

PROSPECTUS

HARVEST INVESTMENT FUND

HARVEST INVESTMENT FUND (the "Fund") is an investment company which may offer investors a choice between several classes of Shares (each a "Class") in a number of sub-funds (each a "Sub-Fund"). The Fund is organised as an investment company registered under Part I of the Law (as defined hereinafter).

February 2012

VISA 2012/84124-4659-0-PC

L'apposition du visa ne peut en aucun cas servir
d'argument de publicité
Luxembourg, le 2012-03-02
Commission de Surveillance du Secteur Financier



IMPORTANT INFORMATION

The Directors of the Fund, whose names appear hereafter, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the importance of such information. The Directors accept responsibility accordingly.

The Shares are offered solely on the basis of the information and representations contained in this Prospectus and any further information given or representations made by any person may not be relied upon as having been authorised by the Fund or the Directors. Neither the delivery of this Prospectus nor the issue of Shares shall under any circumstances create any implication that there has been no change in the affairs of the Fund since the date hereof.

The information contained in this Prospectus will be supplemented by the financial statements and further information contained in the latest annual and semi-annual reports of the Fund, copies of which may be obtained free of charge from the registered office of the Fund.

The Fund is an open-ended investment company organised as a Société d'Investissement à Capital Variable (SICAV). The Fund is registered under Part I of the Law (as defined hereinafter). The above registrations do not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of this Prospectus or the investments held by the Fund. Any representation to the contrary is unauthorised and unlawful.

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this Prospectus may come are required by the Fund to inform themselves of and to observe any such restrictions.

This Prospectus does not constitute an offer or solicitation to any person in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it would be unlawful to make such offer or solicitation.

United States: The Shares have not been registered under the United States Securities Act of 1933 (the "Securities Act"), and the Fund has not been registered under the United States Investment Company Act of 1940 (the "Investment Company Act"). The Shares may not be offered, sold, transferred or delivered, directly or indirectly, in the United States, its territories or possessions or to U.S. Persons (as defined in Regulation S under the Securities Act) except to certain qualified U.S. institutions in reliance on certain exemptions from the registration requirements of the Securities Act and the Investment Company Act and with the consent of the Fund. Neither the Shares nor any interest therein may be beneficially owned by any other U.S. Person. The Fund's Articles of Incorporation restrict the sale and transfer of Shares to U.S. Persons and the Fund may repurchase Shares held by a U.S. Person or refuse to register any transfer to a U.S. Person as it deems appropriate to assure compliance with the Securities Act and the Investment Company Act (see under "ISSUE OF SHARES" below).

Generally: the above information is for general guidance only, and it is the responsibility of any person or persons in possession of this Prospectus and wishing to make application for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to legal requirements also applying and any applicable exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile.

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

DIRECTORY

HARVEST INVESTMENT FUND

R.C.S. Luxembourg B 128 420

Registered Office

26, avenue de la Liberté, L-1930 Luxembourg, Grand Duchy of Luxembourg

Board of Directors

Chairman

- Yves de Vos, Managing Director, VP Bank (Luxembourg) S.A., Luxembourg

Directors

- Romain Moebus, Member of the Management Board VP Bank (Luxembourg), Luxembourg
- Enrico Mela, Managing Director and Day-to-Day Manager, VPB Finance S.A., Luxembourg

Management Company

VPB Finance S.A., 26, avenue de la Liberté, L-1930 Luxembourg

Investment Manager for the Sub-Funds:

Harvest Investment Fund – Global Convertible

Harvest Investment Fund – Emerging Markets Convertible

Harvest Investment Fund – Yield Convertible

Bellatrix Asset Management S.A., 370, Route de Longwy, L-1940 Luxembourg

Custodian

VP Bank (Luxembourg) S.A., 26, avenue de la Liberté, L-1930 Luxembourg

Administrator and Registrar and Transfer Agent

VPB Finance S.A., 26, avenue de la Liberté, L-1930 Luxembourg

Domiciliary Agent

VPB Finance S.A., 26, avenue de la Liberté, L-1930 Luxembourg

Auditor

Deloitte Audit S.à r.l., 560, rue de Neudorf, L-2220 Luxembourg

Legal Advisers

in Luxembourg

Elvinger Hoss & Prussen, 2, Place Winston Churchill, L-2014 Luxembourg

CONTENTS

	Page
DEFINITIONS.....	6
INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS	9
CONFLICTS OF INTEREST.....	17
BOARD OF DIRECTORS AND MANAGEMENT.....	18
MANAGEMENT COMPANY AND INVESTMENT MANAGER.....	18
CUSTODIAN	20
AUDITOR.....	20
POOLING.....	20
SUBSCRIPTIONS.....	21
REDEMPTIONS.....	25
CONVERSIONS.....	27
NET ASSET VALUE.....	28
FEES AND EXPENSES.....	30
REPORTS AND FINANCIAL STATEMENTS.....	31
DIVIDEND POLICY.....	31
TAXATION.....	32
GENERAL AND STATUTORY INFORMATION	34
ANNEX 1: HARVEST INVESTMENT FUND – Global Convertible.....	40
ANNEX 2: HARVEST INVESTMENT FUND – Emerging Markets Convertible.....	46
ANNEX 3: HARVEST INVESTMENT FUND – Yield Convertible.....	53

DEFINITIONS

"Annex"	An annex to this Prospectus containing information with respect to a particular Sub-Fund;
"Articles"	The Articles of Incorporation of the Fund;
"Business Day"	Any day as defined per Sub-Fund in the relevant Annex;
"Classes"	Pursuant to the Articles, the Directors may decide to issue, within each Sub-Fund, separate classes of Shares (hereinafter referred to as a "Class" or "Classes", as appropriate) whose assets will be commonly invested but where different currency hedging techniques and/or subscription, conversion or redemption fees and management charges and/or distribution policies, minimum subscription or holding amount or any other specific feature may be applied. If different Classes are issued within a Sub-Fund, the details of each Class are described in the relevant Sub-Fund's Annex;
"Custodian"	VP Bank (Luxembourg) S.A., acting as custodian of the Fund;
"Directors"	The members of the board of directors of the Fund for the time being and any successors to such members as they may be appointed from time to time;
"EU"	European Union;
"EU Member State"	A member state of the European Union;
"Eligible Market"	A Regulated Market in an Eligible State;
"Eligible State"	Any EU Member State or any other state in Eastern and Western Europe, Asia, Africa, Australia, North and South America and Oceania;
"Fund"	HARVEST INVESTMENT FUND;
"Ineligible Applicant"	An ineligible applicant as described under "Subscriptions";
"Initial Offering Period"	The period determined by the Directors during which Shares are offered for subscription at a fixed price as specified in the relevant Annex;
"Law"	Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time;
"Management Company"	VPB Finance S.A.;
"Minimum Holding Amount"	The minimum value of a holding of a Shareholder in a Sub-Fund is defined per Sub-Fund in the relevant Annex;

"Minimum Subscription Amount"	The minimum value of the first subscription of a Shareholder in a Sub-Fund is defined per Sub-Fund in the relevant Annex;
"money market instruments"	Shall mean instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time;
"Net Asset Value"	The net asset value of the Fund, a Sub-Fund or a Class, as the case may be, determined in accordance with the Articles;
"Net Asset Value per Share"	The Net Asset Value divided by the number of Shares in issue or deemed to be in issue in a Sub-Fund or Class;
"OECD"	Organisation for Economic Co-operation and Development;
"Redemption Charge"	A charge not exceeding the percentage of the Redemption Price disclosed in the relevant Annex that may be applied to redemptions of Shares;
"Redemption Price"	The Net Asset Value per Share, as calculated as of the relevant Valuation Day;
"Regulated Market"	a market within the meaning of Article 4(1)14 of Directive 2004/39/EC and any other market which is regulated, operates regularly and is recognised and open to the public;
"Share"	A share of no par value of any Class in the Fund;
"Shareholder"	A person recorded as a holder of Shares in the Fund's register of shareholders;
"Sub-Fund"	A separate portfolio of assets for which a specific investment policy applies and to which specific liabilities, income and expenditure will be applied. The assets of a Sub-Fund are exclusively available to satisfy the rights of Shareholders in relation to that Sub-Fund and the rights of creditors whose claims have arisen in connection with the creation, operation or liquidation of that Sub-Fund;
"Subscription Charge"	A sales commission not exceeding 5% of the Subscription Price levied for the benefit of financial intermediaries. The Subscription Charge is to be considered as a maximum rate and the intermediaries and other agents may decide at their discretion to waive this charge in whole or in part;
"Subscription Price"	The Net Asset Value per Share, as calculated as of the relevant Valuation Day;

"transferable securities"	<p>Shall mean:</p> <ul style="list-style-type: none"> - shares and other securities equivalent to shares, - bonds and other debt instruments, - any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange, <p>excluding techniques and instruments relating to transferable securities and money market instruments;</p>
"UCITS"	An Undertaking for Collective Investment in Transferable Securities authorised pursuant to Council Directive 2009/65/EC;
"other UCI"	An Undertaking for Collective Investment within the meaning of the first and second indents of Article 1 (2) of Council Directive 2009/65/EC;
"United States"	The United States of America (including the States and the District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction;
"US Person"	A citizen or resident of the United States, a corporation, partnership or other entity created in or under the laws of the United States or any person falling within the definition of the term "United States Person" under Regulation S promulgated under the 1933 Act;
"Valuation Day"	any day as defined per Sub-Fund in the relevant Annex.

All references to a Class shall, where no Classes have been created within a Sub-Fund, be deemed to be references to the Sub-Fund.

In this Prospectus all references to "US Dollars", "USD" and "US\$" are to the currency of the United States, all references to "GBP" are to the British Pound and all references to "Euro" and "€" are to the Single European Currency.

INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS

Investment Objectives and Policies

The main objective of each Sub-Fund will be to realise an attractive return through investment in sufficiently liquid transferable securities, money market instruments or other eligible assets, as set out below. Under normal circumstances, the Sub-Funds will be fully invested in accordance with the investment policy set out in the relevant Annex. Part of a Sub-Fund's net assets can be held temporarily in liquidities, including typical money-market instruments having a residual maturity not exceeding twelve months and demand or time deposits.

The Fund may take any measures and carry out any operations, which it deems useful to the accomplishment and to the development of its object in the broadest sense within the context of the Law. It cannot however guarantee that it will achieve its objectives given financial market fluctuations and the other risks to which investments are exposed.

