

AZ FUND 1

Umbrella fund under Luxembourg law

Azimut Investments S.A.

with registered office in Luxembourg

35, avenue Monterey

(registered in the Luxembourg Trade and Companies Register under no. B 73 617)

(hereinafter the “Management Company”)

MANAGEMENT REGULATIONS

**THE FOLLOWING AMENDMENT TO THE MANAGEMENT
REGULATIONS**

HAS BEEN AGREED:

MANAGEMENT REGULATIONS

of the umbrella fund

AZ FUND 1

1. The Fund

AZ FUND 1 (the “Fund”) is an umbrella fund governed by Luxembourg law, in compliance with Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended (hereinafter the “Law”), established in Luxembourg on the initiative of AZIMUT Holding S.p.A.

The Fund is constituted as an umbrella fund and is not a legal entity. Investors are entitled to undivided co-ownership of Fund assets, which are held separately from the assets of the Management Company.

The Fund constitutes an undivided co-proprietorship of the transferable securities and other financial assets owned by the investors, managed by Azimut Investments S.A. (hereinafter the “Management Company”), a public limited company (*société anonyme*) established under Luxembourg law, in the exclusive interests of the investors based on the risk-sharing principle.

Fund assets are and shall remain distinct and separated from those of the Management Company and the other managed funds.

All Fund assets are deposited with the custodian bank BNP Paribas Securities Services, Luxembourg branch (hereinafter the “Custodian Bank”), with offices at 60, avenue J.F. Kennedy, L-1855 Luxembourg, under a Custodian Bank agreement.

BNP Paribas Securities Services is a bank organised as a partnership limited by shares (*société en commandite par actions*) under French law and is a wholly owned subsidiary of BNP Paribas.

The rights and obligations of the investors, the Management Company and the Custodian Bank are established by the contract clauses set out below, which constitute the management regulations of the Fund (hereinafter the “Management Regulations”).

The accounts of the Fund shall be denominated in euro. The accounts shall be closed each year on 31 December. The Fund's Auditor shall be appointed each year by the Management Company.

2. The Management Company

The Fund is managed by Azimut Investments S.A., with registered office in Luxembourg at 35, avenue Monterey, L-2163.

Within the limits of these Management Regulations, the Management Company shall have full powers to manage and administer the Fund on behalf of the investors, as well as to exercise such functions as, but not limited to:

- Portfolio management
- Administration:
 - a) legal services and Fund accounting;
 - b) enquiries from clients;
 - c) portfolio valuation and determination of the value of units;
 - d) monitoring compliance with regulatory provisions;
 - e) keeping the register of unitholders;
 - f) payment of income distributions as appropriate;

- g) issue, redemption and conversion of units;
- h) entering into and terminating contracts;
- i) recording and record-keeping of transactions.
- Marketing

If the Management Company is prevented from exercising its functions for exceptional reasons, the Management Company may appoint an institution pro tempore in Luxembourg to exercise and discharge all or part of the rights and obligations under these Management Regulations. Moreover, the Management Company may delegate, under its responsibility and subject to its final review, all or part of its functions to duly qualified third parties.

The Management Company may give up its mandate:

1. when its obligations are assumed by another management company, provided that such transfer of obligations occurs in compliance with the Law or these Management Regulations;
2. if the Fund is terminated.

The Management Company has the power to represent investors at the general meetings of companies whose securities are held in the Fund and vote in their place at such meetings.

The Management Company has the obligation to fulfil this mandate in the exclusive interests of the investors and in compliance with the legal provisions applicable to the Management Company.

Neither the Management Company nor the Custodian Bank, acting in the name of the Fund, may grant loans or stand surety for third parties.

The Management Company has entered into arrangements with certain counterparties under which broker-dealers will be charged for the provision of goods and non-core services of various types (e.g. research, consulting or ICT services) selected and utilised by the Management Company. All goods and services obtained under such arrangements are aimed at assisting in the management activities in respect of the Fund for which the trading transactions are ordered, and are used for this purpose.

The terms of agreement and established procedures for the provision of trading services ensure that any transactions executed on behalf of the Fund are not carried out under comparatively unfavourable conditions, as the dealer has undertaken to provide “best execution” to the Management Company.

3. The Custodian Bank

The Custodian Bank is appointed by the Management Company. Such appointment may be cancelled at any time by either party, by giving at least three months’ written notice. The corresponding name shall appear on all prospectuses and financial reports relating to the Fund.

BNP Paribas Securities Services, Luxembourg branch, is the appointed Custodian Bank of Fund assets.

All securities and cash held in the Fund are held in the Fund's name and deposited with the Custodian Bank, which fulfils its duties and obligations under the Law.

In accordance with usual bank practices, the Custodian Bank may place some Fund assets that are not listed or traded in Luxembourg in the custody of other institutions.

The Custodian Bank takes the necessary actions to dispose of the Fund’s assets. It will execute orders and comply with the instructions of the Management Company, provided that they comply with legal provisions and the Management Regulations.

In particular, the Custodian Bank will:

- a) ensure that the Units of the different sub-funds of the Fund (hereinafter the “Sub-funds”) are sold, issued, redeemed or cancelled on behalf of the Fund or by the Management Company in accordance with the Law or the Management Regulations;
- b) ensure that the value of the Units of the different Sub-funds of the Fund is calculated in accordance with the Law or the Management Regulations;
- c) carry out the instructions of the Management Company, unless they infringe upon the Law or the Management Regulations;
- d) ensure that the consideration for transactions relating to the Fund’s assets is remitted to the Custodian Bank within the usual time limits;
- e) ensure that the Fund’s income is utilised in accordance with the Management Regulations.

The Custodian Bank will be remunerated for its services as provided for by the Custodian Bank agreement entered into by the Management Company and the Custodian Bank.

The Management Company may terminate the Custodian Bank's duties by giving at least three months’ written notice to the Custodian Bank; likewise, the Custodian Bank may give up its mandate by giving the Management Company at least three months’ written notice.

4. Investment policy and restrictions

For the purposes of this chapter, each Sub-fund is deemed to be an individual undertaking for collective investment in transferable securities.

The rules and restrictions set out below will apply to the Fund and all sub-funds of the Fund (hereinafter the “**Sub-funds**”):

I. General provisions

The Fund will observe the criteria and restrictions laid down below in respect of each of its Sub-funds:

1) The Fund will invest exclusively in:

- a) transferable securities and money market instruments admitted for listing/trading on a regulated market;
- b) transferable securities and money market instruments traded on another regulated market in a Member State of the European Union which operates regularly and is recognised and open to the public;
- c) transferable securities and money market instruments admitted for listing on a stock exchange in a non-EU Member State or traded on another regulated market in a non-EU Member State which operates regularly and is recognised and open to the public, i.e. a stock exchange or other regulated market in any state in the Americas, Europe, Africa, Asia or Oceania;
- d) recently issued transferable securities and money market instruments, provided that:
 - i. the terms of issue state that an application has been submitted for admission to official listing on a stock exchange or other regulated market which operates regularly and is recognised and open to the public, i.e. a stock exchange or other regulated market in any state in the Americas, Europe, Africa, Asia and Oceania;
 - ii. admission is obtained within one year of issue at the latest;
- e) units of UCITS authorised according to Directive 2009/65/EC and/or other UCIs as defined in Article 1, paragraph 2, points a) and b) of Directive 2009/65/EC, whether or not established in an EU Member State, provided that:
 - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (“CSSF”), to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
 - the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules governing asset allocation, borrowing, lending and the short-selling of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;

- the activity of such other UCIs is subject to half-yearly and annual reporting allowing for the formation of an opinion on assets and liabilities, profit and the transactions carried out during the reporting period;
- the UCITS or other UCIs in which each Sub-fund is planning to invest are not allowed to invest more than 10% of their assets in other UCITS or UCIs pursuant to their statutes or articles of incorporation;

Sub-funds that qualify as feeder UCITS must invest at least 85% of their assets in another UCITS or sub-fund of a UCITS, in compliance with legal requirements and Luxembourg regulations, and as per the definition provided in the Prospectus.

