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Luxembourg, le 2022-12-21
Commission de Surveillance du Secteur Financier

salus alpha sicav.

SALUS ALPHA SICAV

société d'investissement à capital variablé

Prospectus

14th December 2022

Limitations on Sale

The shares issued for this Investment Fund may only be publicly offered or sold in countries in which such a public offer or sale is permitted. Therefore, unless the Fund or the Management Company (if any) or representatives of the Fund/Management Company have filed an application with the local supervisory authorities and permission has been granted by the local supervisory authorities, and as long as no such application has been filed or no such permission granted by the supervisory authorities, this prospectus does not represent an offer to buy investment shares.

The shares have not been and will not be registered pursuant to the 1933 United States Securities Act as amended (hereinafter the "Securities Act of 1933") or pursuant to the securities regulations of a state or other public entity of the United States of America or its territories, possessions or other areas subject to its sovereignty, including the Commonwealth of Puerto Rico (hereinafter collectively designated as the "United States"). The shares may not be publicly offered, sold, or otherwise transferred in the United States. The shares are being offered and sold on the basis of an exemption from registration pursuant to Regulation S of the Securities Act of 1933. The Fund has not been and will not be registered pursuant to the 1940 United States Investment Company Act as amended, or pursuant to any other US federal laws. Therefore, the shares will not be publicly offered or sold in the United States or to or for the account of US persons (in the sense of the definition for the purposes of US federal laws governing securities, goods, and taxes, including Regulation S of the United States Securities Act of 1933 – hereinafter collectively referred to as "US persons"). Subsequent transfers of shares to the United States or to US citizens are prohibited.

The shares have not been admitted for sale or public offering by the US Securities and Exchange Commission (hereinafter designated as the "SEC") or any other supervisory authority in the United States, and no application for admittance for sale or public offering has been rejected by the SEC or any other supervisory authority in the United States; furthermore, neither the SEC nor any other supervisory authority in the United States has released an opinion on the correctness and appropriateness of this prospectus or the advantages of the fund shares.

The United States Commodity Futures Trading Commission has neither examined nor approved this document or any other sales documents for the Fund.

No party is authorized to provide information or make assurances that are not contained in the prospectus or in the documents referred to in the prospectus. These documents are available to the public at the domicile of the Fund. This prospectus may not be circulated in the United States. Investors who are Restricted Persons pursuant to US Regulation No. 2790 of the National Association of Securities Dealers (NASD 2790) must immediately report any investments in any Sub-Fund.

TABLE OF CONTENTS

1. INTRODUCTION

Salus Alpha SICAV (the "Fund") is a company organised as an open-ended investment company with variable capital (*Société d'Investissement à Capital Variable*) set up as a public limited liability company (*société anonyme*) and is registered in the Grand Duchy of Luxembourg as an Undertaking for Collective Investment in Transferable Securities ("UCITS") with multiple compartment pursuant to Part I of the Luxembourg law of 17 December 2010 (the "UCI Law") on Undertakings for Collective Investments ("UCIs") and the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 (the "UCITS Directive"), both as may be amended from time to time. Prospective applicants should inform themselves as to the laws and regulations (such as taxes and exchange control regulations) applicable to the application, purchase, holding and sale of shares in the countries of their respective citizenship, residence or domicile.

This prospectus may not be used for the purpose of offering and promoting the shares in any country or under any circumstances where such offers or promotions are not authorised. In particular, the shares of the Fund have not been registered in accordance with any legal provisions pertaining to securities applicable in the United States of America, and may not be offered in the United States or any of its territories or in any possession or area subject to its jurisdiction or to any United States person.

No person is authorised to give any information or make any representations in connection with the offer of shares in the Fund other than those contained in this prospectus and the documents mentioned in this prospectus which are available for inspection by the public.

This prospectus may be updated from time to time with significant amendments. Consequently, applicants are advised to ask the Fund whether a more recent prospectus has been published. The Board of Directors accepts responsibility for the accuracy of the information contained in this prospectus on the date of publication.

Subscriptions can be accepted only on the basis of the current prospectus, which is only valid if accompanied by the latest annual report and the latest semi-annual report, if published after the latest annual report. These reports form part of this prospectus.

The value of shares in a Sub-Fund may go down as well as up. The Fund is obliged to redeem investors' shares at the relevant redemption price, which may be different from the price at which the shares were acquired by the investors.

Important: If you are in any doubt about the contents of this document, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

2. DIRECTORY

Investment Company
Salus Alpha SICAV
2 rue de Canach
L-5368 Schuttrange

Board of Directors
Chairman:

Oliver Prock
Salus Alpha Capital Ltd
Industriestrasse 56
FL- 9491 Ruggell

Member:

Harald Heidinger
c/o Salus Alpha SICAV
2 rue de Canach
L-5368 Schuttrange

Member:

Duncan McKay
138 Ridge Langley

UK-CR2 0AS Sanderstead

Investment Manager
Salus Alpha Capital Ltd
Industriestrasse 56
FL- 9491 Ruggell

Global Distributor
Salus Alpha Capital Ltd
Industriestrasse 56
FL- 9491 Ruggell

Conducting Officers
Responsibilities:
Risk Management

Vanicson Campos Lima
c/o Salus Alpha SICAV
2 rue de Canach
L-5368 Schuttrange

Responsibilities:
Fund Management and Administration

Guenther Schneider
c/o Salus Alpha SICAV
2 rue de Canach
L-5368 Schuttrange

Central Administration Agent
Apex Fund Services S.A.
3, rue Gabriel Lippmann
L-5365 Munsbach

Depositary
European Depositary Bank S.A.
3, rue Gabriel Lippmann
L-5365 Munsbach

Auditors
Deloitte Audit
20 Boulevard de Kockelscheuer
L–1821 Luxembourg

Luxembourg Legal Advisors
M&S Law Sàrl
205, Route d'Arlon
L-1150 Luxembourg

3. MAIN FEATURES OF THE FUND

The Fund is a Luxembourg incorporated investment company with variable capital (Société d'Investissement à Capital Variable) which was established for an unlimited duration in Luxembourg in the form of a public limited company (société anonyme) on February 15th 2013.

The Fund is established as an umbrella fund which means that it is comprised of sub-funds, each of which represents a specific class of assets and liabilities ("Sub-Funds").

Further, the shares of a Sub-Fund may, as the Board of Directors shall so determine from time to time, be issued in one or more classes of shares ("Classes"), whose assets shall be commonly invested pursuant to a specific investment policy of the respective Sub-Fund, but where a specific sales and redemption charge structure, fee structure, distribution policy, hedging policy, reference currency or other specificity may apply to each such Class.

The specific characteristics, Classes available to the investors, and investment policy of each Sub-Fund are defined in the relevant Appendix to this Prospectus.

The Board of Directors may launch other Sub-Funds with limited or unlimited maturity, guaranteed or un-guaranteed, with different investment objectives and different Classes and currencies. The investment policy and the offering modes of which will be announced at the appropriate time and, in which case, this prospectus will be updated.

The Fund's articles of incorporation were published in the Mémorial C, Recueil spécial des Sociétés et Associations ("Mémorial") on 17th April 2013 and have consequently been amended. The articles of incorporation, any amendments thereto as well as consolidated versions have been filed with the Luxembourg Trade and Companies Register where these documents are available for inspection. The latest consolidated version of the Articles of Incorporation was deposited on December 9th 2015 and a reference to such deposit was published in the Mémorial on December 12th 2015. Copies may be obtained, upon request, against payment of the relevant fees.

The Fund is a self-managed SICAV and is registered with the Luxembourg Trade and Companies Register under number B 175421.

The Fund's capital is expressed in Euro. The Fund's capital will always equal the net asset value of the Fund and is represented by shares issued with no par value and fully paid-up. It may be increased by the issue of new shares and reduced following redemptions of shares. There are no provisions requesting publication and entry of any variations in the capital of the Fund in the Luxembourg Trade Register (as is prescribed for increases and decreases of capital of limited companies). The minimum capital of the Fund may not be less than EUR 1,250,000.- or any other minimum amount foreseen by any applicable law.

SFDR

SFDR means 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 came into effect on 10 March 2021 and which is part of a broader legislative package under the European Commission's Sustainable Action Plan. Article 7(1) of SFDR defines Sustainable investment as an investment in an economic activity which: a) Contributes to an environmental objective or a social objective b) Does not significantly harm any environmental or social objectives and c) The investee company follows good governance practices. Furthermore it defines Sustainability risk as an environmental, social or governance event or condition which, if it occurs, could cause a material negative impact on the value of an investment and it defines Sustainability factors as environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. To meet the SFDR disclosure requirements, the Fund identifies and analyses Sustainability Risk as part of its risk management process. The Investment Manager(s) believe that the integration of this risk analysis could help to enhance long- term risk adjusted returns for Investors, in accordance with the investment objectives and policies of the Compartments. Where Sustainability Risks occur for assets of a specific Compartment, there will be a negative impact on such Compartment that may result in a negative impact on the returns for the investors of such Compartment. The Fund therefore requires the Investment Manager(s) to integrate Sustainability Risks in their investment process. Unless otherwise set out in the relevant Compartment's Appendix, Sustainability Risks may not be considered by Investment Managers to be relevant because Sustainability Risks are not (a) systematically integrated by the relevant Investment Managers in the investment decisions of the relevant Compartment; and/or (b) a core part of the investment strategy of the Compartments due to the nature of the investment objectives of the Compartments. However it cannot be excluded that among other counterparties or sectors in which such Compartments will invest may have bigger exposure to such Sustainability Risks than others. 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. Assessment of Sustainability Risks is complex and may be based on ESG data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed. Consequent impacts to the occurrence of Sustainability Risks can be many and varied according to a specific risk, region or asset class. Unless otherwise provided for a specific Compartment in its relevant Compartment's Appendix, the Compartments do not promote environmental or social characteristics, and do not have as objective sustainable investment (as provided by Articles 8 or 9 of SFDR). The Compartments which do not promote environmental or social characteristics nor have as objective sustainable investments (as provided by Articles 8 or 9 of SFDR) will remain subject to Sustainability Risks. For the purposes of Article 7(2) of SFDR, the Fund confirms in relation to each Compartment that it does

not consider the adverse impacts of investment decisions on sustainability factors at the present time due to lack of information.
The Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (the "Taxonomy Regulation") provides a common taxonomy for identifying EU criteria for environmentally sustainable economic activities. The Taxonomy Regulation is limited to six environmental objectives initially i.e. climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems.

4. INVESTMENT POLICIES OF THE SUB-FUNDS

The investment policy and objectives of each of the Sub-Funds, as decided by the Board of Directors, are described in the Appendices. There can be no assurance that the objectives for any Sub-Fund will be attained. The investment policy and objectives of any Sub-Fund must comply with the limits and restrictions set out in section 5.

Each Sub-Fund may employ certain techniques and instruments, as set out in section 6, for the purpose of efficient portfolio management. Derivatives may be used for currency and other hedging purposes and efficient portfolio management, unless provided otherwise in the relevant Appendix for a particular Sub-Fund.

The Fund will use a risk-management process that enables it to monitor and measure at any time the risk of the Sub-Funds' portfolio positions and their contribution to the overall risk profile of the portfolio. It will employ a process allowing for accurate and independent assessment of the value of OTC derivative instruments.

The Fund shall ensure that the Sub-Funds' global exposure relating to derivative instruments does not exceed the total net value of its portfolio. The risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions. For further information, please refer to the different Appendices.

5. THE INVESTMENT POWERS AND RESTRICTIONS

The overall investment objective of the Fund is to generate attractive rates of return to create well diversified portfolios composed of any combination of eligible assets for UCITS. In attempting to meet this objective the Fund and each Sub-Fund:

- may participate in the on-exchange and OTC derivatives markets through the use of products such as options and swaps, to the extent set out in section 6; and

- must comply with the investment restrictions specified in the UCI Law.

The Investment Powers, Investment Instruments and Investment Restrictions are laid down in Schedule 1 to this prospectus. These Investment Powers, Investment Instruments and Investment Restrictions are derived from the UCI Law and the UCITS Directive and may be updated from time to time by the Board of Directors in order to reflect any legal or regulatory developments on the European and/or national level without requiring the explicit prior consent of the Investors.

6. FINANCIAL TECHNIQUES AND INSTRUMENTS

6.1 Introduction

In addition to the use of derivatives for investment purposes as set forth in section 1(g) of Schedule 1, the Fund may, for each Sub-Fund, for the purpose of efficient portfolio management of the assets of the respective Sub-Fund with a view to protecting its assets and commitments and/or to generate additional revenue, employ certain techniques and instruments as set out in this section.

Efficient portfolio management transactions must be economically appropriate (this implies that they are realized in a cost-effective way) and be entered into for one or more of the following specific aims:

- the reduction of risks;
- the reduction of costs;
- the generation of additional capital gain or income for the fund with an appropriate level of risk, taking into account its risk profile and the risk diversification rules laid down in sections 3.1 to 1.1 of Schedule 1.

These efficient portfolio management techniques are sale and repurchase agreements (repo), purchase and resale agreements (reverse repo) and securities lending.

Under the commitment approach the Fund will ensure that the global exposure associated with derivatives does not exceed the net assets of the relevant Sub-Fund. Under the VaR approach global exposure might exceed the net assets of the relevant Sub-Fund and will be calculated and reported as required by law and relevant regulations. The following are taken into account in computing risk: the market value of the underlying instruments, the risk of default, future foreseeable market developments and the period within which the positions are to be liquidated. This also applies to the following two points:

- In the case of investments in derivatives, the overall risk for the underlying instruments may not exceed the investment limits set forth under sections 3.1 to 1.1 of Schedule 1. Investments in index-based derivatives need not be taken into account in the case of the investment limits set forth under sections 3.1 to 1.1 of Schedule 1.

- If a derivative has a security or money market instrument as the underlying, it has to be taken into account with regard to compliance with the rules set forth under this section 6.

All revenue arising from efficient portfolio management techniques, net of direct and indirect operational costs, shall be returned to the Fund for the benefit of the relevant Sub-Fund to be reinvested in accordance with that Sub-Fund's investment policy. Fees arising from efficient portfolio management techniques as a general rule will be returned to the Sub-Fund. The Sub-Fund does not engage in fee-sharing arrangements in relation to efficient portfolio techniques with third parties. Fees payable to third parties are being negotiated at market rates.

In no case whatsoever must recourse to transactions involving derivatives or other financial techniques and instruments cause the Fund to depart from the investment objectives set out in the prospectus or add substantial supplementary risks in comparison to the Fund's general risk policy (as described in the prospectus).

In addition, financial derivative instruments used for efficient portfolio management purposes must comply with the provisions contained in section 1 of Schedule 1.

6.2 Risk Management

The Fund is required by applicable laws and regulations to ensure that the Sub-Funds' global exposure relating to derivative instruments does not exceed the total net value of its portfolio. The risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

According to ESMA Guideline 10-788, the global exposure may be calculated through the commitment approach or through the Value-at-Risk ("VaR") methodology. The commitment approach is based, in part, on the principle of converting the exposure to derivative instruments into equivalent positions of the underlying assets and quantifying the exposure in absolute value of the total commitments (which may account for coverage and netting). VaR provides a measure of the potential loss that could arise over a given time interval under normal market conditions, and with a given probability, defined as confidence level. Please refer to the relevant appendix to see which methodology each Sub-Fund uses to calculate its global exposure.

The Fund has in addition appointed European Depositary Bank to monitor the Sub-Funds Compliance with the Investment Restrictions set forth by law in this prospectus.

6.3 Securities lending transactions

No Sub-Fund is entering into Securities Lending transactions as shown in the each relevant Sub-Fund's appendix in the fee table under "Securities Lending Transactions" however by way of example a Sub-Fund enters into securities lending transactions within the limits of the CSSF Circular 08/356, as amended by CSSF Circular 11/512, where:

- the securities are lent through a standardised lending system organised by a recognised clearing house or through a reputable financial institution that specialises in those types of transaction; and

- security equal to the value of the securities lent is given, until the lending contract terminates, in cash or bonds issued or guaranteed by an OECD member state or its local authorities or by supranational organisations.

The Fund will ensure that the volume of the securities lending transactions is kept at an appropriate level. Securities lending may only be effected on condition that the Fund is able at any time to recall any security that has been lent out or terminate any securities lending transaction in which it has entered.

The Fund may decide to reinvest cash collateral received in the framework of these financial techniques and instruments in accordance with the rules and limits set forth in applicable regulation, i.e. currently CSSF Circular 08/356, as amended by CSSF Circular 11/512.

For further Information please refer to the relevant Appendix. Any use of Securities Lending transactions of a Sub-Fund in the future will trigger a prospectus update.

6.4 Repurchase agreements

No Sub-Fund is entering into Repurchase agreements, however by way of example a Sub-Fund to ensure efficient portfolio management on an ancillary basis always within the limits of CSSF Circulars 08/356, as amended by CSSF Circular 11/512, enters into repurchase agreements which consist of the purchase and sale of securities with a clause reserving the right or obligation of the seller to repurchase the securities. Any repurchase agreement must include the time and price at which the securities can be repurchased by the seller. The relevant securities cannot be sold by the Sub-Fund during the repurchase period, except to the original seller.

A Sub-Fund may:

- act either as purchaser or seller in repurchase transactions;

- not enter a repurchase agreement if doing so would impede its obligations to redeem its shares; and

- only enter into repurchase agreements with highly rated financial institutions that specialise in those types of transaction.

Any use of Repurchase agreements of a Sub-Fund in the future will trigger a prospectus update.

7. MANAGEMENT OF COLLATERAL

For the purpose of the present section 7, all assets received by the Fund in the context of efficient portfolio management techniques will be considered as collateral. The Fund may accept any kind of asset listed in section 2. b) of CSSF Circular 08/356 as collateral to the extent that these assets fulfil the requirements 1 to 6 of the list below.

Where the Fund enters into OTC financial derivative transactions and efficient portfolio management techniques, it will ensure that all collateral used to reduce counterparty risk exposure complies with the following criteria at all times:

1. liquidity: any collateral received other than cash will be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received will also comply with the provisions of article 48 of the UCI Law.

2. Valuation: collateral received will be valued on at least a daily basis and assets that exhibit a high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place.

3. Issuer credit quality: collateral received will be of high quality.

4. Correlation: the collateral received by the Fund will be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

5. Collateral diversification (asset concentration) – collateral will be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration will be considered to be respected if the Fund received from a counterparty of efficient portfolio management and OTC financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When UCITS are exposed to different counterparties, the different baskets of collateral will be aggregated to calculate the 20% limit of exposure to a single issuer.

6. Risks linked to the management of collateral, such as operational and legal risks will be identified, managed and mitigated by the risk management process;

7. Where there is a title transfer, the collateral received will be held by the Depositary. For other types of collateral arrangement, the collateral may be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the providers of the collateral.

8. Collateral received will be capable of being fully enforced by the Fund at any time without reference to or approval of the counterparty.

9. Non-cash collateral received will not be sold, re-invested or pledged.

10. Cash collateral will only be

a) placed on deposits with entities prescribed in article 41 (f) of the UCI Law;

b) invested in high quality government bonds;

c) used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on accrued basis;

d) invested in short term money market funds.

Re-invested cash collateral will be diversified in accordance with the diversification requirements applicable to non-cash collateral and can only be invested in the instruments listed in section 3 of CSSF Circular 08/356 and only to the extent compatible with item 10 c) of the list above.

The haircut policy of the Fund will be determined by market practice. Typically no haircut will be applicable if collateral is exchanged/adjusted on a daily basis.

8. RISK FACTORS

8.1 Introduction

No investment should be made in the Shares unless and until all the risk factors indicated below, as well as any additional risk factors as may be included in respect of certain Sub-Funds in the relevant Appendix, have been carefully considered by the investor.

The overview below is general in nature and is intended to describe various risk factors associated with an investment in the Shares. The attention of the investors is specifically drawn to the following risk factors set out below. However, these are not intended to be exhaustive and there may be other considerations that should be taken into account in relation to an investment in the Shares. What factors will be relevant to the Shares in a particular Sub-Fund will depend upon a number of interrelated matters including, but not limited to, the nature of the Shares, the reference assets of the Sub-Fund and the use of financial derivative instruments and hedging techniques by the Sub-Fund.

Circumstances giving rise to risk factors may occur simultaneously and/or may compound each other resulting in an unpredictable effect on the value of the Shares. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Shares.

Investors should understand the risks associated with an investment in the Shares and should only reach an investment decision after careful consideration with their legal, tax, accounting, financial and other advisers of, amongst others, (i) the suitability of an investment in the Shares in the light of their own particular financial, fiscal and other circumstances, (ii) the information set out in this prospectus, (iii) the nature of the reference assets of the relevant Sub-Fund, (iv) the risks associated with the use by the relevant Sub-Fund of financial derivative instruments and (v) the use by the relevant Sub-Fund of hedging techniques. Investors should note that the legal, regulatory, tax and accounting treatment of the Shares can vary in different jurisdictions. Any descriptions of the Shares set out in this prospectus (including any applicable Appendix) are for general information purposes only.

