS and/or in other UCI, the prospectus will indicate, in the schedules of the sub-funds concerned, the maximum management fees that may be applied to the sub-fund concerned and to the other UCITS and/or other UCI in which it intends to invest. The Annual Report of the Fund will indicate the maximum percentage of management fees paid in relation to the sub-fund concerned and for the UCITS and/or other UCI in which it invests; the Management Company may also apply a performance fee according to the methods detailed in the prospectus. Operating expenses are paid by the Management Company;
- when a sub-fund invests in units of other UCITS and/or of other UCI of the same promoter, the manager, whoever he is, shall not charge subscription or redemption fees for investments of the sub-fund in units of other UCITS and/or of other UCI of the same promoter;
- bank charges on portfolio transactions and related rights;
- extraordinary expenses such as expert opinions or lawsuits to protect the interests of the Unit Holders;
- Depositary Bank and Central Administration fees, defined in a joint agreement by the Management Company and by the Bank, according to practice in Luxembourg, payable at the end of each month and calculated on the average net assets;
- the costs associated with the management of financial risks, whether they are determined by the liabilities method or by a Value-at-Risk ("VAR") model;
- fees payable to legal advisors and to Auditors;
- all and any taxes and dues payable on the assets and income of the Fund, in particular the annual *taxe d'abonnement* on the net assets of the Fund;
- certificates printing costs;
- the costs for preparing, printing and filing of administrative documents and certificates with any authority or institution;



- the costs for preparing, translating, printing, filing, distributing prospectuses, periodical reports and other documents required in accordance with the 2010 Law and the Management Rules;
- fees payable for registration and maintenance of the Fund with the authorities and the Stock Exchange;
- the cost of preparation, distribution and publication of notices to Unit Holders;
- any other similar administration and operating costs.

Advertising costs and expenses, other than those listed above, relating to the offer and distribution of the units are not paid by the Fund.

The specific expenses of each sub-fund are charged to the sub-fund that has generated them.

Where made necessary by the amount concerned, other expenses are allocated proportionally to the assets of the respective sub-funds.

The Fund is considered as one and the same entity in respect of the creditors of the different sub-funds.

### **Art. 13. Publication**

The net asset value of the unit, the subscription price and redemption price are made public in Luxembourg at the registered office of the Management Company and of the Depositary Bank, each day following the valuation date of the Fund.

An Annual consolidated Report audited by an audit firm and a Half-Year Report, not necessarily audited, are published respectively within four and two months from the end of the related reference period. The reports may be consulted by Unit Holders at the registered office of the Management Company, of the Depositary Bank, of appointed banks and institutions.

The Annual and Half-Year Reports are made available free of charge to participants who request them from the Management Company.

A notification of filing changes to the Management Rules with the Luxembourg Trade and Companies Register is published in the *Recueil Electronique des Sociétés et Associations*.

Notices are sent to nominative subscribers at their addresses, as indicated in the register of subscribers, without prejudice to the provisions of the 2010 Law and are also available at the registered office of the Management Company and of the Depositary Bank. In any case, the notices to Unit Holders may be published in one or more daily newspapers distributed in the countries where the units are placed.

**Art. 14. Financial year, audit**

The Fund's accounts are closed on 31 December of each year.

The audit of the financial data contained in the annual report is entrusted to a registered auditor appointed by the Management Company. The verifications of the documents and accounts of the Management Company are carried out by a public auditor who may be the same registered auditor.

**Art. 15. Distribution policy**

The proceeds are to be capitalised or, where applicable, distributed to the Unit Holders in accordance with the Unit category.

The results include net investment yield during the year ended, realised or unrealised capital gains after deducting realised or unrealised losses, income brought forward, together with the income comprised proportionally in the net asset value of the units subscribed, minus the portion of the income included in the net asset value of the units reimbursed.

For each sub-fund, the portion of the income relating to capitalisation units will remain invested in the sub-fund concerned and will be added to the portion of the net assets corresponding to these units. If deemed in the interest of the participants, the Management Company reserves the right to distribute, occasionally, the net assets of the Fund to holders of capitalisation units.

In respect to the portion of the income related to the distribution units, it will be distributed, when required, entirely or partially, in the form of a dividend, and the balance will be added to the portion of the net assets corresponding to the distribution units. The dividends payable to the Holders of distribution Units will be established in the valuation currency of the sub-fund concerned or in any other currency to be determined by the Management Company and in particular in all the other currencies in which the net asset value can be denominated in accordance with the provisions of Article 8, paragraph 1 of these Management Rules.