Investment Restrictions

The Directors shall, based upon the principle of spreading of risks, have power to determine the investment policy for the investments of the Fund in respect of each Sub-Fund subject to the following restrictions:

- I. (1) The Fund, for each Sub-Fund, may invest in:
 - a) transferable securities and money market instruments admitted to or dealt in on an Eligible Market;
 - b) 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 an Eligible Market and such admission is secured within one year of the issue;
 - c) units of UCITS and/or other UCI, whether situated in an EU Member State or not, provided that:
 - 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 EU 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 on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of directive 2009/65/EC,

- the business of such 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,
 - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;
- d) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in an EU Member State 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 EU law;
- e) financial derivative instruments, including equivalent cash-settled instruments, dealt in on an Eligible Market and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:
- the underlying consists of instruments covered by this section (I) (1), financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Funds may invest according to their investment objective;
 - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority;
 - 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 Fund's initiative;

and/or

- f) money market instruments other than those dealt in on an Eligible Market and referred to under "Definitions", if the issue or the issuer of such instruments are themselves 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 by a central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in 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 any securities of which are dealt in on Eligible Markets, or

- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU 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 EU law, or
 - issued by other bodies belonging to the categories approved by the Luxembourg supervisory authority 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 and provided that the issuer is a company whose capital and reserves amount to at least EUR 10 million and which presents and publishes its annual accounts in accordance with 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) In addition, the Fund may invest a maximum of 10% of the net assets of any Sub-Fund in transferable securities and money market instruments other than those referred to under (1) above.
- II. The Fund may hold ancillary liquid assets.
- III. a) (i) The Fund will invest no more than 10% of the net assets of any Sub-Fund in transferable securities or money market instruments issued by the same issuing body.
- (ii) The Fund may not invest more than 20% of the net assets of any Sub-Fund in deposits made with the same body. The risk exposure of a Sub-Fund to a counterparty in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in I. d) above or 5% of its net assets in other cases.
- b) Moreover, where the Fund holds on behalf of a Sub-Fund investments in transferable securities and money market instruments of issuers which individually exceed 5% of the net assets of such Sub-Fund, the total of all such investments must not account for more than 40% of the total net assets of such Sub-Fund.
- This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.
- Notwithstanding the individual limits laid down in paragraph a), the Fund may not combine for each Sub-Fund:
- investments in transferable securities or money market instruments issued by a single body,

- deposits made with a single body, and/or
- exposures arising from OTC derivative transactions undertaken with a single body

in excess of 20% of its net assets.

- c) The limit of 10% laid down in sub-paragraph a) (i) above is increased to a maximum of 35% in respect of transferable securities or money market instruments which are issued or guaranteed by an EU Member State, its local authorities, or by another Eligible State or by public international bodies of which one or more EU Member States are members.
- d) The limit of 10% laid down in sub-paragraph a) (i) is increased 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 designed to protect bondholders. In particular, sums deriving from the issue of these 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 repayment of principal and payment of the accrued interest.

If a Sub-Fund invests more than 5% of its net assets in the bonds referred to in this sub-paragraph and issued by one issuer, the total value of such investments may not exceed 80% of the net assets of the Sub-Fund.

- e) The transferable securities and money market instruments referred to in paragraphs c) and d) shall not be included in the calculation of the limit of 40% in paragraph b).

The limits set out in sub-paragraphs a), b), c) and d) may not be aggregated and, accordingly, investments in transferable securities or money market instruments issued by the same issuing body, in deposits or in derivative instruments effected with the same issuing body may not, in any event, exceed a total of 35% of any Sub-Fund's net assets.

Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with 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 this paragraph III).

The Fund may cumulatively invest up to 20% of the net assets of a Sub-Fund in transferable securities and money market instruments within the same group.

- f) **Notwithstanding the above provisions, the Fund is authorised to invest up to 100% of the net assets of any Sub-Fund, in accordance with the principle of risk spreading, in transferable securities and money market instruments issued or guaranteed by an EU Member State, by its local authorities or agencies, or by another member State of the OECD, Singapore, Brazil, Indonesia, Russia or South Africa, or by public international bodies of which one or more EU Member States are members, provided that such Sub-Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the net assets of such Sub-Fund.**
- IV. a) Without prejudice to the limits laid down in paragraph V., the limits provided in paragraph III. a) (i) are raised to a maximum of 20% for investments in shares and/or bonds issued by the same issuing body if the aim of the investment policy of a Sub-Fund is to replicate the composition of a certain stock or bond index which is sufficiently diversified, represents an adequate benchmark for the market to which it refers, is published in an appropriate manner and disclosed in the relevant Sub-Fund's investment policy.
- b) The limit laid down in paragraph a) is raised to 35% where this proves to be justified by exceptional market conditions, in particular on 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.
- V. a) The Fund may not acquire shares carrying voting rights which should enable it to exercise significant influence over the management of an issuing body.
- b) The Fund may acquire no more than:
- 10% of the non-voting shares of the same issuer;
 - 10% of the debt securities of the same issuer;
 - 10% of the money market instruments of the same issuer.

These limits under second and third indents may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of the money market instruments or the net amount of the instruments in issue cannot be calculated.

- c) The provisions of paragraph V. shall not be applicable to transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities or by any other Eligible State, or issued by public international bodies of which one or more EU Member States are members.

The provisions of this paragraph V. are also waived as regards shares held by the Fund 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 Fund can invest in the securities of issuing bodies of that State provided that the investment policy of the company from the

non-EU Member State complies with the limits laid down in paragraph III. a) to e), V. a) and b) and VI.

- VI. a) The Fund may acquire units of the UCITS and/or other UCIs referred to in paragraph I) (1) c), provided that no more than 10% of a Sub-Fund's net assets be invested in the units of UCITS or other UCI.

For the purpose of the application of the limit in the preceding paragraph, each compartment of a UCITS or a UCI with multiple compartments within the meaning of the Law is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-à-vis third parties is ensured.

- b) The underlying investments held by the UCITS or other UCIs in which the Fund invests do not have to be considered for the purpose of the investment restrictions set forth under III. above.
- c) When the Fund invests in the units of UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with 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 subscription or redemption fees on account of the Fund's investment in the units of such other UCITS and/or UCIs.

In respect of a Sub-Fund's investments in UCITS and other UCIs linked to the Fund as described in the preceding paragraph, the total management fee (excluding any performance fee, if any) charged to such Sub-Fund and each of the UCITS or other UCIs concerned shall not exceed 3.5% of the relevant net assets under management. The Fund will indicate in its annual report the total management fees charged both to the relevant Sub-Fund and to the UCITS and other UCIs in which such Sub-Fund has invested during the relevant period.

- d) The Fund may acquire no more than 25% of the units of the same UCITS or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or other UCI with multiple compartments, this restriction is applicable by reference to all units issued by the UCITS or other UCI concerned, all compartments combined.

- VII. The Fund shall ensure for each Sub-Fund that the global exposure relating to derivative instruments does not exceed the net assets of the relevant Sub-Fund.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following subparagraphs.

If the Fund invests in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down in paragraph III above. When the Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in paragraph III.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this paragraph VII.

- VIII. a) The Fund may not borrow for the account of any Sub-Fund amounts in excess of 10% of the net assets of that Sub-Fund, any such borrowings to be effected only on a temporary basis, provided that the Fund may acquire foreign currencies by means of back to back loans;
- b) The Fund may not grant loans to or act as guarantor on behalf of third parties.
This restriction shall not prevent the Fund from acquiring transferable securities, money market instruments or other financial instruments referred to in I. (1) c), e) and f) which are not fully paid.
- c) The Fund may not carry out uncovered sales (“short sales”) of transferable securities, money market instruments or other financial instruments.
- d) The Fund may only acquire movable or immovable property which is essential for the direct pursuit of its business.
- e) The Fund may not acquire either precious metals or certificates representing them.
- IX. a) The Fund needs not comply with the limits laid down in this chapter when exercising subscription rights attaching to transferable securities or money market instruments which form part of its assets. While ensuring observance of the principle of risk spreading, recently created Sub-Funds may derogate from paragraphs III., IV. and VI. a), b) and c) for a period of six months following the date of their creation.
- b) If the limits referred to in paragraph a) are exceeded for reasons beyond the control of the Fund or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interest of its Shareholders.
- c) To the extent that an issuer is a legal entity with multiple compartments where the assets of the compartment are exclusively reserved to the investors in such compartment and to those creditors whose claim has arisen in connection with the creation, operation or liquidation of that compartment, each compartment is to be considered as a separate issuer for the purpose of the application of the risk spreading rules set out in paragraphs III., IV. and VI.

RISK MANAGEMENT PROCEDURES

The Management Company, on behalf of the Fund, will employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Sub-Fund, in accordance with CSSF circular 11/512 or any other applicable circular of the Luxembourg supervisory authority. The Management Company, on

behalf of the Fund will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

Unless otherwise indicated for a Sub-Fund, the Management Company will apply a commitment risk management approach.

TECHNIQUES AND INSTRUMENTS

I. Use of derivative instruments

Each Sub-Fund is authorised, in accordance with the investment restrictions and their relevant investment policy, as set out in the relevant Annex, to use derivative instruments for investment purposes as well as efficient portfolio management purposes. In addition, each Sub-Fund is entitled to use derivative instruments for currency, interest rate or other hedging purposes. The global exposure of each Sub-Fund relating to financial derivative instruments shall not exceed the net assets of the Sub-Fund, unless foreseen in the relevant Annex.

II. Techniques and instruments relating to transferable securities and money market instruments

Techniques and instruments (including, but not limited to, securities lending or repurchase agreements) relating to transferable securities and money market instruments may be used by each Sub-Fund for the purpose of efficient portfolio management.

To the maximum extent allowed by, and within the limits set forth in, the Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions (the "Regulations"), in particular the provisions of (i) article 11 of the Grand-Ducal regulation of 8 February 2008 relating to certain definitions of the Luxembourg law of 20 December 2002 relating to undertakings for collective investment and of (ii) CSSF Circular 08/356 relating to the rules applicable to undertakings for collective investments when they use certain techniques and instruments relating to transferable securities and money market instruments (as these pieces of regulations may be amended or replaced from time to time), each Sub-Fund may for the purpose of generating additional capital or income or for reducing costs or risks (A) enter, either as purchaser or seller, into optional as well as non optional repurchase transactions and (B) engage in securities lending transactions.

As the case may be, cash collateral received by each Sub-Fund in relation to any of these transactions may be reinvested in a manner consistent with the investment objectives of such Sub-Fund in (a) shares or units issued by money market undertakings for collective investment calculating a daily net asset value and being assigned a rating of AAA or its equivalent, (b) short-term bank deposits, (c) money market instruments as defined in the above referred Grand-Ducal regulation, (d) short-term bonds issued or guaranteed by an EU Member State, Switzerland,

Canada, Japan or the United States or by their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope, (e) bonds issued or guaranteed by first class issuers offering an adequate liquidity, and (f) reverse repurchase agreement transactions according to the provisions described under section I.C.a) of the above referred CSSF Circular. Such reinvestment will be taken into account for the calculation of each concerned Sub-Fund's global exposure, in particular if it creates a leverage effect.

Specific risks linked to securities lending and repurchase transactions

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

In relation to repurchase transactions, investors must notably be aware that (A) in the event of the failure of the counterparty with which cash of a Sub-Fund has been placed there is the risk that collateral received may yield less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) (i) locking cash in transactions of excessive size or duration, (ii) delays in recovering cash placed out, or (iii) difficulty in realising collateral may restrict the ability of the Sub-Fund to meet redemption requests, security purchases or, more generally, reinvestment; and that (C) repurchase transactions will, as the case may be, further expose a Sub-Fund to risks similar to those associated with optional or forward derivative financial instruments.

In relation to securities lending transactions, investors must notably be aware that (A) if the borrower of securities lent by a Sub-Fund fail to return these there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Sub-Fund, or (iii) yield a sum less than the amount of collateral to be returned; and that (C) delays in the return of securities on loans may restrict the ability of a Sub-Fund to meet delivery obligations under security sales or payment obligations arising from redemptions requests.

CONFLICTS OF INTEREST

Any investment adviser, investment manager, the Management Company and their affiliated entities may from time to time act as investment adviser, investment manager or as management company to other investment funds/clients and may act in other capacities in respect of such other investment funds or clients. It is therefore possible that any investment adviser, investment manager, the Management Company and their affiliated entities may, in the course of their business, have potential conflicts of interest with the Fund.