An investment in the Shares involves risk. These risks may include or relate to, among others, equity market, bond market, foreign exchange, interest rate, credit, market volatility, legal, economic and political risk, risks linked to structured finance products or financial derivative instruments and any combination of these and other risks, whether disclosed herein or not. Some of these risks are briefly set out below. Investors should be experienced with respect to transactions in instruments such as the Shares, the reference assets, the use of financial derivative instruments and the use of hedging techniques.

The value of investments and the income from them, and therefore the value of and income from Shares relating to a Sub-Fund can go down as well as up and a shareholder may not get back the amount he invests. An investment in Shares should be viewed as a medium to long term investment.

No assurance can be given that the invested capital will be preserved, or that capital appreciation will occur. Investors and shareholders should recognise that the Shares may decline in value and should be prepared to sustain a total loss of their investment.

8.2 General

Although it is possible for the Fund to use derivatives and to enter into other transactions with the aim to hedge risks, all Sub-Funds are subject to market or currency fluctuations, and to the risks inherent in all investments. The following is a general discussion of a number of risks which may affect the value of Shares. See also the section of the relevant Appendix headed "Risk Profile" (if any) for a discussion of additional risks particular to a specific issue of Shares. Such risks are not, nor are they intended to be, exhaustive. Not all risks listed necessarily apply to each issue of Shares, and there may be other considerations that should be taken into account in relation to a particular issue. Factors that will be of relevance to a particular Sub-Fund (and impact the value of its Shares) will depend upon a number of interrelated matters including, but not limited to, the nature of the Shares, the reference asset (if applicable), the assets of the Sub-Fund and any derivatives linking the two.

Investors should determine whether an investment in the Shares of any Class is appropriate in their particular circumstances and should consult with their legal, business and tax, accounting, financial and other advisers to determine the consequences of an investment in the Shares of any Class and to arrive at their own evaluation of the investment. Investment in the Shares of any Class is only suitable for investors or shareholders who:

a) have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks associated with an investment in the Shares of the relevant Class;

b) have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation; and

c) are capable of bearing the economic risk of an investment in the Shares of the relevant Class.

Investors should make their own independent decision to invest in the Shares of the relevant Class and as to whether an investment in the Shares of the relevant Class is appropriate or suitable to them based upon their own judgment and upon advice from such advisers as they may deem necessary. Investors should not rely on any information communicated (in any manner) by the Fund or an Investment Manager or a Sub-Manager or an Investment Advisor or any of their respective affiliates as investment advice or as a recommendation to invest in the Shares of the relevant Class, which shall include, amongst other things, any such information, explanations or discussions concerning the terms and conditions of the Shares of the relevant Class, or related features.

Potential Conflicts of Interest

Affiliates of the Fund, the Depositary or the Central Administration Agent may be appointed as Management Company or as Investment Manager, Sub-Manager, Investment Adviser or sub-custodian in respect of certain Sub-Funds. Such affiliates may undertake activities which may give rise to potential conflicts of interests.

The Investment Managers, who may have access to confidential information concerning the Fund and its Sub-Funds, may purchase on any Valuation Day Shares of any Class at not less than the (in respect of a purchase from the Fund) purchase price or the redemption price (in respect of a purchase from a shareholder) for Shares of the Class in question established as at the relevant Valuation Day.

The Fund will put into place a conflicts of interest policy, aimed at avoiding conflicts of interest. If such conflicts cannot be avoided, the policy will ensure that clients are fairly treated.

Legal and Regulatory

The Fund must comply with regulatory constraints or changes in the laws affecting it, the Shares, or the investment restrictions, which might require a change in the investment policy and objectives followed by a Sub-Fund. The assets of a Sub-Fund, its reference asset and the derivative techniques used to link the two may also be subject to change in laws or regulations and/or regulatory action which may affect their value.

Political Factors

The performance of the Shares or the possibility to purchase, sell or redeem may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government agencies, the imposition of restrictions on the transfer of capital and changes in regulatory requirements.

Consequences of a Liquidation

In the event of liquidation of the Fund or a Sub-Fund, whether voluntary or further to a bankruptcy, winding up or compulsory liquidation procedure, the value of the Shares may be less than the principal amount originally invested.

In the event of liquidation, a liquidator will be appointed who will be responsible for the liquidation of the assets of the Fund or the relevant Sub-Fund and the settlement of any outstanding liabilities. Shareholders should be aware that the distribution of the remainder of the liquidation proceeds (if any) may take considerable time.

Limited Recourse Arrangements

The Fund may contract with parties on a "limited recourse" basis such that claims against the Fund would be restricted to the assets of one or more particular Sub-Funds, or, the case being, to the assets of a particular Class of a Sub-Fund. However there is no guarantee that the Fund will be able to contract on a limited recourse basis with respect to any agreements that the Fund may enter into from time to time in relation to any particular Class or Sub-Fund.

Limitation of Liability

Shareholders should note that where an Investment Manager, a Sub-Manager and/or an Investment Advisor is appointed in respect of a specific Sub-Fund, the liability of such Investment Manager, Sub-Manager and/or Investment Advisor shall be limited to that specific Sub-Fund and that such liability and any rights or remedies available to the Fund, the Investment Manager, Sub-Manager and/or Investment Advisor under the terms of the relevant agreement shall be solely based in contract. Accordingly, shareholders shall not have any recourse against the Investment Manager, Sub-Manager and/or Investment Advisor.

Fund expenses

A Sub-Fund might pay various fees and expenses including regulatory relevant costs and operating expenses that are non linear to the fund volume which therefore could have a high impact on performance on a low volume Sub-Fund.

8.3 Risks relating to the Shares

The following factors may adversely affect the value of an investment in the Shares of a particular Sub-Fund. Further information relating to the risks inherent in the assets of a particular Sub-Fund can be found in the relevant Appendix.

Ring-Fencing

The assets of each Sub-Fund are ring-fenced. As a matter of Luxembourg law, the assets of one Sub-Fund will not be available to meet the liabilities of another Sub-Fund. However, the Fund may operate or have assets held on behalf of or be subject to claims in other jurisdictions which may not necessarily recognise such ring-fencing and, in such circumstances, the assets of one Sub-Fund may be exposed to the liabilities of another Sub-Fund.

Moreover, the assets of each Class of Shares within a Sub-Fund are not ring-fenced. There is no legal segregation of the assets and liabilities between Classes and there is no separate portfolio of assets held for each Class. Accordingly, if more than one Class of Shares has been issued and there is a shortfall attributable to one Class, this will adversely affect the other Classes of Shares issued in respect of the Sub-Fund.

Currency Risk

(a) General

The reference currency of each Sub-Fund is specified in the relevant Appendix. Investments will be made that best achieve the objective and performance of each Sub-Fund in the view of the relevant Investment Manager.

Notwithstanding any currency hedging techniques which may be utilized by any Sub-Fund, changes in foreign currency exchange rates may affect the value of Shares, notably of those held in a Class denominated in a currency other than the reference currency of the relevant Sub-Fund.

Shareholders investing in a Sub-Fund in a currency other than in its reference currency should be aware that exchange rate fluctuations could cause the value of their investment to diminish or increase. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets, which are influenced by macro economic factors (such as the economic development in the different currency areas, interest rates and international capital movements), speculation and central bank and government intervention.

Risks associated with investments in reference asset(s) where the value or return includes currency conversions using one or more exchange rates include the risk that exchange rates may change (in certain circumstances significantly) (including due to devaluation or revaluation of a currency) and the risk that government or monetary authorities with jurisdiction over a currency may impose (as some have done in the past) or modify exchange controls.

(b) Hedged Classes of Shares

With regard to any Hedged Classes of Shares that may be available from time to time, investors and shareholders should be aware that the hedging strategy employed by the Fund will not, and should not be expected to, completely eliminate the exposure of Hedged Classes of Shares to currency fluctuations. Among other things, because the net asset value of the Sub-Funds will fluctuate over time and the net asset value of the Sub-Funds and the corresponding hedged amounts are calculated and adjusted only periodically, any currency risk related to changes in the net asset value of the Sub-Funds that is not determined or reflected at the time the forward currency contracts are entered into will remain unhedged. Furthermore, the use of hedging strategies may substantially limit shareholders in the relevant Hedged Class of Shares from benefiting with respect to favourable currency fluctuations in relation to the reference currency of the relevant Sub-Fund. All costs and gains/losses of hedging transactions are borne by the shareholders of the respective Hedged Classes of Shares.

Interest Rates

Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macro economic factors, speculation and central bank and government intervention. Fluctuations in short term and/or long term interest rates may affect the value of the Shares. Fluctuations in interest rates of the currency in which the Shares are denominated and/or fluctuations in interest rates of the currency or currencies in which the reference asset and/or the hedging asset are denominated may affect the value of the Shares.

Inflation

Inflation reduces the purchasing power of a shareholder's investment and income. The rate of inflation and the general development of price levels will affect the value and/or yield of the investments of the Sub-Funds and the actual rate of return on the Shares. A reference asset may reference the rate of inflation.

Certain countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets (both public and private) of certain countries. There can be no assurance that high rates of inflation in certain countries will not have a material adverse effect on the investments of a particular Sub-Fund.

Correlation and Yield

The Shares may not correlate either perfectly or highly with movements in the value of Sub-Fund assets and/or the reference asset. Furthermore, it may not be possible to liquidate the Shares at a price which directly reflects the value of the Sub-Fund assets. Returns on Shares may not be directly comparable to the yields which could be earned if any investment were instead made in any underlying Sub-Fund assets or reference asset.

Volatility

The value of the Shares may be affected by market volatility and/or the volatility of the Sub-Fund assets and/or the reference asset.

Market volatility reflects the degree of instability and expected instability of the performance of the Shares, the Sub-Fund assets and/or the reference assets, or the techniques used to link the net proceeds of any issue of Shares to the Sub-Fund asset(s), where applicable. The level of market volatility is not purely a measurement of the actual volatility, but is also determined by the prices for instruments which offer investors protection against such market volatility. The

prices of these instruments are determined by forces of supply and demand in the markets generally. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macro economic factors and speculation.

Dilution Fee

Investors and shareholders should note that in certain circumstances a Dilution Fee may be applied on their purchase or redemption of Shares. Where a Dilution Fee is applied, this will reduce the amount of a shareholder's subscription for Shares in a Sub-Fund/Class or reduce the amount of the redemption proceeds received from a redemption of Shares in a Sub-Fund/Class (as the case may be).

If a Dilution Fee is not applied, the Sub-Fund/Class in question may still incur dilution which may constrain capital growth. However, investors should note that, even in cases where the Dilution Fee is charged, the net asset value of a SubFund/Class may still be affected by dilution.

Credit Risk

The ability of the Fund to make payments to shareholders in respect of the Shares will be diminished to the extent of any other liabilities undertaken by, or imposed on, the Fund. Any assets of the relevant Sub-Fund, its reference asset or derivative techniques used to link the two may involve the risk that the issuer of such asset or the counterparty to such arrangements may default on any obligations to perform thereunder.

The credit risk attached to an issuer or counterparty may be evidenced by such entity's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities.

In the event that any issuer of assets or counterparty to financial derivative instruments of the relevant Sub-Fund experiences financial or economic difficulties, this may affect the value of the relevant assets or instruments (which may be zero) and any amounts paid on such assets or instruments (which may be zero). This may in turn affect the net asset value per Share. Investors in any Sub-Fund with an indirect investment policy should be aware that the hedging asset for such Sub-Fund, where applicable, will generally include bonds or other debt instruments that involve credit risk. Moreover, where such Sub-Fund provides for a capital protection feature, the functioning of such feature will often be dependent on the due payment of the interest and principal amounts on the bonds or other debt instruments in which the Sub-Fund is invested as hedging asset.

Liquidity Risk

Certain types of assets or securities may be difficult to buy or sell, particularly during adverse market conditions. This may affect the ability to obtain prices for the components of the reference assets and may therefore affect the value of the reference assets. This may in turn affect the net asset value per Share.

Leverage

The Sub-Fund assets, reference asset and the derivative techniques used to link the two may comprise elements of leverage (or borrowings) which may potentially magnify losses substantially and may result in losses greater than if the Sub-Fund asset, reference asset or derivative technique was not leveraged, and potentially losses greater than the amount borrowed or invested.

Capital Protection

Shares may be expressed to be fully or partially protected. In certain circumstances, such protection may not apply. Shareholders may be required to hold their Shares until maturity in order fully to realise the maximum protection available. Shareholders should read the terms of any protection with great care. Specifically, it should be noted that, unless otherwise expressly provided, it is unlikely that protection levels will be based on the price at which shareholders may purchase the Shares in the secondary market (if any).

Even where the Shares contain some form of capital protection feature via the investment in the hedging asset (where applicable, such form of capital protection feature will be described in the relevant Appendix), the protection feature may not be fully applicable to the initial investment made by an investor in the Shares, especially (i) when the purchase, sale or subscription of the Shares does not take place during the initial offer period, (ii) when Shares are redeemed or sold before their maturity date (if any) or (iii) when the hedging asset or the techniques used to link the hedging asset to the reference asset fail to deliver the expected returns.

Path Dependency

Shares may be linked to products which are path dependent.

This means that any decision or determination made (whether pursuant to the exercise of a discretion, in consequence of an error or otherwise) can have a cumulative effect and may result in the value of such product over time being significantly different from the value it would have been had the decision been made or discretion been exercised in an alternative manner.

Share Subscription and Redemption

The Fund, in its discretion, may limit the amount of Shares available for subscription or redemption on any dealing day and, in conjunction with such limitations, to defer or pro rata such subscription or redemption. This limitation may have the effect of preventing an investor from freely subscribing, holding, trading and/or redeeming the Shares.

In addition, where requests for subscription or redemption are received late, there may be a delay between the time of submission of the request and the actual date of subscription or redemption. Such deferrals or delays may operate to decrease the number of Shares or the redemption amount to be received.

In addition to the features described below, such restrictions may also be caused by specific requirements such as the minimum initial investment, the Minimum shareholding, the Dilution Fee and the Redemption Fee.

If the Shares are subject to provisions concerning delivery of a redemption notice, as mentioned under "Redemption of Shares" of the prospectus and/or in the relevant Appendix, and such notice is received by the registrar and transfer agent after the Redemption Deadline, it will not be deemed to be duly delivered until the next following dealing day. Such delay may increase or decrease the redemption price from what it would have been but for such late delivery of the redemption notice.

Listing

Shares may be listed without being admitted to trading. There can be no certainty that a listing on any stock exchange applied for by the Fund for a Class of Shares will be achieved and/or maintained.

(a) Liquidity and secondary trading

Even though the Shares are listed on one or more stock exchanges, there can be no certainty that there will be liquidity on a stock exchange or that the market price at which the equity securities may be traded on a stock exchange will be the same as the net asset value per Share. There can be no guarantee that once the equity securities are listed on a stock exchange they will remain listed or that the conditions of listing will not change.

Trading in equity securities on a stock exchange may be halted due to market conditions or because in the stock exchanges' view, trading the equity securities is inadvisable. In addition, trading in the equity securities may be subject to a halt in trading caused by extraordinary market volatility pursuant to stock exchanges' rules. If trading on a stock exchange is halted, investors in equity securities may not be able to sell their equity securities until trading resumes. This may have a negative effect on the performance of the Sub-Fund.

(b) Variation of Net Asset Value per Share and Trading Prices on the Secondary Market

The net asset value per Share will fluctuate with changes in the market value of the reference asset, the derivative techniques used and where applicable the hedging asset and changes in the exchange rate between the reference currency or, if different, the listing currency of a Share and any relevant foreign currency of such reference asset and/or hedging asset. The market price of the shares will fluctuate in accordance with the changes in the net asset value per Share and the supply and demand on the stock exchange on which the Shares are listed. The Fund cannot predict whether the Shares will trade below, at or above their net asset value per Share. Price differences may be due, in large part, to the fact that supply and demand forces in the secondary market for the Shares will be closely related, but not identical to the same forces influence the trading prices of the reference asset and where applicable the hedging asset, individually or in the aggregate, at any point in time. Furthermore, the listing on multiple exchanges of the Shares may result in price differences between such exchanges because of fiscal, regulatory or other market forces.

General market risk

General market risk may affect all investments to the extent that the value of a particular investment could change in a way that is detrimental to a Sub-Fund's interests due to factors beyond the reasonable control of the Fund. In particular, the value of investments may be affected by uncertainties such as international political and economic developments or changes in government policies.

Nominee Arrangements

An investor must be aware that he will only be able to fully exercise his investor rights directly against the Fund (notably the right to participate in general shareholders' meetings), if the investor is registered himself and in his own name in the shareholders' register of the Fund. In cases where an investor invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Fund. Investors are advised to take advice on their rights.

The risks described in this section are specific to Sub-Funds whose investment policies consist in the replication of one or more reference assets.

(a) General

A Sub-Fund with a direct investment policy is not expected to replicate its relevant reference asset with the same degree as accuracy as would an investment vehicle that is entirely invested in every underlying security. Investors should note that exceptional circumstances, such as, but not limited to, disruptive market conditions or extremely volatile markets, may arise which cause a Sub-Fund's replication accuracy to be substantially different from the performance of the reference asset. Also, there can be a delay between the recomposition occurring within the reference asset and the investments made by a Sub-Fund. Due to various constraints, the Sub-Fund may require more time to recompose its portfolio which can substantially affect the Sub-Fund's degree of replication accuracy which can be different from the reference asset. Additionally, for certain Sub-Funds, due to the composition of each of their reference assets, it may not be practically possible, for example because of the Sub-Fund's investment restrictions, to achieve such level of replication accuracy.

(b) The following are some of the factors which may result in the value of the Shares varying from the value of the reference asset

The assets of the Sub-Fund may not mirror the exact composition of the reference asset or may be less diversified than the reference asset; investments in assets other than the reference asset may give rise to delays or additional costs and taxes or higher exposure to price movements compared to an investment in the reference asset; investment or regulatory constraints may affect the Fund but not the reference asset; the fluctuation in value of assets of the relevant Sub-Fund; where applicable, any differences between the maturity date of the Shares and the maturity date of the assets of the relevant Sub-Fund; and the existence of a cash position held by a Sub-Fund.

Specific Risks Relating to Sub-Funds with a Direct Investment Policy

8.4 Risks relating to the Investment Policies of Sub-Funds replicating a reference asset

The following factors may adversely affect the replication by a Sub-Fund of its reference asset:

- the Sub-Fund must pay various fees and expenses, while the reference asset does not reflect any expenses;

- in certain of the Sub-Funds the securities held by those Sub-Funds may not be identical to the underlying securities, but will be chosen to give similar performance; their investment performance is therefore likely to differ from that of the underlying securities;

- a Sub-Fund must comply with regulatory constraints, such as the investment restrictions, that do not affect the calculation of a Sub-Fund's corresponding reference asset;

- the existence of uninvested assets in the Sub-Funds (including cash and deferred fees and expenses); and

- that a Sub-Fund may be subject to a different foreign withholding tax than that assumed by its Index (where applicable).

Although each Sub-Fund's replication accuracy will be monitored on a regular basis, there can be no assurance as to the accuracy with which any Sub-Fund will track the performance of its reference asset.

Specific Risks relating to Sub-Funds with an Indirect Investment Policy

The following factors may adversely affect the value of the Shares of Sub-Funds with an indirect investment policy:

- the Sub-Funds must pay various expenses, such as fees, costs, taxes, commissions, charges and dividends (if applicable);

- the Fund must comply with regulatory constraints, such as the investment restrictions, that may lead to a restructuring of the Sub-Funds' investments;

- the Sub-Funds may not always be continuously exposed to the reference asset;

- the Sub-Funds may bear the risks associated to the hedging asset (if any), which include bonds or other debt instruments that involve credit risk;

- the Fund will enter into derivative contracts with a maturity date which may be different from the maturity date of the Sub-Fund. There can be no assurance that any new derivative contracts entered into will have terms similar to those previously entered into; and

- the existence of a cash position held by the Sub-Funds or leverage used by Sub-Fund.

Reference Asset Calculation and Substitution

In certain circumstances described in the relevant Appendix, the reference asset may cease to be calculated or published on the basis described or such basis may be altered or the reference asset may be substituted.

There is no assurance that a reference asset will continue to be calculated and published on the basis described in this prospectus or that it will not be amended significantly. Any change to the reference asset may adversely affect the value of the

Shares. The past performance of a reference asset is not necessarily a guide to its future performance.

No Investigation or Review of Reference Asset(s)

None of the Fund, the management company (if any), any Investment Manager or Sub-Manager or Investment Advisor or any of their affiliates have performed or will perform any investigation or review of the reference asset on behalf of any investor in the Shares. Any investigation or review made by or on behalf of the Fund, the management company (if any), any Investment Advisor or Investment Manager or Sub-Manager or any of their affiliates is or shall be for their own proprietary investment purposes only.

Reference asset(s) may include other assets which involve substantial financial risk such as distressed debt, low quality credit securities, forward contracts and deposits with commodity trading advisors (in connection with their activities).

Assets held in Currencies other than the Reference Currency

Asset held by a Sub-Fund may be denominated in currencies other than the reference currency. Changes in non-reference currency exchange rates may therefore affect the value of such assets held in that Sub-Fund either beneficially or adversely.