The Management Company may distribute interim dividends to the participants. In any event, the net assets of the Fund may not fall below €1,250,000.00 as a result of the distribution.

**Art. 16. Duration of the Fund, Winding Up, Liquidation and Merging of sub-funds**

The Fund is established without limits of duration and amount.

Liquidation and allotment of the Fund may not be requested by a Unit Holder or by his/her heirs or nominees.

The Management Company, with the prior agreement of the Depositary Bank, may decide to wind up the Fund in compliance with the 2010 Law.

The Fund has to be dissolved in the cases provided by the relevant legislation and if:

- the net assets of the Fund have fallen below €1,250,000.00 for more than 6 months;
- the Management Company is dissolved or ceases its activities, without having been replaced in the latter case, in accordance with the provisions of Article 2.

In case of winding up, the decision must be published in the Official Gazette of Luxembourg - *Recueil des Sociétés et Associations* and in at least two newspapers having suitable circulation, of which at least one is a Luxembourg newspaper.

In its capacity of liquidator, the Management Company shall liquidate the assets of the Fund in the best interest of the Unit Holders and shall instruct the Depositary Bank to distribute the net proceeds from the liquidation, less the liquidation expenses, among the Unit Holders in proportion to their stake in the different sub-funds.

Starting from the time of occurrence of the event resulting in the liquidation of the Fund, the issue of units is forbidden under penalty of cancellation.

Generally, the various sub-funds are established for an unlimited period. The Management Company of the Fund may decide to liquidate a sub-fund if its net assets are less than euro 1,250,000.00 or if such liquidation is justified by a change in the economic and political situation affecting that sub-fund. The liquidation decision shall be published and indicate the reasons and procedures for the liquidation. As soon as the decision to liquidate a sub-fund has been taken, the issue of units of such sub-fund will no longer be authorised. Assets not distributed to those entitled on the date of closing of the liquidation process of the sub-fund will be deposited with the "Caisse de Consignation" for the benefit of their rightful owner.

In the same cases as those of a winding-up of a sub-fund, the Management Company may decide to close (i) a sub-fund by merging it with another sub-fund within the Fund or with a sub-fund of another Undertaking for Collective Investment (whether subject to Luxembourg law or not) or (ii) the Fund by merging it with another undertaking for collective investment in transferable securities (whether subject to Luxembourg law or not) in accordance with the provisions set out in the 2010 Law and the provisions as further detailed in the prospectus of the Fund. Furthermore, such a merger could be decided by the Management Company whenever justified by the interest of the Unit Holders of the sub-funds concerned. Such a decision shall be published along with information about the new sub-fund or the new fund. This publication must appear at least one month prior to the date on which the merger with another sub-fund or with another fund enters into force to enable Unit Holders to request, at no expense, the redemption of their Units before the merger transaction enters into force.

**Art. 17. Co-management**

In order to reduce operating and administrative expenses, while at the same time permitting greater diversification of investments, the board of directors of the Management Company may decide that the assets of one or more sub-funds are co-managed entirely or in part with assets belonging to other sub-funds or other Luxembourg-domiciled UCIs. Below, the term "co-managed entities" will refer globally to the sub-funds of the Fund and all other entities with which a co-management arrangement exists and the term "co-managed assets" will refer to all the assets belonging to the same co-managed entity on the basis of the same co-management arrangement.

With regard to "co-management", the Management Company may take, for each co-managed entity, investment, disinvestment or portfolio adjustment decisions that will affect the composition of the portfolios of the individual sub-funds. Each co-managed entity will own a portion of the total co-managed assets corresponding to the proportion of its net assets in relation to the total value of the co-managed assets. This proportional holding shall be applicable to each and every line of portfolios held or acquired under co-management. In the case of investment and disinvestment decisions, these proportions shall not be affected, and additional investments shall be allotted to the co-managed entities in the same proportions, and assets sold shall be levied proportionately on the co-managed assets held by each co-managed entity.