A Sub-fund that qualifies as a feeder UCITS may hold up to 15% of its assets in one or more of the following instruments:

- cash, on an ancillary basis, pursuant to Article 41, paragraph 2 of the Law of 2010, and
- financial instruments which may only be used for hedging purposes in accordance with the corresponding provisions of Article 41(1)(g) and Article 42(2) and (3) of the Law of 2010.

In that case, Investors will be advised in advance and the corresponding information will be made available to affected Investors.

- f) deposits with a credit institution which are repayable on demand or which may be withdrawn, with maturity up to twelve months, provided that the credit institution has its registered office in an EU Member State or, if the credit institution has its registered office in a non-EU Member State, that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;
- g) derivatives, including similar cash-settled instruments traded on a regulated market as set out in the preceding sub-paragraphs a), b) and c); and/or derivatives traded over-the-counter (“OTC derivatives”), provided that:
 - the underlying assets consist in instruments as set out in the paragraph 1) above, subparagraphs a) to f), financial indices, interest rates, foreign exchange rates or currencies, in which each Sub-fund may invest according to its investment objectives;
 - the counterparties to transactions in OTC derivatives are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and
 - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value, at the Management Company’s initiative;
- h) money market instruments other than those traded on a regulated market, if the issuer or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:
 - issued or guaranteed by a central, regional or local authority or central bank of an EU Member State, the European Central Bank, the European Union or the European Investment Bank, a non-EU 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 EU Member States belong; or
 - issued by an undertaking of which the securities are traded on regulated markets as set out in sub-paragraphs a), b) or c) above; or
 - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law; or
 - issued by other bodies belonging to the categories approved by the CSSF, provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, second or third sub-paragraphs above and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the Fourth Directive 78/660/EEC, or is an entity which, within a group of companies that 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 credit line.

- 2) Nonetheless, the Fund may invest up to 10% of the net assets of each Sub-fund in transferable securities and money market instruments other than those set out in paragraph 1).
- 3) The Fund may not invest in real estate assets.
- 4) The Fund may not acquire precious metals or certificates representing them for any Sub-fund.
- 5) Each Sub-fund of the Fund may hold liquid assets on an ancillary basis. Nonetheless, the Management Company reserves the right to hold significant amounts of liquid assets within each Sub-fund in the event of adverse market conditions or when an investment opportunity arises.
- 6) (a) The Fund may not invest more than 10% of the net assets of each Sub-fund in transferable securities and money market instruments of the same issuer. A Sub-fund may not invest more than 20% of its assets in deposits made with the same entity. The Management Company's counterparty risk in an OTC derivative transaction may not exceed 10% of its assets if the counterparty is a credit institution as set out in paragraph 1), sub-paragraph f) above, or 5% of its assets in all other cases.

(b) Moreover, in addition to the limit set forth in paragraph 6) (a) above, the total value of the transferable securities and money market instruments held by each Sub-fund in the issuers in which any given Sub-fund invests more than 5% of its net assets may not exceed 40% of the value of that Sub-fund's net assets.

This limitation does not apply to deposits or OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits set forth in paragraph 6) (a) above, none of the Sub-funds may combine:

- investments in transferable securities or money market instruments issued by the same entity;
 - deposits made with the same entity, and/or
 - exposures arising from OTC derivative transactions undertaken with a single entity
- in excess of 20% of their respective net assets.

(c) The 10% limit laid down in the first clause of paragraph 6) (a) may be raised to 35% when the transferable securities or money market instruments are issued or guaranteed by an EU Member State or its local authorities, or by a non-EU European State or a state within North America, South America, Asia, Africa or Oceania, or by a public international organisation to which one or more EU Member States belong.

(d) The 10% limit laid down in the first clause of paragraph 6) (a) may be raised to 25% for certain bonds when they are issued by a credit institution which has its registered office in an EU Member State and is subject by law to special public supervision aimed at protecting bondholders. In particular, sums deriving from the issue of such bonds must be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims linked to the bonds and which, in the event of the issuer's bankruptcy, would be used on a priority basis for the reimbursement of the principal and payment of accrued interest. If the Fund invests more than 5% of the net assets of each Sub-fund in the bonds referred to in this sub-paragraph and these bonds are issued by a single issuer, the total value of these investments may not exceed 80% of the net assets of each Sub-fund of the Fund.

Under the provisions of Luxembourg law and regulations, the Sub-funds of the Fund may qualify either as feeder UCITS (hereinafter "**Feeder(s)**") or as master UCITS (hereinafter "**Master(s)**"). A Feeder will invest at least 85% of its net assets in the same master UCITS or sub-fund of a UCITS. An existing sub-fund may be converted to feeder or master in compliance with Luxembourg legal requirements and regulations. An existing Feeder or Master may be converted to a standard sub-fund which is neither a feeder UCITS nor a master UCITS. A Feeder may replace the Master UCITS with another master UCITS. A Sub-fund qualifying as a Feeder will be identified as such in its description in Appendix I.

(e) The transferable securities and money market instruments referred to in sub-paragraphs (c) and (d) are not taken into account for the purpose of applying the limit of 40% set forth in paragraph (b). The limits set out in paragraphs (a), (b), (c) and (d) are not cumulative; accordingly, the aggregate investments in transferable securities or money market instruments of the same issuer, in deposits or derivative instruments made with that issuer, in accordance with

sub-paragraphs (a), (b), (c) and (d), may under no circumstances exceed 35% of the net assets of each Sub-fund of the Fund.

Companies which are included in the same group for the purposes of consolidated accounts as defined in Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single entity for the purpose of calculating the limits provided for in paragraph 6).

Each Sub-fund may invest in aggregate up to 20% of its net assets in transferable securities and money market instruments of the same group.

PURSUANT TO ARTICLE 44 OF THE LAW, THE SUB-FUNDS OF THE FUND ARE AUTHORISED TO INVEST UP TO 20% OF THEIR NET ASSETS IN SHARES AND/OR BONDS ISSUED BY THE SAME ENTITY WHEN THEIR INVESTMENT POLICY AIMS TO REPLICATE THE COMPOSITION OF A SPECIFIC STOCK OR BOND INDEX RECOGNISED BY THE CSSF, PROVIDED THAT:

- **INDEX COMPOSITION IS SUFFICIENTLY DIVERSIFIED;**
- **THE INDEX REPRESENTS AN ADEQUATE BENCHMARK FOR THE MARKET TO WHICH IT REFERS;**
- **THE INDEX IS PUBLISHED IN AN APPROPRIATE MANNER.**

THIS 20% LIMIT MAY BE RAISED TO 35% FOR A SINGLE ISSUER IN THE EVENT OF EXCEPTIONAL CONDITIONS ON REGULATED MARKETS WHERE CERTAIN TRANSFERABLE SECURITIES OR MONEY MARKET INSTRUMENTS ARE DOMINANT.