Temporary Defensive Position

A Sub-Fund may significantly deviate from its investment policy as a temporary defensive strategy. A defensive strategy will be employed only if, in the judgement of the relevant Investment Manager, investments in that Sub-Fund's usual markets or types of securities become decidedly unattractive because of current or anticipated adverse economic, financial, political and social factors. If a significant adverse market action is anticipated, investment-grade debt securities may be held without limit as a temporary defensive measure. At such time as the relevant Investment Manager determines that a Sub-Fund's defensive strategy is no longer warranted, it will adjust the relevant Sub-Fund back to its normal complement of assets as soon as practicable. When the Sub-Fund is invested defensively, it may not meet its investment objective.

8.5 Risks relating to a Sub-Fund's Assets

The following factors relating to a Sub-Fund's assets may adversely affect the value of the Shares in that Sub-Fund, and particularly those Shares in Sub-Funds with an indirect investment policy (i.e. those Sub-Funds which invest in Financial derivative instruments with the aim of replicating the performance of a particular reference asset (such as an index)). Further information relating to the risks inherent in the assets of a particular Sub-Fund can be found in the relevant Appendix.

Valuations

The assets of each Sub-Fund, the reference asset (if applicable) or the derivative techniques used to link the two may be complex and specialist in nature.

Valuations for such assets or derivative techniques will only usually be available from a limited number of market professionals which frequently act as counterparties to the transactions to be valued. Such valuations are often subjective and there may be substantial differences between any available valuations.

investors in the Shares should be aware that such an investment involves assessing the risk of an investment linked to the reference asset and, where applicable, the hedging asset, and the techniques used to link the hedging asset to the reference asset or the techniques used to link the net proceeds of any issue of Shares to the reference asset(s). Investors should be experienced with respect to transactions which involve the purchase of Shares whose value derives from a reference asset (possibly in combination with a hedging asset).

The value of the reference asset and the hedging asset and the value of the techniques used to link them and the techniques used to link the net proceeds of any issue of Shares to the reference asset(s) may vary over time and may increase or decrease by reference to a variety of factors which may include, amongst others, corporate actions, macro-economic factors and speculation. Where the reference asset is a basket of securities or one or more indices, the changes in the value of any one security or index may be offset or intensified by fluctuations in the value of other securities or indices which comprise such constituents of the reference asset or by changes in the hedging asset itself.

Interest Rate Fluctuations

Fluctuations in interest rates of the currency or currencies in which the Shares, the Sub-Fund assets and/or the reference asset are denominated may affect financing costs and the real value of the Shares.

Risks associated with investments in reference asset(s) where the value or return is calculated by reference to one or more interest rates include the risk of changes in and volatility in the relevant interest rates and the level of interest rates generally which are affected by economic, political and market conditions.

Quantitative Strategies

These strategies invest either directly into assets or are invested using a variety of hedging strategies and/or mathematical modelling techniques, alone or in combination, any of which may change over time. Such strategies and/or techniques can be speculative, may not be an effective hedge and may involve substantial risk of loss and limit the opportunity for gain. It may be difficult to obtain valuations of products where such strategies and/or techniques are used and the value of such products may depreciate at a greater rate than other investments. Quantitative Strategies make available only limited information about their investment approach, may incur extensive costs, commissions and brokerage charges, involve substantial fees for investors (which may include fees based on unrealised gains), may employ high risk strategies such as short selling and high levels of leverage.

Settlement

The trading and settlement practices of some of the stock exchanges or markets on which a relevant Sub-Fund may invest may not be the same as those in more developed markets, which may increase settlement risk, market failure and/or result in delays in realising investments made by a Sub-Fund. Those exchanges and markets may also have substantially less volume and generally be less liquid than those in more developed markets. In addition, a Sub-Fund will be exposed to credit risk on parties with whom it trades and will bear the risk of settlement default. The Depositary may be instructed by the Fund to settle transactions on a delivery free of payment basis where the Fund believes and the Depositary agrees that this form of settlement is common market practice. Shareholders should be aware, however, that this may result in a loss to a relevant Sub-Fund if a transaction fails to settle and the Depositary will not be liable to the relevant Sub-Fund or to the shareholders for such a loss.

Trading on such stock exchanges or markets may involve certain special risks, including risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and regulation, and uncertainties as to the status, interpretation and application of laws, including, but not limited to, those relating to expropriation, nationalisation and confiscation.

Investment in Equity Securities

Where a Sub-Fund invests substantially all of its assets in equity securities, a primary risk is that the value of the equity securities it holds may decrease in response to the activities of an individual company or in response to general market, business and economic conditions. If this occurs, the price of the Shares will also decrease.

(a) Small companies

Equity securities of smaller companies involve greater risk than those of larger, more established companies. This is because smaller companies may be in earlier stages of development, may be dependent on a small number of products or services, may lack substantial capital reserves and/or do not have proven track records. Smaller companies may be more adversely affected by poor economic or market conditions, and may be traded in low volumes, which may increase volatility and liquidity risks.

(b) New companies

The Sub-Funds, subject to their respective investment objective and policies, may invest in new companies, many of which will be small companies. New companies may have inexperienced management, limited access to capital, and higher operating costs than established companies. New companies may be less able to deal successfully with or survive adverse circumstances such as economic downturns, shifts in investor sentiment, or fierce competition. The Sub-Funds may buy securities of new companies through initial public offerings or private placements. Initial public offerings are subject to high volatility and are of limited availability; the Sub-Funds' ability to obtain allocations of initial public offerings is subject to allocation by members of the underwriting syndicate to various clients and allocation by the Investment Manager or Sub-Manager among its clients. Investments in private placements may be difficult to sell at the time and at the price desired by the Sub-Funds; companies making private placements may make less information available than publicly offered companies; and privately placed securities are more difficult to value than publicly traded securities. These factors may have a negative effect on the performance of the Sub-Funds.

(c) Listed companies

Where equity securities are listed on one or more stock exchanges there can be no certainty that there will be liquidity on a stock exchange or that the market price at which the equity securities may be traded on a stock exchange will be the same as the net asset value per Share. There can be no guarantee that once the equity securities are listed on a stock exchange they will remain listed or that the conditions of listing will not change.

Trading in equity securities on a stock exchange may be halted due to market conditions or because in the stock exchanges’ view, trading the equity securities is inadvisable. In addition, trading in the equity securities may be subject to a halt in trading caused by extraordinary market volatility pursuant to stock exchanges’ rules. If trading on a stock exchange is halted, investors in equity securities may not be able to sell their equity securities until trading resumes. This may have a negative effect on the performance of the Sub-Fund.

Investing in fixed income securities

Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Lower-rated securities ("high yield securities") will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. High yield securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which react primarily to fluctuations in the general level of interest rates. There are fewer investors in high yield securities, and it may be harder to buy and sell those securities.

The volume of transactions effected in certain international bond markets may be appreciably below that of the world's largest markets, such as the United States.

Accordingly, a Sub-Fund's investments in such markets may be less liquid and their prices may be more volatile than comparable investments in securities trading in markets with larger trading volumes. Moreover, the settlement periods in certain markets may be longer than in others which may affect portfolio liquidity.

Sub-Investment Grade Risks

Investment in debt securities which hold a sub-Investment Grade credit rating are subject to a greater risk that such investment could not be readily sold or that the issuer could default on its obligations causing the Sub-Fund to sustain losses on such investments. The Investment Manager and, where applicable, the Sub-Manager will seek to limit such risks by in-depth credit research and careful securities selection but there can no assurance it will not acquire securities with respect to which the issuer subsequently defaults. Sub-Investment Grade debt securities are speculative and involve a greater risk of default and price changes due to changes in the issuer's creditworthiness. The market prices of these debt securities fluctuate to a greater extent than Investment Grade securities and may decline significantly in periods of general economic difficulty or uncertainty.

Credit Linked Risks

Investments in reference asset(s) where the return is linked to the credit of one or more reference entities are exposed in whole or in part to the credit risk of those reference entities.

Commodities

Prices of commodities are influenced by, among other things, various macro economic factors such as changing supply and demand relationships, weather conditions and other natural phenomena, agricultural, trade, fiscal, monetary, and exchange control programmes and policies of governments (including government intervention in certain markets) and other unforeseeable events.

Structured Finance Securities

Structured finance securities include, without limitation, asset-backed securities and credit-linked securities, which may entail a higher liquidity risk than exposure to sovereign or corporate bonds. Certain specified events and/or the performance of assets referenced by such securities, may affect the value of, or amounts paid on, such securities (which may in each case be zero).

Structured finance securities are usually issued in different tranches: any losses realised in relation to the reference assets or, as the case may be, calculated in relation to the reference credits are allocated first to the securities of the most junior tranche, until the principal of such securities is reduced to zero, then to the principal of the next lowest tranche, and so forth.

Accordingly, in the event that (a) in relation to asset-backed securities, the reference assets do not perform and/or (b) in relation to portfolio credit-linked notes, any one of the specified credit events occurs with respect to one or more of the reference assets or reference credits, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the net asset value per Share In addition, the value of structured finance securities from time to time, and consequently the net asset value per Share, may be adversely affected by macro economic factors such as adverse changes affecting the sector to which the reference assets or reference credits belong (including industry sectors, services and real estate), economic downturns in the respective countries or globally, as well as circumstances related to the nature of the individual assets (for example, project finance loans are subject to risks connected to the respective project). The implications of such negative effects thus depend heavily on the geographic, sector-specific and type-related concentration of the reference assets or reference credits. The degree to which any particular asset-backed security or portfolio credit-linked note is affected by such events will depend on the tranche to which such security relates; junior tranches, even having received investment grade rating, can therefore be subject to substantial risks.

In the absence of a liquid market for the respective structured finance securities, they may only be traded at a discount from face value and not at their fair value, which may in turn affect the net asset value per Share.

Investment in Emerging Markets

Exposure to emerging markets assets generally entails greater risks than exposure to well-developed markets, including potentially significant legal, economic and political risks.

Certain emerging market countries have in the past failed to recognize private property rights and have at times nationalized and expropriated the assets of private companies. Investments in emerging markets companies are speculative and subject to special risks. Political and economic structures in many of these countries may be in their infancy and developing rapidly. Such countries may also lack the social, political and economic characteristics of more developed countries. The currencies of certain emerging market countries have experienced a steady devaluation relative to the Euro, and continued devaluations may adversely affect the value of a Sub-Fund's assets denominated in such currencies. Many emerging market countries have experienced substantial rates of inflation for many years, and continued inflation may adversely affect the economies and securities markets of such countries.

In addition, unanticipated political or social developments may affect the values of the Sub-Fund's investments in emerging market countries and the availability to those Sub-Funds of additional investments in these countries. The small size, limited trading volume and relative inexperience of the securities markets in these countries may make those Sub-Funds' investments in such countries illiquid and more volatile than investments in more developed countries, and those Sub-Funds may be required to establish special custodial or other arrangements before making investments in these countries. There may be little financial or accounting information available with respect to issuers located in these countries, and it may be difficult as a result to assess the value or prospects of an investment in such issuers.

In many foreign countries there is less government supervision and regulation of business and industry practices, stock exchanges, brokers and listed companies than in the EU. There is an increased risk, therefore, of uninsured loss due to lost, stolen, or counterfeit equity securities certificates. Prior governmental approval of non-domestic investments may be required under certain circumstances in some developing countries, and the extent of foreign investment in domestic companies may be subject to limitation in other developing countries. Foreign ownership limitations also may be imposed by the articles of incorporation of individual companies in developing countries to prevent, among other concerns, violation of foreign investment limitations. Repatriation of investment income, capital and proceeds of sales by foreign investors may require governmental registration and/or approval in some developing countries. The relevant Sub-Funds could be adversely affected by delays in or a refusal to grant any required governmental registration or approval for such repatriation.

Further, the economies of certain developing countries may be dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be adversely affected by economic conditions in the countries with which they trade.

Sub-Funds investing in emerging markets are expected to incur operating expenses that are higher than those of UCIs investing exclusively in developed countries, since expenses such as custodial fees related to foreign investments are usually higher in emerging market countries. Similarly, brokerage commissions on purchases and sales of foreign securities are generally higher.

It is important to note that, during times of global economic slowdown, emerging market exchange rates, securities and other assets are more likely than other forms of investment with lower risks to be sold during any ”flight to quality”, and their value may decrease accordingly.

Investments in Derivatives

All or a portion of a Sub-Fund’s investments may consist of financial derivative instruments, to provide exposure to a reference asset, to reduce risks or costs or to generate additional capital or income. Specific Sub-Funds may use more complex derivative investment instruments. The use of derivatives by each Sub-Fund is set out in more detail in the relevant Appendix.

Generally, derivative instruments are financial contracts whose value depends upon, or is derived from, the value of a reference asset, reference rate or index, and may relate to, amongst other things, stocks, bonds, commodities, leveraged loans, high yield debt securities, interest rates, currencies or currency exchange rates and related indices. Examples of derivative instruments which a Sub-Fund may use include, without limitation, options contracts, futures contracts, options on futures contracts, swap agreements (including credit swaps, credit default swaps, options on swap agreements, straddles, strangles, forward currency exchange contracts and structured notes).

A Sub-Fund's use of derivative instruments involves risks different from, and, in certain cases, greater than, the risk associated with investing directly in the reference asset. The following sets out some key risk factors that investors and shareholders should understand and consider in relation to derivative instruments.

Risks specific to credit default swaps ("CDS")

- Counterparty risk, which is the risk that the counterparty of the CDS transaction will default on its obligations. As protection buyer, the counterparty risk materializes only when a credit event occurs and if the protection seller would not be able to pay the protection buyer the face value of the contract. As protection seller the counterparty risk materializes if the protection buyer is not able to pay the periodic fees under the contract.

- Credit risk, which is the risk carried by the protection seller that a credit event would occur in respect to the reference entity. In case of occurrence of a credit event, the capital loss for the protection seller might be substantial (and in case of the Sub-Fund rise to a total loss of the Sub-Fund's assets) as the protection seller would have to pay the face value of the contract to the protection buyer against being delivered by the protection buyer the obligations mentioned in the contract having a market value near to recovery rate.

  - Mark-to-market risk, which is the risk that a CDS investor runs by unwinding its position before the maturity of the contract. This risk is affected by the liquidity of the underlying contract. The lower the liquidity, the higher the unwinding costs.

  - Settlement risk, which is the risk of the protection buyer to deliver the underlying issues not held by him when entering into the CDS transaction.

(a) Management Risk

Derivative instruments are highly specialised instruments that require investment techniques and risk analysis different from those associated with securities. The use of a derivative instrument requires an understanding not only of the reference asset but also of the derivative instrument itself, without the benefit of observing the performance of the derivative instrument under all possible market conditions.

(b) Counterparty risk

The Sub-Funds may enter into transactions in over-the-counter markets, which will expose the Sub-Funds to the credit of its counterparties and their ability to satisfy the terms of such contracts. For example, the Sub-Funds may enter into repurchase agreements, forward contracts, options and swap arrangements or other derivative techniques, each of which expose the Sub-Funds to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Sub-Funds could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Fund seeks to enforce its rights on behalf of the Sub-Funds, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights.

There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated.

The counterparties under the various OTC and efficient portfolio management techniques transactions will provide the Sub-Funds with collateral in order to mitigate this counterparty risk in accordance with the applicable laws and regulations. Please refer to Section 7 of this Prospectus for further details concerning collateral management.

(c) Efficient Portfolio Management Techniques

Efficient portfolio management techniques may expose the Fund to additional risks. These risks include counterparty risk, risks due to the posting and reinvestment of collateral, conflicts of interest and adverse impact on the performance of the Sub-Fund making use of efficient portfolio management techniques. Such impact may be either positive or negative.

(d) Unlisted instruments

For unlisted instruments such as OTC derivatives, where two parties contract directly rather than through an exchange, a Sub-Fund will usually have a contractual relationship only with the counterparty of such unlisted instrument and not the reference obligor on the reference obligation. The Sub-Fund generally will have no right directly to enforce compliance by the reference obligor with the terms of the reference obligation nor any rights of set-off against the reference obligor, may be subject to set-off rights exercised by the reference obligor against the counterparty or another person or entity, and generally will not have any voting or other contractual rights of ownership with respect to the reference obligation.

OTC derivatives, may be complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to a Sub-Fund. The Sub-Fund may not directly benefit from any collateral supporting the reference obligation and may not have the benefit of the remedies that would normally be available to a holder of such reference obligation. In addition, in the event of the insolvency of the counterparty, the Sub-Fund will be treated as a general creditor of such counterparty, and will not have any claim with respect to the reference obligation. Consequently, the Sub-Fund will be subject to the credit risk of the counterparty as well as that of the reference obligor. As a result, concentrations of OTC derivatives entered into with any one counterparty will subject the Sub-Fund to an additional degree of risk with respect to defaults by such counterparty as well as by the reference obligor. Additionally, while the relevant Investment Manager or Sub-Manager will expect that the returns on an OTC derivative will generally reflect those of the related reference obligation, as a result of the terms of the OTC derivative and the assumption of the credit risk of the OTC derivative counterparty, an OTC derivative may have a different expected return, a different (and potentially greater) probability of default and expected loss characteristics following a default, and a different expected recovery following default.

Additionally, when compared to the reference obligation, the terms of an OTC derivative may provide for different maturities, distribution dates, interest rates, interest rate references, credit exposures, or other credit or non-credit related characteristics. Upon maturity, default, acceleration or any other termination (including a put or call) other than pursuant to a credit event (as defined therein) of the OTC derivative, the terms of the OTC derivative may permit or require the issuer of such OTC derivative to satisfy its obligations under the OTC derivative by delivering to the relevant Sub-Fund securities other than the reference obligation or an amount different than the then current market value of the reference obligation.

(e) Liquidity risk

Liquidity risk exists when a particular derivative instrument or security is difficult to purchase or sell, which may affect its value. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

(f) Market and Other Risks

Like other investments, derivative instruments are subject to the risk that the market value of the instrument will change in a way detrimental to a Sub-Fund's interest. While some strategies involving derivative instruments can reduce the risk of loss, they can also reduce the opportunity for gain or even result in losses.

(g) Reinvestment of Collateral

Any cash collateral received by a Sub-Fund in the context of financial derivative instruments may be reinvested in accordance with the terms and provisions of the relevant Appendix. Any reinvestment of cash collateral is subject to the risks attached to the asset class in which the collateral is reinvested.

Index as Reference Asset

Where the reference asset consists of an index, it may not be actively managed and the selection of the component indices, assets or securities will be made in accordance with the relevant index composition rules and eligibility criteria and not by reference to any performance criteria or performance outlook. Accordingly, the composition of the index may not be designed to follow recommendations or research reports issued by the index sponsor, its affiliates or any other person. No index sponsor has any obligation to take the needs of the Fund or the investors into consideration in determining, composing or calculating any reference asset.

The compilation and calculation of an index or portfolio will generally be rules based, account for fees and include discretions exercisable by the index sponsor or the relevant Investment Manager or Sub-Manager. Methodologies used for certain proprietary indices are proprietary to the index sponsors and may or may not be designed to ensure that the level of the index reaches a pre-determined level at a specified time. However, this mechanism may have the affect of limiting any gains above that level. Continuous protection or lock-in features designed to provide protection in a falling market may also result in a lower overall performance in a rising market.

The Sub-Funds may invest in indices developed by index sponsors, which may be third parties. In no case will the index sponsor be under an obligation to maintain or calculate the index. The index sponsor may decide to cancel or cease to calculate the index without notice. The index sponsor does not assume any obligation or duty to any party, save as may be provided for in writing pursuant to a transaction between that party and the index sponsor relating to the index, and under no circumstances does an index sponsor assume any relationship of agency or trust of a fiduciary nature for or with any party.

9. MANAGEMENT OF THE FUND

The Board of Directors is responsible for the Fund's management and control including the determination of its investment policies.

The board of directors of the Company has established a remuneration policy (the Remuneration Policy) in accordance with the 2010 Act to promote sound and effective risk management and to avoid encouraging risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Company. Details of the Fund’s up-to-date remuneration policies are available on the Fund’s website under www.salusalpha-sicav.com\remuneration-policy.pdf . A paper copy of the policy will be made available free of charge to shareholders upon request to the Fund.

The Remuneration Policy follows the following principles:

- the remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS that the management company manages;

- the remuneration policy is in line with the business strategy, objectives, values and interests of the management company and the UCITS that it manages and of the investors in such UCITS, and includes measures to avoid conflicts of interest;

- the assessment of performance is set in a multi - year framework appropriate to the holding period recommended to the investors of the UCITS managed by the management company in order to ensure that the assessment process is based on the longer - term performance of the UCITS and its investment risks and that the actual payment of performance - based components of remuneration is spread over the same period;

- fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component;

The Company takes advantage of the exemption available under CSSF Circular 10/437 on the basis that it exclusively grants a fixed remuneration to persons whose professional activities have a material impact on the risk profile of the relevant Sub-Funds.

The day-to-day business shall be operated by conducting officers. The conducting officers shall be appointed by the board of directors.

The Fund may appoint a Management Company. The Fund shall in particular be responsible for the following duties:

- Portfolio management of the Sub-Funds;

- Central administration, including inter alia, the calculation of the net asset value, the procedure of registration, conversion and redemption of the Shares and the general administration of the Company;

- Distribution and marketing of the Shares of the Company; in this respect the Global Distributor may with the consent of the Fund appoint other distributors.