In the case of new subscriptions in one of the co-managed entities, subscription proceeds will be allotted to the co-managed entities in accordance with the modified proportions resulting from the increase in the net assets of the co-managed entity that has benefited from the subscriptions, and all portfolio lines will be modified by transfer of assets from one co-managed entity to the other for adjustment of the modified proportions. Similarly, in the case of redemptions in one of the co-managed entities, the cash required may be taken from the cash held by the co-managed entities according to the modified proportions resulting from the reduction of the net assets of the co-managed entity to which the redemptions refer and, in such case, all lines of investment will be adjusted to the modified proportions. Unit Holders should be aware that, in the absence of any specific action by the competent entities of the Fund, as a result of the co-management arrangement, the composition of the assets of the sub-funds may be affected by events related to the other co-managed entities, such as subscriptions and redemptions. Thus, all things being otherwise equal, subscriptions in one of the entities with which a sub-fund is co-managed will entail a liquidity increase in that sub-fund. Conversely, redemptions in one of the entities co-managed with a sub-fund, will entail a liquidity decrease in the sub-fund concerned. However, subscriptions and redemptions may be held in a specific account of each co-managed entity outside the co-management arrangement and through which subscriptions and redemptions will pass systematically. Allocation of subscriptions and redemptions of a major amount to this specific account and the possibility for the competent entities of the Fund of deciding, at any time, to interrupt co-management will make it possible to reduce readjustment of the portfolios of the sub-

funds in the case in which the latter are considered contrary to the interests of the Unit Holders of the related sub-funds.

In the case in which a change in the composition of the portfolios of a sub-fund, made necessary by redemptions and payments of expenses related to another co-managed entity (i.e. not attributable to the sub-fund), may result in infringement of the related investments limits, the assets concerned will be excluded from co-management prior to application of the change, so that these are not affected by portfolio adjustments.

The co-managed assets will be managed jointly only with assets intended to be invested with the same objectives as the co-managed assets in order to ensure that investment decisions are fully compatible with the investment policies of the related sub-funds. The co-managed assets will be managed jointly only with assets for which the Depositary Bank also acts as custodian, in order to ensure that the Depositary is able to comply fully with its functions and responsibilities towards the Fund in accordance with the provisions of the 2010 Law. The Depositary Bank shall at all times guarantee strict segregation of the assets of the Fund from the assets of other co-managed entities and shall, therefore, be able at any time to identify the assets of the Fund. As certain co-managed entities may adopt investment policies which are not precisely identical to the investment policy of the sub-funds of the Fund, the joint policy applied may be more restrictive than that of the sub-funds concerned.

The Management Company may decide to interrupt co-management at any time without any prior notice.

Unit Holders may, at any time, apply to the registered office of the Management Company for information regarding the percentage of assets co-managed by each sub-fund and the entities with which co-management is applied at the time of the request for information. The periodic reports provide information regarding the composition and percentage of co-managed assets at the end of each annual or half-yearly period.

#### **Art. 18. Alteration of the Management Rules**

The Management Company may, subject to the prior written consent of the Depositary Bank and to such authorisations as may be required by the relevant legislation, make such changes to these Management Rules as it should deem useful in the interest of the Unit Holders.

Any and all such alterations shall be published as required under Article 13 and shall enter into force on the date that the altered Management Rules are signed.

**Art. 19. Liability**

In accordance with Luxembourg law, the Depositary Bank is liable to the Management Company and the participants for any loss suffered by them as a result of its unjustifiable failure to perform its obligations or its improper performance of them.

**Art. 20. Prescriptions**

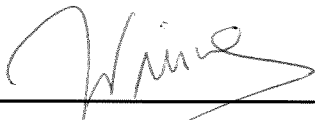
Subscribers' claims against the Management Company or Depositary Bank will be prescribed five years from the date of the event that originated such claim.

**Art. 21. Applicable law, official language**

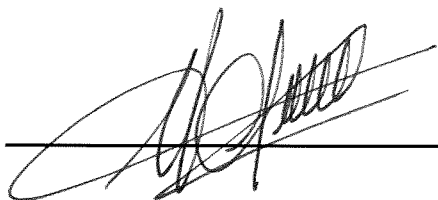
These Management Rules are governed by Luxembourg law.

The English version of these Management Rules is the official version; however, the Management Company and the Depositary Bank may consider translations into the languages of the countries in which the units are sold as binding on them and on behalf of the Fund, with reference to the units sold in the countries concerned.


Luxembourg, 19 April 2017.



ERSEL GESTION INTERNATIONALE S.A.



CACEIS BANK, LUXEMBOURG BRANCH



Ana Vazquez  
Head of Clients Legal Department