The Directors of the Fund, the Management Company, any investment manager and/or any investment adviser will (in the event that any conflict of interest actually arises) endeavour to ensure that such conflict is resolved fairly and in the best interests of the Fund.

The Fund may also invest in other investment funds which are managed by the Management Company, any investment manager, any Investment Adviser or any of their affiliated entities. The directors of the Management Company may also be directors of investment funds and the interest of such investment funds and of the Fund could result in conflicts. Generally, there may be conflicts between the best interests of the Fund and the interests of affiliates of the Management Company in connection with the fees, commissions and other revenues derived from the Fund or investment funds. In the event where such a conflict arises, the directors of the Management Company will endeavour to ensure that it is resolved in a fair manner and in the best interests of the Fund.

BOARD OF DIRECTORS AND MANAGEMENT

Directors

- Yves de Vos, Managing Director, VP Bank (Luxembourg) S.A., Luxembourg
- Romain Moebus, Member of the Management Board, VP Bank (Luxembourg) S.A., Luxembourg
- Enrico Mela, Managing Director and Day-to-Day Manager, VPB Finance S.A., Luxembourg

The Directors are responsible for the overall management and control of the Fund. They will review the operations of the Fund and the Management Company.

MANAGEMENT COMPANY AND INVESTMENT MANAGER

The Directors have appointed VPB Finance S.A. as the Management Company of the Fund to be responsible on a day-to-day basis, under supervision of the Directors, for providing administration, marketing, investment management and advisory services in respect of all Sub-Funds.

The Management Company shall act as central administration and domiciliary agent of the Fund. As such, it is responsible for the general administrative functions required by Luxembourg law, calculating the Net Asset Values of the Fund and its relevant Sub-Funds or classes and maintaining the accounting records of the Fund.

The Management Company was incorporated as a "*société anonyme*" under the laws of the Grand Duchy of Luxembourg on 28 January 1993 and its articles of incorporation were published in the Mémorial on 30 April 1993. The Management Company is approved as management company regulated by chapter 15 of the Law. Its fully paid-up capital, as at 31

December 2011, amounts to 5 Million Swiss Francs. The Management Company is a member of the VP Bank group.

The directors of the Management Company are:

- Yves de Vos, Managing Director, VP Bank (Luxembourg) S.A., Luxembourg
- Romain Moebus, Member of the Management Board, VP Bank (Luxembourg) S.A., Luxembourg
- Enrico Mela, Managing Director and Day-to-Day Manager, VPB Finance S.A., Luxembourg
- Jos Wautraets, Director and Day-to-Day Manager, VPB Finance S.A., Luxembourg
- Joachim Kuske, Director and Day-to-Day Manager, VPB Finance S.A., Luxembourg

The conducting persons of the Management Company:

- Enrico Mela, Managing Director and Day-to-Day Manager, VPB Finance S.A., Luxembourg
- Jos Wautraets, Director and Day-to-Day Manager, VPB Finance S.A., Luxembourg
- Joachim Kuske, Director and Day-to-Day Manager, VPB Finance S.A., Luxembourg

The Management Company shall also ensure compliance of the Fund with the investment restrictions and will implement the Fund's strategies and investment policy. The Management Company, with the consent of the Fund, may appoint i) an investment manager to provide those investment management services relating to a specific Sub-Fund or ii) any other adviser or coordinator, as set out in the relevant Annex. The fees and expenses payable to such investment manager, adviser or coordinator in respect of the relevant Sub-Fund will be set out in the relevant Annex.

The Management Company shall also send reports to the Directors on a semi-annual basis and inform each board member without delay of any non-compliance of the Fund with the investment restrictions.

The Management Company also acts as management company for other investment funds. The names of these other funds will be published in the financial reports of the Fund.

The Management Company has adopted various procedures and policies in accordance with Luxembourg laws and regulations (including but not limited to CSSF regulation 10-05 and CSSF circular 11/508). Shareholders may, in accordance with Luxembourg laws and regulations, obtain a summary and/or more detailed information on such procedures and policies upon request and free of charge.

CUSTODIAN

The Fund has appointed VP Bank (Luxembourg) S.A., as custodian (the "Custodian") of all the assets, including the securities and liquid assets, of the Fund.

VP Bank (Luxembourg) S.A. was incorporated as "*société anonyme*" (limited company) under Luxembourg law on 16 November 1988 for an indefinite period. Its fully paid-up capital, as at 31 December 2011, amounts to 20 Million Swiss Francs.

The Custodian is responsible for the custody of cash, securities deposits and any other assets of the Fund. The Custodian will further, in accordance with the law ensure that: (i) the sale, issue, redemption and cancellation of Shares effected by the Fund or on its behalf are carried out in accordance with the law and the Articles; (ii) in any transactions involving the assets of the Fund, any consideration is remitted to it within the customary settlement dates; (iii) the income of the Fund is applied in accordance with the Articles.

The Custodian may entrust all or part of the assets of the Fund to such agents, delegates or correspondents (together "Correspondents") as may be determined by the Custodian from time to time. The Custodian's liability shall not be affected by the fact that it has entrusted all or part of the assets in its care to a Correspondent except that the Custodian is not liable for any loss directly or indirectly arising as a result of the acts or omissions of its Correspondents in certain markets (as listed in the Custodian Agreement), nor as a result of the liquidation, bankruptcy or insolvency of any of its Correspondents provided it shall have been sufficiently careful in the selection of the Correspondents. The Custodian is not responsible for the safekeeping of assets deposited with brokers either as margin for trading activities or temporarily deposited with brokers in order to settle a trade provided it shall have been sufficiently careful in the selection of the said brokers.

The Custodian shall also act as principal paying agent.

AUDITOR

Deloitte Audit S.à r.l., Luxembourg, has been appointed as Auditor of the Fund.

POOLING

The board of directors of the Fund may authorise the Investment Manager to invest and manage all or any part of the portfolios of assets established for two or more Sub-Funds (hereafter the "Participating Sub-Funds") on a pooled basis. Any such asset pool (an "Asset Pool") will be formed by transferring to it cash or other assets (subject that such other assets being appropriate with respect to the investment policy of the Asset Pool concerned) from each Participating Sub-Funds. The Investment Manager may, from time to time, make further transfers to the Asset

Pool. Assets may also be transferred back to a Participating Sub-Fund up to the amount of the participation of the relevant Participating Sub-Fund.

The share of a Participating Sub-Fund in an Asset Pool is measured by reference to units of equal value in the Asset Pool. At the time of the formation of an Asset Pool, the Investment Manager shall determine the initial value of a unit (expressed in the currency considered to be appropriate by the Investment Manager), and will allocate to each Participating Sub-Fund units having an aggregate value equal to the amount of cash (or the value of the other assets) contributed. Thereafter, the value of a unit will be determined by dividing the net asset value of the Asset Pool by the number of existing units.

The entitlements of each Participating Sub-Funds to the Asset Pool apply to each and every line of investments of such Asset Pool.

When cash or supplemental assets are contributed to or withdrawn from an Asset Pool, the number of units of the relevant Participating Sub-Fund will be increased or reduced, as the case may be, by the number of units determined by dividing the amount of cash or the value of assets contributed or withdrawn by the current value of a unit. Where a cash contribution is made, this contribution will, for the purpose of calculation, be reduced by an amount which the Directors consider appropriate to reflect fiscal charges, dealing and purchase costs which may be incurred by investing the cash concerned; in case of cash withdrawal, a corresponding addition will be made to reflect costs which may be incurred in realising securities or other assets of the Asset Pool.

Dividends, interests and other income received and having their origin in securities or other assets belonging to an Asset Pool will be immediately allocated to the Participating Sub-Fund in proportion to their respective participation in the Asset Pool at the time of receipt. Upon dissolution of the Fund, the assets in an Asset Pool will (subject to the creditors' rights) be allocated to the Participating Sub-Funds in proportion to their respective participation in the Asset Pool.

SUBSCRIPTIONS

Investors may subscribe for Shares in each Sub-Fund during an Initial Offering Period at the fixed price specified in the relevant Annex which may be increased by a Subscription Charge and thereafter as of each Valuation Day at the relevant Subscription Price which may be increased by a Subscription Charge. The minimum subscription and holding amounts are also defined in the relevant Annex.

Applicants for Shares should complete an Application Form (an "Application Form") and send it to the Management Company by mail, facsimile or any other means agreed upon with the Fund. First-time applications have to be submitted in original.

Cleared funds in respect of a subscription must be received on an account of the Fund in the reference currency of the relevant Class no later than the period of time specified in the relevant Annex. If the Application Form and the subscription monies are not received by these times, the application will be treated as received on the next Valuation Day.

Completed Application Forms must be received by the Management Company by no later than 4.00 p.m. (Luxembourg time) on the Business Day preceding the Valuation Day unless otherwise specified in the relevant Annex failing which the application will be treated as received on the next following Valuation Day. Cleared funds must be received on an account of the Fund in the reference currency of the relevant Class no later than the period of time specified in the relevant Annex.

Fractions of Shares may be issued up to three decimal places. Rights attached to fractions of Shares are exercised in proportion to the fraction of a Share held except that fractions of Shares do not confer any voting rights.

The Fund reserves the right to cancel an application if subscription monies are not received on an account of the Fund in cleared funds and in the reference currency of the relevant Class within the relevant time limit.

The Fund reserves the right to reject any subscription in whole or part at its absolute discretion, in which event the amount paid on the subscription or the balance thereof (as the case may be) will be returned (without interest) as soon as practicable in the currency of subscription or at the discretion of the applicant, at the risk and cost of the applicant.

Without prejudice to the provisions under “General and Statutory Information”, once completed subscription requests have been received by the Management Company they are irrevocable.

The Directors reserve the right from time to time, without notice, to resolve to close the Fund or a particular Sub-Fund to new subscriptions, either for a specified period or until they otherwise determine.

Institutional Investors

As detailed in the relevant Annexes, the sale of Shares of certain Classes may be restricted to institutional investors within the meaning of article 174 of the Law, as interpreted by guidelines or recommendations issued by Luxembourg supervisory authorities ("Institutional Investors") and the Fund will not issue or give effect to any transfer of Shares of such Classes to any investor who may not be considered an Institutional Investor.

The Fund may, at its discretion, delay the acceptance of any subscription for Shares of a Class restricted to Institutional Investors until such date as it has received sufficient evidence on the qualification of the investor as an Institutional Investor.

Ineligible Applicants

The Application Form requires each prospective applicant for Shares to represent and warrant to the Fund that, among other things, he is able to acquire and hold Shares without violating applicable laws.

The Shares may not be offered, issued or transferred to any person in circumstances which, in the opinion of the Directors, might result in the Fund incurring any liability to taxation or suffering any other disadvantage which the Fund might not otherwise incur or suffer, or would result in the Fund being required to register under any applicable US securities laws.

Shares may generally not be issued or transferred to any US Person, except that the Directors may authorise the issue or transfer of Shares to or for the account of a US Person provided that:

- (a) such issue or transfer does not result in a violation of the 1933 Act or the securities laws of any of the States of the United States;
- (b) such issue or transfer will not require the Fund to register under the 1940 Act;
- (c) such issue or transfer will not cause any assets of the Fund to be "plan assets" for the purposes of ERISA (US Employee Retirement Income Securities Act of 1974 (as amended)); and
- (d) such issue or transfer will not result in any adverse regulatory or tax consequences to the Fund or its Shareholders.

Each applicant for and transferee of Shares who is a US Person will be required to provide such representations, warranties or documentation as may be required to ensure that these requirements are met prior to the issue, or the registration of any transfer, of Shares.