MOREOVER, UNDER ARTICLE 45 OF THE LAW, THE FUND IS AUTHORISED TO INVEST UP TO 100% OF THE NET ASSETS OF EACH SUB-FUND IN TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ISSUED OR GUARANTEED BY AN EU MEMBER STATE OR ITS LOCAL AUTHORITIES, OR BY AN OECD MEMBER STATE, BRAZIL OR BY PUBLIC INTERNATIONAL BODIES TO WHICH ONE OR MORE EU MEMBER STATES BELONG, PROVIDED THAT EACH SUB-FUND HOLDS SECURITIES FROM AT LEAST SIX DIFFERENT ISSUES AND THAT SECURITIES FROM ANY ONE ISSUE DO NOT EXCEED 30% OF ITS TOTAL NET ASSET VALUE.

- 7) (a) The Fund may acquire units of UCITS and/or other UCIs set out in paragraph 1) sub-paragraph e) above, provided that each Sub-fund does not invest more than 20% of its net assets in the same UCITS or other UCI.

For the purposes of applying this investment limit, each sub-fund of an umbrella UCI must be treated as a separate issuer, provided that the principle of segregation of liabilities to third parties between the different sub-funds is ensured.

(b) Investments made in units of UCIs other than UCITS may not exceed, in aggregate, 30% of the net assets of a Sub-fund.

Where the Fund invests in the units of UCITS and/or other UCIs, the assets of such UCITS or other UCIs are not aggregated for the purposes of the limits provided for by paragraph 6) above.

(c) Where the Fund invests in a UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other management company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, no subscription or redemption fees will be charged to the Fund on account of its investments in such other UCITS and/or other UCIs.

The maximum percentage of the management fees charged to each Sub-fund and to the UCITS and/or other UCIs in which each Sub-fund has invested during the reporting period will be indicated in the annual report of the Fund.

- 8) a) The Management Company may not acquire – on behalf of the Fund – shares carrying voting rights which would enable it to exercise significant influence over the management of an issuer;
- b) Moreover, the Fund may acquire no more than:
- (i) 10% of the non-voting shares of a single issuer;
 - (ii) 10% of the bonds of a single issuer;
 - (iii) 25% of the units of a single UCITS and/or other undertaking for collective investment;
 - (iv) 10% of the money market instruments issued by a single issuer.

The limits laid down in sub-paragraphs (ii), (iii) and (iv) may be disregarded at the time of acquisition if, at that time, the gross amount of the bonds or of the money market instruments, or the net amount of the securities issued cannot be calculated;

c) paragraphs a) and b) do not apply to:

- transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;
- transferable securities and money market instruments issued or guaranteed by a non-EU European State or a State within North America, South America, Asia, Africa or Oceania;
- transferable securities and money market instruments issued by public international bodies to which one or more EU Member States belong;
- shares held by the Fund in the capital of a company incorporated in a non-EU Member State that mainly invests its assets in securities of issuers of that State, where under the law of that country such holding is the only way for the Fund to invest in the securities of issuers of that State. However, such derogation only applies if the company incorporated in a non-EU Member State adopts an investment policy that complies with the limits provided for in this article.

9) The Fund is not required to comply with:

- a) the limits set out above when exercising subscription rights attached to transferable securities or money market instruments which form part of its assets;
- b) paragraphs 6) and 7) for a period of six months from the date of the authorisation for opening each Sub-fund, provided that the risk-sharing principle is observed;
- c) the investment limits set out in paragraphs 6) and 7) apply at the time of the acquisition of the transferable securities or money market instruments; where the limits provided for in this paragraph are exceeded for reasons beyond the control of the Management Company or when exercising subscription rights, when arranging its sales transactions the Management Company must make it a priority to remedy this situation, taking into account the interests of Fund investors.

10) A Sub-fund of the Fund may subscribe, acquire and/or hold securities to be issued or issued by one or many other Sub-funds of the Fund, provided that:

- a) the target Sub-fund does not invest in the investing Sub-fund;
- b) the proportion of assets that the target Sub-funds whose acquisition is contemplated may invest in aggregate in units of other target Sub-funds of the Fund, pursuant to the Management Regulations, does not exceed 10%;
- c) any voting rights attached to such securities are suspended for as long as the securities are held by the Sub-fund, without prejudice to appropriate disclosure in the accounting records and periodic reports;
- d) in any event, while the securities are held by the Fund, their value is not taken into account when calculating the net assets of the Fund for the purpose of establishing compliance with the minimum threshold of net assets provided for by the Law;
- e) the management/subscription or redemption fees are not duplicated: at the level of the investing Sub-fund of the Fund and of the target Sub-fund.

11) The Fund may not borrow on behalf of any Sub-fund, except in the context of:

- a) acquisitions of foreign currency by way of a “back-to-back” loan;
- b) borrowing amounts up to 10% of the net assets of the Sub-fund by way of temporary loans.

12) The Fund may not grant loans to nor stand surety for third parties. This restriction will not prevent the Fund from acquiring transferable securities, money market instruments or other financial instruments referred to in paragraph 1), sub-paragraphs e), g) and h) above which are not fully paid up.

13) The Fund may not carry out short sales of transferable securities, money market instruments or other financial instruments referred to in paragraph 1), sub-paragraphs e), g) and h) above.

14) The Management Company must adopt a risk management method that enables it to monitor and measure the risk associated with the positions at any time and their contribution to the overall risk profile of each Sub-fund of the Fund and must use a method that permits an accurate, independent valuation of OTC derivatives, and will notify the CSSF on a regular basis, in accordance with the detailed rules laid down by the CSSF, of the types of derivative instruments, the underlying risks, the quantitative limits and the methods chosen to assess the risks associated with derivative transactions.

15) The Management Company will ensure that the overall risk associated with the derivative instruments held in each Sub-fund of the Fund does not exceed the total net value of its portfolio, i.e. that the overall risk associated with derivatives does not exceed 100% of its net asset value, and that the overall risk of a Sub-fund does not permanently exceed 200% of the net asset value, except as provided for by sub-paragraph 11) (b). Risk is calculated taking into account the current value of the underlying assets, the counterparty risk, expected market trends and the time available to liquidate the positions.

Each Sub-fund may invest in derivatives as a part of its investment policy and within the limits provided for in paragraph 6) (e) above, provided that the exposure of the underlying assets does not exceed in aggregate the investment limits stipulated in paragraph 6) above. When a Sub-fund invests in index-based derivatives, such investments need not necessarily be combined for the purposes of the limits set forth in paragraph 6) above. When a transferable security or money market instrument embeds a derivative, the derivative must be taken into account when complying with the provisions under paragraph 15).

16) The method used to determine the overall risk and expected leverage of each Sub-fund will be disclosed in the prospectus, along with the method used to calculate the expected leverage of each Sub-fund.