The rights and duties of the Fund are governed by the UCI Law, the articles of incorporation and the present prospectus.

In accordance with applicable laws and regulations the Fund is empowered to delegate, under its responsibility, all its duties to a management company or part of its duties and powers to any person or entity, which it may consider appropriate. It being understood that this prospectus shall the case being be amended accordingly.

For the time being the duties of portfolio management, corporate secretarial, central administrative agent, which include the registrar and transfer agent duties have been delegated as further detailed here-below.

9.1 Investment Manager

For the definition of the investment policy and the management of each of the Sub-Funds, the Fund may be assisted by one or more investment managers (each an "Investment Manager").

For further details refer to the different Appendices.

9.2 Sub-Manager and Investment Advisor

The Investment Manager may appoint for each Sub-Fund one or more investment advisors (each an "Investment Advisor") and/or sub-managers (each a "Sub-Manager"), including but not limited to, other companies in the Salus Alpha group. The details of such sub-manager, if any, will be set-out in the relevant Appendix.

For further details please refer to relevant Appendix.

9.3 Management fee

The Investment Manager is entitled to receive fees out of the assets of the Fund, pursuant to the relevant agreement between the Investment Manager and the Fund. The fees payable to the Investment Manager in respect of a certain Sub-Fund/Class will not exceed a certain percentage of the respective Sub-Fund's average net asset value, as determined on each Valuation Date. This percentage is indicated in respect of each Sub-Fund/Class in the relevant appendix. The Investment Managers' fees are calculated and accrued on each Valuation Day and are payable monthly in arrears. For amount of management fees please refer to the relevant Appendix.

For further information please refer to the relevant Appendix.

9.4 Performance fee

The Investment Manager is also entitled to a performance fee in relation to certain Sub-Funds/Classes, as indicated in the relevant Appendices.

In addition to the management fee, the Investment Manager is entitled to a performance fee which is calculated on each valuation date on the basis of the Net Asset Value of the relevant Unit Class and paid quarterly (quarterly crystallization frequency). The Performance Fee may only be levied and set aside if the following criterion is fulfilled:

The Net Asset Value of a Unit Class used in the calculation of a Performance Fee must be greater than previous Net Asset Values ("all-time high water mark"). Each preceding decline in the Net Asset Value per Unit of the relevant Unit Class must be offset by a further increase above the last maximum value at which a Performance Fee was incurred. Calculation of the Performance Fee and the necessary provisioning takes place net of all costs and on each Valuation Date i.e. the computation frequency and performance reference period is identical to the valuation frequency of the relevant share class. If, on the Valuation Date, the Net Asset Value of a Unit Class is greater than the preceding Net Asset Values (prior to deduction of the Performance Fee), a performance fee of a percentage i.e the performance fee rate is defined in the relevant Appendix shall be deducted on the difference between the Net Asset Value of the Unit Class and the high water mark (performance fee methodology). Calculation of the Performance Fee takes place on the basis of the Units of the relevant Class that are currently in circulation. By way of simplified example the computation is as follows: MAX(0, share class net asset value – share class high water mark) x share class performance fee rate x share class units in circulation.

Payment of the Performance Fee amounts calculated and set aside on each valuation date under the above method takes place at the beginning of the following quarter. This Performance Fee cannot be refunded if the Net Asset Value falls again after deduction of the fee. By way of example, this could mean due to quarterly payment that a Performance Fee may also be charged and paid if, at the end of the financial year, the Net Asset Value per Unit of the relevant Class is lower than the value at the beginning of the year.

	Year1	Year2	Year3	Year4	Year5
	Share Class	Share Class	Share Class	Share Class	Share Class
Gross Return	6.25%	-2.00%	6.25%	-1.00%	6.25%
Less: All Expenses	-1.25%	-1.25%	-1.25%	-1.25%	-1.25%
Net Return	5.00%	-3.25%	5.00%	-2.25%	5.00%
Less: Performance Fee (20%) subject to High Watermark	-1.00%	0.00%	-0.33%	0.00%	-0.56%
Net Return	4.00%	-3.25%	4.67%	-2.25%	4.45%
Net Asset Value	104.00	100.62	105.32	102.95	107.53
High Watermark	104.00	104.00	105.32	105.32	107.53

Table is a hypothetical example for a high watermark based on yearly NAVs.

10. DEPOSITARY AND CENTRAL ADMINISTRATION AGENT

10.1 Depositary and Paying Agent

European Depositary Bank is acting as Depositary of the UCITS in accordance with a depositary agreement dated 31st August 2022 with effective date 1st September 2022 as amended from time to time (the "Depositary Agreement") and the relevant provisions of the Law and UCITS Rules.

Investors may consult upon request at the registered office of the UCITS, the Depositary Agreement to have a better understanding and knowledge of the limited duties and liabilities of the Depositary.

The Depositary has been entrusted with the custody and/or, as the case may be, recordkeeping and ownership verification of the Compartments' assets, and it shall fulfil the obligations and duties provided for by Part I of the Law. In particular, the Depositary shall ensure an effective and proper monitoring of the UCITS' cash flows.
In due compliance with the UCITS Rules the Depositary shall:

i. ensure that the sale, issue, re-purchase, redemption and cancellation of units of the UCITS are carried out in accordance with the applicable national law and the UCITS Rules or the Articles of incorporation;
ii. ensure that the value of the Units is calculated in accordance with the UCITS Rules, the Articles of incorporation and the procedures laid down in the Directive;
iii. carry out the instructions of the UCITS, unless they conflict with the UCITS Rules, or the Articles of incorporation;
iv. ensure that in transactions involving the UCITS's assets any consideration is remitted to the UCITS within the usual time limits; and
v. ensure that an UCITS's income is applied in accordance with the UCITS Rules and the Articles of incorporation.

The Depositary 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 Directive, the Depositary may, under certain conditions, entrust part or all of the assets which are placed under its custody and/or recordkeeping to Correspondents or Third Party Custodians as appointed from time to time. The Depositary's liability shall not be affected by any such delegation, unless otherwise specified, but only within the limits as permitted by the Law.

A list of these correspondents/third party custodians are available on the website of the Depositary (https://www.europeandepositarybank.com/custody/list-of-sub-custodians/). Such list may be updated from time to time. A complete list of all correspondents/third party custodians may be obtained, free of charge and upon request, from the Depositary. Up-to-date information regarding the identity of the Depositary, the description of its duties and of conflicts of interest that may arise, the safekeeping functions delegated by the Depositary and any conflicts of interest that may arise from such a delegation are also made available to investors on the website of the Depositary, as mentioned above, and upon request. There are many situations in which a conflict of interest may arise, notably when the Depositary delegates its safekeeping functions or when the Depositary also performs other tasks on behalf of the UCITS, such as administrative agency and registrar agency services. These situations and the conflicts of interest thereto related have been identified by the Depositary. In order to protect the UCITS's and its Shareholders' interests and comply with applicable regulations, a policy and procedures designed to prevent situations of conflicts of interest and monitor them when they arise have been set in place within the Depositary, aiming namely at:

a) identifying and analysing potential situations of conflicts of interest;

b) recording, managing and monitoring the conflict of interest situations either in:

   - relying on the permanent measures in place to address conflicts of interest such as maintaining separate legal entities, segregation of duties, separation of reporting lines, insider lists for staff members; or

   - implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall, making sure that operations are carried out at arm's length and/or informing the concerned Shareholders of the UCITS, or (ii) refuse to carry out the activity giving rise to the conflict of interest.

The Depositary has established a functional, hierarchical and/or contractual separation between the performance of its UCITS depositary functions and the performance of other tasks on behalf of the UCITS, notably, administrative agency and registrar agency services.

The UCITS and the Depositary may terminate the Depositary Agreement at any time by giving ninety (90) days' notice in writing. The UCITS may, however, dismiss the Depositary only if a new depositary bank is appointed within two months to take over the functions and responsibilities of the Depositary. After its dismissal, the Depositary must continue to carry out its functions and responsibilities until such time as the entire assets of the Compartments have been transferred to the new depositary bank.

The Depositary has neither decision-making discretion nor any advice duty relating to the UCITS's investments. The Depositary is a service provider to the Company and is not responsible for the preparation of this Prospectus and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus or the validity of the structure and investments of the UCITS.

10.2 Central Administration Agent

The Fund has delegated its duties in relation to the central administration agent, registrar and transfer agency and corporate secretarial of the Fund to Apex Fund Services S.A. (the "Central Administration Agent") with agreement dated 31st August 2022 with effective date 1st September 2022. The agreement was concluded for an unlimited period.

10.3 Fees

The Depositary and the Central Administration Agent are entitled to receive fees out of the assets of the Fund, pursuant to the relevant agreement between each of them and the Fund and in accordance with usual market practice. The fees payable to the Depositary and the Central Administration Agent as determined on each Valuation Date, during the relevant quarter, are stated to the contrary in the relevant Appendix.

11. GLOBAL DISTRIBUTOR AND NOMINEE

The Fund has appointed Salus Alpha Capital Ltd as its global distributor (the "Global Distributor"). The fund may also appoint a Nominee or Nominees.

All duties related to marketing and distribution services to the Fund that are delegated to the Global Distributor are defined in the Global Distributor Agreement dated 15th December 2015 (the "Global Distributor Agreement"). The Fund may appoint further distributors or nominees.

The Global Distributor may collect subscription, conversion and redemption orders on behalf of, and for forwarding to the Central Administration Agent. The distribution is subject to local law in countries where Shares are offered.

The Global Distributor will not be involved in the receipt or payment of monies in relation to such orders. The Global Distributor may also assist the Fund in negotiating various distribution contracts with Sub-Distributors.

In consideration for its services, the Global Distributor shall be paid a fee out of the assets of the Fund as determined from time to time in the Global Distribution Agreement. To the extent that such payments are not disclosed in the prospectus these payments are made by the Investment Manager in its absolute discretion out of its own financial resources. The Global Distribution Agreement may be terminated by either the Fund or the Global Distributor upon 90 days prior written notice to the other party, given by registered mail with acknowledgement of receipt.

The Global Distributor (if any) may decide to appoint sub-distributors (the "Distributors") for the purpose of assisting in the distribution of the Shares of the Sub-Funds in the countries in which they are marketed. The appointed Distributors will be professionals of the financial sector resident in a country that has ratified the conclusions of the Financial Action Task Force (Groupe d'Action Financière (the "GAFI")).

Certain Distributors may not offer all of the Sub-Funds/Classes of Shares to their investors. Investors are invited to consult their respective Distributor for further details.

Sub-distribution agreements (the "Distribution Agreements") may be signed between the Fund or the Global Distributor and the different Sub-Distributors.

Subscribers may subscribe for Shares in the Sub-Funds applying directly to the Fund without having to act through one of the Distributors.

The Nominees (if any) may offer nominee services to their clients who have invested and/or will invest in the Fund, subject to the terms and conditions of respective Agreement which have been executed between Fund and each Nominee as amended from time to time.

In reference to the Nominee Agreement and other such Agreements the Nominees (if any) shall be entered into the register of shareholders, not the clients who have invested in the Fund. The terms and conditions of the Nominee Agreements will provide, inter alia, that a client who has invested in the Fund through either Nominee shall at all times be entitled to require the transfer of the legal title to the shares to be registered in such clients' own name, whereupon that client shall be entered in the register of shareholders upon receipt of proper instructions from that Nominee.

12. SHARES

Subject to the restrictions described below, shares of each Sub-Fund are freely transferable and are entitled to participate equally in the profits and liquidation proceeds attributable to that Sub-Fund. The shares, which must be fully paid and are without par value, carry no pre-emptive rights, and each one is entitled to one vote at all general meetings of shareholders and at all meetings of the relevant Sub-Fund. Fractions of shares have no voting rights. Shares redeemed by the Fund are immediately cancelled and become null and void.

The Board of Directors may, at its sole discretion, issue different Classes within each Sub-Fund, each Class corresponding to specific targeted investors and Currencies, guaranteed or not guaranteed and with limited or unlimited maturity. If no subscriptions have been received and accepted for a specific Class during the initial offer period, such Class will be launched on the subscription day on which the first subscriptions for the relevant Class are accepted at the initial subscription price.

Additional information as to the Classes of a given Sub-Fund, if any, is detailed in the Appendices to this prospectus.

The Board of Directors may restrict or prevent the ownership of its shares by any person, if the ownership may, in the opinion of the Board of Directors, be against the interests of the Fund or of the majority of its shareholders or the shareholders of any Sub-Fund. Where it appears to the Board of Directors that a person who is precluded from holding shares, either alone or in conjunction with any other person, is a beneficial owner of shares, the Fund may proceed to a compulsory redemption of the shares.

Shares can be issued in either registered form or bearer form. If bearer Shares are to be issued they will be represented by a global certificate. Physical Share certificates are not issued in respect of global certificates. In the case of registered Shares, these Shares shall be registered in the register of Shareholders. The inscription of the shareholder's name in the register of Shareholders evidences his right of ownership on such registered Shares. The Company shall not issue certificates for such inscription, but each Shareholder shall receive a written confirmation of his shareholding. The Company treats the registered owner of a Share as the absolute and beneficial owner thereof.

There is no restriction on the number of shares which may be issued, though the Board of Directors reserves the right, in its discretion, to suspend the issue of shares in any Class and in any Sub-Fund temporarily or permanently. The rights attached to shares are those provided for in the Luxembourg law of 10 August 1915 on commercial companies and its amending laws as long as such law has not been superseded by the UCI Law.

12.1 Hedged Classes

With regard to the Classes, the Management Company (if any), the Investment Manager or any agent appointed by the Fund, the Management Company (if any) or the Investment Manager may employ hedging strategies which aim to mitigate currency risks between the reference currency of the Fund and the currency of the Class (the "Hedged Class"), while taking account of practical considerations including transaction costs. All gains/losses or expenses arising in connection with such hedging transactions are borne separately by the shareholders of the respective Hedged Classes.

Investors should refer to section 8 (Risk Factors) for further information on the risks with regard to Hedged Classes.

12.2 Registered Shares

The register of shareholders is kept by the Central Administration Agent. Confirmations will, where requested, be sent to the shareholder within two and five Luxembourg bank business days being defined as a whole day on which banks are normally open for business in Luxembourg (a “Bank Business Day”) respectively, of the payment of the application moneys being properly confirmed. The Board of Directors may decide to issue fractions of registered shares up to three decimal places.

12.3 Listing of Shares

Some share classes of the Sub-Funds are, or will on issue, be listed on the Luxembourg Stock Exchange unless stated to the contrary in the relevant Appendix. If the Board of Directors decides to create additional Sub-Funds they may, if they think appropriate, apply for the shares in those Sub-Funds to be listed on the Luxembourg Stock Exchange. For so long as the shares of any Sub-Fund are listed on the Luxembourg Stock Exchange, the Fund will comply with all relevant requirements of the Luxembourg Stock Exchange.

12.4 Joint holdings

Shares may be held jointly, however, the Fund shall only recognise one person as having the right to exercise rights in relation to each of the Fund's shares. The person entitled to exercise such rights will be the person whose name appears first in the Subscription Form.

12.5 Late Trading

The Fund determines the price of its shares on a forward basis. This means that it is not possible to know in advance the net asset value per share at which shares will be issued, redeemed or converted (exclusive of any subscription, redemption or conversion charges). Subscription applications have to be received and will be accepted only in accordance with the provisions of section 15. Redemption and conversion requests have to be received and will be accepted only in accordance with the provisions of sections 16 and 17 respectively.

12.6 Market Timing

The Sub-Funds are not designed for investors with short-term investment horizons. Activities which may adversely affect the interests of the Fund's shareholders (for example that disrupt investment strategies or impact expenses) such as market timing or the use of the Fund as an excessive or short term trading vehicle are not permitted.

Whilst recognising that shareholders may have legitimate needs to adjust their investments from time to time, the Board of Directors in its discretion may, if it deems such activities to adversely affect the interests of the Fund's shareholders, take action as appropriate to deter such activities.

Accordingly if the Board of Directors determines or suspects that a shareholder has engaged in such activities, it may suspend, cancel, reject or otherwise deal with that shareholder's subscription, redemption or conversion applications/requests and take any action or measures as appropriate or necessary to protect the Fund and its shareholders.

13. NET ASSET VALUE

13.1 Calculation of the net asset value

The net asset value per share of each Sub-Fund shall be determined from time to time, but at least twice monthly, in Luxembourg, under the responsibility of the Fund's Board of Directors on each Valuation Date, as specified in the Appendices.

The net asset value per share of each Sub-Fund shall be expressed in the reference currency of the relevant Sub-Fund or in such other currency as the Board of Directors shall determine.

The net asset value per share in each Class in each Sub-Fund is determined by dividing the net assets of that Sub-Fund properly allocable to such Class, being the value of the assets of the Sub-Fund allocable to such Class less the liabilities allocable to that Class, by the number of Shares outstanding in that Class in the relevant Sub-Fund.

The net asset value per Share will be calculated with at least 4 (four) decimal places and is reported with 2 (two) decimal places of the reference currency of the relevant Sub-Fund or such other currency as the net asset value per Share is determined in.

13.2 Assets of the Fund

The Fund's assets shall include:

- any cash in hand or on deposit including any outstanding interest that has not yet been received and any interest accrued on these deposits up until the Valuation Date;
- all bills and promissory notes payable at sight as well as all accounts receivable (including proceeds from the disposal of securities for which the price has not yet been paid);
- all securities, units, shares, debt securities, option or subscription rights and other investments and transferable securities owned by the Fund;
- all dividends and distributions receivable by the Fund in cash or securities to the extent that the Fund is aware thereof;
- all outstanding interest that has not yet been received and all interest accrued up until the Valuation Date on securities or other interest bearing assets owned by the Fund, unless such interest is included in the principal of the securities;
- the incorporation fees of the Fund, to the extent that these have not been written down; and
- any other assets whatsoever, including prepaid expenses.

13.3 Valuation of the assets of the Fund

The value of these assets will be determined as follows:

- the value of the cash in hand or on deposit, the bills and promissory notes payable at sight and the accounts receivable, the prepaid expenses, dividends and interest declared or due but not yet received shall consist of their nominal value, unless it proves unlikely that this value can be obtained. If this should be the case, the value of these assets will be determined by deducting an amount in good faith pursuant to procedures established by the Board of Directors;

- Securities quoted on an official stock exchange or another regulated market which operates regularly and is recognised and open to the public, are valued on the basis of the last price known on the Calculation Date, unless said price is not representative; if the security in question is quoted on several markets, it is valued on the basis of the price on the main market. If the price is not representative, the valuation shall be based on the last known price, if this is also not representative the valuation shall be determined prudently and in good faith pursuant to procedures established by the Board of Directors;

- all other securities not quoted on an official stock exchange or another regulated market which operates regularly and is recognised and open to the public, or any other asset that is quoted but its price is not representative, is valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors. If no fair values are available or only inadequate fair values are available, the value of the assets will be determined prudently and in good faith pursuant to procedures established by the Board of Directors;

- The liquidating value of forward or options contracts not traded on exchanges or other regulated markets is their liquidating net value, determined prudently and in good faith pursuant to procedures established by the Board of Directors on a basis consistently applied for each different variety of contracts;

- The liquidating value of futures or options contracts traded on exchanges or other regulated markets will be based on settlement prices of these contracts on the exchanges or other regulated markets on which the particular contracts are traded by the Fund, provided that if the particular contract could not be liquidated on the relevant Valuation Date, the liquidating value of such contract will be determined prudently and in good faith pursuant to procedures established by the Board of Directors;

- The liquidating value of forward contracts traded on exchanges or other regulated markets will be based on the available prices of these contracts on the exchanges or other regulated markets on which the particular contracts are traded by the Fund, on the Valuation Date, provided that if the particular contract could not be liquidated on the relevant Valuation Date, the liquidating value of such contract will be determined prudently and in good faith pursuant to procedures established by the Board of Directors;

- the value of swaps shall be determined by applying a recognised and transparent valuation method on a regular basis;

- securities expressed in a currency other than the relevant currency of the relevant Sub-Fund shall be converted at the mid-market rate of exchange of the relevant currency; and

- Units in other UCITS are valued on the basis of the latest available net asset value

13.4 Liabilities of the Fund

The Fund's liabilities will include:

- all loans, due bills and accounts payable;
- all known liabilities, due or not, including all contractual liabilities which are due, the object of which is payment in cash or in kind (including the amount of any dividends declared by the Fund still to be paid out);
- any reserves authorised or approved by the Board of Directors, in particular those which have been built up with a view to meeting any potential losses on certain investments of the Fund; and
- any other liabilities of the Fund, except those represented by the Fund's own resources. When valuing the amount of such other liabilities, all expenses to be borne by the Fund must be taken into account and include:
- the costs of incorporation and subsequent amendments to the articles of incorporation;
- all costs of distribution of shares;
- as applicable, charges and/or expenses or indemnification payments to the Directors, the Day-to-Day Managers, the Management Company, the Investment Manager , the Depositary (including any correspondents (clearing system or bank) of the Depositary to whom custody of the assets of the Fund is entrusted), the Central Administration Agent and any other agents of the Fund as well as the sales agent(s) as provided in their respective agreements with the Fund;
- the costs of legal counsel and of auditing the Fund's annual accounts;
- advertising costs;
- the cost of printing, translating (where necessary), publishing and distributing the semi-annual report and accounts, the annual audited report and accounts and all prospectuses and of publishing prices in the financial press;
- the costs of holding the shareholders' meetings and the meetings of the Board of Directors;
- fees (if any) of the Directors and reimbursement to all Directors of their reasonable insurance coverage, travelling, hotel and other incidental expenses

of attending and returning from meetings of the Directors, or of committees thereof, or general meetings of the shareholders of the Fund;

- the fees and expenses involved in registering (and maintaining the registration of) the Fund (and/or each Sub-Fund) with governmental agencies or stock exchanges to permit the sale of, or dealing in, the material for use in any particular jurisdiction;

- all taxes and duties levied by the government authorities and stock exchanges;

- any other operating expenses financial, bank or brokerage charges incurred when buying or selling assets or otherwise; and

- all other expenses of the Management Company (if any), the Transfer Agent, the Depositary, the Corporate Secretarial, the Investment Manager, the Investment Advisor, the Central Administration Agent, the Registrar Agent on behalf of the Fund; and

- any other operating expense such as lease cost, salaries, as well as operating expenses triggered by a legal requirement such as VaR, KIID, risk management services or tax services, or all other similar operational services provided on an occasional or recurrent basis.