Subject as mentioned above, Shares are freely transferable. The Directors may, however, refuse to register a transfer which would result in either the transferor or the transferee remaining or being registered (as the case may be) as the holder of Shares in a Sub-Fund valued at less than the minimum holding requirement.

The Fund will require from each registered Shareholder acting on behalf of other investors that any assignment of rights to Shares be made in compliance with applicable securities laws in the

jurisdictions where such assignment is made and that in unregulated jurisdictions such assignment be made in compliance with the minimum holding requirement.

Form of Shares

All the Shares will be issued in registered form. Shareholders will receive a confirmation of their shareholding, but no formal Share certificate will be issued.

Suspension

The Directors may declare a suspension of the calculation of the Net Asset Value of Shares in certain circumstances as described under "General and Statutory Information". No Shares will be issued in the relevant Sub-Fund during any such period of suspension.

Anti-Money Laundering

Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to, the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, and circulars of the supervising authority, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg undertaking for collective investment must in principle ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The registrar agent may require subscribers to provide any document it deems necessary to effect such identification.

In case of delay or failure by an applicant to provide the documents required, the application for subscription (or, if applicable, for redemption) will not be accepted. Neither the undertakings for collective investment nor the registrar agent have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

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

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 bought or sold (exclusive of any sales charges). Subscription applications have to be received and will be accepted for each Sub-Fund only in accordance with the deadlines laid down in the relevant Annex.

Market Timing

The Fund is 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.

While recognising that Shareholders may have legitimate needs to adjust their investments from time to time, the Directors in their discretion may, if they deem such activities adversely affect the interests of the Fund's Shareholders, take action as appropriate to deter such activities.

Accordingly if the Directors determine or suspect that a Shareholder has engaged in such activities, they may suspend, cancel, reject or otherwise deal with that Shareholder's subscription or conversion applications and take any action or measures as appropriate or necessary to protect the Fund and its Shareholders.

REDEMPTIONS

Shares are redeemable at the option of the Shareholders. Shareholders should send a completed redemption request to the Management Company by mail or by facsimile. All redemption requests are to be received by the Management Company no later than 4.00 pm (Luxembourg) on the Business Day preceding the Valuation Day, unless otherwise specified in the relevant Annex, failing which the redemption request will be treated as received on the next following Valuation Day and Shares will be redeemed based on the Redemption Price applicable on that Valuation Day.

A Redemption Charge may be applied when disclosed in the relevant Annex.

If redemption requests for more than 10% of the Net Asset Value of a Sub-Fund are received, then the Fund shall have the right to limit redemptions so they do not exceed this threshold amount of 10%. Redemptions shall be limited with respect to all Shareholders seeking to redeem Shares as of a same Valuation Day so that each such Shareholder shall have the same percentage of its redemption request honoured; the balance of such redemption requests shall be processed by the Fund on the next day on which redemption requests are accepted, subject to the same limitation. On such day, such requests for redemption will be complied with in priority to subsequent requests.

In exceptional circumstances the Directors may request that a Shareholder accepts 'redemption in kind' i.e. receives a portfolio of stock of equivalent value to the appropriate cash redemption payment. In such circumstances the investor must specifically accept the redemption in kind. He may always request a cash redemption payment in the reference currency of the Class. Where the investor agrees to accept redemption in kind he will, as far as possible, receive a representative

selection of the Class' holdings pro rata to the number of Shares redeemed and the Directors will make sure that the remaining Shareholders do not suffer any loss therefrom. The value of the redemption in kind will be certified by a report drawn up by the auditors of the Fund in accordance with the requirements of Luxembourg law. However, where the redemption in kind exactly reflects the Shareholder's pro-rata share of investments, no auditor's report will be required. The redeeming Shareholder shall normally bear the costs resulting from the redemption in kind (mainly costs relating to the drawing up of an auditor's report, if any) unless the Directors consider that the redemption in kind is in the interest of the Fund or made to protect the interest of the Fund.

Without prejudice to the provisions under "General and Statutory Information", a redemption request, once given, is irrevocable. Shares redeemed by the Fund are cancelled.

Payment of redemption proceeds will have to be made no later than the period of time provided in the relevant Annex for a Sub-Fund. Payment will be made in the reference currency of the relevant Class by transfer to the bank account specified by the redeeming Shareholder to the Management Company.

Suspension

The Directors may declare a suspension of the calculation of the Net Asset Value of Shares in certain circumstances as described under "General and Statutory Information". No Shares will be redeemed in the relevant Sub-Fund during any such period of suspension.

Compulsory Redemptions

The Directors have the right to require the compulsory redemption of all Shares held by or for the benefit of a Shareholder if the Directors determine that the Shares are held by or for the benefit of any Shareholder who is or becomes an Ineligible Applicant as described under "Subscriptions". The Fund also reserves the right to require compulsory redemption of all Shares held by a Shareholder in a Sub-Fund if the Net Asset Value of the Shares held in such Sub-Fund by the Shareholder is less than the applicable minimum holding requirement, as specified in the relevant Annex.

Shareholders are required to notify the Management Company immediately if at any time they become US Persons or hold Shares for the account or benefit of US Persons.

When the Directors become aware that a Shareholder (A) is a US Person or is holding Shares for the account or benefit of a US Person; (B) is holding Shares in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, tax, pecuniary or material administrative disadvantages for the Fund or its Shareholders; or (C) has failed to provide any information or declaration required by the Directors within ten days of being

requested to do so, the Directors will either (i) direct such Shareholders to redeem or to transfer the relevant Shares to a person who is qualified or entitled to own or hold such Shares or (ii) redeem the relevant Shares.

If it appears at any time that a holder of Shares of a Class restricted to Institutional Investors is not an Institutional Investor, the Fund will either redeem the relevant Shares in accordance with the above provisions or convert such Shares into Shares of a Class which is not restricted to Institutional Investors (provided there exists such a Class with similar characteristics) and notify the relevant Shareholder of such conversion.

Any person who becomes aware that he is holding Shares in contravention of any of the above provisions and who fails to transfer or redeem his Shares pursuant to the above provisions shall indemnify and hold harmless the Management Company, each of the Directors, the Fund, the Custodian, the Investment Adviser and the Shareholders of the Fund (each an "Indemnified Party") from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to any of the above provisions.

CONVERSIONS

Subject to any prohibition of conversions contained in an Annex and to any suspension of the determination of any one of the Net Asset Values concerned, Shareholders have the right to convert all or part of their Shares of any Class of a Sub-Fund into Shares of another existing Class of that or another Sub-Fund by applying for conversion in the same manner as for the redemption of Shares. However, the right to convert Shares is subject to compliance with any conditions (including any minimum subscription or holding amounts) applicable to the Class into which conversion is to be effected. Therefore, if, as a result of a conversion, the value of a Shareholder's holding in the new Class would be less than the minimum holding amount, the Directors may decide not to accept the request for conversion of the Shares and the Shareholder would be informed of such decision. In addition, if, as a result of a conversion, the value of a Shareholder's holding in the original Class would become less than the relevant minimum holding amount, the Shareholder may be deemed (if the Directors so decide) to have requested the conversion of all of his Shares.

The number of Shares issued upon conversion will be based upon the respective Net Asset Values of the two Classes concerned on the common Valuation Day for which the conversion request is accepted.

If there is no common Valuation Day for any two Classes, the conversion will be made on the basis of the Net Asset Value calculated on the next following Valuation Day of each of the two Classes concerned.

As specified in the relevant Annex, a conversion fee of up to 1% of the Net Asset Value of the Shares to be converted may be charged for the benefit of the intermediaries (i.e. distributors) having placed the Shares.

Suspension

The Directors may declare a suspension of the calculation of the Net Asset Value of Shares in certain circumstances as described under "General and Statutory Information". No Shares will be converted in the relevant Sub-Funds during any such period of suspension.

NET ASSET VALUE

The Net Asset Value per Share of each Class will be determined and made available in its reference currency by the Administrator as at such time as the Directors shall determine as of each Valuation Day.

The Net Asset Value per Share as of any Valuation Day will be calculated in the reference currency of the relevant Class by dividing the Net Asset Value of the Class by the number of Shares in issue in such Class as of that Valuation Day.

The Net Asset Value of each Class will be determined by deducting from the total value of the assets attributable to the relevant Class, all accrued debts and liabilities attributable to that Class.

To the extent feasible, expenses, fees and income will be accrued as of each Valuation Day.

Assets and liabilities of the Fund will be valued in accordance with the following principles:

- (a) Securities and/or financial derivative instruments listed on Regulated Markets, will be valued at the last available price; in the event that there should be several such markets, on the basis of the last available price of the main market for the relevant security. Should the last available price for a given security and/or financial derivative instruments not truly reflect its fair market value, then that security and/or financial derivative instruments shall be valued on the basis of the probable sales prices which the Directors deems is prudent to assume;
- (b) Securities not listed on Regulated Markets, will be valued on the basis of their last available price. Should the last available price for a given security not truly reflect its fair market value, then that security will be valued by the Directors on the basis of the probable sales price which the Directors deems is prudent to assume;
- (c) The financial derivative instruments which are not listed on a Regulated Market will be valued in a reliable and verifiable manner on a daily basis, in accordance with market practice;

- (d) Swaps are valued at their fair value based on the underlying securities (at close of business or intraday) as well as on the characteristics of the underlying commitments;
- (e) Shares or units in underlying open-ended investment funds shall be valued at their last available net asset value;
- (f) Liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis. All other assets, where practice allows, may be valued in the same manner. Short-term investments that have a remaining maturity of one year or less may be valued (i) at market value, or (ii) where market value is not available or not representative, at amortised cost;
- (g) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid, and not yet received shall be deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Directors may consider appropriate in such case to reflect the true value thereof.

In the event that extraordinary circumstances render such a valuation impracticable or inadequate, the Directors may, at their discretion, prudently and in good faith follow other methods of valuation to be used if they consider that such method of valuation better reflects value and is in accordance with good accounting practice in order to achieve a fair valuation of the assets of the Fund.

The value of assets denominated in a currency other than the reference currency of a Sub-Fund shall be determined by taking into account the rate of exchange prevailing at the time of determination of the Net Asset Value.

The assets and liabilities of the Fund shall be allocated in such manner as to ensure that the proceeds received upon the issue of Shares of a specific Sub-Fund shall be attributed to that Sub-Fund. All of the assets and liabilities of a specific Sub-Fund as well as the income and expenses which are related thereto shall be attributed to that Sub-Fund. Assets or liabilities which cannot be attributed to any particular Sub-Fund shall be allocated to all the Sub-Funds pro rata to the respective Net Asset Value of the Sub-Funds. The proportion of the total net assets attributable to each Sub-Fund shall be reduced as applicable by the amount of any distribution to Shareholders and by any expenses paid.

FEES AND EXPENSES

The Management Company will receive a management company fee for the provision of its services. The management company fee, which is expressed as a percentage of the Net Asset Value, is specified in the relevant Annex. The fees that may be directly payable to an investment manager, adviser or coordinator by a Sub-Fund, will be, insofar as applicable, described in the relevant Annex.

Unless indicated to the contrary in the relevant Annex, the Management Company is responsible for discharging, out of the management company fee, the fees of the Custodian (other than charges on transactions involving portfolio securities), fees of any distributor and fees of any adviser that may be appointed in relation to one or several Sub-Funds.