II. Provisions concerning financial instruments and techniques

The Fund is authorised, according to the procedures described below, to:

- employ techniques and instruments relating to transferable securities and money market instruments, provided that such techniques and instruments are used for the purpose of efficient portfolio management;
- utilise techniques and instruments for the purpose of hedging foreign exchange risks as part of its asset management.

Efficient portfolio management techniques

The Fund uses the techniques and instruments referred to in article 42, paragraph 2 of the Law of 2010 and article 11 of Commission Directive 2007/16/EC of 19 March 2007 on assets suitable for the purposes of efficient portfolio management through certain derivatives, as further described in the paragraph below entitled “Derivatives”. These techniques and instruments will be used in the Fund’s best interest.

The use of such techniques and instruments entails certain risks, such as counterparty risk and the risk of potential conflicts of interest, as described below. Said risks may negatively affect the Fund’s performance.

Counterparty risk

As described in chapter 3, section I, paragraph 6), sub-paragraph a), the counterparty risk of a transaction involving derivatives may not exceed 10% of the net assets of the Sub-fund in question when the counterparty is one of the credit institutions referred to in chapter 3, paragraph 1), sub-paragraph f), or 5% of its net assets in any other case.

Potential conflicts of interest

Potential conflicts of interest arising between the Fund, the Management Company and the derivatives counterparties are managed according to the Fund’s conflict of interest management policy.

Costs and fees linked to the derivatives used for efficient portfolio management

In the context of efficient portfolio management techniques, derivative transactions with a counterparty may imply direct and/or indirect operating costs/fees. Said costs and fees should not include hidden income. The amount of said costs/fees will not exceed 15% of income generated from each transaction performed.

The Fund reserves the right to detract such fees from the income of the Fund.

The income generated by efficient portfolio management techniques, net of direct or indirect operating costs, is, in principle, returned to the Fund.

General rules on securities lending transactions and repurchase transactions

As described in sub-paragraph 3 of the paragraph entitled “Derivatives”, every Sub-fund of the Fund must be in a position to repurchase any security lent or terminate any securities lending transaction that it has entered into at any time.

As described in sub-paragraph 4 of the paragraph entitled “Derivatives”, every Sub-fund of the Fund may enter into repurchase transactions as either the purchaser or the seller.

In such cases, it must be able to recover the total cash amount or terminate the reverse repo transaction based on pro-rata temporis conditions, or based on mark-to-market conditions, at any time. When the cash can be recovered at any time based on mark-to-market conditions, the mark-to-market value of the repurchase transaction must be used to calculate the net asset value of the Sub-fund.

Every Sub-fund of the Fund entering into a repurchase transaction must be able to recover every security involved in the repurchase transaction or terminate the repurchase transaction it has entered into at any time.

Repurchase transactions with a duration of no more than seven days should be considered – from the standpoint of purchaser and seller alike – as transactions intrinsically allowing the Sub-fund to recover the assets at any time.

Derivatives

a. Techniques and instruments related to transferable securities and money market instruments

For the purposes of efficient portfolio management, the Fund may also engage in:

- transactions involving options,
- transactions involving futures contracts on financial instruments and options on such contracts,
- securities lending transactions,
- repurchase transactions.

1. Transactions involving options on transferable securities and money market instruments

The Fund may buy and sell both call and put options provided that such options are traded on a regulated market which operates regularly and is recognised and open to the public.

With regard to such transactions, each Sub-fund of the Fund is required to observe the following rules:

1.1. Rules applicable to the purchase of options

The total premium amounts paid to purchase existing call and put options referred to in this sub-paragraph and those paid to purchase existing call and put options referred to in sub-paragraph 2.3. below, when added together, may not exceed 15% of the net assets of the Sub-fund in question.

1.2. Rules designed to ensure coverage of commitments arising from option transactions

At the time any contracts for the sale of call options are entered into, the Fund must hold the underlying securities or equivalent call options or other instruments to ensure adequate coverage of the commitments arising from such contracts, such as warrants. The securities underlying the call options sold may not be disposed of as long as these options are outstanding, unless they are covered via opposing options or other instruments that can be used for this purpose. The same is

true of the equivalent call options or other instruments that the Fund must hold if it does not own the underlying securities when selling the related options.

Notwithstanding the above, the Fund may sell call options related to securities that it does not own at the time of entering into the option contract, provided that the following conditions are met:

- the strike price of call options sold in this way may not exceed 25% of the net assets of the relevant Sub-fund,
- the Fund must be able to cover the positions taken in such transactions at all times for each Sub-fund.

When selling put options, the Fund must cover the transaction for the entire duration of the option contract by holding the cash it would need to pay for the securities that would be delivered to it if the counterparty were to exercise its option.

1.3. Conditions and limits applicable to the sale of call and put options

The total commitments arising from the sale of call and put options (except for the sale of call options for which the Sub-fund has adequate coverage) and the total commitments arising from the transactions referred to in sub-paragraph 2.3 below may not exceed the net assets of the relevant Sub-fund at any time.

Hence, the commitment relating to the call and put options sold is equal to the sum total of the strike prices of the options.

2. Transactions involving futures and options on financial instruments

Aside from the over-the-counter transactions covered in paragraph 2.2. below, the transactions covered herein can only involve contracts traded on regulated markets which operate regularly and are recognised and open to the public.

Such transactions may be carried out for hedging or other purposes, provided that the conditions set out below are met.

2.1. Transactions designed to hedge risks associated with stock market trends

The Fund may sell futures on stock indices for each Sub-fund to ensure that it is fully hedged against unfavourable stock market trends. The Fund may also sell call options or purchase put options on stock indices for the same purpose.

To fulfil their purpose, such hedges require there to be a sufficiently close correlation between the composition of the index used and that of the corresponding securities portfolio.

In principle, the total commitments arising from futures and option contracts on stock indices must not exceed the overall value of the securities held by the Fund on the market corresponding to that index.

2.2. Transactions designed to hedge risks associated with interest rate fluctuations

The Fund may sell interest rate futures in each Sub-fund to ensure that it is fully hedged against fluctuations in interest rates. For the same purpose, the Fund may also sell call options or purchase put options on interest rates, or enter into over-the-counter interest rate swaps arranged with top-tier financial institutions specialising in such transactions.

In principle, the total commitments arising from interest rate futures, options and swaps must not exceed the overall value of the hedged assets held by the Sub-fund in the currency of the contracts in question.

2.3. Transactions carried out for purposes other than hedging

Aside from options on transferable securities and money market instruments and contracts relating to currencies, the Fund may buy and sell futures and options on financial instruments of any kind for purposes other than hedging, provided that the sum total of commitments arising from sales of call and put options on transferable securities and money market instruments does not exceed the net assets of the relevant Sub-fund at any time.

Sales of call options on transferable securities and money market instruments for which the Fund has adequate hedging are not taken into account when calculating the total commitments referred to above.

In this context, commitments arising from transactions not related to options on transferable securities and money market instruments are defined as follows:

- the commitment arising from futures contracts is equal to the liquidation value of the positions net of contracts on identical financial instruments (i.e. once long and short positions have been offset against one another), without taking into account their respective maturity dates, and
- the commitment arising from any options that have been bought and sold is equal to the sum of the strike prices of the options comprising the net short positions on the same underlying asset, without taking into account their respective maturity dates.