The level of these operational expenses will be disclosed periodically in the Fund’s annual reports. When valuing the amount of these liabilities the Fund shall take into account the administrative or other expenses of a regular or periodic nature pro rata temporis.

The Fund is one single entity; however, the rights of investors and creditors regarding a Sub-Fund or raised by the constitution, operation or liquidation of a Sub-Fund are limited to the assets of this Sub-Fund, and the assets of a Sub-Fund will be answerable exclusively for the rights of the shareholders relating to this Sub-Fund and for those of the creditors whose claim arose in relation to the constitution, operation or liquidation of this Sub-Fund. In the relations between the Fund's shareholders, each Sub-Fund is treated as a separate entity.

The assets, liabilities, expenses and costs that cannot be allotted to one Sub-Fund will be charged to the different Sub-Funds in equal parts or, as far as it is justified by the concerned amounts, proportionally to the respective net assets.

Each of the Fund's shares in the process of being redeemed shall be considered as a share issued and existing until the close of business on the Valuation Date applicable to the redemption of the share and its price shall be considered as a liability of the Fund as from the close of business on this date until the price has been paid.

Each share to be issued by the Fund shall, subject to full payment, be considered as issued as from the close of business on the Valuation Date of its issue and its price shall be considered as an amount owed to the Fund until the Fund has received it.

As far as possible, all investments and disinvestments decided by the Fund up to the Valuation Date shall be taken into account.

14. TEMPORARY SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE

The Board of Directors is authorised to suspend temporarily the calculation of the net asset value of one or more Sub-Funds, as well as the issuing, redeeming and converting of shares of those Sub-Funds, in the following cases:

- for any period during which a market or a stock exchange which is the main market or stock exchange on which a substantial portion of the Fund's investments is listed at a given time, is closed, except in the case of normal holidays, or during which trading is subject to major restrictions or suspended;

- the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of assets of the Sub-Fund concerned would be impracticable or impossible including any political, military, monetary or social situation, an Act of God, or any other act beyond the Fund's responsibility or control;

- any breakdown in the means of communication normally used to determine the value of any of the Fund's investments or current prices on any stock exchange or market;

- whenever exchange or capital movement restrictions prevent execution of transactions on behalf of the Fund or where purchase and sale transactions of the Fund's assets are not realisable at normal exchange rates;

- if the Board of Directors so decides, as soon as a meeting is called during which the liquidation of the Fund or a Sub-Fund shall be put forward or in order to protect the interest of the shareholders, upon the decision of the Board of Directors as soon as an event occurs which would put the Fund or a Sub-Fund in liquation;

- any other exceptional circumstance or circumstances where a failure to do so might result in the Fund or its shareholders incurring any liability to taxation or suffering other pecuniary disadvantage or other detriment which the Fund or its shareholders might not otherwise have suffered.

Where the Board of Directors has suspended the calculation of the net asset value of the shares in one or more Sub-Funds, the issue, redemption and conversion of shares in that or those Sub-Funds is suspended.

In exceptional circumstances that may adversely affect the interests of shareholders, or in the case of massive redemption (as determined by the Board of Directors) applications of one Sub-Fund, the Board of Directors reserves the right to only determine the share price after having executed, as soon as possible, the necessary sales of transferable securities on behalf of the Sub-Fund. In such cases, subscriptions, redemption and conversion applications in process shall be dealt with on the basis of the net values calculated after the sale of the relevant assets.

Subscribers and shareholders tendering shares for redemption or conversion shall be advised of the suspension of the calculation of the net asset value.

If appropriate, the suspension of the calculation of the net asset value shall be published by the Fund and shall be notified to shareholders requesting subscription, redemption or conversion of their shares to the Fund at the time of the filing of their written request for such subscription, redemption or conversion.

Suspended subscriptions, redemption and conversion applications may be withdrawn, through a written notice, provided that the Fund, or such other person as is designated by the Fund for such purpose, receives such notification before the suspension ends.

Suspended subscriptions, redemption and conversion applications shall be taken into consideration on the first Valuation Date after the suspension ends.

15. ISSUE OF SHARES, SUBSCRIPTION AND PAYMENT PROCEDURE

Unless otherwise provided for in the relevant Appendix, the Board of Directors is authorised to issue shares of each Sub-Fund on any day which is a Valuation Date for the relevant Sub-Fund.

15.1 Subscription minimum

Any new subscriber must apply for a minimum initial investment as set forth for the relevant share class in the relevant Appendix. However, the Board of Directors may, in the interests of the existing shareholders, authorise a new subscriber to apply for shares for a different amount.

15.2 Initial subscription

The initial launch date or offering period for each newly created or activated Sub-Fund/Class and the subscription price, together with any applicable sales charge, of shares in such Sub-Funds/Classes will be determined by the Board of Directors and disclosed in the relevant Appendix.

15.3 Subscriptions after the initial offer period

After the initial offer period for a Sub-Fund/Class has closed, shares of that Sub-Fund/Class will be issued at the net asset value per share determined on the relevant

Valuation Date, plus any applicable sales charge and/or dilution fee as determined by the Board of Directors and disclosed in the relevant Appendix. A sales charge equal to a percentage of the net asset value of the shares may be applied or may be waived, in whole or in part, at the discretion of the Fund/Management Company (if any) or the relevant Distributor (including, for the avoidance of doubt, the Global Distributor (if any)). This percentage will be specified in respect of each Sub-Fund/Class in the relevant appendix. The sales charge (if any) will be paid to the to the relevant Distributor (including, for the avoidance of doubt, the Global Distributor) or in certain cases to the relevant Sub-Fund The circumstances in which a dilution fee will be charged are described in section 18 "Dilution Fee". Any sales charge and/or dilution fee that is applied is not included in the calculation of the net asset value and will reduce the amount of the subscription to a Sub-Fund/Class.

Investors should be aware that subscriptions for the shares of each Sub-Fund/Class may also be made through the Global Distributor and the Distributors (including, for the avoidance of doubt, a Global Distributor).

15.4 Payment Procedure

Subscription applications received the relevant number of days – as defined in the appendix (notice period) – before the Valuation Date by the Central Administration Agent before 3.00 pm (Luxembourg time) on a Luxembourg bank business day will be executed, if accepted, on the basis of the net asset value determined on such Valuation Date. Applications received after this deadline will be executed on the following Valuation Date. The subscription price of each share is payable within two Luxembourg bank business days following the applicable Valuation Date.

Subscription moneys are payable in the reference currency of the relevant Sub-Fund/Class, and should be paid to the appropriate account of the Depositary. Applications in any other major freely convertible currency will be accepted but in such case, the conversion costs will be borne by the shareholders.

The issue of shares of a Sub-Fund will be suspended whenever the determination of the net asset value per share of that Sub-Fund is suspended in accordance with section 12).

The Board of Directors reserves the right to: (i) accept or refuse any application for shares in whole or in part and for any reason; (ii) limit the distribution of shares of a given Sub-Fund to specific countries; and (iii) redeem shares held by persons not authorised to buy or own the Fund's shares.

In addition, the Board of Directors may restrict or prevent the ownership of shares of the Fund specifically by any shareholder who would beneficially own more than ten (10) per cent of the shares of the Fund (a "ten per cent owner") and for such purposes the Board of Directors may:

- decline to issue any share and decline to register any transfer of a share where it appears to the Board of Directors that such registration or transfer would or might result in beneficial ownership of such share by a United States person or a ten per cent owner;

- at any time require any person whose name is entered in the register of shareholders to furnish it with any information, supported by affidavit, which the Board of Directors may consider necessary for the purpose of determining whether or not beneficial ownership of the shares rests or will rest in a United States person or a ten per cent owner; and

- where it appears to the Board of Directors that any United States person either alone or in conjunction with any other person is a beneficial owner of shares, compulsorily redeem the shares.

Shares may, at the discretion of the Board of Directors, be issued in consideration of the contribution to the Sub-Funds of securities subject to respecting the investment policies and restrictions laid down in Schedule 1 and the financial techniques and instruments laid down in section 6 of this prospectus and to having a value equal to the relevant issue price of the shares. Securities contributed to the Sub-Funds will be valued independently in a special report from the Luxembourg auditor. No transaction charge will be chargeable in respect of such contribution of securities in kind.

Pursuant to the Luxembourg law of 12 November 2004 on the fight against money laundering and against the financing of terrorism, as amended, and any other applicable laws and circulars, professional obligations have been outlined to prevent the use of undertakings for collective investment in securities for money laundering purposes. As a result, the identity of applicants who are individuals (demonstrated by a certified copy of their passport or identification card) or of applicants who are not individuals (demonstrated by a certified copy of their articles of incorporation or equivalent documentation) or the status of financial intermediaries (demonstrated by a recent original extract of the trade register and, where applicable or if requested, a certified copy of the business authorisation delivered by the competent local authorities) must be disclosed to the Fund. This information is collected for compliance reasons only and will not be disclosed to unauthorised persons. The Fund will always comply will the applicable laws, rules and regulations concerning money laundering.

However, there are some circumstances in which the Fund may not be required to verify the identity of an applicant due to the availability of an appropriate exemption.

In any event, the administrative agent is required to verify the identity of an applicant unless:

- the Application Form is remitted to the Fund by one of its distributors situated in one of the countries having ratified the conclusions of the Financial Action Task Force ("FATF") Report on Money-Laundering, or,

- the Application Form is sent directly to the Fund and the remittance is paid by:

- bank transfer issued by a financial institution situated in a FATF country, or,

- cheque drawn on the personal bank account of the subscriber with a bank situated in a FATF country or a bank draft issued by a bank situated in a FATF country.

Confirmation of completed applications, if applicable, will be mailed at the risk of the shareholder, to the address indicated in the application.

16. REDEMPTION OF SHARES

A shareholder may, at any time, apply to have some or all of his or her shares redeemed by the Fund.

Redemptions will be effected at the net asset value per share of the relevant Sub-Fund/Class, less any applicable redemption charge and/or dilution fee. A redemption charge of up to a certain maximum percentage of the net asset value of the shares redeemed may be applied, or may be waived in whole or in part at the discretion of the Fund/Management Company (if any) or of the relevant Distributor (including, for the avoidance of doubt, the Global Distributor). This maximum percentage will be indicated in respect of each Sub-Fund/Class in the relevant appendix. The redemption charge (if any) will be paid to the to the relevant Distributor (including, for the avoidance of doubt, the Global Distributor) that acted in relation to the distribution of shares or in certain cases to the relevant Sub-Fund. The shareholders are entitled to request redemption of their shares at any time from the Fund or from the Distributors (including, for the avoidance of doubt, the Global Distributor). The circumstances in which a dilution fee will be charged are described in section 18 "Dilution Fee". Any redemption charge and/or dilution fee that is applied is not included in the calculation of the net asset value per share of the relevant Sub-Fund/Class and the redemption proceeds will be reduced by the amount of the redemption charge and/or dilution fee.

In addition, requests for redemption may be sent to the Central Administration Agent at its registered office in Luxembourg.

Redemption applications received the relevant number of days – as defined in the appendix (notice period) – before the Valuation Date by the Central Administration Agent before 3.00 pm (Luxembourg time) on a Luxembourg bank business day will be executed, if accepted, on the basis of the net asset value determined on such Valuation Date. Applications received after this deadline will be dealt with on the following relevant Valuation Date.

Redemption of shares of a given Sub-Fund will be suspended whenever the determination of the net asset value per share of such Sub-Fund is suspended by the Fund.

A shareholder may not withdraw a request for redemption except in the event of a suspension of the determination of the net asset value of the Sub-Fund and, in such event, a withdrawal will be effective only if written notification is received by the Central Administration Agent before the termination of the period of suspension.

Redemption payments will be made:

- within two Luxembourg bank business days following the applicable Valuation Date; and
- in the reference currency of the relevant Sub-Fund/Class, unless the shareholder has requested that the moneys be paid in some other currency. If the redemption moneys are paid in a currency other than the relevant reference currency, the conversion costs will be charged to the shareholder.

Subject to any applicable laws and to the preparation of an audited report drawn up by the auditor of the Fund, the Board of Directors may, at its discretion, pay the redemption price to the relevant shareholder by means of a contribution in kind of securities and other assets of the relevant Sub-Fund up to the value of the redemption amount. The Board of Directors will only exercise this discretion if: (i) requested by the relevant shareholder to do so; and (ii) the transfer would not adversely affect the value of the shares of the Sub-Fund/Class held by any other person.

The redemption price of shares in a Sub-Fund/Class may be higher or lower than the purchase price paid by the shareholder at the time of application, depending on whether the net asset value per share of the Sub-Fund/Class has appreciated or depreciated.

If on any Valuation Date redemption requests and conversion requests relate to more than 10% in case of Share Classes in issue in respect of a Sub-Fund, the Directors may declare that part or all of such requests for redemption or conversion will be deferred on a pro rata basis for a period that the Directors consider to be in the best interests of the fund. Such period would not normally exceed 20 Valuation Dates. On such Dates, these redemption and conversion requests will be met in priority to later requests.

17. TRANSFER AND CONVERSION OF SHARES

17.1 Transfer of Shares

The transfer of shares may normally be effected by delivery to the Central Administration Agent of an instrument of transfer in appropriate form. On receipt of the transfer request, the Central Administration Agent may, after reviewing the endorsement(s), require that the signature(s) be guaranteed by an approved bank, stock broker or public notary. Shareholders are advised to contact the Central Administration Agent prior to requesting a transfer to ensure that they have all the correct documentation for the transaction.

17.2 Conversion of Shares

ANY SHAREHOLDER WISHING TO EXERCISE THE RIGHT TO CONVERT MUST CONSULT THEIR OWN PROFESSIONAL ADVISORS REGARDING THE TAX AND OTHER IMPLICATIONS OF SUCH CONVERSION.

Shareholders are entitled to convert all or part of their Shares of a particular Class into Shares of other Class(es) (as far as available) within the same Sub-Fund or Shares of the same or different Classes (as far as available) of another Sub-Fund.

A conversion fee of 1% of the converted shares' net asset value may be applied at the discretion of the Board and will be paid to the Sub-Fund/Class out of which the conversion has been made For each Sub-Fund/Class, the same percentage of conversion fee will be applied to all conversion requests dealt with on the same Valuation Date.

The conversion fee may be applied or may be waived, in whole or in part, at the discretion of the Fund.

Shares of a Sub-Fund/Class may be converted into shares of another Sub-Fund/Class provided that the applicant complies with the eligibility criteria of the said target class. Please note that a conversion of shares in one Sub-Fund/Class to shares of another Sub-Fund/Class is effectively a redemption from the initial Sub-Fund/Class and a subscription for shares in the new Sub-Fund/Class. A conversion may be subject to a dilution fee in addition to a conversion fee, although no sales charge or redemption charge will be payable on a conversion. The circumstances in which a dilution fee will be charged are described in section 18 "Dilution Fee".

Requests for conversions indicating the number of the shares to be converted from one Sub-Fund/Class to another Sub-Fund/Class may be sent to the Central Administration Agent at its registered office in Luxembourg. All request for conversions that reach the Central Administration Agent by 3.00 pm (Luxembourg time) on the Luxembourg bank business day prior to the Valuation Date, will be dealt with at the relevant net asset values per share determined as at the Valuation Date. Requests received after this deadline will be dealt with on the following Valuation Date.

Shareholders are also entitled to request conversion of their shares at any time from the Distributors (including, for the avoidance of doubt, a Global Distributor).

Once made, a conversion request is irrevocable except in the case of suspension of the calculation of the net asset value as described in section 12.

The number of shares allotted to the new Sub-Fund/Class will be established according to the following formula:

$$A = \frac{B \text{ x } C \text{ x } D \text{ x } (1 - E) \text{ x } (1 - G) \text{ x } (1 - H)}{F}$$

A stands for the number of shares to be allocated in the new Sub-Fund/Class

B stands for the number of shares to be converted in the initial Sub-Fund/Class

C stands for the net asset value per share on the applicable Valuation Date of the shares to be converted in the initial Sub-Fund/Class

D stands for the exchange rate applicable on the effective transaction day for the currencies of the two Sub-Funds/Classes

E stands for the applicable conversion fee

F stands for the net asset value on the applicable Valuation Date of the shares to be allocated in the new Sub-Fund/Class

G stands for dilution fee in the initial Sub-Fund/Class

H stands for dilution fee in the new Sub-Fund/Class

Conversions for shares will in principle be made without fraction. However, upon decision of the Board of Directors, conversions for shares can be made for fractions of shares, up to three decimal places.

Xp is the remaining balance after conversion, and will be reimbursed if it is more than EUR 5 - or its equivalent in other currencies. If less, this amount will be for the benefit of the initial Sub-Fund/Class. The shareholders are deemed to have requested the refund of the unallocated balance.

After the conversion, the Fund will inform the shareholder as to the number of new shares obtained as a result of the conversion as well as the price.

18. DILUTION FEE

The basis on which the Sub-Fund's assets are valued for the purpose of calculating the price of shares is described in section 11 "Net Asset Value". The actual cost of buying or selling a Sub-Fund's assets may be higher or lower than the mid-market value used in calculating the net asset value per share - for example, due to dealing charges, or through dealing at prices other than the mid-market price. A Sub-Fund may suffer dilution (reduction) in the value of its net assets as a result of the costs incurred in dealing in the underlying investments and of any spread between the buying and selling prices of those investments. It is not however, possible to predict accurately whether dilution will occur at any point in time. Under certain circumstances dilution may have a material adverse effect on the existing/continuing shareholders' interest in the Sub-Fund/Class.

The Board of Directors has decided that its policy on dilution is that it will require the payment of a dilution fee (the "Dilution Fee"). In cases where the Dilution Fee is charged, the net asset value of a Sub-Fund/Class will not be adversely affected by dilution. If charged, the Dilution Fee will be shown in addition to (but not part of) the price of shares when they are issued or as a deduction when they are redeemed. The Dilution Fee will either be paid into the relevant Sub-Fund/Class, in the case of an issue of shares, or retained in the Sub-Fund/Class in the case of redemption of shares.

The need to charge the Dilution Fee will depend on the volume of net subscriptions or redemptions. The Board of Directors may charge a Dilution Fee of up to 1% of the net asset value of the corresponding shares on any subscription or redemption of shares if, in its opinion, the existing shareholders (for subscriptions) or continuing shareholders (for redemptions) might otherwise be adversely affected. The Dilution Fee must be imposed only in a manner, that so far as practicable is fair to all shareholders or potential shareholders.

The percentage of the Dilution Fee (if any) will be the same for all investors buying/selling shares in a Sub-Fund/Class on the same Valuation Date.

The dilution fee may be applied or may be waived, in whole or in part, at the discretion of the Fund.

As a conversion of shares in one Sub-Fund/Class to shares of another Sub-Fund/Class is effectively a redemption from the initial Sub-Fund/Class and a subscription for shares in the new Sub-Fund/Class, conversions will be included within the net subscriptions and net redemptions calculations referred to above. It is therefore possible that a Dilution Fee could be applied on both the redemption from the initial Sub-Fund/Class and the investment into the new Sub-Fund/Class. The percentage of the dilution fee shall be equal for all investors converting shares of a Sub-Fund/Class on the same Valuation Date.

As dilution is directly related to the inflows and outflows of monies from a Sub-Fund/Class, it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently, it is also not possible to accurately predict how frequently the Board of Directors will need to apply such a Dilution Fee.

19. DISTRIBUTION POLICY

The Board of Directors may, in respect of any financial year, propose to the shareholders of any Sub-Fund/Class at the annual meeting the payment of a dividend in compliance with the Luxembourg law. For further information please refer to the relevant Appendix.

Dividends can be distributed irrespective of realized or unrealized profits or losses. Dividends may include distribution of capital, provided that the net asset value of the Sub-Fund/Class exceeds EUR 1,250,000.- or any other minimum amount foreseen by any applicable law after such distribution.

Interim dividends for each Sub-Fund/Class are not possible.