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

- brokerage fees and charges on transactions involving portfolio securities;
- extraordinary costs incurred, particularly for any verification procedures or legal proceedings undertaken to protect the Shareholders' interests.
- the costs of establishing the Fund and the Sub-Funds. The costs of establishing the Fund amounted to approximately Euro 35,000.-. The establishment costs may, at the discretion of the Directors, be amortised on a straight line basis over 5 years from the date on which the Fund/Sub-Funds commenced business. The Directors may, in their absolute discretion, shorten the period over which such costs are amortised;
- all taxes and duties which might be due on the Fund's assets or income earned by the Fund, in particular the *taxe d'abonnement* as described in chapter "Taxation" hereafter;
- the cost of preparing, printing and filing of administrative documents, prospectuses and explanatory memoranda with all authorities, the rights payable for the registration and maintenance of the Fund with all authorities and official stock exchanges, the cost of preparing, translating, printing and distributing periodical reports and other documents required by law or regulations, the cost of accounting and calculating the net asset value, the cost of preparing, distributing and publishing notifications to Shareholders, fees for legal consultants, experts and independent auditors, and all similar operating costs.

The fees associated with the creation of a new Sub-Fund will be, in principle, exclusively borne by this new Sub-Fund. Nevertheless the Board of Directors of the Fund may decide, in circumstances where it would appear to be fairer to the Sub-Funds concerned, that the initial setting up costs of the Fund, not yet amortised at the time the new Sub-Fund is launched, will be equally borne by all

existing Sub-Funds including the new Sub-Fund. The Board of Directors may also decide that the costs associated with the opening of new Sub-Funds be borne by the existing Sub-Funds.

Each of the Directors will be entitled to remuneration for his services at the rate determined by the general meeting of Shareholders from time to time. In addition, each Director may be paid reasonable travelling, hotel and other incidental expenses for attending and returning from board meetings or general meetings of Shareholders.

All recurring expenditure shall be charged first to the Fund's income, then to realized capital gains, then to the Fund's assets. Other expenditure may be amortised over a period not exceeding five years.

Charges involved in the calculation of the net asset values of the various Sub-Funds shall be spread between the Sub-Funds in proportion to their net assets, except in cases where charges specifically relate to one Sub-Fund, in which case they will be charged to that Sub-Fund.

REPORTS AND FINANCIAL STATEMENTS

The financial year of the Fund ends on 30 June in each year.

The audited annual reports and the unaudited semi-annual reports will comprise consolidated financial statements of the Fund expressed in Euro, being the reference currency of the Fund, and financial information on each Sub-Fund expressed in the reference currency of each Sub-Fund.

Copies of the annual and semi-annual reports and financial statements may be obtained free of charge from the registered office of the Fund.

DIVIDEND POLICY

The dividend policy applicable for each Sub-Fund or Class is specified in the relevant Annex.

If a dividend is declared by the Fund, it will be paid to each Shareholder concerned in the currency of the relevant Sub-Fund or Class, normally by wire transfer.

Dividend payments are restricted by law in that they may not reduce the net assets of the Fund below the required minimum determined by Luxembourg Law.

In the event that a dividend is declared and remains unclaimed after a period of five years from the date of declaration, such dividend will be forfeited and will revert to the Sub-Fund or Class in relation to which it was declared.

TAXATION

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

Investors should consult their professional advisers on the possible tax and other consequences of their subscribing for, purchasing, holding, selling or redeeming Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

The Fund

Under current law and practice the Fund is not liable to any Luxembourg income tax, nor are dividends (if any) paid by the Fund liable to any Luxembourg withholding tax. However, the Fund is liable in Luxembourg to a *taxe d'abonnement* of 0.05% per annum of its net assets, such tax being payable quarterly and calculated on the Net Asset Value of the Fund at the end of the relevant quarter. The reduced *taxe d'abonnement* rate of 0.01% per annum will be applicable to Classes the Shares which are exclusively held by Institutional Investors. To the extent that the assets of the Fund are invested in investment funds which are established in Luxembourg, no such tax is payable.

No stamp duty or other tax is payable in Luxembourg on the issue of Shares in the Fund except a once and for all tax of 1,250 Euro which was paid upon incorporation.

Under current law and practice, it is anticipated that no Luxembourg capital gains tax will be payable on the realised or unrealised capital appreciation of the assets of the Fund.

Shareholders

Under current legislation Shareholders are not subject to any capital gains, income, withholding, estate, inheritance or other taxes in Luxembourg.

European Union Tax Considerations

The Council of the EU has, on 3 June 2003, adopted Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (the "Directive"). Under the Directive, EU Member States will be required to provide the tax authorities of another EU Member State with information on payments of interest or other similar income paid by a paying agent (as defined by the Directive) within its jurisdiction to an individual resident in that other EU Member State. Austria and Luxembourg have opted instead for a tax withholding system for a transitional period in relation to such payments. Switzerland, Monaco, Liechtenstein, Andorra, San Marino,

Jersey, Guernsey, the Isle of Man and the dependent or associated territories in the Caribbean, have also introduced measures equivalent to information reporting or, during the above transitional period, withholding tax.

The Directive has been implemented in Luxembourg by a law dated 21 June 2005 (the “EUSD Law”).

Dividends distributed by a Sub-Fund of the Fund will be subject to the Directive and the EUSD Law if more than 15% of such Sub-Fund’s assets are invested in debt claims (as defined in the EUSD Law) and proceeds realised by Shareholders on the redemption or sale of Shares in a Sub-Fund will be subject to the Directive and the EUSD Law if more than 25% of such Sub-Fund’s assets are invested in debt claims (such Sub-Funds, hereafter “Affected Sub-Funds”).

The applicable withholding tax is 35%.

Consequently, if in relation to an Affected Sub-Fund a Luxembourg paying agent makes a payment of dividends or redemption proceeds directly to a Shareholder who is an individual resident or deemed resident for tax purposes in another EU Member State or certain of the above mentioned dependent or associated territories, such payment will, subject to the next paragraph below, be subject to withholding tax at the rate indicated above.

No withholding tax will be withheld by the Luxembourg paying agent if the relevant individual either (i) has expressly authorised the paying agent to report information to the tax authorities in accordance with the provisions of the EUSD Law or (ii) has provided the paying agent with a certificate drawn up in the format required by the EUSD Law by the competent authorities of his State of residence for tax purposes.

The Fund reserves the right to reject any application for Shares if the information provided by any prospective investor does not meet the standards required by the EUSD Law as a result of the Directive.

The foregoing is only a summary of the implications of the Directive and the EUSD Law, is based on the current interpretation thereof and does not purport to be complete in all respects. It does not constitute investment or tax advice and Investors should therefore seek advice from their financial or tax adviser on the full implications for themselves of the Directive and the EUSD Law.

The tax status of each Sub-Fund in accordance with the EUSD Law is detailed in the corresponding Annex.

General

The receipt of dividends (if any) by Shareholders, the redemption or transfer of Shares and any distribution on a winding-up of the Fund may result in a tax liability for the Shareholders according to the tax regime applicable in their various countries of residence, citizenship or domicile. Shareholders resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability to tax on the undistributed income and gains of the Fund. The Directors, the Fund and each of the Fund's agents shall have no liability in respect of the individual tax affairs of Shareholders.

GENERAL AND STATUTORY INFORMATION

The information in this section includes a summary of some of the provisions of the Articles of Incorporation and Material Contracts described below and is provided subject to the general provisions of each of such documents.

1. The Fund

The Fund was incorporated as an open-ended investment company (*société d'investissement à capital variable* – SICAV) with multiple compartments on 10 May 2007. The duration of the Fund is indefinite. The duration of the Sub-Funds may be limited. The initial capital on incorporation was Euro 31,000. On incorporation all the Shares representing the initial capital were subscribed for and were fully paid. A capital of Euro 1,250,000 must be reached within a period of six months following the authorisation of the Fund. The Fund has designated a management company subject to chapter 15 of the Law. The Articles of Incorporation were published in the *Mémorial, Recueil des Sociétés et Associations* on 20 June 2007. The Articles of Incorporation are on file under number B 128 420 with the *Registre de Commerce et des Sociétés* of Luxembourg.

The Fund is designed to offer investors, within the same investment vehicle, a choice between several Sub-Funds, which are managed separately and are distinguished principally by their specific investment policy and/or by the currency in which they are denominated.

2. Share Capital

The capital of the Fund will always be equal to the value of its net assets. The Shares are of no par value and must be issued fully paid. The Shares carry no preferential or pre-emption rights and each Share is entitled to one vote at all meetings of Shareholders.

3. Temporary suspension of Net Asset Value calculations and of issues, redemption and conversion of Shares

The Directors may suspend the determination of the Net Asset Value and hence the issue, redemption and conversion of Shares if at any time, the Directors believe that exceptional circumstances constitute forcible reasons for doing so. Such circumstances can arise during:

- (a) any period when any of the principal markets or exchanges on which a substantial portion of the investments of the relevant Sub-Fund from time to time are quoted or dealt in is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended;
- (b) the existence of any state of affairs which constitutes an emergency as a result of which the disposal or valuation of assets owned by the relevant Sub-Fund would be impracticable, not accurate or would seriously prejudice the interests of the Shareholders of the Fund;
- (c) any breakdown in the means of communication normally employed in determining the price of any of the investments of the relevant Sub-Fund or the current prices on any market or stock exchange;
- (d) any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on the redemption of Shares cannot in the opinion of the Directors be effected at normal rates of exchange;
- (e) in case of merger of the Fund or Sub-Funds (when foreseen by the 2010 Law).

No Shares will be issued, redeemed or converted when the determination of the Net Asset Value is suspended. In such a case, a subscription for Shares, a redemption or a conversion request may be withdrawn, provided that a withdrawal notice is received by the Management Company before the suspension is terminated. Unless withdrawn, subscriptions for Shares, redemptions and conversion requests will be acted upon on the first Valuation Day after the suspension is lifted on the basis of the Subscription Price, Redemption Price or Conversion Price (as the case may be) then prevailing.

Such a suspension may, by virtue of the Law, be undertaken in case of mergers as detailed in section 7 hereafter.

Notice of any such suspension will be published in a major Luxembourg newspaper, if, in the opinion of the Directors, it is likely to exceed 5 Business Days and will be notified to all persons who have applied for, or requested the redemption or conversion of, Shares. The Directors may also, at their discretion, decide to make a publication in newspapers of the countries in which the Fund's Shares are offered for sale to the public.

4. Publication of Prices

The Net Asset Value per Share of each Class, as well as the Subscription Price and Redemption Price, may be obtained from the registered office of the Fund.

5. Meetings

The annual general meeting of Shareholders will be held at the registered office of the Fund in Luxembourg (or any other place indicated in the convening notice) on 15 October of each year at 11 a.m. or, if any such day is not a bank business day in Luxembourg, on the next following bank business day. Notices of all general meetings will be published in the Mémorial to the extent required by Luxembourg law and in such other newspapers as the Directors shall determine. Such notices will include the agenda and specify the time and place of the meeting and the conditions of admission, and will refer to the requirements of Luxembourg law with regard to the necessary quorum and majorities required for the meeting. The requirements as to attendance, quorum and majorities at all general meetings will be those laid down in Articles 67, 67-1 and 68 of the Law of 10 August 1915 (as amended) of the Grand-Duchy of Luxembourg and in the Articles.

The Fund draws the Shareholders' attention to the fact that any Shareholder will only be able to fully exercise his investor rights directly against the Fund, notably the right to participate in general meetings of Shareholders if the Shareholder is registered himself and in it's 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. Shareholders are advised to take advice on their rights.