To reiterate, the total premium amounts paid to purchase existing call and put options on transferable securities and money market instruments referred to in sub-paragraph 1.1 above and those paid to purchase existing call and put options referred to in this paragraph, when added together, may not exceed 15% of the net assets of the Sub-fund in question.

3. Securities lending transactions

The Fund may engage in securities lending transactions provided that it abides by the terms set out in CSSF circulars 14/592 and 08/356 regarding the rules applicable to undertakings for collective investment, as amended from time to time, when using certain techniques and instruments involving transferable securities and money market instruments, as well as the following rules:

3.1. Rules designed to ensure the successful completion of lending transactions

The Fund may only lend securities through a standardised lending system organised by a recognised clearing institution or a top-tier financial institution specialising in this type of transaction.

When entering into lending transactions, the Fund must, in principle, receive collateral worth at least the same as the total value of the securities lent at the time the loan contract is agreed.

Such collateral must be pledged in favour of the Fund for the duration of the lending agreement and given in the form of liquid assets and/or securities issued or guaranteed by OECD Member States or their local authorities, or by EU, regional or global institutions or organisations.

Each Sub-fund must keep securities lending transactions to an appropriate level, or must be able to request the return of the lent securities or terminate any securities lending transactions it has entered into, in order to be in a position to honour redemption requests from Unitholders at all times and to ensure that such transactions do not compromise the management of the assets of the Sub-fund in accordance with its investment policy.

4. Repurchase transactions

The Fund may engage in repurchase transactions consisting in the purchase or sale of securities with provisions entitling the seller to repurchase the securities sold from the buyer at a price and term agreed between the parties when the contract is agreed.

The Fund may enter into repurchase transactions as either the purchaser or the seller. However, the following rules apply when the Fund engages in such transactions:

4.1. Rules designed to ensure the successful completion of repurchase transactions

The Fund may only purchase or sell securities under repurchase agreements if the counterparties to such transactions are top-tier financial institutions specialising in this type of transaction.

In all circumstances, however, the Fund's engagement is subject to the terms set out in CSSF circulars 14/592 and 08/356 regarding the rules applicable to undertakings for collective investment, as amended from time to time, when using certain techniques and instruments involving transferable securities and money market instruments.

4.2. Conditions and limits applicable to repurchase transactions

For the duration of a sale and repurchase agreement, the Fund may not sell the securities that are the object of the agreement before the counterparty has repurchased them or before the repurchase period has expired.

Given that the Fund is open to repurchasing, it must ensure that volumes of repurchase transactions are kept at a level that allows it to honour its repurchase obligations at any time.

Net exposure (i.e. Fund exposure minus the guarantees received by the Fund) to a counterparty as a result of a repurchase transaction must be taken into account when calculating the 20% limit under article 43(2) of the Law of 2010, in accordance with point e) of CSSF circular 14/592.

The Board of Directors of the Management Company may, in the interests of the Unitholders, adopt new restrictions aimed at ensuring compliance with the laws and regulations in force in the countries in which Fund units are offered to the public.

The Fund takes the risks it deems reasonable to achieve the set objective; however, it cannot guarantee this result due to stock exchange fluctuations and the risks associated with investing in transferable securities.

5. Total return swaps

The Fund may enter into total return swaps or invest in other derivatives with the same characteristics. The Fund may only use total return swaps on an ancillary basis, unless otherwise stipulated in the Sub-fund factsheet.

The underlying strategy of a Sub-fund investing in total return swaps or financial instruments with similar characteristics will be a long-only/index-linked strategy, unless otherwise stipulated in the Sub-fund factsheet.

The counterparties will be leading financial institutions specialising in such transactions.

The aforementioned counterparties shall have no decision-making power regarding the structure or management of the portfolio of the Sub-fund or regarding the derivatives' underlying assets.

Counterparties to such transactions will have a low-risk profile.

b. Techniques and instruments intended to hedge the foreign exchange risks to which the Management Company is exposed as part of the asset management process

In order to hedge against exchange rate fluctuations, the Fund may engage in transactions involving the sale of currency futures, as well as the sale of call options or the purchase of put options on currencies. The transactions covered herein can only involve contracts traded on regulated markets which operate regularly and are recognised and open to the public.

For the same purpose, the Fund may also sell currency on a forward basis or trade in currencies as part of over-the-counter transactions arranged with top-tier financial institutions specialising in this type of transaction.

To fulfil their purpose, such hedges require there to be a direct link between the transactions and the assets to be hedged; as a result, the volume of transactions carried out in a given currency may not, in principle, exceed the total value of all assets denominated in that currency, nor the duration for which such assets are held.

In its financial reports, the Fund must disclose the total amount of commitments arising from the various types of transaction in progress at the reporting date.

5. Investors and co-owned Units

Any individual or legal entity is eligible to be a Unitholder and may acquire one or more Units of different Sub-funds of the Fund by paying the subscription price.

The Units have no par value and do not confer any preferential or pre-emption rights. All Fund Units must be fully paid up.

The Fund may issue both distribution and accumulation Units at the subscription prices calculated on the net asset value calculation day (hereinafter the "Valuation Day").

Assets of distribution and accumulation Units are held together as a single set of assets. These Units differ in their respective distribution policies: accumulation Units reinvest their income whereas distribution Units pay a dividend. When a dividend payment is made in relation to distribution Units, the assets associated with the Units falling under that class of distribution Unit are reduced by the

amount of the dividend; as a result, the percentage of the overall net assets allocated to that class of distribution Units is diminished. Conversely, the net assets associated with the Units falling under accumulation Unit classes remain unchanged (and hence the percentage of overall net assets allocated to these Unit classes increases).

Accordingly, any dividend payment will increase the ratio of the value of the Units classified as accumulation Units to that of Units classified as distribution Units. For the purposes of these Management Regulations, this ratio is called the “parity”.

Unitholders may trade their distribution Units for accumulation Units at any time. Units are traded at the current parity.

The owner of a Unit has a co-ownership right in respect of the Fund assets.

Holding a Unit implies full acceptance of these Management Regulations and any future modifications hereto, in accordance with article 10 below.

For each Sub-fund, each Unit gives rise to an indivisible co-ownership right. Holders of indivisible co-ownership rights, as well as beneficiaries of bare ownership and usufructuaries of the Units, must appoint one person to represent them in their dealings with the Management Company or the Custodian Bank. The exercising of rights relating to the Units may be suspended until such conditions are met.

No investor or their heirs can require the Fund to be liquidated or broken up.

There will be no general annual meetings of Unitholders.

6. Certificates

No certificates representing the Units will be issued to Unitholders.

7. Definition and calculation of the value of co-owned Units

The net asset value per Unit is defined by the Administrative Agent for each Sub-fund, under the responsibility of the Management Company, at the intervals established in each Sub-fund factsheet appended to the Prospectus and, in principle, at least twice a month, except for exceptional cases or as otherwise stated in the factsheets of the various Sub-funds appended to the Prospectus. If the Valuation Day established in the Sub-fund factsheet appended to the Prospectus is not a full bank working day, or the national stock exchange in Luxembourg or Italy is closed, the net asset value per Unit of the Sub-fund will be calculated on the next full bank working day or, where required, the next day the national stock exchanges are open.

The net asset value per Unit is denominated in the reference currency of the corresponding Sub-fund.

The net asset value per Unit is obtained by dividing the net value of the Sub-fund’s assets by the number of outstanding Units of that Sub-fund.