Shareholders will be paid by means of a cheque sent to their address as indicated in the register of shareholders or by bank transfer in accordance with their instructions.

Any dividends not claimed within five years of the date on which they are made available for payment will lapse and revert to the relevant Sub-Fund/Class.

20. TAXATION

20.1 Taxation of the Fund in Luxembourg

Under current law and practice, the Fund is not liable to any Luxembourg income tax, nor are dividends paid by the Fund liable to any Luxembourg withholding tax.

The Fund is, however, liable to annual subscription tax in Luxembourg calculated at the rate of 0.05% of the net asset value of all Sub-Funds. This tax is payable quarterly on the basis of the net assets of the relevant Sub-Funds, calculated at the end of the quarter to which the tax relates. The rate of this tax will be reduced to 0.01% of the net assets for the Sub-Funds exclusively available to institutional investors.

The value of assets represented by units and shares held in other undertakings for collective investments is however exempt from the subscription tax provided such units or shares have already been subject to this tax. No other stamp duty or other tax is payable in Luxembourg on the issue of shares by the Fund.

As regards capital contribution, the Fund is subject to a flat registration duty of EUR 75 to be paid upon incorporation and to be paid upon future modification (if any) of its articles of incorporation.

Under current law and practice in Luxembourg, the Fund is not liable for capital gains tax on the realised capital appreciation of the assets of the Fund.

20.2 Taxation of the Shareholders in Luxembourg

Under current legislation and administrative practice and subject to any amendment hereof, shareholders are generally not subject to any taxation in Luxembourg in relation to the holding, sale, redemption or assignment of the shares of such SICAV (except for those domiciled, resident or having a permanent establishment in Luxembourg), subject to the application of the Council Directive 2003/48/EC (the "EU Savings Directive") regarding the taxation of savings income (see below).

The information set forth above is based on present law and administrative practice and may be subject to modification.

Prospective shareholders should inform themselves of, and where appropriate take independent advice on, the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription, purchase, holding and redemption of shares in the country of their citizenship, residence or domicile.

Foreign Account Tax Compliance Act ('FATCA')

The Hiring Incentives to Restore Employment Act (the "Hire Act") was signed into US law in March 2010. It includes provisions generally known as Foreign Account Tax Compliance Act (''FATCA''). The objective of FATCA provisions is to impose to non-US Financial Institutions to identify and appropriately report on US taxpayers holding assets outside the US as a safeguard against US tax evasion. On 28 March 2014 Luxembourg signed an agreement ('IGA') with the US to implement the Foreign Account Tax Compliance Act ('FATCA') for all Luxembourg based Financial Institutions. The IGA as transposed into Luxembourg law requires Luxembourg Financial Institutions, to report to the relevant Luxembourg authorities the details of US taxpayers holding assets with those Financial Institutions so Luxembourg can exchange this information with the US on an automatic basis. The IGA is effective from 1 July 2014 and includes the Fund as a Luxembourg Financial Institution, and requires the Fund to obtain mandatory evidence as to whether they are or are not any new Shareholder from that date is a US person within the meaning of IGA. The Fund is also required to identify any existing Shareholder as a US Person within the meaning of the IGA based on the records the Fund holds. Further under Luxembourg law implementing the IGA the Fund is required to disclose such information as maybe required under the IGA to the Luxembourg authorities on any Shareholder who is considered to have become a US person within the meaning of the IGA. Investors should consult their own tax advisers regarding any potential obligations that the IGA, or the wider US FATCA regulations, may impose on them. Under the terms of the IGA the Fund as a Luxembourg Financial Institution is not subject to any additional US taxes, unless it is considered to be in material non-compliance with Luxembourg law. In addition as the Fund does not pay US source income to Shareholders the Fund is not required to withhold any US taxes from distribution or redemption payments unless Luxembourg agrees before 31 December 2016 with the US that such withholding should be applied.

OECD Common Reporting Standard (CRS)

In addition to the agreement signed by Luxembourg with the US to implement the Foreign Account Tax Compliance Act (''FATCA''), Luxembourg has signed the Multilateral Competent Authority Agreement to implement the CRS Directive to achieve a comprehensive and multilateral automatic exchange of information (AEOI) on a global basis. Details of the jurisdictions that are signatories can be found at http://tiny.cc/OECD-MCAA-SIGNATORIES. This agreement, transposed into EU law via the Euro-CRS Directive on Administrative Co-Operation and separately into Luxembourg law ("CRS Law"), requires Luxembourg Financial Institutions, to report annually to the Administration des contributions directes ("ACD") details of relevant taxpayers holding assets with those Financial Institutions so Luxembourg can exchange this information with the relevant jurisdiction on an automatic basis. The Luxembourg law implementing the agreement is effective as of 1st January 2016 and includes the Fund as a Luxembourg Financial Institution, it requires the Fund to obtain mandatory declarations as to the tax residency(s) of any new shareholder after that date, and in the case of non-individuals additionally what their CRS classification is. The Fund is also required to identify relevant tax residency(s) of any existing shareholder on 31 December 2015 and in the case of non-individuals additionally what their CRS classification is, based on the records the Fund holds. Where a relevant tax residency is disclosed or identified the Fund is required to disclose such information as maybe required annually under the CRS to the ACD on the relevant Shareholder. Further under Luxembourg law implementing the agreements the Fund is required to disclose such information as maybe required annually under the CRS to the ACD on any Shareholder who is considered to have become tax resident of a different jurisdiction following a change in circumstance within the meaning of the CRS until such time as the Shareholder provides evidence of their actual tax residency(s). Under the CRS Law, the first exchange of information will be applied by 30th September 2017 for information related to the calendar year 2016. Under the Euro-CRS Directive, the first AEOI must be applied by 30th September 2017 to the local tax authorities of the Member States for the data relating to the calendar year 2016. For Austria, the Euro-CRS Directive applies the first time by 30th September 2018 for the calendar year 2017, i.e. the Savings Directive will apply one year longer. Investors should consult their own tax advisers regarding any potential obligations that the CRS may impose on them.

20.3 Generally

Investment income for dividends, gains and interest received by the Fund or any of its Sub-Funds may be subject to withholding tax at source at varying rates; such withholding taxes usually not being recoverable.

20.4 EU Savings Directive

- General rules

  Except in case of application of the EU Savings Directive, Luxembourg generally does not levy any withholding tax on (i) interest paid by a Luxembourg SICAV (or any of its sub-funds) or (ii) dividend distributions made by a Luxembourg SICAV (or any of its sub-funds) or (iii) payments made upon redemption/refund/sales of its units by a Luxembourg SICAV (or any of its sub-funds).

  The EU Savings Directive (adopted on 3 June 2003 by the EU Council of Economic and Finance Ministers) is in principle applied by EU Member States as from 1 July 2005 and has been implemented in Luxembourg by the laws of 21 June 2005. Under this directive, each EU Member State is required to provide to the tax authorities of another EU Member State details of payments of interest or other similar income paid by a paying agent within the meaning of the EU Savings Directive to an individual resident or certain types of entities called "residual entities", within the meaning of the EU Savings Directive, established in that other EU Member State. For a transitional period, however, Austria and Luxembourg are permitted to apply an optional information reporting system whereby if a beneficial owner, within the meaning of the EU

Savings Directive, does not comply with one of two procedures for information reporting, the relevant EU Member State will levy a withholding tax on payments to such beneficial owner. The withholding tax system will apply for a transitional period during which the rate of the withholding is of 35%. The transitional period is to terminate at the end of first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

Also with effect from 1 July 2005, a number of non-EU countries (Switzerland, Andorra, Liechtenstein, Monaco and San Marino) and certain dependent or associated territories (Jersey, Guernsey, Isle of Man, Montserrat, British Virgin Islands, Bonaire, Curacao, Sint Maarten, St. Eustatius, Saba and Aruba - the "Territories") have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a paying agent (within the meaning of the EU Savings Directive) established within such countries or Territories to, or collected by such a paying agent for, an individual resident or a "residual entity" established in a EU Member State. In addition, Luxembourg has entered into reciprocal provision of information or transitional withholding arrangements with those Territories in relation to payments made by a paying agent established in Luxembourg to, or collected by such a paying agent for, an individual resident or a "residual entity" established in one of those Territories.

- Application to a Luxembourg SICAV (or any of its sub-funds)

As a result, payments of dividends by a Luxembourg SICAV (or any of its sub-funds) or payments upon redemption/refund/sale of the shares of such sub-fund can potentially be characterised as interest payments and fall within the scope of the EU Savings Directive if the beneficial owner is an individual resident or a so-called "residual entity" established in a EU member state other than Luxembourg or one of the Territories. Payments arising from the shares of such sub-fund falling within the scope of the EU Savings Directive would be subject to withholding tax at the current rate of 35% unless the investor opts for one of the disclosure of information systems provided by the EU Savings Directive.

The impact of the EU Savings Directive on income from distributions and redemptions/refund/sale arising from shares in a Luxembourg SICAV (or any of its sub-funds) will depend on two basic principles: (i) the asset test and (ii) the look-through principle.

Asset test:

> If such SICAV (or sub-fund) invests, directly or indirectly, 15% or less of its net assets in debt claims: distributions and payments on redemption/refund/sale arising from its shares are out of the scope of the EU Savings Directive (de minimis rule),

If such SICAV (or sub-fund) invests, directly or indirectly, more than 15%, but not more than 25% of its net assets in debt claims: distributions fall under the scope of the EU Savings Directive (but not the redemption/refund/sale of shares or shares),

If such SICAV (or sub-fund) invests, directly or indirectly, more than 25% of its net assets in debts claims: distributions and payments on redemption/refund/sale fall within the scope of the EU Savings Directive.

When a Luxembourg SICAV (or sub-fund) invests in another fund, the above asset test is done at the level of the latter to determine if the investment of such SICAV (or sub-fund) in such target fund falls within the scope of the EU Savings Directive.

Look-through principle:

(i) The principle is that, when a given Luxembourg SICAV - or sub-fund - (or a target fund) falls within the scope of the EU Savings Directive according to the asset test (see above), the withholding tax should be levied on the portion of the distribution or payment from the redemption/sale/refund deriving from the accumulated interest received by such SICAV (or sub-fund).

(ii) The ALFI (Association of the Luxembourg Fund Industry or Association Luxembourgeoise des Fonds d'Investissement) advises that each SICAV (or each sub-fund in case of SICAV with multiple sub-funds) determines the level of taxable income for each share (concept of "taxable income per share-unit") on the basis of the portion of interest received by the SICAV (or the sub-fund) in order to compute the basis for the withholding tax to be levied on each distribution or profit on redemption/sale/refund.

(iii) When a paying agent has no information concerning the proportion of the income which derives from interest payments, the total amount of the income shall be considered as interest payment.

- Additional Comments

The Council of the European Union has adopted the repeal of the EU Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations, such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before these dates) to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under the CRS Directive. As a consequence of this the Savings Directive will no longer apply.

21. COSTS AND EXPENSES

The formation and preliminary expenses of a new Sub-Fund will be at the exclusive charge of such new Sub-Fund. All such formation and preliminary expenses will be amortised in the new Sub-Fund over a 5 year period.

The Fund will bear all of its operating expenses specified in section 13.4 under the heading "Liabilities of the Fund".

22. INDEMNIFICATION

Neither the Directors or Day-to-Day Managers, nor the Investment Manager or any investment advisors, nor any of their Affiliates, shareholders, officers, directors, agents and representatives (collectively, the "Indemnified Parties") shall have any liability, responsibility or accountability in damages or otherwise to the Fund or any Shareholder, and the Fund agrees to indemnify, pay, protect and hold harmless each Indemnified Party from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgements, suits, proceedings, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, all reasonable costs and expenses of attorneys, defence, appeal and settlement of any and all suits, actions or proceedings instituted or threatened against the Indemnified Parties or the Fund) and all costs of investigation in connection therewith which may be imposed on, incurred by, or asserted against the Indemnified Parties, the Fund or in any way relating to or arising out of, or alleged to relate to or arise out of, any action or inaction on the part of the Fund, on the part of the Indemnified Parties when acting on behalf of the Fund or on the part of any agents when acting on behalf of the Fund; provided that the Fund shall not be liable to the Indemnified Parties for, any portion of such liabilities, obligations, losses, damages, penalties, actions, judgements, suits, proceedings, costs, expenses or disbursements of any kind or nature whatsoever (including, without limitation, all reasonable costs and expenses of attorneys, defence, appeal and settlement of any and all suits, actions or proceedings instituted or threatened against the Fund and all costs of investigation in connection, therewith asserted against the Fund) which result from such Indemnified Party's fraud, gross negligence, wilful misconduct or material breach of the Prospectus and the articles of incorporation.

In any action, suit or proceeding against the Fund, or any Indemnified Party relating to or arising, or alleged to relate to or arise, out of any such action or non-action, the Indemnified Parties shall have the right to jointly employ, at the expense of the Fund, counsel of the Indemnified Parties' choice, which counsel shall be reasonably satisfactory to the Fund, in such action, suit or proceeding. If joint counsel is so retained, an Indemnified Party may nonetheless employ separate counsel, but at such Indemnified Party's own expense.

If an Indemnified Party is determined to have committed a fraud, gross negligence or wilful misconduct, it will then have to reimburse all the expenses paid by the Fund on its behalf under the preceding paragraph.

23. SHAREHOLDERS' MEETINGS

The annual general meeting of shareholders will be held:

- at the registered office of the Fund, or at any other place in Luxembourg to be specified in the notice convening the meeting.
- on the third Tuesday of April or, if this is not a Luxembourg bank business day in Luxembourg, on the next Luxembourg bank business day.

To the extent required by Luxembourg law, notices of all general meetings will be published in the Mémorial, in a Luxembourgian newspaper and in such other newspaper if necessary and will be sent to the registered shareholders by registered mail at least 8 calendar days prior to the meeting at their addresses shown on the register of shareholders. These notices will state the time and the place of the general meeting and the conditions for admission, the agenda and the requirements under Luxembourg law relating to quorums and mandatory majorities.

The vote on the payment of a dividend (if any) of a particular Sub-Fund requires a separate majority vote from the meeting of shareholders of the Sub-Fund concerned. Any change in the articles of incorporation affecting the rights of a Sub-Fund must be approved by a resolution of both the general meeting of the Fund and the shareholders of the Sub-Fund concerned.

24. ALLOCATIONS OF ASSETS AND LIABILITIES AMONG THE SUB-FUNDS

The Fund is one single entity. However, in accordance with article 181 of the UCI Law, the rights of investors and creditors regarding a Sub-Fund or raised by the constitution, operation or liquidation of a Sub-Fund are limited to the assets of this Sub-Fund, and the assets of a Sub-Fund will be answerable exclusively for the rights of the shareholders relating to this Sub-Fund and for those of the creditors whose claim arose in relation to the constitution, operation or liquidation of this Sub-Fund. In the relations between the Fund's shareholders, each Sub-Fund is treated as a separate entity. The assets, commitments, charges and expenses that cannot be allocated to one specific Sub-Fund will be charged to the different Sub-Funds pro rata to their respective net assets, if appropriate due to the amounts considered.

The assets and liabilities should be allocated as follows between the Sub-Funds:

- the proceeds from the issue of each share of each Sub-Fund are to be applied to that Sub-Fund and the assets and liabilities and income and expenditure attributable to those shares are applied to that Sub-Fund subject to the provisions set out in this section;

- where any asset is derived from another asset, the derivative asset is applied to the Sub-Fund the assets of which it was derived and on each revaluation of an asset, the increase or diminution in value is applied to the relevant Sub-Fund;

- where the Fund incurs a liability which relates to any asset of a particular Sub-Fund or to any action taken in connection with an asset of a particular Sub-Fund, the liability is allocated to the relevant Sub-Fund;

- if any asset or liability of the Fund is not attributable to a particular Sub-Fund, that asset or liability is allocated to all the Sub-Funds, at the discretion of the Board of Directors in equal parts or pro rata to the net asset values of the relevant Sub-Funds;

- upon the payment of dividends to the holders of shares in any Sub-Fund, the net asset value of the Sub-Fund will be reduced by the amount of the dividends.

The Investment Management Agreement between the Investment Manager and the Fund may oblige the Fund to indemnify the Investment Manager and certain associated persons against any liabilities which may be incurred by the Investment Manager or the associated persons, except where such liabilities are due directly to the Investment Manager's or to the associated persons' gross negligence, wilful default or fraud. This includes the costs of legal proceedings of the Investment Manager, including proceedings between the Investment Manager and the Fund. Where the Fund is required to indemnify the Investment Manager or an associated person for any liability which is attributable to a particular Sub-Fund, the liability of the Fund is limited to the net asset value of the relevant Sub-Fund. The Directors intend to ask all major creditors that intend to contract with the Fund to do so on the basis that they limit their rights of remedy to the net asset value of the relevant Sub-Fund with which they are dealing.

25. TERMINATION

25.1 Liquidation of the Fund

The Fund is incorporated for an unlimited period and liquidation will normally be decided upon by an extraordinary general meeting of shareholders. Such a meeting must be convened, without any quorum requirement:

- if the net assets of the Fund fall below two thirds of the minimum capital required by law, in which case the matter will be decided by a simple majority of shares present or represented at the meeting; and

- if the net assets of the Fund fall below one quarter of the minimum capital required by law, in which case the matter will be decided by shareholders holding one quarter of the shares present or represented at the meeting.

Should the Fund be liquidated, the liquidation will be carried out in accordance with the provisions of the UCI Law which specifies the steps to be taken to enable shareholders to participate in the liquidation distributions and in this connection provides for deposit in escrow at the Caisse de Consignation in Luxembourg of any amounts which it has not been possible to distribute to the shareholders at the close of liquidation. Amounts not claimed within the prescribed period are liable to be forfeited in accordance with the provisions of Luxembourg law. The net liquidation proceeds of each Sub-Fund shall be distributed to the shareholders of the Sub-Fund in proportion to their respective holdings.

The decisions of the general meeting or of a court that pronounces the winding up and liquidation of the Fund shall be published in the Mémorial and two newspapers with an appropriate distribution, including at least one Luxembourg newspaper. These publications shall be made at the request of the liquidator.

25.2 Liquidation of Sub-Funds

The Board of Directors may decide to liquidate any Sub-Fund if the net assets of such Sub-Fund fall below the equivalent amount expressed in the Sub-Fund's reference currency of EUR 350.000,- or if a change in the economic or political situation relating to the Sub-Fund concerned would justify the liquidation.

If such circumstances do not apply, the decision to liquidate a Sub-Fund may only be decided upon at a general meeting of the shareholders of the Sub-Fund concerned, held without any quorum requirements. Any decision to liquidate a Sub-Fund which is made at a general meeting of the shareholders of the Sub-Fund concerned must be approved by shareholders who own the simple majority of the votes present or represented.

Shareholders may be notified by mail of the decision to liquidate. The decision to liquidate will furthermore be published in Luxembourg in the Luxemburger Wort and in any other newspapers the Directors consider appropriate, prior to the effective date of the liquidation. The mail or/and publication will indicate the reasons for, and the procedures of, the liquidation operations. Unless the Board of Directors otherwise decides in the interests of, or to keep equal treatment between, the shareholders, the shareholders of the Sub-Fund concerned may continue to request redemption or conversion of their shares free of charge, but the redemption or conversion prices will take into account liquidation expenses. Assets which are not distributed upon the close of the liquidation of the Sub-Fund will be deposited with the Depositary for a period of 9 months after the close of liquidation. After this time, the assets will be deposited with the Caisse de Consignation on behalf of those entitled.

25.3 Mergers

Under the same circumstances as provided above in relation to the liquidation of Sub-Funds, the Board of Directors may decide to close down any Sub-Fund by merger into another Sub-Fund, the new Sub-Fund. In addition, such merger may be decided by the

Board of Directors if required in the interests of the shareholders of any of the Sub-Funds concerned. Shareholders will be informed of such decision in the same manner as for a liquidation and, in addition, the publication will contain information in relation to the new Sub-Fund. Such publication will be made at least one month before the date on which the merger becomes effective in order to enable shareholders to request redemption of their shares, free of charge, before the operation involving contribution into the new Sub-Fund becomes effective.

25.4 Amalgamation and scission of shares

The Board of Directors may decide on the amalgamation and/or scission of shares of any Sub-Fund. Shareholders will be notified by mail of the decision on, and modalities of, the amalgamation and/or scission of shares. The decision on, and modalities of, the amalgamation and/or scission of shares can furthermore be published in Luxembourg in the Luxemburger Wort and in any other newspapers the Board of Directors consider appropriate, prior to the effective date of the amalgamation and/or scission of shares.

26. CONFLICTS OF INTEREST

The Management Company (if any), the Depositary and the Investment Manager (if any) may from time to time act as management company, investment (sub-)manager or investment advisor, investment banker, broker, sales agent, administrator, registrar, custodian or trustee in relation to, or be otherwise involved in, other funds or collective investment schemes which have similar investment objectives to those of the Fund or any Sub-Fund, or for other clients that trade or otherwise have interests in transactions effected by, and/or investments held by, the Fund or any Sub-Fund. It is therefore possible that any of them may, in the due course of their business, have potential conflicts of interest with the Fund or any Sub-Fund. In such event, each will at all times have regard to its obligations under any agreements to which it is party or by which it is bound in relation to the Fund or any Sub-Fund. In particular, but without limitation to its obligations to act in the best interests of the shareholders when undertaking any dealings or investments where conflicts of interest may arise, each will respectively endeavour to ensure that such conflicts are resolved fairly.