Matters relating to a particular Sub-Fund, such as a vote on the payment of a dividend in relation to that Sub-Fund, may be decided by a vote at a meeting of the Shareholders of that Sub-Fund. Any change in the Articles of Incorporation affecting the rights of Shareholders of a particular Sub-Fund must be approved by a resolution both of all the Shareholders of the Fund and of the Shareholders of the Sub-Fund in question.

6. **Winding-Up**

The Fund may be wound up by decision of an extraordinary general meeting of the Shareholders. Such a meeting must be convened if the value of the net assets of the Fund falls below the respective levels of two-thirds or one quarter of the minimum capital prescribed by Luxembourg law. At any such meeting convened in such circumstances decisions to wind up the Fund will be taken in accordance with the requirements of the Law.

If the Fund is to be wound up, the winding-up will be carried out in accordance with the provisions of Luxembourg law which specify the steps to be taken to enable Shareholders to participate in distribution(s) on the winding-up and in this connection provides for the deposit in escrow at the *Caisse de Consignation* of any amounts which have not been claimed by Shareholders at the close of the winding-up. Amounts not claimed from escrow within the prescription period are liable to be forfeited in accordance with the provisions of Luxembourg law.

7. **Dissolution and Amalgamation of Sub-Funds**

Sub-Funds will be automatically dissolved at the end of their fixed term as disclosed in the relevant Annex.

A Sub-Fund may also be dissolved by compulsory redemption of Shares of the Sub-Fund concerned, upon a decision of the Directors

- (a) if the Net Asset Value of the Sub-Fund concerned has decreased below Euro 10 million or the equivalent in another currency, or
- (b) if a change in the economical or political situation relating to the Sub-Fund concerned would have material adverse consequences on investments of the Sub-Fund, or
- (c) in order to proceed to an economic rationalisation.

The Redemption Price will be the Net Asset Value per Share (taking into account actual realisation prices of investments and realisation expenses), calculated as of the Valuation Day at which such decision shall take effect.

The Fund shall serve a written notice to the holders of the relevant Shares prior to the effective date of the compulsory redemption, which will indicate the reasons for, and the procedure of the redemption operations. Shareholders shall be notified in writing. Unless it is otherwise decided 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 prior to the effective date of the compulsory redemption, taking into account actual realisation prices of investments and realisation expenses.

Notwithstanding the powers conferred to the Directors by the preceding paragraph, a general meeting of Shareholders of any Sub-Fund may, upon proposal from the Directors, redeem all the Shares of such Sub-Fund and refund to the Shareholders the Net Asset Value of their Shares (taking into account actual realisation prices of investments and realisation expenses) calculated as of the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such general meeting of Shareholders at which resolutions shall be adopted by simple majority of those present or represented if such decision does not result in the liquidation of the Fund.

Assets which may not be distributed to their beneficiaries upon the implementation of the redemption will be deposited with the Custodian for a period of six months thereafter; after such period, the assets will be deposited in escrow with the Luxembourg Caisse de Consignation on behalf of the persons entitled thereto.

All redeemed Shares shall be cancelled.

Under the circumstances provided under the first paragraph of this Section and in accordance with the provisions on mergers of the Law and applicable regulations, the Directors may decide to allocate the assets of any Sub-Fund to those of another existing Sub-Fund within the Fund or to another Luxembourg undertaking for collective investment subject to Part I of the Law (whether of the mutual fund type or investment company type) and to re-designate the Shares of the Sub-Fund concerned as Shares of another Sub-Fund or Luxembourg undertaking for collective investment (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to Shareholders). Such decision will be notified to the Shareholders concerned (and, in addition, the notification will contain information in relation to the Sub-Fund or Luxembourg undertaking for collective investment), 30 days prior to the date on which the Shareholders may request redemption or conversion of their Shares, free of charge.

In all other cases than those of the preceding paragraph, a merger of a Sub-Fund can only be decided by a general meeting of Shareholders deciding with a simple majority of votes cast of those present or represented. A merger of the Fund can only be decided by a general meeting of Shareholders deciding in the same manner as for amending the Articles of Incorporation.

8. Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Fund and are, or may be, material:

- (A) An Agreement dated as of 23 December 2011 between the Fund and the Management Company, pursuant to which the latter was appointed, subject to the overall control of the Directors, the responsibility on a day-to-day basis, for providing administration, marketing, investment management and advisory services in respect of all the Sub-Funds of the Fund.
- (B) An Agreement dated as of 23 December 2011 between the Fund and VP Bank (Luxembourg) S.A. pursuant to which the latter was appointed custodian of the assets of the Fund.

Any of the above Agreements may be amended by mutual consent of the parties, consent on behalf of the Fund being given by the Directors.

9. Documents available for inspection

Copies of the following documents are available for inspection during business hours on each bank business day at the registered office of the Fund in Luxembourg:

- (1) the Articles of Incorporation of the Fund
- (2) the Material Contracts referred to above.

Copies of the Articles of Incorporation, of the current Prospectus and Simplified Prospectus(es) and of the latest reports of the Fund may be obtained free of charge at the registered office of the Fund.

ANNEX 1: HARVEST INVESTMENT FUND – Global Convertible

Investment Objective and Policy

The objective of the Sub-Fund is to achieve long-term capital gains by taking advantage of the evolution of the value of the securities underlying the convertible bonds held in the Sub-Fund's portfolio and/or the yield of such convertible bonds while providing a certain capital preservation resulting from the bond element of the investments in convertible bonds performed by the Sub-Fund.

The Sub-Fund's investment portfolio will principally consist of convertible bonds expressed in different currencies, without limitation and, for the purpose of efficient portfolio management, of transferable securities embedding a derivative which will generate an economic effect similar to a bond convertible into stocks.

On an ancillary basis, the Sub-Fund may invest in any other type of transferable securities or money market instruments and in units of undertakings for collective investments.

The Sub-Fund may use financial derivative instruments, such as options and futures, as well as techniques and instruments relating to transferable securities and money market instruments described under the section entitled "Techniques and Instruments" for hedging the exposure to currency risks, interest rate risk, credit risk and equity risk.

Under normal market conditions, the Sub-Fund will not hold more than 40% of its net assets in cash. In exceptional circumstances, the Sub-Fund may, subject to appropriate risk diversification, invest up to 100% of its net assets in cash.

The Sub-Fund will not invest more than 10% of its net assets in undertakings for collective investment in accordance with Investment Restrictions VI. a).

Profile of the typical Investor

The Sub-Fund may be suitable for institutional or retail investors with a good knowledge of the financial markets and the risks related to such markets and which want to benefit from the performance of the stock markets while benefiting from a certain preservation from market downturns as a result from the bond element of the investments in convertible bonds performed by the Sub-Fund.

Investors must be willing to accept losses as a result of fluctuations of the value of financial markets.

Investment Manager

The Fund and the Management Company have appointed Bellatrix Asset Management S.A. as investment manager in relation to the Sub-Fund (the "Investment Manager").

Bellatrix Asset Management S.A. was incorporated on 30 March 2007 under the name of YMA Asset Management S.A. Following the merger on 28 July 2010 YMA Asset Management S.A. became Bellatrix Asset Management S.A. Bellatrix Asset Management S.A. is authorised as a management company subject to chapter 15 of the 2010 Law. The Investment Manager shall be remunerated out of the advisory and coordination fee.

Investment Adviser and Coordinator

The Fund and the Management Company have appointed Harvest Advisory S.A., 2, rue de l'Eau, L-1449 Luxembourg, as investment adviser and coordinator in relation to the Sub-Fund (the "Investment Adviser and Coordinator").

The Investment Adviser and Coordinator shall act in a purely advisory capacity and shall provide, inter alia, analysis and evaluation on markets and projects to the Investment Manager and/or the Management Company in relation to the investments of the Sub-Fund. The Investment Adviser and Coordinator shall receive out of the assets of the Sub-Fund an advisory and coordination fee as described in the table below.

Reference Currency

The reference currency of the Sub-Fund is the Euro.

Classes of Shares

Class	Currency	Distribution policy	Currency hedging	Subscription charge	Management Company Fee	Advisory and Coordination Fee	Performance Fee	Minimum Initial Investment
A	EUR	Capitalisation	Yes	5% maximum	0.5% maximum	1.85% maximum	10% (see below under "Performance Fee" for details)	EUR 1,000
B	EUR	Capitalisation	Yes	5% maximum	0.5% maximum	1.20% maximum	10% (see below under "Performance Fee" for details)	EUR 1,000,000
C	EUR	Capitalisation	Yes	5% maximum	0.5% maximum	1.85% maximum	10% (see below under "Performance Fee" for details)	EUR 1,000

Class A Shares will be available to all investors. The minimum initial subscription amount is of Euro 1,000.-.

Class B Shares are available only to Institutional Investors. The minimum initial subscription amount is of Euro 1,000,000 and the minimum holding amount is of Euro 500,000.-. The Directors may, at their discretion, waive these requirements.

Class C Shares will be available to all investors. The minimum initial subscription amount is of Euro 1,000.-. For Class C Shares, the Investment Manager's objective will be to hedge the majority of positions in the portfolio in currencies other than the reference currency of the class of shares concerned, provided that an efficient market exists for the currency to be hedged and that the hedging cost is, in the Investment Manager's opinion, reasonable. As hedges are reviewed periodically, short positions may temporarily exceed the foreign currency assets to be hedged. The Investment Manager shall use the techniques and instruments described in the Investment objective and policy of the Sub-Fund to perform such hedging operations.

In addition, the Directors may resolve at any time to issue Shares of the Classes referred to above in USD. For such Shares, references to EUR herein shall be read as references to USD.

Valuation Day

The Net Asset Value of each Class of Shares shall normally be calculated weekly as of each Monday, if such day is not a Business Day, the Net Asset Value of each Class of Shares will be calculated as of the next Business Day (a "Valuation Day").

The Fund may, at its discretion, also calculate and publish the Net Asset Value of a Class of Shares as of any other date for information purposes only. For the avoidance of doubt, no subscriptions, conversions or redemptions of Shares will be accepted in these cases.

Business Day

A Business Day is a day on which banks are normally open for business in Luxembourg. 24 December in each year will not be considered as a Business Day.

Subscriptions

Shares are available for subscription on each Valuation Day. Applications for Shares must be received by the Management Company no later than 4 p.m. (Luxembourg time) on the Business Day preceding the relevant Valuation Day to be dealt with on the basis of the Net Asset Value per Share calculated as of that Valuation Day. Subscription proceeds must be received by the Custodian on an account of the Sub-Fund by no later than 4 p.m. (Luxembourg time) on the Business Day preceding the applicable Valuation Day. In the case of applications from approved

financial intermediaries or other investors authorised by the Directors, the issue of Shares is conditional upon the receipt of settlement in cleared funds no later than the third Business Day following the relevant Valuation Day.

Applications for Shares received by the Management Company after 4 p.m. (Luxembourg time) will be dealt with on the basis of the Net Asset Value per Share of the next Valuation Day.

A Subscription Charge, not exceeding 5% of the fixed price at which Shares are offered during the Initial Offering Period and thereafter of the Subscription Price, may be added for the purpose of compensating financial intermediaries and other agents who assist in placing the Shares. This charge is to be considered a maximum rate and the intermediaries and other agents may decide at their discretion to waive this charge in whole or in part.

Redemptions

Shares are redeemable at the option of the Shareholders.

Completed redemption requests should be sent to the Management Company to be received no later than 4 p.m. (Luxembourg time) on the Business Day preceding the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that Valuation Day.