Definition of sets of assets

The Management Company will ensure that the assets of each Sub-fund are distinct from those of other Sub-funds.

The Fund constitutes a single legal entity. However, with regard to mutual investor relations, each Sub-fund is deemed to be a distinct entity with a distinct set of assets and objectives, represented by one or more distinct classes of Unit. Moreover, with respect to third parties and the Fund’s creditors in particular, each Sub-fund shall have sole liability for the commitments of that Sub-fund.

For the purposes of establishing the various sets of net assets:

- a) income from the issue of the Units of a certain Sub-fund will be allocated to that Sub-fund in the Fund accounts, and assets, commitments, income and expenses relating to that Sub-fund will be attributed to it;
- b) when an asset gives rise to revenue, this revenue will be credited to the Sub-fund that owns the asset in the Fund accounts, and any increase or decrease in the value thereof calculated during the revaluation process will be attributed to the Sub-fund to which the asset belongs;
- c) when the Fund makes a commitment relating to an asset of a given Sub-fund or to a transaction carried out in connection with an asset of a given Sub-fund, such commitment will be allocated to that Sub-fund;
- d) in the event that an asset or a commitment of the Fund cannot be allocated to a specific Sub-fund, it will be allocated to all Sub-funds in proportion to the net values of the Units issued by the various Sub-funds.

Asset valuation

The assets and commitments of each Sub-fund of the Fund will be valued based on the following principles:

- a) the value of liquid assets on hand or at banks, notes and securities payable at sight and receivables, prepaid expenses, dividends and accrued interest not yet received is equal to the face value of such assets, unless it is unlikely that they will be collected. When this is the case, the value is reduced by an amount deemed appropriate for the purposes of reflecting the actual value of the assets;
- b) transferable securities and money market instruments admitted to official listing or traded on a regulated market, which operates regularly and is recognised and open to the public, are valued at the known rate from the last working day (the "Calculation Day") before the Valuation Day (as defined in chapter 5 above). A transferable security or money market instrument that is traded on several markets is valued at the last known rate on the Valuation Day on the main market for that security or instrument. If the last known rate on the Valuation Day is not representative, the security or instrument is valued at the likely realisable value based on a prudential, good faith estimate;
- c) transferable securities and money market instruments that are not listed or traded on a regulated market, which operates regularly and is recognised and open to the public, will be valued at the likely realisable value based on a prudential, good faith estimate;
- d) futures and options are valued at the closing rates from the previous day on their respective markets. The prices used are the settlement prices on futures markets;
- e) units of undertakings for collective investment are valued at the latest net asset value available;
- f) swaps are valued at fair value based on the last known closing price of the underlying security;
- g) futures are valued at the closing rates from the previous day on their respective markets. The Management Company may, for Sub-funds that are valued on a monthly basis and under exceptional market conditions, adopt a different valuation criterion based on the average prices of the previous day;
- h) assets denominated in a currency other than the reference currency of the relevant Sub-fund will be converted at the last known exchange rate;
- i) all other assets will be valued at the likely realisable value based on prudential, good faith estimates.

The Management Company is authorised to use any other generally accepted valuation criteria suitable for the assets held in the Fund whenever the valuation methods set out above seem unfeasible or inappropriate due to special circumstances or extraordinary events, so as to obtain a fair valuation of Fund assets.

Adequate provisions will be established for the expenses the Fund is expected to incur. The Fund's off-balance sheet commitments will also be taken into account according to prudential, good faith principles.

1. The Board of Directors of the Management Company may temporarily suspend the calculation of the net asset value per Unit of one or more Sub-funds of the Fund, as well as the subscription, redemption and conversion of Units of those Sub-funds in the following cases:

- when a stock exchange that provides the stock prices for a significant portion of the assets of one or more Sub-funds is closed during periods other than standard holidays, or when trading is suspended or restricted;
- when the market of a currency in which a significant portion of the assets of one or more Sub-funds is denominated is closed during periods other than standard holidays, or when trading is suspended or restricted;
- when the means of communication or calculation normally used to determine the value of the assets of one or more Sub-funds are suspended or interrupted or when, for any reason, the value of an asset of the Fund cannot be determined as promptly and accurately as would be desirable;
- when exchange or capital transfer restrictions prevent the execution of transactions on behalf of the Fund, or when purchase and sales transactions for the Fund cannot be carried out at standard exchange rates;
- when factors pertaining to, inter alia, the political, economic, military or monetary situation are outside the control, responsibility and sphere of action of the Fund and prevent the Fund from disposing of the assets of one or more Sub-funds and determining the value of the assets of one or more Sub-funds of the Fund in a normal, reasonable manner;
- in the event of a failure of ICT systems that makes it impossible to calculate the net asset value per Unit of one or more Sub-funds;
- in the wake of a decision to liquidate or terminate the Fund;
- in case of a Feeder Sub-fund, whenever the subscription and redemption transactions of the Master UCITS are temporarily suspended.

2. The suspension of the calculation of the net asset value per Unit of one or more Sub-funds will be publicised through all appropriate channels, including via a daily newspaper published in Luxembourg and daily newspapers in the countries where the Fund Units are marketed. In the event such calculation is suspended, the Management Company will inform those Unitholders who submitted an application to subscribe or redeem Units of the affected Sub-fund or Sub-funds. For the duration of the suspension, investors who have filed such subscription or redemption requests may withdraw it.

3. In the event of extraordinary circumstances adversely affecting investors' interests, or if a significant number of redemption requests relating to the Units of a Sub-fund have been submitted, the Board of Directors of the Management Company reserves the right to establish the value of the relevant Sub-fund only after carrying out the requisite sales of assets on behalf of that Sub-fund.

In the circumstances outlined in points 2 and 3 above, pending subscription and redemption requests will be executed using the first net asset value thus obtained.

The value of each Unit of the distribution Unit class is obtained by dividing the net asset value of the assets in the class under consideration by the number of outstanding Units in the distribution Unit class, added to the number of outstanding accumulation Units, multiplied by current parity. The value of each Unit of the accumulation Unit class will be equal to the value of each distribution Unit multiplied by the parity.

8. Unit issuance and subscription pricing

Subscription requests relating to the Units of the various Sub-funds of the Fund may be submitted to the Transfer Agent on any working day in Luxembourg. The Management Company may appoint other institutions to receive subscription requests and forward them to the Custodian Bank for execution.

Subscription lists are closed at the times and dates indicated in Appendix II of the full Prospectus.

Investors will receive written confirmation of their investments.

Units are issued by the Transfer Agent subject to payment of the subscription price to the Custodian Bank. Fractions of Units up to one thousandth may be issued.

Subscribed Units will be paid for by bank transfer in favour of the Custodian Bank in the reference currency of the Sub-fund, within the five working days from the Calculation Day on which the applicable subscription price was determined.

The subscription amount will be determined based on the net asset value per Sub-fund calculated on the day following receipt of the request by the Transfer Agent, plus any subscription charges and expenses at the rates stipulated in the Sub-fund factsheet appended to the Prospectus.

Any taxes, charges, fees and commissions payable in relation to the subscription are to be borne by the subscriber.

The Management Company may suspend or interrupt the issuance of Units of the various Sub-funds of the Fund at any time. In addition, the Management Company and/or the Transfer Agent may, at their discretion and without having to provide a justification:

- reject any Unit subscription request;
- redeem any Units subscribed or held unlawfully at any time.