There is no prohibition on the Fund entering into any transactions with the Management Company (if any), the Depositary or the Investment Manager (if any), or with any of their affiliates, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length. It is anticipated that a substantial number of transactions entered into by the Fund will be done so with or by the Management Company (if any) or its affiliates.

27. SHAREHOLDERS' INFORMATION

27.1 Publication of the net asset value per share

The net asset value per share and the issue and redemption prices of each Sub-Fund are available at the registered office of the Fund. In addition, this information will be published on the Website of the Fund.

27.2 Financial notices

Financial notices will be published on the Website of the Fund as well as on the Website of the Global Distributor. Additionally the notices may be published, if required by law in those countries where the Fund is marketed in any newspaper that the Board of Directors consider appropriate. In Luxembourg, this will be the Luxemburger Wort.

27.3 Financial year and reports for shareholders

Audited annual reports will be published within 4 months following the end of the accounting year and unaudited semi-annual reports will be published within 2 months following the period to which they refer. The annual and semi-annual reports will be made available at the registered offices of the Fund and the Central Administration Agent during ordinary office hours.

The Fund's accounting year begins on 1 January and runs until 31 December of each year, unless stated to the contrary in the relevant Appendix. The first accounting year commences with the incorporation of the Salus Alpha SICAV and ends on 31st December of that year.

The reference currency of the Fund is the Euro. The annual and semi-annual reports will comprise consolidated accounts of the Fund expressed in Euro, as well as individual information on each Sub-Fund expressed in the reference currency of each Sub-Fund.

27.4 Auditor

Deloitte Audit, Luxembourg has been appointed as auditor of the Fund's accounts and annual reports.

27.5 Documents available to the public

The articles of incorporation and financial reports of the Fund as well as the Management Company Agreement (if any), the Depositary Bank and Service Agreement, the Investment Management Agreement, any relevant Investment Advisor Agreements and Sub-Manager Agreements and the Distribution and Nominee Agreements are available for inspection at the registered office of the Fund.

SCHEDULE 1

INVESTMENT POWERS AND RESTRICTIONS

1. INVESTMENT INSTRUMENTS

Each Sub-Fund may only invest in:

(a) transferable securities and money market instruments admitted to or dealt in on a regulated market, within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments;

(b) transferable securities and money market instruments dealt in on another regulated market in a Member State[1] of the European Union which is regulated, operates regularly and is recognised and open to the public;

(c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State of the European Union or dealt in on another regulated market in a non-Member State of the European Union which is regulated, operates regularly and is recognised and open to the public located within any other country of Europe, Asia, Oceania, the American continents or Africa;

(d) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another regulated market referred to under paragraphs (a) to (c) above and that such admission is secured within one year of issue;

(e) units of UCITS authorised according to the UCITS Directive and/or other UCIs within the meaning of Article 1, paragraph (2), points (a) and (b) of the UCITS Directive, whether established in a Member State of the European Union or not, provided that:

(i) such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;

(ii) the level of guaranteed protection for unit-holders in the other UCIs is equivalent to that provided for unit-holders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered

1 Pursuant to the UCI Law, the term "Member State" as used in this prospectus shall refer to a Member State of the European Union, it being understood that the States that are contracting parties to the Agreement creating the European Economic Area other than the Member States of the European Union, within the limits set forth by this Agreement and related acts, are considered as equivalent to Member States of the European Union.

sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS Directive;

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

(iv) no more than 10% of the UCITS' or the other UCIs' assets, whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS or other UCIs; and

(f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 (twelve) months, provided that the credit institution has its registered office in a Member State of the European Union or, if the registered office of the credit institution is situated in a non-EU Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;

(g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in paragraphs (a), (b) and (c) above; or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

(i) the underlying consists of instruments covered by this section 1, financial indices, interest rates, foreign exchange rates or currencies, in which the Fund may invest according to its investment objectives as stated in the Fund's articles of incorporation,

(ii) the counter-parties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF, and

(iii) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair market value at the Fund's initiative;

(h) money market instruments other than those dealt in on a regulated market and referred to in paragraphs (a) to (d) above, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

(i) issued or guaranteed by a central, regional or local authority, a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or

(ii) issued by an undertaking any securities of which are dealt in on regulated markets referred to in paragraphs (a), (b) or (c), or

(iii) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law, or

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

2. EXCEPTIONS

Each Sub-Fund:

(a) may invest up to 10% of the net assets of a Sub-Fund in transferable securities and money market instruments other than those referred to in section 1 above;

(b) may acquire movable and immovable property which is essential for the direct pursuit of the Sub-Fund's business;

(c) may not acquire either precious metals or certificates representing them; and

(d) may hold ancillary liquid assets.

3. RISK DIVERSIFICATION

3.1 In accordance with the principle of risk diversification, each Sub-Fund will invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same issuing body. Each Sub-Fund may not invest more than 20% of its assets in deposits made with the same body.

3.2 The risk exposure to a counterparty of each Sub-Fund in an OTC derivative or efficient portfolio management transaction may not exceed 10% of its assets when the counterparty is a credit institution referred to in section 1(f), or 5% of its assets in any other case.

3.3. Moreover, the total value of the transferable securities and money market instruments held by the Sub-Fund in the issuing bodies in each of which it invests more than 5% of its assets must not exceed 40% of the value of its assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

3.4. Notwithstanding the limits laid down in sections 3.1 and 3.2 above, the Sub-Fund may not combine:

(a) investments in transferable securities or money market instruments issued by,

(b) deposits made with and/or,

(c) exposures arising from OTC derivatives or efficient portfolio management transactions undertaken with a single body in excess of 20% of its assets.

3.5 The following exceptions can be made:

(a) The aforementioned limit of 10% can be raised to a maximum of 25% for certain bonds if they are issued by credit institution which has its registered office in an EU Member State and is subject, by virtue of law, to special public supervision designed to protect the bondholders. In particular, sums deriving from the issue of such bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. If the Sub-Fund invests more than 5% of its net assets in the bonds as referred to above and issued by one issuer, the total value of such investments may not exceed 80% of the value of the Sub-Fund's net assets.

(b) The aforementioned limit of 10% can be raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its local authorities, by another Eligible State or by public international bodies of which one or more Member States are members. For the purpose of this paragraph, "Eligible State" shall mean any Member State, any member state of the Organisation for Economic Co-operation and Development ("OECD"), and any other state which the Board of Directors deem appropriate with regard to the investment objectives of each Sub-Fund. Eligible States in this category include countries in Africa, the Americas, Asia, Australasia and Europe.

(c) The transferable securities referred to in exceptions (a) and (b) are not included in the calculation of the limit of 40% laid down in section 3.3 above.

(d) The limits stated under sections 3.1 to 3.4 and 3.5 (a) and (b) above, may not be combined; thus investments in transferable securities or money market instruments issued by the same body, in deposits or derivative instruments made with this body in accordance with sections 3.1 to 3.4 and 3.5 (a) and (b) above, may not, in any event, exceed a total of 35% of the Sub-Fund's net assets.

(e) Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with the Seventh Directive 83/349/EEC or in accordance with recognised international accounting rules are regarded as a single body for the purpose of calculating the limits contained in sections 3.1 to 3.5

(f) Each Sub-Fund may invest in aggregate up to 20% of its assets in transferable securities and money market instruments within the same group.

(g) Without prejudice to the limits laid down in paragraph 12 below, the limit of 10% laid down in paragraphs 3 to 7 is raised to a maximum of 20% for investment in equity and or debt securities issued by the same body when the aim of the investment policy of the Company is to replicate the composition of a certain equity or debt securities index which is recognised by the CSSF, on the following basis:

(a) the composition of the index is sufficiently diversified,

(b) the index represents an adequate benchmark for the market to which it refers,

(c) it is published in an appropriate manner.

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

3.6 Each Sub-Fund is authorised to invest in accordance with the principle of risk spreading up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by a Member State, its local authorities, an OECD member country, a G-20 member country, or public international bodies of which one or more Member State(s) are members, provided that in such event the Sub-Fund must hold securities from at least six different issues, but securities from any one issue may not account for more than 30% of the total amount.

The Sub-Fund may invest up to 100% of its assets in issues of Members States of the European Union or the European Economic Area (i.e. Germany, France, United Kingdom, Ireland, Italy, Spain, Belgium, the Netherlands, Finland, Austria, Norway, Liechtenstein), the European Financial Stability Facility (EFSF), the European Stability Mechanism (ESM), the International Bank for Reconstruction and Development, the European Investment Bank, Asian Development Bank, United States of America and Switzerland.

3.7 Each Sub-Fund has 6 months from its date of authorization to achieve compliance with sections 3.1 to 3.6 and 4.1 to 4.8.

4. INVESTMENT RESTRICTIONS

4.1 The Fund will comply with the following investment restrictions:

(a) Each Sub-Fund may acquire units of UCITS and/or other UCIs referred to in section 1(e), provided that no more than 20% of its assets can be invested in a single UCITS or other UCI.

For the purposes of applying this investment limit, each Sub-Fund of a UCITS and/or other UCI with multiple sub-funds, within the meaning of Article 181 of the UCI Law, shall be considered as a separate entity, provided that the principle of segregation the obligations of the different Sub-Funds is ensured in relation to third parties.

When a Sub-Fund invests in units of UCITS or other UCIs for more than 10% of its assets, investments made in units of UCIs other than UCITS may not exceed, in aggregate, 30% of the assets of the relevant Sub-Fund.

When the Sub-Fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined in the view of the limits laid down in sections 3.1 to 3.7.

(b) When the Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company to which the management company is linked by common management or control or by a substantial direct or indirect holding, that management company or other company may not charge any subscription or redemption fees on account of the UCITS' investment in the units of other UCITS and/or other UCIs.

4.2. The Sub-Fund will not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

4.3. The Sub-Fund may not acquire more than:

(a) 10% of non-voting shares of the same issuer,

(b) 10% of the debt securities issued by the same issuer,

(c) 25% of the units of the same UCITS and/or other UCIs or

(d) 10% of the money market instruments of the same issuer.

The limits laid down in sections 4.3 (b), (c) and (d) above may be disregarded at the time of acquisition if at that time the gross amount of debt securities or money market instruments, or the net amount of the securities in issue, cannot be calculated.

4.4. The limits under sections 4.2 and 4.3 are waived as to:

(a) transferable securities and money market instruments issued or guaranteed by an EU Member State or its public local authorities;

(b) transferable securities and money market instruments issued or guaranteed by a non EU Member State;

(c) transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members;

(d) shares held in the capital of a company incorporated in a non EU Member State which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State such a holding represents the only way in which the Sub-Fund can invest in the securities of issuing bodies of that State. This derogation shall only apply if the company has an investment policy complying with sections 3.1 to 3.5 as well as sections 4.1 to 4.3 above. If the limits stated in sections 3.1 to 3.5 and 4.1 above are exceeded, the provisions laid down in sections 1.1 and 4.8 shall apply mutatis mutandis;

(e) shares held by the Sub-Funds in the capital of one or more subsidiary companies which carry on only the business of management, advice or marketing in the country/state where the subsidiary is located, in regard to the repurchase of units at shareholders' request exclusively on its or their behalf.

4.5. Any Sub-Fund may not borrow more than 10% of its total net assets, and then only on a temporary basis. Each Sub-Fund may, however, acquire foreign currency by means of a back to back loan. However, each Sub-Fund can borrow up to 10% of its net assets to make possible the acquisition of immovable property essential for the direct pursuit of its business. In this case, these borrowings and those referred to above (temporary borrowings) may not in any case in total exceed 15% of the Sub-Funds' net assets.

4.6. The Fund may not grant credits or act as guarantor for third parties. This limitation does not prevent the Fund to purchase securities that are not fully paid up, nor to lend securities as further described in the relevant appendix. This limitation does not apply to margin payments on option deals and other similar transactions made in conformity with established market practices.

4.7 The Board of Directors of the Fund is authorised to introduce further investment restrictions at any time in the interests of the shareholders provided these are necessary to ensure compliance with the laws and regulations of those countries in which the Fund's shares are offered and sold. In this event this prospectus will be updated.

4.8. If any of the above limitations are exceeded for reasons beyond the control of the Fund and/or each Sub-Fund or as a result of the exercise of subscription rights attaching to transferable securities or money market instruments, the Fund and/or each Sub-Fund must adopt, as a priority objective, sales transactions for the remedying of that situation, taking due account of the interests of its shareholders.

5. RISK WARNING

5.1 The Fund must not neglect the following risks/terms that are linked to the investment in units of other open-ended and closed-ended UCIs:

(a) If the investment is done in another open-ended or closed-ended UCIs which is not subject to any permanent control for the protection of the investors, required by law and carried out by a supervisory authority in its home country, there is less protection against possible losses.

(b) Due to possible legal, contractual or juridical constraints, the possibility exists that the investments in other open-ended and closed-ended UCI may only be sold with difficulty.

(c) In relation to the investment in other open-ended and closed-ended UCI which are not linked to the Fund in the manner described under section 4.1 (b) above, the Fund must bear the usual commissions relating to the units of these UCIs.

INTRODUCTION TO APPENDICES

TO THE PROSPECTUS OF THE SALUS ALPHA SICAV

The investment policies of the different Sub-Funds as detailed in the Appendices will always be applied in conformity with the investment restrictions laid down in the prospectus.

Each Sub-Fund may have recourse to any derivatives, which may include but are not limited to futures and options on indices, individual securities, interest rates and currencies as well as credit and credit default swaps, contracts for difference and such other instruments as the Fund or the Investment Manager (if any) may deem appropriate at his discretion for carrying out investment purposes and for carrying out hedging and/or efficient portfolio management. Such techniques and instruments shall be used only to the extent they do not affect the integrity of the investment policy of the different Sub-Funds.

The above-mentioned recourse to derivatives must comply with articles 41 (1) g), 42, 43 and 44 of the UCI Law.

APPENDIX I

Sub-Fund - Global Invest One

1. GENERAL OVERVIEW

Share Classes

P Shares

P shares will be issued for investors meeting the minimum initial investment limit and are available in the currencies EUR, USD, CHF, GBP and SEK. The minimum initial investment is listed in Table1.

R Shares

R shares will be issued for investors meeting the minimum initial investment limit and are available in the currencies EUR, USD, CHF, GBP and SEK. The minimum initial investment is listed in Table1.

F-Shares

Registered F-Shares in EUR will be issued for the initial investors of the Sub-Fund having identical characteristics as the P share (EUR) class.

Share Class	P Shares	R Shares	R Shares (SEK)
ISIN	LU1280953149 (EUR) LU1280953222 (USD) LU1280953495 (CHF) LU1280953578 (GBP) LU1280953651 (SEK)	LU1280953735 (EUR) LU1280953818 (USD) LU1280954030 (CHF) LU1280954113 (GBP-RDR)	LU1280954204 (SEK)
Financial Year	1.1. - 31.12.	1.1. - 31.12.	1.1. - 31.12.
Issuing Price	100	10	100
Valuation Day & Dealing	Each Bank Business Day	Each Bank Business Day	Each Bank Business Day
Order Day (Notice Period)	One Business Day before valuation	One Business Day before valuation	One Business Day before valuation
Cut-Off	15:00	15:00	15:00
Sales Fee	0,0%	up to 5,0%	0,0%
Redemption Fee	0%	0%	0%

Management Fee	1,00%	1,50%	1,50%
Performance Fee	20%	20%	20%
Conversion Fee	0%	0%	0%
Dilution Fee	none	none	none
Securities Lending Transactions	not applicable	not applicable	not applicable
Minimum Initial Investment	EUR/USD/CHF/GBP 100,000 SEK 1,000,000	EUR/USD/CHF/GBP 1000	SEK 10,000
Maturity	Unlimited	Unlimited	Unlimited
Type of Share Class	Accumulating	Accumulating	Accumulating
Distribution of Dividends	not applicable	not applicable	not applicable

Table 1

2. INVESTMENT INFORMATION

Investment Strategy

The Global Invest One Sub-Fund is an actively managed fund which targets the highest possible long-term yield with a target volatility of 10 - 15% p.a. The Sub-Fund invests in shares and financial indices in the most liquid markets worldwide and follows a purely technical approach where no fundamental data is taken into consideration. A minimum equity allocation of 51% will be held at all times. The Sub-Fund targets to achieve the lowest possible correlation to the equity markets by monitoring the scientifically proven Markowitz portfolio diversification model.

Investment Policy

To achieve its investment objective the Sub-Fund is actively managed and invests long in shares with high market capitalization and high trading volumes around the world as well as long and short in high-volume exchange-listed futures based on the fund manager's assessment of economic conditions, the situation on the capital markets and the outlook of risk assets. To support investment ideas the fund manager licensed a stock ranking list based on Markowitz portfolio optimization. When implementing the Sub-Fund's strategy, the fund is positioned depending on the direction of the expected return of each investment in the portfolio. By way of example, future contracts relate to recognised indices as defined below (bond, equity and commodity indices), bonds and interest rates on the capital markets.

The indices concerned are recognised indices complying with the limits set forth in Art. 44 of the Law of 17 December 2010 on Undertakings for Collective Investment and defined by Art. 9 of Directive 2007/16/EC of the European Commission dated 19 March 2007 on the implementation of Directive 2009/65/EEC of the European Parliament and the European Council on the Coordination of Laws, Regulations and Administrative Provisions relating to Undertakings for Collective Investment in Transferable Securities (UCITS) with regard to the explanation of certain definitions and CESR guideline 07-044b. Examples of recognised indices are the Dax, S&P 500, CAC40, SMI, GSCI, etc.

The Sub-Fund does not have any geographical or sectoral restrictions.

Under certain circumstances e.g. adverse market conditions, it is possible that the Sub-Fund is not invested in derivatives. The Sub-Fund’s excess liquidity not being used for investment in derivatives is invested in fixed income instruments i.e. short and long dated bonds, money-market instruments and bank deposits for a maximum term of 12 months. Bank deposits at sight (ancillary liquid assets) are limited to 20% of the Sub-Fund’s net assets and the 20 % limit may only be temporarily breached where exceptionally unfavourable market conditions so require and where such breach is justified by the interests of investors. The Sub-Fund may invest up to 100% of its assets in transferable securities and money market instruments issued by Members States of the European Union or the European Economic Area (i.e. Germany, France, United Kingdom, Ireland, Italy, Spain, Belgium, the Netherlands, Finland, Austria, Norway, Liechtenstein), the European Financial Stability Facility (EFSF), the European Stability Mechanism (ESM), the International Bank for Reconstruction and Development, the European Investment Bank, Asian Development Bank, United States of America and Switzerland, provided that in such event the Sub-Fund holds securities from at least six different issues and securities from any single issue shall not account for more than 30% of the Sub-Fund’s total assets.

The fixed income exposure of the Sub-Fund can be achieved by investing in the cash markets and/or the futures markets. Bank term deposits and cash may not exceed 49% of the Sub-Fund’s net assets.

The Sub-Fund is not investing in Asset Backed Securities or Mortgage Backed Securities.

Considering the quality of the secondary market activity at all times, the sub-fund is not investing more than 30% into corporate debt securities with non-investment grade rating. Investment Grade is defined by a rating not lower than BBB- from S&P or an equivalent rating by other rating agencies or a rating deemed to be of similar credit quality by the Investment Manager in the event that no rating has been assigned by an agency. It is anticipated that debt securities below investment grade will be primarily held because of rating downgrades. A rating downgrade below investment grade would not necessarily be a trigger to sell. If the Sub-Fund holds these securities it is anticipated that these securities will be actively managed and no further rating restrictions will be applied.

Derivative instruments may be used both as part of the investment strategy and to hedge assets. These derivatives may be acquired provided that the underlying assets are securities, financial indices, interest rates or currencies. If the underlying assets are currencies, derivatives may only be used for share class hedging.

Investments may be made in shares/units of investment funds (UCITS or UCIs) up to 10% of the target fund's assets in each case but the total must not exceed 10% of the Sub-Fund's assets.

The Sub-Fund aims to maintain volatility of 10% - 15% p.a. however no guarantee can be given that the volatility target can be achieved or maintained.

Actual or realized risk can and will differ from the target risk. There can be no assurance that employing a risk parity approach indicates that all potential asset classes are part of the portfolio at all times or will achieve any particular level or return or will, in fact, reduce volatility or potential loss.

Precise details of investment restrictions are contained in Schedule 1 of this prospectus.

Past performance does not guarantee future performance. No assurances can be given that investment targets will be achieved.

Risk profile of the Sub-Fund

The Sub-Fund corresponds to Class 5 (dynamic balanced fund) according to the ESMA synthetic risk and reward indicator.