Redemption requests received by the Management Company after 4 p.m. (Luxembourg time) will be dealt with on the basis of the Net Asset Value per Share of the next Valuation Day.

Payment of redemption proceeds will normally be made within five Business Days after the relevant Valuation Day.

A request for a partial redemption of Shares may be treated as a request for the redemption of the entire holding if, as a result of such partial redemption, the total Net Asset Value of the Shares retained by the Shareholder in the Sub-Fund would be less than the minimum holding.

Dividend Policy

The Directors do not intend to make any distributions of dividends in relation to the Sub-Fund. Income generated by the Sub-Fund's portfolio will be reinvested in the Sub-Fund.

Management Company Fee and Advisory and Coordination Fee

The fees payable by the Sub-Fund, accrued as of each Valuation Day for each Class of Shares, will not exceed the percentages set out under “Classes of Shares” above.

The Management Company is entitled to a management company fee, payable on a monthly basis. The Management Company shall remunerate the Custodian out of the management company fee.

The Investment Adviser and Coordinator is entitled to an advisory and coordination fee, payable on a quarterly basis. The Investment Adviser and Coordinator shall remunerate out of such fee the Investment Manager.

Performance Fee

In addition to the advisory and coordination fee, a performance fee (the "Performance Fee") may be paid to the Investment Adviser and Coordinator on an annual basis, with the amount based on the performance of the Net Asset Value per Share of the relevant Class of Shares over the Net Asset Value per Share of that Class of Shares as at the end of the preceding calendar year (the "Performance Fee Period").

Performance is defined as the return of the relevant Class of Shares after all other fees and expenses, but not the Performance Fee, attributable to the Class of Shares.

A Performance Fee will only be accrued for or paid when the Net Asset Value per Share of the relevant Class of Shares, before Performance Fee, exceeds the Net Asset Value per Share of that Class of Shares as at the end of the preceding calendar year. In such instances, the Performance Fee is computed as 10% of the positive difference between the Net Asset Value per Share of the relevant Class of Shares, before Performance Fee, and the Net Asset Value per Share of that Class of Shares as at the end of the preceding calendar year.

The Performance Fee is accrued as of each Valuation Day based on the number of Shares in issue on that Valuation Day.

The amounts accrued for the Performance Fee will be paid to the Investment Adviser and Coordinator annually, as at the end of each calendar year.

As an exception, for the year 2010, due to the implementation of the new calculation methodology of the Performance Fee as of 1 April 2010, performance will be measured in relation to the Net Asset Value per Share as at 31 March 2010 and not in relation to the Net Asset Value per Share as at the end of the preceding calendar year.

In case of a launch of a new Class of Shares, its performance shall be measured in relation to its initial offering price. After that, performance shall be measured in relation to the preceding calendar year end. Should the Performance Fee Period between the launch of a new Class of Shares and the calendar year end be less than 6 months, then the Performance Fee Period shall run until the subsequent calendar year end.

Tax Status

Because of its investment objective and policy, it is expected that the Sub-Fund will in principle be affected by the EUSD Law.

Historical performance

The historical performance of the Sub-Fund will be, insofar as available, disclosed in the Simplified Prospectus of the Sub-Fund.

Risk profile

The Sub-Fund is subject to market fluctuations and to the risk inherent in all financial investments. In particular, investments in convertible bonds will be influenced by the value of the underlying stocks as well as a credit risk on the issuer of the convertible bond.

ANNEX 2: HARVEST INVESTMENT FUND – Emerging Markets Convertible

Investment Objective and Policy

The objective of the Sub-Fund is to achieve long-term capital gains by taking advantage of the evolution of the value of the securities underlying the convertible bonds held in the Sub-Fund's portfolio and/or the yield of such convertible bonds while providing a certain capital preservation resulting from the bond element of the investments in convertible bonds performed by the Sub-Fund.

The Sub-Fund's investment portfolio will principally consist of convertible bonds issued by companies organized under the laws of, investing in or conducting significant operations in emerging markets, expressed in different currencies, without limitation and, for the purpose of efficient portfolio management, of transferable securities embedding a derivative which will generate an economic effect similar to a bond convertible into stocks.

Emerging markets include most markets in the world except Australia, Canada, Japan, New Zealand, Hong-Kong, the United Kingdom, the USA and most countries of Western Europe.

On an ancillary basis, the Sub-Fund may invest in any other type of transferable securities or money market instruments and in units of undertakings for collective investments.

The Sub-Fund may use financial derivative instruments, such as options and futures, as well as techniques and instruments relating to transferable securities and money market instruments described under the section entitled "Techniques and Instruments" for hedging the exposure to currency risks, interest rate risk, credit risk and equity risk.

Under normal market conditions, the Sub-Fund will not hold more than 40% of its net assets in cash. In exceptional circumstances, the Sub-Fund may, subject to appropriate risk diversification, invest up to 100% of its net assets in cash.

The Sub-Fund will not invest more than 10% of its net assets in undertakings for collective investment in accordance with Investment Restrictions VI. a).

The Sub-Fund will invest in securities of issuers of emerging countries and investors should be aware that such investments are more speculative and subject to greater risk than those in securities of issuers of developed countries. Emerging markets may be volatile and illiquid and the investments of the Sub-Fund in such markets may be subject to significant delays in settlement. The risk of significant fluctuations in the net asset value and of the suspension of redemptions in the Sub-Fund may be higher than for Sub-Funds investing in major world markets. In addition, there may be a higher than usual risk of political, economic, social and

religious instability and adverse changes in government regulations and laws in less developed or emerging markets. The assets of the Sub-Fund, as well as the income derived therefrom, may also be affected unfavourably by fluctuations in currency rates and exchange control and tax regulations and consequently the net asset value of the Sub-Fund's Shares may be subject to significant volatility. Some of these markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those of more developed countries and the securities markets of such markets may be subject to unexpected closure. In addition, there may be less government supervision, legal regulation and less well defined tax laws and procedures than in countries with more developed securities markets. There are no specific limitations on the percentage of assets that may be invested in the securities of issuers located in any one country at a given time; the Sub-Fund may invest significant assets in any single emerging market country.

Profile of the typical Investor

The Sub-Fund may be suitable for institutional or retail investors with a good knowledge of the financial markets and the risks related to such markets and which want to benefit from the performance of the stock markets while benefiting from a certain preservation from market downturns as a result from the bond element of the investments in convertible bonds performed by the Sub-Fund.

Investors must be willing to accept losses as a result of fluctuations of the value of financial markets.

Investment Manager

The Fund and the Management Company have appointed Bellatrix Asset Management S.A. as investment manager in relation to the Sub-Fund (the "Investment Manager").

Bellatrix Asset Management S.A. was incorporated on 30 March 2007 under the name of YMA Asset Management S.A. Following the merger on 28 July 2010 YMA Asset Management S.A. became Bellatrix Asset Management S.A. Bellatrix Asset Management S.A. is authorised as a management company subject to chapter 15 of the 2010 Law. The Investment Manager shall be remunerated out of the advisory and coordination fee.

Investment Adviser and Coordinator

The Fund and the Management Company have appointed Harvest Advisory S.A., 2, rue de l'Eau, L-1449 Luxembourg, as investment adviser and coordinator in relation to the Sub-Fund (the "Investment Adviser and Coordinator").

The Investment Adviser and Coordinator shall act in a purely advisory capacity and shall provide, inter alia, analysis and evaluation on markets and projects to the Investment Manager and/or the Management Company in relation to the investments of the Sub-Fund. The Investment Adviser and Coordinator shall receive out of the assets of the Sub-Fund an advisory and coordination fee as described in the table below.

Reference Currency

The reference currency of the Sub-Fund is the Euro.

Classes of Shares

Class	Currency	Distribution policy	Currency hedging	Subscription charge	Management Company Fee	Advisory and Coordination Fee	Performance Fee	Minimum Initial Investment
A	EUR	Capitalisation	Yes	5% maximum	0.5% maximum	1.85% maximum	10% (see below under "Performance Fee" for details)	EUR 1,000
B	EUR	Capitalisation	Yes	5% maximum	0.5% maximum	1.20% maximum	10% (see below under "Performance Fee" for details)	EUR 1,000,000
C	EUR	Capitalisation	Yes	5% maximum	0.5% maximum	1.85% maximum	10% (see below under "Performance Fee" for details)	EUR 1,000

Class A Shares will be available to all investors. The minimum initial subscription amount is of Euro 1,000.-.

Class B Shares are available only to Institutional Investors. The minimum initial subscription amount is of Euro 1,000,000 and the minimum holding amount is of Euro 500,000.-. The Directors may, at their discretion, waive these requirements.

Class C Shares will be available to all investors. The minimum initial subscription amount is of Euro 1,000.-. For Class C Shares, the Investment Manager's objective will be to hedge the majority of positions in the portfolio in currencies other than the reference currency of the class of shares concerned, provided that an efficient market exists for the currency to be hedged and that the hedging cost is, in the Investment Manager's opinion, reasonable. As hedges are reviewed periodically, short positions may temporarily exceed the foreign currency assets to be

hedged. The Investment Manager shall use the techniques and instruments described in the Investment objective and policy of the Sub-Fund to perform such hedging operations.

The Board of Directors may resolve on the terms of the initial offer period of any Class of Shares from time to time. Information about the beginning and the duration of the initial offer period for this Class of Shares will be made available at the registered office of the Fund and the Portfolio Manager at the latest one calendar day prior to the beginning of the initial offer period.

In addition, the Directors may resolve at any time to issue Shares of the Classes referred to above in USD. For such Shares, references to EUR herein shall be read as references to USD.

Valuation Day

The Net Asset Value of each Class of Shares shall normally be calculated weekly as of each Monday, if such day is not a Business Day, the Net Asset Value of each Class of Shares will be calculated as of the next Business Day (a "Valuation Day").

The Fund may, at its discretion, also calculate and publish the Net Asset Value of a Class of Shares as of any other date for information purposes only. For the avoidance of doubt, no subscriptions, conversions or redemptions of Shares will be accepted in these cases.

Business Day

A Business Day is a day on which banks are normally open for business in Luxembourg. 24 December in each year will not be considered as a Business Day.

Subscriptions

Shares are available for subscription on each Valuation Day. Applications for Shares must be received by the Management Company no later than 4 p.m. (Luxembourg time) on the Business Day preceding the relevant Valuation Day to be dealt with on the basis of the Net Asset Value per Share calculated as of that Valuation Day. Subscription proceeds must be received by the Custodian on an account of the Sub-Fund by no later than 4 p.m. (Luxembourg time) on the Business Day preceding the applicable Valuation Day. In the case of applications from approved financial intermediaries or other investors authorised by the Directors, the issue of Shares is conditional upon the receipt of settlement in cleared funds no later than the third Business Day following the relevant Valuation Day.

Applications for Shares received by the Management Company after 4 p.m. (Luxembourg time) will be dealt with on the basis of the Net Asset Value per Share of the next Valuation Day.

A Subscription Charge, not exceeding 5% of the fixed price at which Shares are offered during the Initial Offering Period and thereafter of the Subscription Price, may be added for the purpose of compensating financial intermediaries and other agents who assist in placing the Shares. This charge is to be considered a maximum rate and the intermediaries and other agents may decide at their discretion to waive this charge in whole or in part.

Redemptions

Shares are redeemable at the option of the Shareholders.

Completed redemption requests should be sent to the Management Company to be received no later than 4 p.m. (Luxembourg time) on the Business Day preceding the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that Valuation Day.