Pursuant to article 7 of the Management Regulations, if the calculation of the net asset value is suspended, subscriptions will be suspended as well. When the Management Company decides to resume the issuance of Units after it has been suspended for any period of time, all pending subscriptions will be executed using the first net asset value determined when calculation is resumed after the suspension.

Pursuant to anti-money laundering laws, subscription forms must be submitted with a certified true copy (certified by one of the following authorities: embassy or consulate employee, notary or police officer) of the identity document of the subscriber (if the subscriber is an individual), or of the articles of association and an extract from the trade and companies register (if the subscriber is a legal entity), in the following cases:

- **direct subscription with the Fund;**
- **subscription through a professional of the financial sector residing in a country where identification requirements are less stringent than those in force in Luxembourg with regard to the prevention of money laundering through the financial system;**
- **subscription through a subsidiary or branch of a company subject to identification requirements equivalent to those in force in Luxembourg with regard to the prevention of money laundering through the financial system, if under such applicable law that company has no obligation to ensure that its subsidiaries or branches comply with such anti-money laundering provisions.**

It is generally accepted that professionals of the financial sector residing in those countries that have endorsed the conclusions of the FATF (Financial Action Task Force) report are to be considered as subject to mandatory identification requirements equivalent to those set forth by Luxembourg law and regulations.

The Management Company may, under its responsibility and in accordance with the Fund's Management Regulations, accept listed securities with investment policies similar to that of the Fund as payment for a subscription, if it deems that this will benefit the interests of Unitholders.

For all securities accepted as payment for a subscription, the Custodian Bank must ask the Auditor to prepare a report stipulating the quantity, denomination and valuation method adopted for such securities. This report must also specify the total value of the securities expressed in the original currency and in the reference currency of the Fund. The applicable exchange rate will be the latest exchange rate available. Once examined and signed by the Auditor, the report will be filed with the Office of the Clerk of the District Court of Luxembourg, where it will be available for review. The securities accepted as payment for a subscription are valued, for the purposes of the transaction, at the last purchase price on the market on the working day used to calculate the net asset value applicable to the subscription. The Management Company may, at its discretion, reject securities offered as payment for a subscription and is under no obligation to justify its decision.

9. Unit redemption

Unitholders may ask to redeem their Units for cash at any time.

Redemption requests must be sent to the Transfer Agent or the other institutions appointed for this purpose.

To be valid, such requests must indicate the class of Units to be redeemed.

Except in the special circumstances provided for by article 7, the Transfer Agent must accept any Unit redemption request, on any bank working day in Luxembourg.

Units will be redeemed at the redemption price calculated on the Calculation Day following the date of receipt of the redemption request by the Custodian Bank. Redemption lists will be closed at the times and dates indicated in Appendix II of the full Prospectus.

The redemption amount will be determined based on the net asset value per Sub-fund calculated in accordance with article 7, minus any charges and expenses at the rates stipulated in the Sub-fund factsheet appended to the Prospectus.

The Custodian Bank will release the redemption amount in the currency of the Sub-fund within five bank working days in Luxembourg of the calculation of the net asset value used to determine the redemption amount.

The Custodian Bank is under no obligation to release any redemption amounts when legal provisions, including international regulations on exchange rates, or events outside its control, such as strikes, prevent it from transferring or paying the redemption price.

The Management Company must ensure that the Fund has sufficient liquid assets to honour redemption requests, under normal circumstances, within a reasonable timeframe.

If the amount of a redemption request – whether direct or involving a conversion between Sub-funds – is equal to or higher than 5% of the net asset value of the affected Sub-fund and the Management Company believes that such a redemption request might adversely affect the interests of other investors, the Management Company may put that request on hold if it deems this to be necessary, after prior agreement with the Main Distributor. In the meantime, the investor may withdraw the redemption request free of charge.

10. Conversions

Each investor may request that all or some of its/their Units of a Sub-fund be converted into Units of the same class of another Sub-fund, unless there are express provisions to the contrary in the factsheet of each Sub-fund included in Appendix II of the Prospectus. Conversion requests must be sent to the Transfer Agent or the other appointed institutions. Such requests are irrevocable. The Management Company may even authorise a conversion between different Unit classes; all fees and charges remain payable.

Conversion lists are closed at the times and dates indicated in Appendix II of the Prospectus.

All or some of the Units of a given Sub-fund (the “Original Sub-fund”) are converted into Units of another Sub-fund (the “Target Sub-fund”), according to this formula:

$$A = \frac{B \times C \times E}{D}$$

- A: number of Units of the Target Sub-fund to be allocated;
- B: number of Units of the Original Sub-fund to be converted;
- C: net asset value per Unit of the Original Sub-fund determined on the relevant day as indicated in the Prospectus;
- D: net asset value per Unit of the Target Sub-fund determined on the relevant day as indicated in the Prospectus;
- E: exchange rate of the currency of the Units of the Original Sub-fund to the currency of the Target Sub-fund applicable at the time of the transaction.

After the conversion, investors will be informed by the Transfer Agent and/or distributor or, where applicable, by the Representative Agent in the country where the distribution takes place, of the number of Units of the Target Sub-fund obtained during the conversion, as well as their price.

When Units of one Sub-fund are converted into Units of another Sub-fund, any and all charges and expenses for which the amounts and/or rates are specified in the factsheet of each Sub-fund appended to the full Prospectus will apply. This fee is calculated based on the assets of the investor that are transferred to the Target Sub-fund.

The Management Company reserves the right to change or limit the frequency of conversions.

11. Communications with investors

The net asset value of the Units may be obtained from the registered offices of the Custodian Bank, of the Management Company and of the Administrative Agent.

The Management Company will publish the unaudited semi-annual reports and the audited annual reports setting out, inter alia, the financial situation of the Fund, the number of Units outstanding and the number of Units issued or sold since the previous report.

The report published at the end of each financial period will also provide an overview of the activities of the Management Company, including the profit and loss account and the balance sheet.

The financial reports will be available at the registered office of the Management Company and at the counters of the Custodian Bank and of any other institutions appointed for this purpose by the Custodian Bank.

Notices and information for Unitholders will be published in at least one daily newspaper circulated in Luxembourg and/or in the *Recueil électronique des sociétés et associations* (the “RESA”), if there is a legal or regulatory requirement to do so.

12. Duration – Liquidation of the Fund and closure or merger of Sub-funds

Fund liquidation

The Fund is established for an indefinite duration and with no limits with regard to its assets.

With three months’ written notice after first publication as provided for by sub-paragraph 3 below, the Management Company may decide to terminate the Fund and distribute its net assets among all investors after prior agreement with the Custodian Bank and provided that the interests of investors are protected.

Moreover, the Fund will be liquidated in the event that:

- a) the Management Company or the Custodian Bank terminate their duties and are not replaced within two months;
- b) the Management Company goes bankrupt;
- c) the net assets of the Fund drop to less than a quarter of the minimum legal threshold equating to EUR 1,250,000 for more than six months.

If the Management Company decides to terminate the Fund, it must convert the Fund assets to liquid assets in the best interests of the investors and will instruct the Custodian Bank to distribute the net liquidated amount – less liquidation expenses – among investors in proportion to their rights.