Under the given investment objective the Sub-Fund is subject to the risk that the entire market for an asset class develops negatively and that this negatively influences the price and value of these assets (market risk), the risk that the issuer or counterparty will be unable to meet its contractual obligations (credit risk), the risk that a transaction is not handled as expected within a transfer system because a counterparty fails to pay or deliver by the deadline or as expected (settlement risk), the risk that a position cannot be liquidated at a fair price at the desired time (liquidity risk), as well as the risk that the value of an investment will be influenced by changes in an exchange rate (exchange rate or currency risk), the risk of the loss of assets held by the Sub-Fund as a result of the insolvency of, negligence by, or fraudulent action on the part of the custodian bank or the sub-custodian bank (custody risk), the risks arising from concentration on specific investments or markets (concentration risk), and the performance risk and information about whether guarantees from third parties are in place and if limitations apply to such guarantees, Information about the financial capacity of any guarantor (credit and issuer risk), the risk of inflexibility caused by the product itself or by restrictions imposed when switching to other investment funds (inflexibility risk), Inflation risk and the risk affecting the capital in the Investment Fund (capital risk), the risk of changes in other framework conditions, including tax regulations (legal risk) and the risk that the values of certain securities can deviate from their actual selling prices because of illiquid market conditions (valuation risk). Transactions with OTC instruments also entail counterparty risk (counterparty risk).

The development of the value of the shares depends on the skills of the investment manager to assess the current market environment as well as the development of the markets for the various individual assets in the Sub-Fund, and cannot be predicted in advance. The investment manager licensed a stock ranking list based on Markowitz portfolio optimization from Stage Investsoftware GmbH (see Software Provider). However the manager is not obliged to use or follow the licensed stock ranking list and has full discretion in regards to assets in the portfolio of the Sub-Fund at all times. Investors should also be aware that if the stock ranking list becomes unavailable the manager has no obligation to replace or substitute this list. In this context, it must be noted that the value of the shares in the Sub-Fund may rise or fall compared to the issue price. This means that the investor may receive less money than was originally invested when the shares are returned.

If the Sub-Fund's portfolio (or parts thereof) is held in a currency other than the currency of the share class, the actual foreign currency value of the portfolio is hedged through monthly rolling forward exchange agreements (FX forwards). The portfolio's nominal value is fully hedged on the hedging date, but there is no hedging of future changes in the value of the portfolio between two hedging dates (e.g. month end till next month end). However, the share class currency hedging is adjusted intra month if the fund's capital increases or decreases by more than five percent due to cash inflows or outflows. Since the fluctuations of the Sub-Fund are unknown perfect currency hedging cannot be achieved. Investors who invest in a share class in a currency other than their home currency are exposed to a higher level of exchange rate risk.

Derivative instruments deployed for a reason other than hedging can increase the risk of loss that is associated with leverage (please also refer to chapter 'Risk factors' of the prospectus) in the Sub-Fund temporarily.

Risk Calculation Method

The global exposure is calculated through the commitment approach. The commitment approach is based, in part, on the principle of converting the exposure to derivative instruments into equivalent positions of the underlying assets and quantifying the exposure in absolute value of the total commitments (which may account for coverage and netting). The Fund is required by applicable laws and regulations to ensure that the Sub-Funds' global exposure relating to derivative instruments does not exceed the total net value of its portfolio.

Profile of the Typical Investor

In light of Salus Alpha SICAV - Global Invest One investment objective it may be appropriate for investors who:

- envisage holding the shares for a period of 5 years or longer
- accept the target volatility of the fund of 10% - 15% p.a.

- accept the risks associated with this type of investment, as set out in "Risk profile of the fund" above and the section “Risk Factors” of the prospectus.

An investment in Salus Alpha SICAV – Global Invest One is not a deposit in a bank or other insured depository institution. Investment may not be appropriate for all investors. Salus Alpha SICAV – Global Invest One is not intended to be a complete investment programme and investors should consider their long-term investment goals and financial needs when making an investment decision about Salus Alpha SICAV – Global Invest One . An investment in Salus Alpha SICAV – Global Invest One is intended to be a long term investment. Salus Alpha SICAV – Global Invest One should not be used as a trading vehicle.

Investment Manager

The Investment Management of the Sub-Fund is delegated to Salus Alpha Capital Ltd, Wegacker 42, 9493 Mauren, Liechtenstein.

Investment Advisor and Sub-Advisor

Currently there are none.

Software Provider

Stage Investsoftware GmbH, FN 382058A, 1220 Vienna, DC Tower, Donau-City Street 7/door 2/30th floor provides a stock ranking list based on Markowitz portfolio optimization on an exclusive basis. The software provider is paid out of the management fee therefore no additional cost is charged to the Sub-Fund.

SFDR Disclosure

For the purposes of Article 6 of SFDR, it is deemed that sustainability risks are currently not relevant to the investment decisions made in view of the nature of the strategy and that sustainability risks are currently not likely to have a material impact on the returns of the Fund. In regards to the Taxonomy Regulation, the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

3. FINANCIAL INFORMATION

Issuing Price

The issuing price is the net asset value per share plus an initial sales charge as defined in Table1. The issuing price may be increased by additional fees or other costs that are charged in the respective country of distribution. The Sales fee is paid to the Distributor(s).

Redemption Price

The redemption price is the net asset value per share minus a redemption fee as defined in Table1. The redemption price may be increased by additional fees or other costs that are charged in the respective country of distribution. The Redemption fee is paid to the Distributor(s).

Management Fee

Management fee will be charged to the Sub-Fund as defined in Table1. For further information concerning the calculation of the management fee, please refer to page 37 of the general part of this prospectus. The Sub-Fund pays the Management Fee to the Investment Manager.

Performance Fee

Performance Fee will be charged to the Sub-Fund as defined in Table1.

For further information concerning the calculation of the performance fee, please refer to page 37 of the general part of this prospectus. The Sub-Fund pays the Performance Fee to the Investment Manager.

Conversion Fee

The conversion fee will be paid to the Sub-Fund/Class out of which the conversion has been made. For further information please consult page 55 of the general part of this prospectus.

Dilution Fee

The Dilution Fee will either be paid into the relevant Sub-Fund/Class, in the case of an issue of shares, or retained in the Sub-Fund/Class in the case of redemption of shares. For further information please consult page 56 of the general part of this prospectus.

Depositary and Central Administration Fee

The Depository charges 0.025% p.a. of the assets subject to a minimum fee of € 22,500 p.a. and the Central Administration Agent charges the higher of €3,600 per month or 0.045% p.a. of the assets plus €1000 per month per additional active share class in excess of 5. For further information please consult page 41 of this prospectus.

Valuation Date and Dealing

For further information to the Valuation dates, please refer to Table1.

Distribution of Dividends

For further information please consult page 57 of the general part of this prospectus as well as Table1.

4. TAXES

Taxation of the Fund in Luxembourg

Under current law and practice, the Fund is not liable to any Luxembourg income tax, nor are dividends paid by the Fund liable to any Luxembourg withholding tax.

The Fund is, however, liable to annual subscription tax in Luxembourg calculated at the rate of 0.05% of the net asset value of all Sub-Funds. This tax is payable quarterly on the basis of the net assets of the relevant Sub-Funds, calculated at the end of the quarter to which the tax relates. The rate of this tax will be reduced to 0.01% of the net assets for the Sub-Funds exclusively available to institutional investors.

EU Savings Directive

Please refer to Section EU Savings Directive on page 60 of the prospectus for further information.

Shareholders should inform themselves of, and where appropriate take advice on, the impact of the EU Savings Directive on their investment.

UK Tax Reporting Status and RDR

The Sub-Fund plans to apply for UK tax reporting Status. No commission will be paid for the GBP-RDR class to UK financial advisors.

5. DISTRIBUTION

Country Specific Information in regards to Distribution will be mentioned under this section.

APPENDIX II

Sub-Fund - Salus Alpha Special Situations

1. GENERAL OVERVIEW

Share Classes

P Shares

P shares will be issued for investors meeting the minimum initial investment limit and are available in the currencies EUR, USD, CHF, GBP and SEK. Shares not in the base currency of the Sub-Fund's portfolio (EUR) are hedged. The minimum initial investment is listed in Table1.

R Shares

R shares will be issued for investors meeting the minimum initial investment limit and are available in the currencies EUR, USD, CHF, GBP and SEK. Shares not in the base currency of the Sub-Fund's portfolio (EUR) are hedged. The minimum initial investment is listed in Table1.

F-Shares

Registered F-Shares in EUR will be issued for the initial investors of the Sub-Fund having identical characteristics as the P share (EUR) class.

Share Class	P Shares	R Shares	R Shares (SEK)
ISIN	LU1280955789 (EUR) LU1280955862 (USD) LU1280955946 (CHF) LU1280956167 (GBP) LU1280956241 (SEK)	LU1280956597 (EUR)* LU1280956670 (USD) LU1280956753 (CHF) LU1280956910 (GBP-RDR)	LU1280957058 (SEK)
Financial Year	1.1. - 31.12.	1.1. - 31.12.	1.1. - 31.12.
Issuing Price	100	10*	100
Valuation Day & Dealing	Each Bank Business Day	Each Bank Business Day	Each Bank Business Day

Order Day (Notice Period)	One Day before valuation	One Day before valuation	One Day before valuation

Cut-Off	15:00	15:00	15:00
Sales Fee	up to 5,0%	up to 5,0%	0,0%
Redemption Fee	0%	0%	0%
Management Fee	1,25%	1,90%	1,90%
Performance Fee	20%	20%	20%
Conversion Fee	1%	1%	1%
Dilution Fee	up to 1%	none	None
Securities Lending Transactions	not applicable	not applicable	not applicable
Minimum Initial Investment	EUR/USD/CHF/GBP 100,000 SEK 1,000,000	EUR/USD/CHF/GBP 1,000	SEK 10,000
Maturity	Unlimited	Unlimited	Unlimited
Type of Share Class	Accumulating	Accumulating	Accumulating
Distribution of Dividends	not applicable	not applicable	not applicable

* Launched on 1st Aug 2016 due to the completion of the merger of the Austrian sister funds

Table 1

2. INVESTMENT INFORMATION

Investment Strategy

The Sub-Fund targets to achieve a return independent of the development of the overall equity markets. The Sub-Fund invests across the capital structure of companies. Salus Alpha Special Situations combines a portfolio of selected, fundamentally attractive valued stocks (0% - 30% exposure) with positions in stocks and/ or bonds in short- and medium-termed special situations (0% - 70% exposure). Special situations are for example acquisitions and bidding wars, privatization, Spin-Offs, changes in the capital structure, management changes, share buybacks, director's dealings, IPOs, capital increases, index changes or earnings surprises.

Investment Policy

To achieve its investment objective the Sub-Fund is actively managed and invests in all asset classes (equities, bonds, money market instruments, bank deposits and financial indices) based on the fund manager’s assessment of economic conditions, the situation on the capital markets and the outlook on the stock exchanges. The weighting of the assets are based on the assessment of the Investment manager. By way of example the portfolio is expected to be invested 35% in equities and the remainder split between bonds and cash. The Sub-Fund tends to focus on Special situations which can be defined as investment opportunities resulting from changes in capital structure, changes in shareholder structure or other events that are relevant for the future or for earnings potential. Special situations are for example acquisitions and bidding wars, privatization, Spin-Offs, changes in the capital structure, management changes, share buybacks, director's dealings, IPOs, capital increases, index changes or earnings surprises.

The indices concerned are recognised indices complying with the limits set forth in Art. 44 of the Law of 17 December 2010 on Undertakings for Collective Investment and defined by Art. 9 of Directive 2007/16/EC of the European Commission dated 19 March 2007 on the implementation of Directive 2009/65/EEC of the European Parliament and the European Council on the Coordination of Laws, Regulations and Administrative Provisions relating to Undertakings for Collective Investment in Transferable Securities (UCITS) with regard to the explanation of certain definitions and CESR guideline 07-044b. Examples of recognised indices are the Dax, S&P 500, CAC40, SMI, ATX, etc.

The Sub-Fund does not have any geographical or sectoral restrictions.

Under certain circumstances e.g. adverse market conditions, it is possible that the Sub-Fund is not invested in equities or other securities and therefore up to 100% of the Sub-Fund may be invested in short and long dated fixed income instruments, money-market instruments and bank deposits for a maximum term of 12 months. Bank deposits at sight (ancillary liquid assets) are limited to 20% of the Sub-Fund's net assets and the 20 % limit may only be temporarily breached where exceptionally unfavourable market conditions so require and where such breach is justified by the interests of investors. The Sub-Fund may invest up to 100% of its assets in transferable securities and money market instruments issued by Members States of the European Union or the European Economic Area (i.e. Germany, France, United Kingdom, Ireland, Italy, Spain, Belgium, the Netherlands, Finland, Austria, Norway, Liechtenstein), the European Financial Stability Facility (EFSF), the European Stability Mechanism (ESM), the International Bank for Reconstruction and Development, the European Investment Bank, Asian Development Bank, United States of America and Switzerland, provided that in such event the Sub-Fund holds securities from at least six different issues and securities from any single issue shall not account for more than 30% of the Sub-Fund's total assets.

The fixed income exposure of the Sub-Fund can be achieved by investing in the cash markets and/or the futures markets. Bank term deposits and cash may not exceed 49% of the Sub-Fund's net assets.

The Sub-Fund is not investing in Asset Backed Securities or Mortgage Backed Securities.

Considering the quality of the secondary market activity at all times, the Sub-Fund is not investing more than 30% into corporate debt securities with non-investment grade rating. Investment Grade is defined by a rating not lower than BBB- from S&P or an equivalent rating by other rating agencies or a rating deemed to be of similar credit quality by the Investment Manager in the event that no rating has been assigned by an agency. It is anticipated that debt securities below investment grade will be primarily held because of rating downgrades or expected rating upgrades. A rating downgrade below investment grade would not necessarily be a trigger to sell. If the Sub-Fund holds these securities it is anticipated that these securities will be actively managed and no further rating restrictions will be applied.

When investing in convertible securities such as convertible bonds, the Investment Manager will give only emphasis to the attractiveness of the underlying equity instrument.
Derivative instruments may be used both as part of the investment strategy and to hedge assets. These derivatives may be acquired provided that the underlying assets are securities, financial indices, interest rates or currencies.

Investments may be made in shares/units of investment funds (UCITS or UCIs) up to 10% of the target fund's assets in each case but the total must not exceed 10% of the Sub-Fund's assets.

Precise details of investment restrictions are contained in Schedule 1 of this prospectus.

Past performance does not guarantee future performance. No assurances can be given that investment targets will be achieved.

Risk profile of the Sub-Fund

Under the given investment objective the Sub-Fund is subject to the risk that the entire market for an asset class develops negatively and that this negatively influences the price and value of these assets (market risk), the risk that the issuer or counterparty will be unable to meet its contractual obligations (credit risk), the risk that a transaction is not handled as expected within a transfer system because a counterparty fails to pay or deliver by the deadline or as expected (settlement risk), the risk that a position cannot be liquidated at a fair price at the desired time (liquidity risk), as well as the risk that the value of an investment will be influenced by changes in an exchange rate (exchange rate or currency risk), the risk of the loss of assets held by the Sub-Fund as a result of the insolvency of, negligence by, or fraudulent action on the part of the custodian bank or the sub-custodian bank (custody risk), the risks arising from concentration on specific investments or markets (concentration risk), and the performance risk and information about whether guarantees from third parties are in place and if limitations apply to such guarantees, Information about the financial capacity of any guarantor (credit and issuer risk), the risk of inflexibility caused by the product itself or by restrictions imposed when switching to other investment funds (inflexibility risk), Inflation risk and the risk affecting the capital in the Investment Fund (capital risk), the risk of changes in other framework conditions, including tax regulations (legal risk) and the risk that the values of certain securities can deviate from their actual selling prices because of illiquid market conditions (valuation risk). Transactions with OTC instruments also entail counterparty risk (counterparty risk).

The development of the value of the shares depends on the skills of the investment manager to assess the current market environment as well as the development of the markets for the various individual assets in the Sub-Fund, and cannot be predicted in advance. In this context, it must be noted that the value of the shares in the Sub-Fund may rise or fall compared to the issue price. This means that the investor may receive less money than was originally invested when the shares are returned.

If the Sub-Fund portfolio (or parts thereof) is held in a currency other than the currency of the share class, the actual foreign currency value of the portfolio is hedged through monthly rolling forward exchange agreements (FX forwards). The portfolio's nominal value is fully hedged on the hedging date, but there is no hedging of future changes in the value of the portfolio between two hedging dates (e.g. month end till next month end). However, the share class currency hedging is adjusted intra month if the fund's capital increases or decreases by more than five percent due to cash inflows or outflows. Since the fluctuations of the Sub-Fund are unknown perfect currency hedging cannot be achieved. Investors who invest in a share class in a currency other than their home currency are exposed to a higher level of exchange rate risk.

Due to the different structures of the individual share classes, the earnings that the investor achieves with his investment may vary depending on which share class his shares belong to.

Risk Calculation Method

The global exposure is calculated through the commitment approach. The commitment approach is based, in part, on the principle of converting the exposure to derivative instruments into equivalent positions of the underlying assets and quantifying the exposure in absolute value of the total commitments (which may account for coverage and netting). The Fund is required by applicable laws and regulations to ensure that the Sub-Funds' global exposure relating to derivative instruments does not exceed the total net value of its portfolio.

Profile of the Typical Investor

In light of Salus Alpha SICAV- Salus Alpha Special Situations' investment objective it may be appropriate for investors who:

- envisage holding the shares for a period of 5 years or longer
- accept the risks associated with this type of investment, as set out in "Risk profile of the fund" above and the section "Risk Factors" of the prospectus.

An investment in Salus Alpha SICAV - Salus Alpha Special Situations is not a deposit in a bank or other insured depository institution. Investment may not be appropriate for all investors. Salus Alpha SICAV - Salus Alpha Special Situations is not intended to be a complete investment programme and investors should consider their long-term investment goals and financial needs when making an investment decision about Salus Alpha SICAV- Salus Alpha Directional Markets. An investment in Salus Alpha SICAV- Salus Alpha Special Situations is intended to be a long term investment. Salus Alpha SICAV- Salus Alpha Special Situations should not be used as a trading vehicle.

Investment Manager

The Investment Management of the Sub-Fund is delegated to Salus Alpha Capital Ltd, Wegacker 42, 9493 Mauren, Liechtenstein.

Investment Advisor and Sub-Advisor

Currently there are none.

SFDR Disclosure

For the purposes of Article 6 of SFDR, it is deemed that sustainability risks are currently not relevant to the investment decisions made in view of the nature of the strategy and that sustainability risks are currently not likely to have a material impact on the returns of the Fund. In regards to the Taxonomy Regulation, the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

3. FINANCIAL INFORMATION

Issuing Price

The issuing price is the net asset value per share plus an initial sales charge as defined in Table1. The issuing price may be increased by additional fees or other costs that are charged in the respective country of distribution. The Sales fee is paid to the Distributor(s).

Redemption Price

The redemption price is the net asset value per share minus a redemption fee as defined in Table1. The redemption price may be increased by additional fees or other costs that are charged in the respective country of distribution. The Redemption fee is paid to the Distributor(s).

Management Fee

Management fee will be charged to the Sub-Fund as defined in Table1. For further information concerning the calculation of the management fee, please refer to page 37 of the general part of this prospectus. The Sub-Fund pays the Management Fee to the Investment Manager.

Performance Fee

Performance Fee will be charged to the Sub-Fund as defined in Table1.

For further information concerning the calculation of the performance fee, please refer to page 37 of the general part of this prospectus. The Sub-Fund pays the Performance Fee to the Investment Manager.

Conversion Fee

The conversion fee will be paid to the Sub-Fund/Class out of which the conversion has been made. For further information please consult page 55 of the general part of this prospectus.

Dilution Fee

The Dilution Fee will either be paid into the relevant Sub-Fund/Class, in the case of an issue of shares, or retained in the Sub-Fund/Class in the case of redemption of shares. For further information please consult page 56 of the general part of this prospectus.

Depositary and Central Administration Fee

The Depository charges 0.025% p.a. of the assets subject to a minimum fee of € 22,500 p.a. and the Central Administration Agent charges the higher of €3,600 per month or 0.045% p.a. of the assets plus €1000 per month per additional active share class in excess of 5. For further information please consult page 41 of this prospectus.

Valuation Date and Dealing

For further information to the Valuation dates, please refer to Table1.

Distribution of Dividends

For further information please consult page 57 of the general part of this prospectus as well as Table1.

4. TAXES

Taxation of the Fund in Luxembourg

Under current law and practice, the Fund is not liable to any Luxembourg income tax, nor are dividends paid by the Fund liable to any Luxembourg withholding tax.

The Fund is, however, liable to annual subscription tax in Luxembourg calculated at the rate of 0.05% of the net asset value of all Sub-Funds. This tax is payable quarterly on the basis of the net assets of the relevant Sub-Funds, calculated at the end of the quarter to which the tax relates. The rate of this tax will be reduced to 0.01% of the net assets for the Sub-Funds exclusively available to institutional investors.

EU Savings Directive

Please refer to Section EU Savings Directive on page 60 of the prospectus for further information.

Shareholders should inform themselves of, and where appropriate take advice on, the impact of the EU Savings Directive on their investment.

UK Tax Reporting Status and RDR

The Sub-Fund plans to apply for UK tax reporting Status. No commission will be paid for the GBP-RDR class to UK financial advisors.

5. DISTRIBUTION

Country Specific Information in regards to Distribution will be mentioned under this section.