Redemption requests received by the Management Company after 4 p.m. (Luxembourg time) will be dealt with on the basis of the Net Asset Value per Share of the next Valuation Day.

Payment of redemption proceeds will normally be made within five Business Days after the relevant Valuation Day.

A request for a partial redemption of Shares may be treated as a request for the redemption of the entire holding if, as a result of such partial redemption, the total Net Asset Value of the Shares retained by the Shareholder in the Sub-Fund would be less than the minimum holding.

Dividend Policy

The Directors do not intend to make any distributions of dividends in relation to the Sub-Fund. Income generated by the Sub-Fund's portfolio will be reinvested in the Sub-Fund.

Management Company Fee and Advisory and Coordination Fee

The fees payable by the Sub-Fund, accrued as of each Valuation Day for each Class of Shares, will not exceed the percentages set out under "Classes of Shares" above.

The Management Company is entitled to a management company fee, payable on a monthly basis. The Management Company shall remunerate the Custodian out of the management company fee.

The Investment Adviser and Coordinator is entitled to an advisory and coordination fee, payable on a quarterly basis. The Investment Adviser and Coordinator shall remunerate out of such fee the Investment Manager.

Performance Fee

In addition to the advisory and coordination fee, a performance fee (the “Performance Fee”) may be paid to the Investment Adviser and Coordinator on an annual basis, with the amount based on the performance of the Net Asset Value per Share of the relevant Class of Shares over the Net Asset Value per Share of that Class of Shares as at the end of the preceding calendar year (the "Performance Fee Period").

Performance is defined as the return of the relevant Class of Shares after all other fees and expenses, but not the Performance Fee, attributable to the Class of Shares.

A Performance Fee will only be accrued for or paid when the Net Asset Value per Share of the relevant Class of Shares, before Performance Fee, exceeds the Net Asset Value per Share of that Class of Shares as at the end of the preceding calendar year. In such instances, the Performance Fee is computed as 10% of the positive difference between the Net Asset Value per Share of the relevant Class of Shares, before Performance Fee, and the Net Asset Value per Share of that Class of Shares as at the end of the preceding calendar year.

The Performance Fee is accrued as of each Valuation Day based on the number of Shares in issue on that Valuation Day.

The amounts accrued for the Performance Fee will be paid to the Investment Adviser and Coordinator annually, as at the end of each calendar year.

In case of a launch of any new Class of Shares, its performance shall be measured in relation to its initial offering price. After that, performance shall be measured in relation to the preceding calendar year end. Should the Performance Fee Period between the launch of a new Class of Shares and the calendar year end be less than 6 months, then the Performance Fee Period shall run until the subsequent calendar year end.

Tax Status

Because of its investment objective and policy, it is expected that the Sub-Fund will in principle be affected by the EUSD Law.

Historical performance

The historical performance of the Sub-Fund will be, insofar as available, disclosed in the Simplified Prospectus of the Sub-Fund.

Risk profile

The Sub-Fund is subject to market fluctuations and to the risk inherent in all financial investments. In particular, investments in convertible bonds will be influenced by the value of the underlying stocks as well as a credit risk on the issuer of the convertible bond.

ANNEX 3: HARVEST INVESTMENT FUND – Yield Convertible

Investment Objective and Policy

The objective of the Sub-Fund is to achieve long-term capital gains by taking advantage of the yield of convertible bonds while providing a certain capital preservation resulting from the bond element of the investments in convertible bonds performed by the Sub-Fund.

The Sub-Fund's investment portfolio will principally consist of convertible bonds which, at the time of purchase, are out-the-money (i.e. where the conversion price is higher than the underlying equity price or have a positive yield at put and/or maturity, expressed in different currencies, without limitation and, for the purpose of efficient portfolio management, of transferable securities embedding a derivative which will generate an economic effect similar to a bond convertible into stocks.

On an ancillary basis, the Sub-Fund may invest in any other type of transferable securities or money market instruments and in units of undertakings for collective investments.

The Sub-Fund may use financial derivative instruments, such as options and futures, as well as techniques and instruments relating to transferable securities and money market instruments described under the section entitled "Techniques and Instruments" for hedging the exposure to currency risks, interest rate risk, credit risk and equity risk.

Under normal market conditions, the Sub-Fund will not hold more than 40% of its net assets in cash. In exceptional circumstances, the Sub-Fund may, subject to appropriate risk diversification, invest up to 100% of its net assets in cash.

The Sub-Fund will not invest more than 10% of its net assets in undertakings for collective investment in accordance with Investment Restrictions VI. a).

Profile of the typical Investor

The Sub-Fund may be suitable for institutional or retail investors with a good knowledge of the financial markets and the risks related to such markets and which want to benefit from the performance of the stocks and bonds markets while benefiting from a certain preservation from market downturns as a result from the bond element of the investments in convertible bonds performed by the Sub-Fund.

Investors must be willing to accept losses as a result of fluctuations of the value of financial markets.

Investment Manager

The Fund and the Management Company have appointed Bellatrix Asset Management S.A. as investment manager in relation to the Sub-Fund (the "Investment Manager").

Bellatrix Asset Management S.A. was incorporated on 30 March 2007 under the name of YMA Asset Management S.A. Following the merger on 28 July 2010 YMA Asset Management S.A. became Bellatrix Asset Management S.A. Bellatrix Asset Management S.A. is authorised as a management company subject to chapter 15 of the 2010 Law. The Investment Manager shall be remunerated out of the advisory and coordination fee.

Investment Adviser and Coordinator

The Fund and the Management Company have appointed Harvest Advisory S.A., 2, rue de l'Eau, L-1449 Luxembourg, as investment adviser and coordinator in relation to the Sub-Fund (the "Investment Adviser and Coordinator").

The Investment Adviser and Coordinator shall act in a purely advisory capacity and shall provide, inter alia, analysis and evaluation on markets and projects to the Investment Manager and/or the Management Company in relation to the investments of the Sub-Fund. The Investment Adviser and Coordinator shall receive out of the assets of the Sub-Fund an advisory and coordination fee as described in the table below.

Reference Currency

The reference currency of the Sub-Fund is the Euro.

Classes of Shares

Class	Currency	Distribution policy	Currency hedging	Subscription charge	Management Company Fee	Advisory and Coordination Fee	Performance Fee	Minimum Initial Investment
A	EUR	Capitalisation	Yes	5% maximum	0.5% maximum	1.35% maximum	10% (see below under "Performance Fee" for details)	EUR 1,000
B	EUR	Capitalisation	Yes	5% maximum	0.5% maximum	0.70% maximum	10% (see below under "Performance Fee" for details)	EUR 1,000,000
C	EUR	Capitalisation	Yes	5% maximum	0.5% maximum	1.35% maximum	10% (see below under "Performance Fee" for details)	EUR 1,000

Class A Shares will be available to all investors. The minimum initial subscription amount is of Euro 1,000.-.

Class B Shares are available only to Institutional Investors. The minimum initial subscription amount is of Euro 1,000,000 and the minimum holding amount is of Euro 500,000.-. The Directors may, at their discretion, waive these requirements.

Class C Shares will be available to all investors. The minimum initial subscription amount is of Euro 1,000.-. For Class C Shares, the Investment Manager's objective will be to hedge the majority of positions in the portfolio in currencies other than the reference currency of the class of shares concerned, provided that an efficient market exists for the currency to be hedged and that the hedging cost is, in the Investment Manager's opinion, reasonable. As hedges are reviewed periodically, short positions may temporarily exceed the foreign currency assets to be hedged. The Investment Manager shall use the techniques and instruments described in the Investment objective and policy of the Sub-Fund to perform such hedging operations.

The Board of Directors may resolve on the terms of the initial offer period of any Class of Shares from time to time. Information about the beginning and the duration of the initial offer period for this Class of Shares will be made available at the registered office of the Fund and the Portfolio Manager at the latest one calendar day prior to the beginning of the initial offer period.

In addition, the Directors may resolve at any time to issue Shares of the Classes referred to above in USD. For such Shares, references to EUR herein shall be read as references to USD.

Valuation Day

The Net Asset Value of each Class of Shares shall normally be calculated weekly as of each Monday, if such day is not a Business Day, the Net Asset Value of each Class of Shares will be calculated as of the next Business Day (a "Valuation Day").

The Fund may, at its discretion, also calculate and publish the Net Asset Value of a Class of Shares as of any other date for information purposes only. For the avoidance of doubt, no subscriptions, conversions or redemptions of Shares will be accepted in these cases.

Business Day

A Business Day is a day on which banks are normally open for business in Luxembourg. 24 December in each year will not be considered as a Business Day.

Subscriptions

Shares are available for subscription on each Valuation Day. Applications for Shares must be received by the Management Company no later than 4 p.m. (Luxembourg time) on the Business Day preceding the relevant Valuation Day to be dealt with on the basis of the Net Asset Value per Share calculated as of that Valuation Day. Subscription proceeds must be received by the Custodian on an account of the Sub-Fund by no later than 4 p.m. (Luxembourg time) on the Business Day preceding the applicable Valuation Day. In the case of applications from approved financial intermediaries or other investors authorised by the Directors, the issue of Shares is conditional upon the receipt of settlement in cleared funds no later than the third Business Day following the relevant Valuation Day.

Applications for Shares received by the Management Company after 4 p.m. (Luxembourg time) will be dealt with on the basis of the Net Asset Value per Share of the next Valuation Day.

A Subscription Charge, not exceeding 5% of the fixed price at which Shares are offered during the Initial Offering Period and thereafter of the Subscription Price, may be added for the purpose of compensating financial intermediaries and other agents who assist in placing the Shares. This charge is to be considered a maximum rate and the intermediaries and other agents may decide at their discretion to waive this charge in whole or in part.

Redemptions

Shares are redeemable at the option of the Shareholders.

Completed redemption requests should be sent to the Management Company to be received no later than 4 p.m. (Luxembourg time) on the Business Day preceding the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per Share calculated as of that Valuation Day.

Redemption requests received by the Management Company after 4 p.m. (Luxembourg time) will be dealt with on the basis of the Net Asset Value per Share of the next Valuation Day.

Payment of redemption proceeds will normally be made within five Business Days after the relevant Valuation Day.

A request for a partial redemption of Shares may be treated as a request for the redemption of the entire holding if, as a result of such partial redemption, the total Net Asset Value of the Shares retained by the Shareholder in the Sub-Fund would be less than the minimum holding.

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Performance Fee

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Performance is defined as the return of the relevant Class of Shares after all other fees and expenses, but not the Performance Fee, attributable to the Class of Shares.

A Performance Fee will only be accrued for or paid when the Net Asset Value per Share of the relevant Class of Shares, before Performance Fee, exceeds the Net Asset Value per Share of that Class of Shares as at the end of the preceding calendar year. In such instances, the Performance Fee is computed as 10% of the positive difference between the Net Asset Value per Share of the relevant Class of Shares, before Performance Fee, and the Net Asset Value per Share of that Class of Shares as at the end of the preceding calendar year.

The Performance Fee is accrued as of each Valuation Day based on the number of Shares in issue on that Valuation Day.

The amounts accrued for the Performance Fee will be paid to the Investment Adviser and Coordinator annually, as at the end of each calendar year.

In case of a launch of any Class of Shares, its performance shall be measured in relation to its initial offering price. After that, performance shall be measured in relation to the preceding calendar year end. Should the Performance Fee Period between the launch of a new Class of Shares and the calendar year end be less than 6 months, then the Performance Fee Period shall run until the subsequent calendar year end.

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