If the Fund is dissolved, the circumstances leading to the liquidation or the liquidation decision, as applicable, must be published in the RESA, and in at least two daily newspapers distributed sufficiently widely, including at least one daily newspaper available in Luxembourg. If necessary, a notice will also be published in daily newspapers in the countries in which the Fund Units are offered.

No Units may be subscribed, redeemed or converted after the decision to terminate the Fund has been made.

Any amounts that are not distributed when the liquidation transactions are wound up will be deposited with the Caisse des Consignations and held there for eligible parties until the time-limit provided by law expires.

Closure or merger of Sub-funds

- Closure of Sub-funds

The Board of Directors may decide to close a Sub-fund if the assets of that Sub-fund do not reach or drop below the level at which the Management Company decides that managing the assets is too difficult, or for any other reason deemed valid by the Board of Directors of the Management Company.

The Sub-fund's Unitholders will be notified of this decision and of the closing procedures in accordance with the legal requirements. The net assets of the affected Sub-fund will be distributed among the remaining investors in the Sub-fund. Any amounts that are not distributed when the liquidation transactions of the relevant Sub-fund are wound up will be deposited with the Caisse des Consignations and held there for eligible parties until the time-limit provided by law expires.

- Merger of Sub-funds

The Management Company may, under the circumstances set out above (under "Closure of Sub-funds"), decide to merge a Sub-fund with one or more Sub-funds of the Fund or with another undertaking for collective investment under Luxembourg law or otherwise, in accordance with the provisions of the Law.

The Unitholders of the affected Sub-funds will be given the opportunity, for a period established by the Board of Directors of the Management Company, of no less than one month, to be published in the merger notice, to redeem their Units free of charge. Notwithstanding the above, the merger will take effect five working days after this period ends. The merger will affect all investors who did not apply for the redemption of their Units by the deadline set and issued Units will automatically be converted into Units of the post-merger Sub-fund.

- Merger, liquidation or allocation to Master-Feeder structures

If a Sub-fund qualifies as a Feeder UCITS of another UCITS or of one of its Sub-funds, the merger, allocation or liquidation of the associated Master UCITS implies the liquidation of the Feeder Sub-fund, except where the Board of Directors should decide to replace the Master UCITS with another Master UCITS or to convert the Sub-fund into a standard UCITS Sub-fund pursuant to the provisions of the Law.

13. Management fees and commissions

By way of remuneration for the services provided and to recover any expenses incurred, the Management Company will be entitled to receive:

1. a management fee as determined in Appendix II of the full Prospectus;
2. additional variable management fees, where applicable, as determined in the Sub-fund factsheets, and as indicated in Appendix I of the Prospectus;
3. a maximum annual fee of 0.090% of the net assets of the Fund for the administrative and organisational services provided by the Management Company.

Any changes to the fees set out above will be flagged to the Custodian Bank and published in accordance with article 11 of these Management Regulations.

Moreover, the following expenses will be charged to the Fund:

- inception expenses, including the expenses for establishing the Fund, obtaining admission to official listing and the authorisation of competent authorities as required, and the expenses incurring in preparing, translating, printing and distributing the periodic reports, as well as any other documents required by law or under the regulations in force in the countries where the Fund is offered;
- the registration duty (*taxe d'abonnement*) calculated and payable quarterly on the net asset value calculated at the end of each quarter, as well as any amounts payable to supervisory authorities;
- annual listing fees, if any;
- any and all Fund income taxes;
- brokerage fees, commissions and expenses relating to transactions involving the securities portfolio;
- for Sub-funds that invest in units of other UCITS and/or UCIs, the expenses levied on the assets of the investee UCITS and/or UCIs are charged indirectly to the investing Sub-funds;
- extraordinary expenses, especially as regards expert opinions and procedures aimed at protecting the interests of investors;
- the expenses incurred in publishing the net asset value and all announcements addressed to investors allowed under Chapter 17 of the Prospectus;
- Auditor fees;
- the remuneration(s), if any, of the Investment Manager(s) and of the Investment Advisor(s);
- Custodian Bank fees;
- any distribution and promotion costs (including advertising campaigns for the purposes of promoting the Fund) up to a maximum monthly amount of 0.02% of net assets;
- and the costs incurred in publishing the announcements addressed to Unitholders in the countries where the Fund is offered.

All overheads set out above attributable to the Fund are deducted beforehand from the current income of the Fund and, if such income is not sufficient, from any capital gains realised and, if necessary, from Fund assets.

The following expenses are borne by the Management Company:

- expenses arising from its operations
- Auditor fees.

14. Payment of dividends

The Management Company decides on the allocation of Fund income that is acquired based on the accounts for each reference period.

It may decide to accumulate the income or to distribute all or part of the income.

Distributed amounts will be disclosed in the periodic financial reports of the Fund produced by the Management Company.

The Management Company reserves the right to keep funds available to cover any capital losses.

The Board of Directors of the Management Company may decide to pay out interim dividends, within the limits provided for by law.

As such, the Management Company may decide to distribute income from the investments as normal or may decide to distribute capital within the limits provided for by law.

Dividends and interim dividends will be paid at the date and place defined by the Board of Directors of the Management Company, less any tax expenses.

Dividends and interim dividends made available to, but not collected by, an investor within five years of the date on which they were made available may no longer be claimed after this period and will be allocated to their respective Sub-fund.

No interest will be paid on dividends declared and still held at the Custodian Bank on behalf of investors in the relevant Sub-fund.

Income payment may only be claimed to the extent that the exchange provisions in force allow such income distribution in the country of residence of the beneficiary.

15. Amendments to the Management Regulations

In accordance with Luxembourg law, the Management Company may make any amendments to these Management Regulations, provided that such amendments are in the interests of the Fund investors.

Any such changes will be filed with the trade and companies register (RCS) and published in the RESA, and may be published in the financial press in the country or countries in which the Management Company has decided to offer Fund Units to the general public.

Such amendments take effect on the day on which are filed with the trade and companies register (RCS).

16. Audit

The accounts of the Management Company, in its capacity as Fund manager, are audited by an Auditor appointed by the Management Company. Annual audits include scrutiny of the Fund's entire financial situation, monitoring of transactions performed on behalf of the Fund and the composition of its assets.

17. Applicable law – Jurisdiction – Official language

These Management Regulations are governed by the law of the Grand Duchy of Luxembourg.

Any disputes between Unitholders and the Management Company concerning these Management Regulations will be heard before the courts of Luxembourg or Italy.

The Custodian Bank's liability towards investors is subject to enforcement by the Management Company.

If the Management Company takes no enforcement action within three months of receipt of a written request from investors, investors may take direct legal action against the Custodian Bank.

The official language of these Management Regulations is French. However, the Management Company and the Custodian Bank may make translation into the languages of the countries in which the Fund Units are offered and sold mandatory, for their own account and for the account of the Fund.

18. Representations

The shareholders of the Management Company and of the Custodian Bank guarantee that the Management Company will comply with all terms, conditions and provisions of these Management Regulations and are jointly and severally liable for such compliance.

The Custodian Bank guarantees that it will fulfil its own duties and obligations according to these Management Regulations.

Issued in Luxembourg on 04.01.2021 and replacing the Management Regulations in force since 18 November 2014.

The Management Company

The Custodian Bank